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

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COCKTAILS VS. CODE is major topic on agenda of NAB Code Review Board, as WPIX N.Y. agrees to delay Holland House spots, pending board study (p. 10).

CANADA REJECTS COLOR, BBG ruling that "time has not yet come," in view of slow progress in U.S. (p. 11).

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"KEEP FCC TIGHT REIN ON DROP-INS," industry tells FCC in comments on short-spaced "interim plan" for major markets (pp. 2 & 4).

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TV SALES OF 6.2 MILLION at retail still strong possibility—down from last spring's predictions, but healthy improvement over 1959 (p. 14).

JAPANESE TV MARKET-TEST due this week as Liberty Music begins N.Y. promotion on Delmonico sets at \$159.95. Gimbel's sells out 8-in. sets at \$99, wants more (p. 15).

A JAPANESE LOOKS AT COLOR TV, notes prices & quantities of local production, forecasts export of color chassis because of "low labor cost" (p. 17).

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JULY NATIONAL AD VOLUME increased 6% over July 1959, paced by way-out gains of network radio (27%) & network TV (21%) (p. 12).

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GOV. COLLINS NEARS NAB PRESIDENCY: Fla. Gov. LeRoy Collins is set to become next pres. of NAB (Vol. 16:39 p1) unless serious opposition suddenly develops—but none is in sight. It's understood that special board meeting in Washington Oct. 10 has been called to act on Selection Committee's choice.

Committee finally confirmed that "it has completed tentative arrangements for the employment of a successor to the late NAB Pres. Harold E. Fellows." However, the group, headed by C. Howard Lane, KOIN-TV Portland, Ore., said it wouldn't disclose selectee's identity "until after a contract is negotiated and until after the board of directors is called into a special meeting to pass on the nomination & the contract."

Collins would be available for job after Jan. 3 when his term expires. Under Fla. law, he is prohibited against succeeding himself. He has plenty of big-salaried private-industry offers, wouldn't suffer if by some chance NAB position falls through.

Collins is a lawyer, received LL.B. from Cumberland U. in 1931, served in Fla. legislature 1934-40, in Fla. Senate 1940-54, has been Governor since 1955. After predecessor died in office, he was elected to fill the unexpired term, re-elected in 1956. During World War II, he served as a Navy lieutenant. He belongs to Masons, Elks, Odd Fellows, Woodmen of the World. He has one son, 3 daughters: LeRoy Jr., 26, Naval Academy graduate now a lieutenant j.g. on active duty; Jane, 22; Mary Call, 18; Darby, 10.

'KEEP TIGHT REIN ON DROP-INS,' INDUSTRY TELLS FCC: Major comments on FCC's proposed "interim plan" for short-spaced vhf drop-ins to add 3rd channel to important markets (Vol. 16:2 p1) go along with Commission's ideas—but virtually all fear letting it get out of hand.

There's substantial agreement that dozen or so top markets need at least another channel (for details, see p. 4), but there's almost complete agreement at holding line on those specific markets. Many of those filing identified the markets, and most selected same ones.

Very few went for those proposed changes in rules & standards not needed for the "interim plan." They couldn't see why Commission included new propagation curves, changes in coverage definitions, etc. in the same proceeding. There were strenuous objections, particularly, to proposal to cut adjacent-channel spacings from 60 to 40 miles and to allow 20-db suppression for directionals. Keep 60 miles, they said, and limit DAs to 15 db.

Commission staff now digs into mound of documents, will take weeks if not months to digest it.

'GREAT DEBATE' PROVES A GREAT TV VICTORY: Technique of Presidential politicking may have been permanently altered Sept. 26 with a single 60-min. telecast—the 3-network TV-radio debate between Vice President Richard Nixon & Sen. John Kennedy. Debate was a success, and we'll see more.

Newspapers generally dislike crediting TV with generating national news, apart from star hassles & quiz scandals. But newspapers universally devoted front pages to coverage, plus many inside columns of analysis. Politicians everywhere, of all ranks, were aware that new force was at work. And so was U.S. TV-watching population.

Huge audience of 30 million homes was estimated by American Research Bureau, on basis of its 7-times-yearly special "National Arbitron" panel (Arbitron homes in 7 cities plus phone survey in other areas). Show reached nearly 75 million viewers, plus radio's listeners.

Networks didn't split the audience evenly, although identical show was being carried. Final ARB results for 9:30-10:30 p.m. debate period gave audience-share edge to CBS, then NBC and ABC. The figures: CBS—39.7% share, 12.3 million homes. NBC—34.9% share, 10.8 million homes. ABC—20.6% share, 6.1 million. Some of CBS-TV's lead may have been due to fact that it had scheduled to follow, immediately after the debate, more politics—Westinghouse-sponsored Presidential Countdown show with Lyndon B. Johnson as guest. This pulled 18.1 Arbitron national rating and 35.7% share to out-rate Jackpot Bowling on NBC (11.2 rating; 21.5% share) and Amateur Hour on ABC (6.3 rating; 11.9% share). Countdown, originally something of a giveaway to Westinghouse by CBS, has proved a real audience attraction since lifting of Sec. 315.

Set usage was boosted sharply by the debate. As clocked by Nielsen Instantaneous Audimeter Panel in N.Y., percentage of homes then using TV in country's biggest TV market was 72, as compared with 52 for previous week—a 20-point jump which Nielsen called "quite unusual." Viewers also tended to stick to the show, once they'd tuned in. Average N.Y. family watching the debate tuned for 53 min. to the 60-min. show.

Not everybody, of course, watched Nixon-Kennedy duel. In N.Y., with 3 channels airing debate and 4 independents going their own way, network o&o's bagged 76% of available audience, independents got 24%. (WNEW-TV, however, carried debate the following afternoon for those who missed it, and radio WMGM was the first independent outlet to ask the networks for a Mon.-night feed.)

Almost everyone had something to say about the debates, and most said it, often in print (see p. 6). As expected, network leaders hailed debate as major broadcasting milestone. Columnists & pundits held various views re long-range effect on election & future campaigns. Viewing public, as sampled in surveys, indicated it liked the show, wanted more.

Second TV-radio debate will be staged Fri., Oct. 7 on all networks. It'll be news panel interview by 4 reporters (2 TV-radio; 2 print) with NBC's Frank McGee as moderator. Interestingly, rival Presidential running mates, Johnson & Lodge, are now scheduled for a TV conflict—of networks. Sen. Lyndon Johnson will be interviewed on Meet the Press Oct. 9 (NBC-TV, 6-6:30 p.m.) at same moment Henry Cabot Lodge faces CBS-TV cameras on Face the Nation.

Latest estimate of what 4 debate shows will cost 3 networks in terms of pre-empted time, production costs, travel expenses & facilities for newsmen: \$2,500,000.

GROUND RULES FOR OCT. 24-28 PAY-TV HEARING: FCC's plans for a hearing on proposed RKO-Zenith Hartford 3-year pay-TV test were finally announced last week. They were much as reported (Vol. 16:39 p2), except that Commission decided to label it a "Sec. 309" proceeding. This is designed to preclude a subsequent protest, which could mean a much longer hearing. Actually, lawyers argue both ways on whether a protest will stand up.

It will be a 5-day affair Oct. 24-28, FCC said. At least, that's its intention—and parties will reap much ill will from the Commission if they try to drag it on much beyond that. All 7 Commissioners will hear it. FCC counsel will be Louis C. Stephens, asst. chief of Rules & Standards Div. The issues are as previously reported, with full text on p. 5.

FCC's order specifically allows "full participation" to RKO-Zenith & its opponents—Conn. Committee Against Pay TV and 5 Hartford area theater owners. Commission rejected Joint Committee Against Toll TV, noting that area's exhibitors have already been allowed in. It will open door, it said, to anyone else who can show that his interests would be "directly & substantially" affected by the test. Throughout its report, however, Commission urged all parties with similar interests to consolidate their cases.

All parties who want to join hearing must notify Commission by Oct. 10. Cross-examination will be allowed "by counsel for persons or groups of persons found to have standing, as of right, to be heard . . ."

FCC summarized reasons for ordering hearing as follows: "The Commission shares the awareness of the television industry, the Congress and the public, of the great importance of the basic issues raised by proposals that a charge be imposed on the general public for the reception of television programs. At each stage of our consideration of the matter great care has been taken to assay the claims, on the one hand, that subscription television would significantly enhance the selection of program matter available to the public under the present system and on the other hand, the fears of opponents that a subscription television service would not significantly supplement, but rather would impair the 'free' service now available. In no circumstances would the Commission consider approval of subscription television on a trial basis or any other basis if it were shown that the rendition of subscription television services would—as has been asserted by opponents—black out free television or reduce it to a negligible service. As heretofore in the course of our 8-year-long examination of the proposals for subscription television service, we desire to give the closest scrutiny to any possibility that any subscription television authorization might have this or any other substantially adverse effect upon the public interest."

In Hartford, Zenith public relations chief Ted Leitzell told Sept. 26 Rotary Club meeting: "We don't believe subscription TV will put [movie exhibitors] out of business." Only a test will determine impact, he said. He said that program fare would include movies such as "Spartacus," "Ice Palace," and "From the Terrace"—plus "hit Broadway plays, presented while they are still new & fresh, complete & uncut and with the original cast; full-length grand opera, ballet, symphony concerts with the full orchestra; and sports events such as the recent Patterson & Johansson fight which was not even available here in Hartford theaters." And, he stressed, "without commercials."

REDIFFUSION PLANS CANADIAN PAY TV: A fed-from-U.S. pay-TV system is on horizon for small border town of Sault Ste. Marie, Ont. According to local sources there, owner of new system—which plans to combine pay TV and CATV in a 9-channel service—is Britain's Rediffusion, the worldwide concern active in wired radio, CATV and program production for British commercial channels.

Cable has already been strung from U.S. into the town, we've learned. However, plan for new system wasn't Rediffusion's from start. The British concern came in as late starter as result of neat promotion stunt by Toronto businessman Ray Harnett. Harnett took a full-page ad in Sault Ste. Marie "Daily Star" Sept. 17 to announce that town would soon receive 3-channel pay-TV service called Charge-a-Vision.

Ad promised that new system would operate much like Famous Players-Telemeter in Toronto, but with meter attachment & monthly bill rather than coin-in-slot. Ad gave address (Harnett's) in Toronto as "1600 Islington Ave. North, Rexdale, Toronto." (When we checked, Toronto operator reported no phone for Charge-a-Vision at that address.) Harnett sent glossy copies of ad to "several" concerns interested in pay TV, including Telemeter (which ignored it) and Rediffusion—which moved in to make the deal with Charge-a-Vision. Among Harnett's previous activities has been a drive-in movie called "Atomic Theater."

Rediffusion has expanded original plan to add CATV service as well from U.S. and Canadian free-TV sources. Currently, Sault Ste. Marie is served only by CJIC-TV, which relies on CBC & CBC-relayed U.S. shows. CJIC-TV mgr. R. H. Ramsay told us that he'd written, out of curiosity, to Charge-a-Vision's Toronto address, but received no answer.

ADMAN BITES MAD. (Ave.) DOG: Network programming is falling into mediocre formula patterns because major ad agencies are too busy playing the rating-numbers game and giving little thought to the quality of what's attracting the audience. So charged senior TV-radio vp Arthur E. Duram of Fuller & Smith & Ross agency (1960 billings: about \$45 million) last week, nipping neatly at pet program theories long held by many of his agency contemporaries. FSR's only TV show is Alcoa Presents.

Although nighttime shows are originally bought more by networks than by agencies, it is agency viewpoints that cause many shows to be "forced down the throats of sponsors & the nation's viewers by the giant TV ad agencies," declared Duram. "The TV establishment has pursued the safe-at-any-price approach to TV and, through its deadly adherence to programming for noses instead of people, has created an image which engulfs us all." Shows Duram likes, in which agencies played no creative role, include Wide Wide World, CBS Reports, Playhouse 90, Omnibus, 20th Century.

Duram's own agency doesn't want to run with the cost-per-1,000 pack, but is seeking "an individual concept of programming providing quality, showmanship and originality" with which to win audiences away from stereotyped fare. Added Duram: "The differences between a show with a high rating & one with an average rating tend to diminish over any 13-week period." (Further views on image-vs.-rating, Vol. 16:38 p3.)

JAN.-SEPT. INDEX DUE: Third edition of our new quarterly index is in final preparation and slated for distribution next week with Vol. 16:41 (Oct. 10) issue of Television Digest. New up-to-minute index supplants previous quarterlies, itemizes 1960 issues 1-through-39 of Television Digest, chronicles all major happenings in broadcast, TV-film and electronics industries during 1960's first 3 quarters.

The FCC

More about

INDUSTRY'S ALLOCATION IDEAS: Engineers & attorneys unloaded a huge volume of material on FCC as they filed comments on the Commission's proposed vhf drop-in plan (see p. 2). It will take the staff many weeks to digest it. Many comments were filed at the last minute, Fri. Sept. 30, and some weren't available yet for our scanning. However, many of the major filings could be inspected & are summarized herewith:

ABC proposed the addition of vhf channels to 14 specific markets, in most cases requiring substandard spacings and/or channel shifts of existing stations: Grand Rapids-Kalamazoo, Ch. 13 or Ch. 11. Louisville, Ch. 6 or Ch. 7. Syracuse, Ch. 12. Johnstown-Altoona, Ch. 8. Rochester, Ch. 13. Birmingham, Ch. 4 or Ch. 8. Raleigh-Durham, Ch. 9. Charlotte, Ch. 6. Providence, Ch. 6. Jacksonville, Ch. 5 or Ch. 10. Wheeling-Steubenville, Ch. 12. Baton Rouge, Ch. 11. Knoxville, Ch. 8. Dayton, Ch. 11.

ABC is much concerned lest litigation over the new channels tie them up for as much as 5 to 8 years, and it suggested procedures designed to preclude legal delays. Among these is a program of "conditional grants," awarding the channels temporarily pending comparative hearings among competitors. If competitors can't agree on a trusteeship, ABC said, existing uhf operators or uhf CP-holders should be given temporary authority to operate. If there are no uhf grantees around, ABC said, the Commission should grant "that proposal which appears least likely to affect the later comparative determination . . ."

ABC went along, generally, with the rest of FCC's proposals—provided that some flexibility is retained to

avoid site-selection difficulties and that the adjacent-channel minimum is cut from 60 to 40 miles only for the "interim plan."

Assn. of Maximum Service Telecasters argued that no changes should be made in the existing system. However, it said, if the Commission still believes that short-spaced vhf drop-ins should be authorized, all mileage-cut proposals should be considered simultaneously in a "market pre-planning case"—not on a case-by-case basis. Thus, it said, the Commission could open the door and then lock it while it weighs the impact on a national basis.

MST's fundamental argument is that mileage cuts will destroy or degrade rural service without providing a replacement service. MST noted that FCC proposes to require dropped-in stations to protect existing stations to the same degree they'd be protected if both the new & old stations operated at present minimum separations. There's a fallacy in this, MST asserted, because most actual separations are well above the minimum. In Zone I, for example, it said, typical separations are 200 miles instead of the 170 minimum—and this provides rural service that drop-ins would destroy or degrade.

MST also said that there's really no need for the drop-ins because 98% of all TV homes get at least 2 stations, 94% at least 3, 81% at least 4. If directional antennas are allowed, it said, they should be limited to 15-db suppression, rather than the 20-db FCC proposes. It also argued against any change in adjacent-channel separations, principal-city signal requirements, concept of grade A & B coverage, propagation curves.

NBC said that another vhf channel should be dropped into 11 specific markets, each with more than 400,000 population, as follows: Hartford-New Haven-New Britain-Bristol, Ch. 10 & 12 "translators" of about 1-kw & 500 ft.

for the 2 Hartford uhf stations, to serve the southern portion of their market. Providence, Ch. 6. Louisville, Ch. 7. Dayton, Ch. 11. Birmingham, Ch. 8. Rochester, Ch. 13. Syracuse, Ch. 9 & 11, deleting Ch. 8. Grand Rapids-Kalamazoo, Ch. 13. Toledo, Ch. 5. Jacksonville, Ch. 10. Johnstown-Altoona, Ch. 3. No co-channel spacings would be less than 125 miles—except for the “translators.”

NBC urged that the foregoing proposals be incorporated in the current allocation proceeding and that the Commission not “establish some general set of conditions which will govern future applications for short-spaced assignments.” It said it feared a gradual erosion of the national service if the door is left open.

NBC said that the Hartford uhf stations would be helped by the vhf translators. In Johnstown, it stated, uhf Ward-TV should be given the dropped-in vhf. And, as did ABC, it urged that a “trusteeship” system be worked out to get service going quickly on the new assignments—pending decisions on comparative hearings for them.

The network opposed all other rules changes proposed by the FCC, saying they could produce “lower standards.”

Time Inc. stations plumped for maintenance of present adjacent-channel separations—or the equivalent in DA protection—and said that 20-db DA suppression is too great.

WCCO-TV Minneapolis said that adjacent-channel spacing should be increased from 60 to 90 miles, rather than reduced to 40.

CBS Proposes Zone I Changes

CBS said that all markets with more than 70,000 homes should have 3 stations, and it suggested the following drop-ins: Providence, Ch. 6. Louisville, Ch. 7. Dayton, Ch. 11. Rochester, Ch. 13. Birmingham, Ch. 4. Grand Rapids-Kalamazoo, Ch. 13. Jacksonville, Ch. 10. Syracuse, Ch. 11. Altoona-Johnstown, Ch. 3. Knoxville, Ch. 8. Charlotte, Ch. 6. Raleigh-Durham, Ch. 13. The lowest co-channel spacing is 115 miles.

Fearing future case-by-case erosion, CBS urged that the foregoing be wrapped up in one rule-making proceeding—and the door closed. It also suggested that some existing stations or grantees be permitted to move, with substandard spacings, to serve their principal cities better. Examples: Albany, St. Petersburg, Miami & New Orleans. Where a uhf is competing with vhfs, CBS said, it should be given the drop-in.

CBS came up with a recommendation which it said would give Zone I stations protection more nearly comparable with that of Zone II & III stations. The rules should be changed, it said, to assume that Zone I stations operate at 2,000 ft. This would extend Ch. 2-6 stations' protected contours from 44 to 52.5 miles, Ch. 7-13 stations from 46.5 to 53.5 miles. It recommended a 15-db limit on DAs.

Westinghouse Bcstg. Co. also objected to the “open end” concept of drop-ins, urging that the Commission start specific rule-making which would include exact drop-in proposals. It said that this would give FCC the whole picture as of now, “in lieu of speculating on what the ultimate effect may be” of a case-to-case procedure.

WBC said it likes the Commission's proposed propagation curves and its new coverage definitions—“principal city service” & “normal service”—as replacements for “grade A & B. It opposed reduction of the adjacent-channel minimum and it suggested that the Commission follow TASO's recommendations on the use of DAs.

Triangle Stations said it agreed with FCC's proposal to provide 3 competitive services in major markets—provided that adjacent-channel mileages aren't cut and DA suppression is kept to 15 db.

More about

FCC's PAY-TV QUESTIONS: Herewith is the full text of FCC's issues in its Oct. 24-28 hearing on RKO-Zenith's proposed pay-TV test in Hartford (see p. 3):

“(1) Whether the proposed trial operation conforms with all the conditions set out in the 3rd report on subscription television in Docket No. 11279 for the conduct of trial subscription television operations.

“(2) Whether the conduct of the trial subscription television operation proposed at Hartford would deprive viewers of television program services which may otherwise be expected to be available under the established system of television broadcasting without the payment of a direct charge.

“(3) Whether the conduct of the trial subscription television operation proposed at Hartford would adversely affect competition in the television broadcasting industry.

“(4) Whether the conduct of the trial subscription television operation proposed at Hartford would impair the free exercise, by the station licensee, of discretion necessary to the discharge of its responsibility to the public in all respects, including: (a) the selection, rejection, and scheduling of all matter transmitted by the station, and (b) reasonableness of charges & conditions imposed upon subscribing members of the public for the installation, maintenance & use of decoding equipment, and the reception of subscription programs.

“(5) Whether, in the light of the information submitted in the pending application, the findings made & conclusions reached with respect to the foregoing issues, and the objectives of trial subscription television operations as set out in the Commission's first & 3rd reports in Docket No. 11279, the public interest would be served by authorizing the operation as proposed, or as otherwise limited or conditioned.”



Short-haul licenses: A tighter checkrein on stations is intended by FCC's new rules providing for licenses shorter than the hitherto conventional 3 years. They were adopted last week, following rule-making initiated March 2 (Vol. 16:10 p5). Comrs. Hyde & Craven dissented.

Industry certainly didn't want the new setup, had plumped for licenses of 5 years or longer, but FCC was encouraged to finalize its proposal when Congress included in its amendments to the Communications Act (S-1898) a provision explicitly authorizing the Commission to adopt such a rule.

Practical significance of the new rule is difficult to assess now. It's probably this: If a station gets a license for less than 3 years, an announcement will be made, alerting newspapers & other media to ask why—and tell why (in short, possible adverse publicity to the effect that the station is “on probation”).

Up to now, the renewal of a station under a cloud has been permitted to expire without public notice.” The station then had continued until FCC gave it a regular renewal. Several years ago, the Commission would announce that a station would be given a “temporary” license in lieu of regular renewal—but this practice had been dropped.



Addition of Ch. 36 to Milwaukee for educational use has been proposed by FCC at the request of the Milwaukee Board of Vocational & Adult Education which now operates WMVS-TV (Ch. 10).

Programming

More about

VIEWS ON THE GREAT DEBATE: Barring partisan preferences, the U.S. press labeled the Sept. 26 Nixon-Kennedy TV debate a marked historical milestone. Columnists & critics agreed, unanimously, that TV encounters between major political candidates are here to stay. A few adverse comments pointed up shortcomings—avoidable or inherent in the medium—but these were outweighed by the favorable opinion (p. 2).

Network leaders hailed the event as "democracy in action," and all 3 seemed pleased with the way things had worked out. "Should go a long way toward helping the American public make its choice," said AB-PT Pres. Leonard Goldenson. "Things went well. For the first of this type of program, it certainly justified the effort," added CBS Inc. Pres. Dr. Frank Stanton. "These programs should become a permanent part of campaign technique," stated NBC Chmn. Robert Sarnoff. The networks also reiterated gratitude to the govt. for making the encounter possible, without worrying about Sec. 315.

Press Evaluates Debate

Reservations were pointed at the phrase "debate," with several critics believing that the tone was too mild, while others objected to the time limitations imposed on answers & summation. "The trouble was that Nixon & Kennedy were forced by the format to deal with a whole catalogue of complicated national issues in a very few minutes," complained James Reston (*N.Y. Times*). Camera work was both attacked & praised: "The cameras were very hard on Mr. Nixon," thought columnist Walter Lippman. "Camera work never was too restless or flashy, and was restricted chiefly to service full-length or head shots," approved Jack Gould (*N.Y. Times*).

Controversy arose also on how much the TV appearance would influence the campaign. "The first Nixon-Kennedy debate destroyed the crust of apathy that had formed around the campaign," announced Max Lerner in the *N.Y. Post*. On the other hand, "TV will never supplant the campaign handshake," argued William S. White (*N.Y. Journal-American*).

Wall St. Journal, editorial: "The opportunity to draw clear & sharp differences in point of view was not realized. This was in part the fault of the program's format. Those ghostly figures with their backs to the camera were distractions . . . The questions were incredibly bad."

N.Y. Times, editorial: "The candidates were both dignified & solemn, but, in a laudable effort to avoid all personalities, they lost all humor."

Walter Lippman, *N.Y. Herald Tribune*: "The TV confrontation forces a man to speak for himself, not as the product of his ghost writers or public-relations men. TV is a truth machine."

Eleanor Roosevelt: "An extraordinary amount of information was packed into one hour. It was a milestone in TV history—the first time campaigning had been conducted on this level. I look forward with great interest to the three renewals next month of this joint appearance."

Conclusions which would affect the future political discussions between candidates lie in the area of program format. Many felt that the 2 men ought to stop being wary of "images" and turn with more conviction to "issues." Several journalists regretted that Nixon & Kennedy were not able to question each other directly—a suggestion the networks originally made but which was later rejected by the candidates themselves.

POST-1948 SALES DRIVE BEGINS: As a network-level deal between 20th Century-Fox and NBC for a 26-title package of hand-selected post-1948s (Vol. 16:39 p9) firmed up, other feature distributors were warming up their sales campaigns at the local level.

Seven Arts Associated—which is also angling for network sale of big-name features as specials—has begun active syndication sale of its first 40-title package of Warner Bros. post-1948 films. The package includes such viewer drawing cards as Marilyn Monroe ("The Prince & the Showgirl") and John Wayne ("The High & the Mighty"). Seven Arts has steadfastly declined to discuss market pricing, but since the company has guaranteed WB \$100,000 per negative plus profit participation, it's rumored to be nearly double the going price for good pre-1948 films.

Screen Gems, having begun exploration of the post-1948 market potential (Vol. 16:37 p7), is now making its first serious sales moves. In a swing away from the older practice (UAA, MGM-TV, etc.) of offering a large group of features in a library deal, Screen Gems is currently market-testing a list of nearly 300 post-1948 Columbia pictures with individual prices per picture. Prices for the N.Y. market, at the high end of the list, are high indeed. A 6-time exposure of any of the top Columbia films in the package ("Caine Mutiny," "On the Waterfront," etc.) will cost a N.Y. outlet \$100,000—nearly twice the top prices asked by other distributors in recent seasons, and about 4 times the price of standard feature fare.

Station film buyers are playing it cautiously so far on Hollywood post-1948s movies because a lot of station capital can be tied up suddenly in a big post-1948 picture deal. (The above Screen Gems package, for example, has a total price of over \$7 million for the N.Y. market.) One possible future development, according to some observers, is that stations will amend spot rate-cards to call for premium prices on shows relying heavily on post-1948 pictures because of audience increases.

Second Nixon-Kennedy debate Oct. 7 is being switched from Cleveland to Washington. Reason: Too many newsmen. More than 300, all requiring phone & writing facilities within the studio, will be on hand to cover. So Cleveland vp Frank A. Tooke learned last week. NBC officials & Nixon-Kennedy TV-radio consultants had met with Westinghouse Bcstg. Co. to survey facilities of KYW-TV Cleveland and agreed it would be "completely suitable," technically. But then came the deluge of newsmen's requests. At first, WBC tried to shift the debate to a Cleveland ballroom—but technical facilities there weren't right.

"Volpone," the Ben Jonson classic, seen on NTA's *Play of the Week* on KTVU San Francisco, has incurred the wrath of a women's group. The San Francisco Motion Picture & Television Council filed a protest with FCC, charging the station "is responsible for contributing to the breakdown of American standards of morality, as well as to increasing the already appalling number of juvenile delinquents," because of the telecast. KTVU replied that the classic is "an exposure of greed & moral turpitude," and told MPTC TV Chmn. Mrs. Kenneth C. Wilson: "We regret you find such an outstanding series to be a 'disgusting' offering . . . We have no apologies to make."

"Once again, TV—in this instance the ABC network—has lifted its voice in leadership."—Jack Gould, commenting in the *N.Y. Times* on Bell & Howell's one-hour prime-time documentary on racial bias, "Cast the First Stone."

Suggest Wire Services Watch TV: Newspaper editors have "reason to ponder" TV's impact in the coverage of at least 3 events during the past year, reported the General News Committee of AP Managing Editors Assn. last week.

The events: "(1) The winter Olympics, when intensive TV coverage caught public fancy and caused many editors to increase space allotted to the games. (2) The Khrushchev press conference in Paris following the wrecked summit conference, when most newspaper accounts gave a picture of a dictator gone mad, while the TV tapes shown later made the whole thing appear mostly as a cool & calculated performance on his part. (3) The national political conventions, which gave TV its quadrennial opportunity to cover live a big continuing show."

Added Robert Mason, managing editor of Norfolk *Virginian-Pilot*: "The night's TV viewers become newspaper readers next morning, and they are likely to compare the products of the competing news media, and to pass judgment, while they drink their coffee. There is, I think, a lesson for the AP here . . . I do not know how closely the AP monitors what the TV networks send out. But I feel that the monitoring should be close, and that the writing & editing should reflect it. It will do newspapers no good for readers to believe that newspaper reporters don't know the whole story . . ."

KTLA Los Angeles newscaster Pat Michaels has been suspended by the station for allegedly sensationalizing his news program. In taking the action, the station told Michaels: "Your manner of presentation has often relied more on innuendo & inference rather than quality . . . It is our intention to engage in a detailed study to determine in our own minds whether your newscasts as recently presented over our facilities can be integrated into the news programming of this station." Said Michaels: "I am shocked & deeply hurt by the action of KTLA over the manner in which notice was given to the press & then to me. This is the first time in 2 years at KTLA that I'd heard any criticism from management of my work or my reports."

Another international TV festival (see Vol. 16:33 p6 re Monte Carlo event) will be inaugurated—this one in N.Y.—during the spring or fall of 1961 under the annual sponsorship of the National Academy of TV Arts & Sciences, NATAS Pres. Harry Ackerman has announced. "International TV is growing to the point where the exchange of live programs among all nations of the world via satellite reflection might be an immediate possibility," he said. The festival will include program competition, presentation of new TV developments, cultural & technical exchange.

NATAS, on another front, said no to producer-writer Rod Serling's proposal for an investigation of the "black-list." Some reasons: the problem is on the decline and to re-activate it now would be a disservice; should such an investigation be undertaken, it would fall within the province of unions rather than that of NATAS.

WNTA-TV N.Y. did the devil-&-deep-sea bit last week because of its post-1948 blockbuster "All About Eve." After airing the uncut 20th Century-Fox film, Mon.-Fri., during the week of Sept. 19, the station scheduled a trimmed-down, 90-min Sat. & Sun. version. After the edited print went on the air, some 1,000 viewers promptly phoned to protest. Alarmed, WNTA-TV did an about-face and telecast the original version next day—pre-empting the first concert in its *Great Music from Chicago* series. So? Another 1,000 viewer protests—from music lovers—jammed the switchboard.

Irish Says Nets Unsporting: CBS & NBC were blasted last week for abandoning sports events in prime-time TV & radio slots. The criticism came from Madison Sq. Garden Pres. Ned Irish at a TV-Radio Executives Society luncheon in N.Y. "Our sports future will have to be in pay TV, a ready-made program framework for us, since rights fees are sinking so low on free TV," Irish explained. Only ABC received praise for maintaining its nighttime coverage of sports events—particularly ABC's recent 5-year contract with American Football League, guaranteeing rights fees of \$205,000 per team.

Excuses for the network's anti-sports attitude, according to Irish (they "regard sporting contests as weekend-afternoon or summertime entertainment only"), include: "low ratings, people-want-Westerns slogans, film is cheaper than live or taped telecasts." Not only can sports draw worthy ratings, stated Irish, pointing to the 34% share of audience which hockey games recently drew on pay TV in Toronto, but they are effective for the advertiser. Backing Irish's view, Sports Programs Inc. Pres. Edgar Sherick added: "There is no better way to reach a mass male audience than with the history-in-the-making excitement of live sportscasts."

Networks

Formal dedication of Proartel—the production company recently formed by CBS-TV stations div. and Latin-American broadcaster Goar Mestre (Vol. 16:24 p7)—took place in Buenos Aires, Argentina Oct. 1. Proartel has begun producing live, film and tape programs for govt.-controlled Rio de la Plata (Ch. 13) and for syndication to additional TV stations in Spanish-speaking areas.

NETWORK SALES ACTIVITY

ABC-TV

- Bugs Bunny, Tue. 7:30-8 p.m., part. eff. Oct. 18.
Colgate-Palmolive (Ted Bates)
- Championship Bridge, Sun. 3-3:30 p.m., part. eff. Nov.
West Bend Aluminum (Western)
- Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Oct. 2.
Canada Dry (J. M. Mathes)

NBC-TV

- Victory at Sea, Thu. Dec. 29, 9:30-11 p.m., full sponsorship one-time special.
Procter & Gamble (Benton & Bowles)
- Bowling Stars, Sat. 4:30-5 p.m., full sponsorship eff. Oct. 15.
General Mills (Knox Reeves)
- NBC News Day Report, Mon.-Fri. 12:55-1 p.m., full sponsorship eff. Oct. 3.
General Mills (Knox Reeves)
- Captain Gallant, Sat. 5-5:30 p.m., (re-run series) full sponsorship eff. Oct. 1.
General Mills (Dancer-Fitzgerald-Sample)
- World Series Spotlight, 15 min. before game time, co-sponsorship eff. Oct. 5.
General Mills (Knox Reeves)
American Tobacco (SSC&B)
- Peter Pan, Thu. Dec. 8, full sponsorship one-time special.
Revlon (Grey)
- Riverboat, Mon. 7:30-8:30 p.m.; Laramie, Tue. 7:30-8:30 p.m.; Outlaws, Thu. 7:30-8:30 p.m.; Dan Raven, Fri. 7:30-8:30 p.m.; The Westerner, Fri. 8:30-9 p.m., part. all eff. Oct.
Simoniz (Dancer-Fitzgerald-Sample)

Film & Tape

FCC Holding Pre-Hearings: Hollywood TV film executives were being quizzed last week on the ramifications of their operations, in conferences being conducted by FCC attorneys Ashbrook Bryant & James Tierney. This is prelude to next week's public hearing in Los Angeles for the film-producer phase of the Commission's investigation of network practices (Vol. 16:39 p6). Executives questioned told us they have been asked to explain how they sell film shows, how much they cost, how long it takes to film a show, their joint ventures with network, their partners, and relations with sponsors. Remarked one: "It looks to me like they're investigating the whole film business."

The film-producer witness list for FCC's hearing, starting in the Los Angeles U.S. Court of Appeals courtroom Oct. 10, was released by the Commission last week as follows: William T. Orr, Warner Bros.; William Dozier, Screen Gems; Peter G. Levathes, 20th Century-Fox; James A. Schulke, Paramount; George Shupert, MGM; Frank Cooper, Frank Cooper Associates; Taft Schreiber, Revue Productions; Dick Powell, Four Star Films; Ozzie Nelson, Stage 5 Productions; Don W. Sharpe, Don W. Sharpe Enterprises; Don Fedderson, Don Fedderson Productions; Desi Arnaz, Desilu; Loretta Young, Toretto Films.

Questions for Anti-Payola Law: The TV film industry did not consider itself involved in the TV-radio scandals which brought about the anti-payola bill. Nevertheless it is trying to comply with the measure, although Hollywood believes it is unfairly being connected with payola.

Industry leaders made this point to the FCC staff in Washington while discussing the measure as it applies to film (Vol. 16:39 p6). "They were sympathetic to our situation, and we had a worthwhile meeting," one executive told us. The FCC staffers wanted to know the industry's objections and to discuss legal ramifications.

Meeting under the aegis of the Alliance of Television Film Producers, Hollywood executives were told last week about the Washington briefings. Among questions asked by producers: "Does the bill, which became law Sept. 13, apply to films produced before that date & shown after?"

"To what lengths must we go to ferret out payola?"

"What if someone in a prop shop is receiving favors without the producer's knowledge? Is that payola?"

"To what extent are various types of cut-rate deals (such as given by resort hotels if a company locations there) subject to the new law?"

"If local authorities give help, must there be a credit line such as 'These motorcycles are supplied by courtesy of the San Francisco Police Dept.?'"

"Is it payola if a producer drives for his personal use a car given as a prop in a film?"

These & other questions will aid the FCC staff to produce the regulations, expected in 6-to-8 weeks.

Settlement of an 8-year-old feud between Screen Actors Guild & movie producer Robert L. Lippert (over post-1948 movies which Lippert sold to TV in 1952 without paying SAG) was reached last week. Lippert comes off the Guild's "unfair" list and pays approximately \$35,000 into the Guild's pension & welfare funds in lieu of payments on the post-1948s. This follows the pattern established in the recent Guild contract with the major movie studios. Lippert, following the formula, will also pay into the Guild's p&w funds for any post-Jan. 31, 1960 movies.

HOLLYWOOD ROUNDUP

Extra Dividends for Talent: Success in TV has been opening the door to rich rewards in other media for those who make it big as video writers, actors, producers and directors. It is creating new careers for some, reviving old ones for others. Here's a quick & partial list of some who are adding new show-biz luster to their names:

Writers: Paddy Chayefsky, Gore Vidal, Rod Serling and Arthur Penn have all parlayed TV reputations into new careers as movie and/or Broadway writers and/or producers.

Actors: Movie stardom has beckoned to TV-made Paul Newman, Joanne Woodward, Eva Marie Saint, Natalie Wood and the late James Dean. Comedienne Lucille Ball will star in a forthcoming Broadway musical.

Directors: Hollywood has siphoned off such TV-trained directors as Blake Edwards, Don Siegel, Delbert Mann, Daniel Petrie and the producer-director team of Dorrell & Stuart McGowan.

Producers: Martin Manulis and David Susskind have won Hollywood invitations to produce for the movies. Fred Coe has moved into Broadway productions.

Entrepreneurs: Actors Dick Powell, David Niven and Charles Boyer revived slackening film careers by pooling their thespian & business talents to form highly successful Four Star Productions.

Composers: Henry Mancini, composer of theme songs for *Peter Gunn* and *Mr. Lucky*, is now in demand at the major movie studios.

Revue Studios has sold 26 episodes of a comedy series, *Ichabod*, to CBS-TV which plans it for a 1961 start. The series will be produced at Revue by Kayro Co.'s Joe Connelly and Bob Mosher. It was created by George Chandler and George Tibbles.

Warner Bros. will produce a movie, *Las Vegas*, to serve as the basis for a 1961 ABC-TV series. Jules Schermer will produce the film in Las Vegas in cooperation with law enforcement agencies & resort hotels.

International Video Tape Recording & Production Inc. is launching its first \$350,000 video-tape Liner, equipped with 4 new 4½-inch image orthicon British Marconi TV cameras and 2 inter-sinc equipped compact Ampex Video-tape recorders.

Four Star Television has resumed production on its *Peter Loves Mary* series starring Peter Lind Hayes & Mary Healy. It has also signed Format Films Inc. to produce a half-hour animated series, *The Shrimp*, created by Four Star producer Sy Gomberg.

Screen Actors Guild board has named Chuck Connors as alternate board member, substituting for Charlton Heston, who will be out of town for 6 months.

People: Maxwell Shane and William Frye join Fletcher Markle as producers of Hubbell Robinson's *Thriller* . . . Martin Leeds, Desilu Productions exec. vp, has left the company following settlement of his contract. Leeds is taking a brief vacation, then will decide on several offers . . . Herb Eiseman has resigned as head of Desilu's music dept. to become exec. vp of Omar Music. However, he will continue to direct Desilu music activities as part of his job at Omar . . . Joe Cramer has been named business-affairs dir. at Paramount Television.

NEW YORK ROUNDUP

AFTRA made strong talent demands upon 60 top officials from TV & radio networks, ad agencies, the 4A, ANA and film producers in a lengthy N.Y. meeting late last week. The AFTRA presentation ran 33 pages. The demands, all attempting to modify present codes & contracts, included TV & radio commercials, radio transcriptions, talent scales for both U.S. & international usage. One major change was suggested in the area of commercial rate structure—a breakdown of scales according to city size. No official reaction was reported from networks. A follow-up meeting, scheduled for next week (Oct. 11), will include AFTRA's West Coast & Chicago branches. "This is the first time AFTRA & SAG will sit on the same side of the fence," commented one AFTRA official.

Video-tape leader standards recommended by SMPTE to the American Standards Assn. in July were approved by NAB's Tape Advisory Committee last week. The group is responsible for operational standards; the SMPTE group develops technical standards. Also discussed, but without final decision: standard terminology, physical marking & identification, form of identifying slate preceding program material, specifications for exact timing of commercials, use of operable reels in trans-shipping. Chmn. of the NAB committee is Willard A. Michaels, WJBK-TV Detroit.

Rocky Marciano will star in his first TV series, a 30-min. boxing show, *Main Event*, to be syndicated by Programs for TV Inc. The ex-heavyweight champ will host excerpts from major Madison Sq. Garden fights from 1950 to the present. Forthcoming star boxing events will also be incorporated along with feature interviews. Premiere episode will present Marciano's last fight in 1955, and Jerry Lewis will be guest star. PTI exec. vp Everett Rosenthal will produce the series.

Columbia Pictures has assigned a package of 21 features, filmed in overseas co-production deals, to independent N.Y. film importer Jay H. Cipes for TV distribution. Most of the films—made in such countries as France, Brazil and Germany—will be English-dubbed by Cipes. Screen Gems, which ordinarily distributes Columbia features in TV, is not in the deal; Columbia believes selling strictly-foreign features is a specialized operation. For other news of Screen Gems feature deals, see p. 6).

Trans-Lux launched its newest 5-min. series, *Rube Goldberg Inventions*, with trade & consumer full-page advertising last week. The part-live part-animated series will get the same promotion treatment given to T-L's earlier 5-min. children's series *Felix the Cat*.

Add syndication sales: Independent TV Corp.'s *Best of the Post* is now in 107 markets . . . Ziv-UA's first-run *Lock Up* added 3 more markets last week to total 191.

People: Peter A. Griffith has been appointed a Trans-film-Caravel vp . . . Arthur Greenfield has been named Screen Gems North-Central area mgr. of syndication sales force . . . Kurt Blumberg has joined Robert Lawrence Productions as sales vp . . . Frank Brill has been named MCA-TV film-syndication vp . . . Donna Reed has been appointed chmn. of the TV committee for American Education Week (Nov. 6-12) . . . Carl Lindemann Jr. has been appointed Cal. National Productions program vp.

Stations

NEW & UPCOMING STATIONS: This issue reports a bumper crop of new starters—3 U.S. & 2 Canadian outlets. The new U.S. stations are: KCBY-TV (Ch. 11) Coos Bay, Ore., which began Oct. 1 as semi-satellite of parent NBC-TV affiliate KVAL-TV (Ch. 13) Eugene, Ore. Non-commercial KWCS-TV (Ch. 18) Ogden, Utah, which begins this week. KEYC-TV (Ch. 12) Mankato, Minn., which also begins this week (Oct. 5) with World Series on NBC-TV. The Canadian starters are CHSA-TV (Ch. 2) Lloydminster, Alta., which began Sept. 25 and CBC's CKAM-TV (Ch. 12) Campbellton, N.B., which began Sept. 27 as satellite of parent CKCW-TV (Ch. 2) Moncton, N.B. The new outlets raise the U.S. on-air box score to 575 (90 uhf), including 51 non-commercial stations (15 uhf). The Canadian on-air total now stands at 73 outlets.

KCBY-TV has a 2-kw RCA transmitter and a 200-ft. Fisher tower. Owner is Eugene Television, headed by Pres. Robert P. Booth and gen. mgr. S. W. McCreedy, who operate parent KVAL-TV Eugene. Milton Lindley, from KPIC (Ch. 4) Roseburg, Ore. (KVAL-TV satellite), is resident mgr.; Glenn McCreedy, ex-KPIC, resident engineer. Base hour will be \$150. Rep will be Hollingbery.

KWCS-TV has a 1-kw RCA transmitter and Deale Electric antenna on a 112-ft. Stainless tower in its studio-transmitter plant at 1122 Washington Blvd. Owner is Weber County School Dist. Coming from school district's closed-circuit operation are station dir. John A. Larson & engineer Norman Barber.

KEYC-TV has a 25-kw RCA amplifier with an 11-kw driver and 1,040-ft. Kimco tower with RCA traveling wave antenna in Lewisville, Minn. Studios are on Lee Blvd. in North Mankato. Principal owners & officers are Lee Radio Inc. (KGLO-TV, Mason City, Ia.), 70%; radio KNUJ New Ulm, Minn., 10%; Lee P. Loomis (pres., Lee Radio), chmn., 2.5%; Herbert R. Ohrt (exec. vp of Lee Radio), pres., 5%; Walter K. Mickelson, vp, 5%. Bob Gardner, ex-Las Vegas TV stations, is station mgr.; Hap Halligan, ex-KGLO-TV Mason City, sales mgr.; Bob Cavanaugh, ex-KGLO-TV, program dir.; Don Borchert, ex-KGLO-TV, chief engineer. Base hour is \$300. Rep is Branham.

CHSA-TV, on Alberta-Saskatchewan border, has a 5-kw Canadian GE transmitter and 605-ft. Micro tower 8 mi. N of Lloydminster. Studios & offices are at 5036 50th St. It's getting ready to make application for TV satellites in North Brattleford, Sask., and at Cold Lake Air Base. Principal owner is Lloydminster radio CKSA. Coming from CKSA are Arthur F. Shortell, pres. & gen. mgr.; Peter J. Edwards, station & national sales mgr.; Peter Robertson, chief engineer. Programming is by kines, pending completion of a microwave link with Edmonton, Alta. Base hour is \$175. Reps are Devney-O'Connell, Jos. A. Hardy (Montreal & Toronto), A. J. Messner (central Canada) and Scharf Broadcast Sales (Pacific Coast).

CKAM-TV has an 11-kw RCA transmitter at Upsalquitch, N.B., but won't have its own studios until late in 1961. CBC is operating satellite as unattended automatic repeater, which picks up programs via microwave link with CKCW-TV Moncton. CKCW-TV base hour is \$400. Reps are Young Canadian and Stovin-Byles.

Assignment of Ch. 4 to Superior, Neb. is sought in a rule-making petition filed by KHOL-TV Kearney, Neb.

SPOT GAINS 9.7% IN 2ND QUARTER: No matter how you measure it, spot TV piled up marked gains in 1960's 2nd quarter, TvB noted last week in a report based on a 334-station checkup compiled with N.C. Rorabaugh.

TvB announced at the same time that the quarterly report introduced "a major modification in both the nature of information secured from reporting stations & in the expenditure estimating." The new system divides the broadcast day into 4 parts (day, early evening, prime night, late night) vs. 3 (day, night, late night) previously used. This new division is expected to produce more detailed & precise measurement data. It also reduces the total for estimated expenditures by switching some business to lower card-rate categories.

Under the new 4-part measuring system, 2nd-quarter spot-TV spending totaled \$160,648,000. Under the previous procedure, the figure would total \$174,245,000—or 9.7% ahead of the \$158.9 million posted in 2nd-quarter 1959. The \$174.2-million volume also compares with the \$167 million posted in 1960's first quarter—the last period to be charted under the 3-part measuring system.

The bulk of the spot-TV spending (33.7% or \$54,155,000) was poured into prime-night schedules. Runners-up: day, 28.9% (\$46,392,000); late night, 20.5% (\$32,892,000); early evening, 16.9% (\$27,209,000).

More than three-fourths of the spot activity (75.4% or \$121,168,000) was in the form of announcements. Programs accounted for 13.9% (\$22,382,000) of the 2nd-quarter spot volume. IDs took 10.7% (\$17,098,000).

Food & grocery products, with total gross billings of \$41,402,000, led all product classifications in spot spending. (TV & radio sets got only \$28,000 in spot ads.) Procter & Gamble topped all advertisers during the quarter with a spot investment of \$15,198,900.

There were 4 newcomers to the list of the top 100 spot spenders (see table opposite): American Motors (\$431,800), Chun King Sales (\$412,100), Miller Brewing (\$386,700) and Union Carbide (\$435,000).

* * *

Auto spending will rise 25% in network & spot TV during the remainder of 1960, predicts TvB, with time-&-talent topping \$75 million for the year. First-half 1960 figures showed network gross time auto billings as \$22,228,114 against \$19,196,000 in the like period last year, a 16% gain. Spot billings jumped 98% from \$4,830,000 to \$9,552,000 during the same period.

COCKTAILS VS. CODE: Another climax in the life of NAB's TV Code comes Oct. 4 when the Review Board meets in Washington to consider Holland House cocktail-mix spots scheduled by WPIX N.Y. (Vol. 16:39 p12). Code subscriber WPIX was commended by Review Board Chmn. E. K. Hartenbower for agreeing to hold off running the spots pending Board study. The commercials had been scheduled to start Sept. 25.

Hartenbower was concerned, NAB said, "that the taped commercial did not follow the spirit & intent of the Code & long-standing copy approaches in this classification." NAB noted that the commercial shows "the actual mixing of a whisky sour from a prepared mix & liquor."

WPIX vp-gen. mgr. Fred Thrower said the station has "certain reservations" about the Code Office's position, but "we believe in self-regulation for our industry, and since we signed up as a Code member station, we intend to fulfill our responsibilities."

100 Largest TV-Spot Advertisers of 1960's 2nd Quarter

Gross time costs only, as estimated by Television Bureau of Advertising (TvB) in cooperation with N.C. Rorabaugh Co.

Rank	Advertisers	Amount	Rank	Advertisers	Amount
1.	Procter & Gamble	\$15,198,900	51.	Theo. Hamin	\$604,200
2.	General Foods	5,476,300	52.	Welch Grape Juice	600,500
3.	Lever Brothers	4,779,200	53.	Drug Research	598,200
4.	Lestoil Products	2,885,400	54.	Norwich Pharm. ..	577,100
5.	Colgate-Palmolive ..	2,783,600	55.	Sun Oil	562,700
6.	Amer. Home Prod. ..	2,591,200	56.	Chrysler	553,200
7.	P. Lorillard	2,315,000	57.	Texize Chemicals ..	545,800
8.	Bristol-Myers	2,209,900	58.	Andrew Jergens	535,800
9.	Wm. Wrigley Jr.	2,076,100	59.	Swift & Co.	525,700
10.	Standard Brands	1,743,000	60.	Stand. Oil of Cal. ..	515,900
11.	Wesson Oil	1,564,700	61.	Sterling Drug	514,700
12.	American Tobacco ..	1,523,000	62.	Phillips Petroleum ..	510,800
13.	Brown & Williams'n ..	1,492,400	63.	Vic Tanny	487,600
14.	Miles Labs.	1,408,000	64.	National Biscuit ..	487,400
15.	Minute Maid	1,401,800	65.	Burgermei'r Brew. ..	485,000
16.	Kellogg	1,388,100	66.	Fels & Co.	477,500
17.	Ford	1,316,300	67.	Maybelline	461,800
18.	General Motors	1,312,500	68.	Schaefer Brewing..	457,400
19.	Nestle	1,285,300	69.	Alberto-Culver	462,600
20.	Revlon	1,239,600	70.	Associated Prod. ..	450,800
21.	Corn Products	1,153,400	71.	Helena Rubinstein ..	442,800
22.	Atlantis Sales	1,151,600	72.	Atlantic Refining..	440,500
23.	Gillette	1,082,900	73.	Pacific Tel. & Tel. ..	439,300
24.	Warner-Lambert	1,078,800	74.	U. S. Rubber	439,200
25.	Anheuser-Busch	1,078,000	75.	Union Carbide	435,000
26.	Philip Morris	1,044,000	76.	American Motors ..	431,800
27.	Simoniz	1,036,300	77.	Piel Bros.	429,200
28.	Mennen	1,031,500	78.	Parker Pen	429,100
29.	Inter. Latex	1,004,500	79.	Texaco	424,700
30.	Coca-Cola	985,400	80.	United Fruit	419,500
31.	J. A. Folger	917,700	81.	B'ch-Nut Life Sav. ..	413,500
32.	S. C. Johnson	900,700	82.	Chun King Sales ..	412,100
33.	Pabst Brewing	898,300	83.	A & P	410,800
34.	Food Mfrs.	895,200	84.	Minnesota Mining ..	410,300
35.	Continental Baking ..	886,400	85.	E. F. Drew Co.	406,600
36.	Pepsi-Cola	880,300	86.	Schlitz Brewing ..	403,700
37.	R. J. Reynolds	857,700	87.	Hertz	403,300
38.	Avon Products	843,000	88.	Stand. Oil of Ind. ...	402,900
39.	General Mills	814,300	89.	Hudson P. & P.	401,400
40.	Esso	733,800	90.	Pepperidge Farms ..	400,500
41.	Carling Brewing	708,700	91.	Pharma-Craft	400,200
42.	United Merchants ..	652,100	92.	Gallo Winery	394,500
43.	Max Factor	652,100	93.	Lanolin Plus	391,600
44.	Tidewater Oil	651,800	94.	Miller Brewing	386,700
45.	U. S. Borax	651,100	95.	Safeway Stores	372,800
46.	Consolidated Cigar ..	649,800	96.	Carnation Co.	370,100
47.	Shell Oil	646,100	97.	American Sugar ..	366,000
48.	Falstaff Brewing	635,500	98.	B. C. Remedy	362,500
49.	Carter Products	633,300	99.	P. Ballantine	356,400
50.	Mobil Oil	615,300	100.	Hills Bros. Coffee..	354,000

Philco must have a crack at Ch. 3 Philadelphia in a comparative hearing with NBC on the renewal of its license for WRCV-TV, Philco urged last week in a pleading with the Commission. RKO General, which is swapping its Boston stations with NBC's Philadelphia outlets, had argued that the Commission is obligated to act on the transfers first. In a 33-page brief, Philco stated why a hearing should be conducted to determine whether NBC is entitled to a license which it can transfer to RKO General.

Operation of both uhf & vhf in Eau Claire, Wis., sought by WEAU-TV which operates Ch. 13 there, has been opposed by Chippewa Cable Co., owner of a CATV system in Chippewa Falls. It informed the FCC that it plans to file for Ch. 25, as did WEAU-TV. WEAU-TV responded by saying that it has no objection if the CATV system is sincere; suggested therefore that the Commission require Chippewa to apply for Ch. 25 within 30 days and build within "a reasonable period of time" after it gets a CP. If Chippewa drags its feet, the station said, its CP should be taken away & given to WEAU-TV. Meanwhile, FCC is looking into the idea of finding another uhf channel so that both applicants can be accommodated.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WNEW-TV New York	\$3000 (no change)	\$478 to \$600	Sept. 1
KPRC-TV Houston	1200 to \$1300	300 to 350	Oct. 1
KPTV Portland, Ore.	900 to 950	315 (no change)	Sept. 1
KREM-TV Spokane	675 to 750	190 to 220	Sept. 1
KCPX-TV Salt Lake City ...	650 (no change)	180 to 200	Sept. 1
WREX-TV Rockford, Ill.	600 to 550	115 to 130	Aug. 15

COLOR REJECTED IN CANADA: "The time has not yet come for introduction of color telecasting in Canada." This was the ruling at week's end by the Board of Broadcast Governors which had been urged by individual telecasters, the Canadian Assn. of Broadcasters and EIA of Canada to authorize colorcasting using U.S. NSRC standards.

BBG said it will authorize only black-&-white telecasting "until further notice." Its announcement stated that "color TV has been promoted expensively in the U.S. since 1953, but only 500,000 color sets are in operation, compared with 52 million black-&-white." It indicated it will stand pat on its no-color decision "until color broadcasting & reception have received wider acceptance in the U.S. & nearby Canadian cities."

Canada's color-set ownership, therefore, will continue to be confined to border areas within the reach of U.S. color stations.

* * *

BBG has declined to order a change in power for CHEK-TV Victoria to avoid interference with KING-TV Seattle in the Canadian areas of Vancouver Island and the lower mainland of British Columbia. Reason: CHEK-TV is delivering programs to 96,000 Canadians not previously served by any station. BBG added that wave traps could be installed by owners in interference areas and that CHEK-TV would have authority to carry U.S. programs after April 1, 1962, provided it adheres to the 55% Canadian content rule.

Payola charges against Metropolitan Bestg. Corp. weren't substantial enough to warrant holding up its various pending applications any longer, FCC concluded last week, and it granted: (1) Metropolitan's purchase of WTVF (Ch. 17) Decatur, Ill. for \$570,000. (2) Its purchase of international station WRUL Scituate, Mass. for \$1 million. (3) Renewal of WTTG Washington. Comr. Bartley dissented in all 3 cases, Cross in the first 2. Cross said he would have given WTTG a 1-year renewal.

FCC has approved sale of WCHS-TV (Ch. 8) Charleston, W.Va. from the Tierney Co. to Rollins Telecasting Inc. subsidiary C-B-T Inc. (Vol. 16:29 p10). Price: \$2,598,000, plus a total of \$46,200 annually for 2 years to Tierney Pres. H. D. Battle and vp John D. Gelder.

Jaundiced FCC eye, by 4-3 vote, has been cast at radios KORD Pasco, Wash. and WAVZ New Haven, Conn., which have been told that they may have to go to hearings on their license renewals. With Comrs. Hyde, Craven and King dissenting, the Commission indicated that it believes the stations have interrupted their schedules with too many spots and have failed to carry out their program promises.

Seven more Super Universal Zoomar lenses have been delivered to ABC-TV, N.Y., Television Zoomar Co. announces. Other recent Super Universal Zoomar shipments: KMID-TV Midland, Tex., WWJ-TV Detroit, KLFY-TV Lafayette, La., WBRZ Baton Rouge, KTLA Los Angeles; Herald-Sun TV, Melbourne, and BTV, Brisbane, Australia; Radio Rio, Brazil; Ch. 9, Buenos Aires.

Public-service idea: KIMA-TV Yakima, Wash., to spur contributions to the local United Good Neighbor Fund drive, is awarding ad time on a dollar-for-dollar basis to each company that delivers its UGN quota. The public-spirited gesture won praise from Wash. Sens. Jackson & Magnuson.

NAB Conference Agenda: TV session of NAB's first fall conference in Atlanta Oct. 14 will include: "The Image Asset," by TIO dir. Louis A. Hausman. "Your Stake in Quality," a Code discussion by Review Board member Robert F. Ferguson, WTRF-TV Wheeling, and Edward H. Bronson, NAB TV Code Affairs dir. "The Future of TV," by TvB Pres. Norman Cash and TvB station relations dir. William MacRae. "A Look at the Balance Sheet," by NAB TV vp Charles H. Tower, who will preside over the whole session.

The Oct. 13 joint TV-radio general session has this agenda: "The Importance of People," emphasizing the human factor, by NAB industry affairs vp Howard H. Bell. "Money & Manpower," a case history of staff selection & salaries, by NAB mgr. of broadcast personnel & economics James H. Hulbert. "Ambassadors to the Community," dealing with "public image & community acceptance," by NAB mgr. of public relations John M. Couric. "The Engineering of Agreement," a discussion on "The Art of Getting People to Accept an Idea or Product," by NAB mgr. of station relations William Carlisle. Hulbert will also lead a discussion on "Managing the Salesman," and a representative of the Assn. for Professional Broadcasting Education will cover employee recruitment.

TvB-sponsored research competition, the first of its kind, has the broad aim of finding methods for studying the effects of TV on human behavior. A governing committee, headed by Yale U. Prof. Mark A. May and TvB research vp Leon Arons, has announced that persons from any occupation are eligible to submit plans. A total of \$10,000 will be awarded for the 18 top submissions. "The competition is an appeal to the scientific community to lend its creative talent to the solution of problems in mass communications," stated Dr. May. The project is a development of the basic research program launched by TvB 2 years ago.

Charles M. Stone, ex-radio WMBR Jacksonville, has been named administrator of NAB's Radio Code, reporting to radio vp John F. Meagher and guided by a 9-member Radio Code Board headed by Cliff Gill, KEZY Anaheim, Cal. Stone is 45, began with radio WJBY Gadsden, Ala. in 1934, joined WMBR in 1936, moved up to vp for TV administration before leaving in Jan. 1959 to become a partner in the Mason, Dow & Stone ad agency. NAB said Stone's duties will include preparation of a monitoring program to insure compliance with the Code.

Speech by Rep. Harris (D-Ark.), chmn. of House Commerce Committee, prepared for delivery Sept. 30 at the convention of the Ala. Bcstrs. Assn. in Tuscaloosa, briefly summarized legislative activity of the last Congress. The bills passed, he said, "far from hurting the industry, will help it to grow stronger & more responsible."

Taped tribute to broadcasters by President Eisenhower—for use this week on Continental Broadcasting Day (Oct. 4)—has been requested & received by 1,332 NAB members. NAB Policy Committee Chmn. Clair R. McCollough said that the President's words "should make every broadcaster proud of his profession."

Foreign

Televiscentro de Guadalajara has been opened in Mexico's 2nd biggest city by Telesistema Mexicano. Although Telesistema currently has only one channel in operation in Guadalajara, the deluxe studios are big enough to accommodate future stations there.

Advertising

Broadcasters Star in July: Despite way-out gains by network radio (27%) & TV (21%), the July national ad volume rose only 6% above the July-1959 level, reports *Printers' Ink*. The broadcast-media bonanza was sharply whittled by newspapers' 11% decline and magazines' modest 5% increase, the latest index shows.

Year-to-date business failed to gain from the preceding month (Vol. 16:36 p9), closed out again at 9% ahead of 1959's Jan.-July volume. (1960's widest cumulative lead thus far has been the 11% gap at the end of March.) All major media, with the sole exception of network radio, posted cumulative gains: magazines (15%), network TV (9%), business papers (8%), newspapers (5%). Although radio still lagged 3% behind Jan.-July 1959, it had come a long way in closing the gap since the 21% deficit at the end of February. Radio also was up in July from June, by 4%. Also up were TV (11%) & magazines (1%). Among the downers: newspapers, with an 8% deficit.

Medium	Index		% Change from		% Cumulative Change
	July 1960	July 1959	1 month ago	1 year ago	
General Index	247	234	+ 2	+ 6	+ 9
Total Magazines	195	185	+ 1	+ 5	+15
Weekly	221	206	- 2	+ 7	+19
Women's	136	138	+11	- 1	+ 8
General Monthly	250	227	+ 8	+10	+11
Farm	87	114	- 8	-24	- 2
Newspapers	203	228	- 8	-11	+ 5
Network Television ..	547	453	+11	+21	+ 9
Network Radio	28	22	+ 4	+27	- 3
Business Papers	250	223	+ 3	+12	+ 8
Outdoor	166	163	- 3	+ 2	+ 5
Spot TV*	762	672	+ 3	+13	+13

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-1959 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. *Spot TV data, although shown monthly, reports the preceding quarter's activity.

Lever Bros. will spend 70% of ad budgets on spot-TV tests for 4 new commercial products, we learned last week. Products & agencies: Summer Country, a premium-priced margarine (Sullivan, Stauffer, Colwell & Bayles), now testing in Nashville. Vim, a detergent (Ogilvy, Benson & Mather), is being tested in Ft. Wayne. Starlight Shampoo and Mrs. Butterworth's Syrup (J. Walter Thompson) are making their debuts in Cleveland, Indianapolis, Syracuse.

"Without strong & cooperative advertiser-agency relations," a TV commercial may confuse, surprise and annoy the very advertiser who should have assessed it long ago," said adman John Orr Young at the ANA Workshop in Chicago last week. Opinion Research Pres. W. G. Barlow pointed to tests showing viewer reaction to a company before & after national TV advertising. Results indicated "after the show viewers held a broader & deeper image of the company." TV can be very effective in projecting an image, Barlow added, "particularly if the right show at the right time is selected by the advertiser."

New ANA-4A joint program to improve advertising content, control its honesty and to police association members is about to be announced. The 2 big ad groups, representing nearly all major clients & agencies, are meeting this week (Oct. 3) in N.Y., at which time they'll announce committees, personnel, and implementation of the program. Both groups have been active individually in ad policing before & since the payola hearings & FTC crackdowns, but the new program will be their first joint effort.

Ad People: Alfred J. Seaman, former vice-chmn. & exec. committee chmn., named pres., Sullivan, Stauffer, Colwell & Bayles, succeeding Brown Bolte, who becomes vice-chmn. Raymond F. Sullivan, a founder, will be exec. committee chmn. . . . George C. Reeves named to new post of J. Walter Thompson exec. vp; Wallace Elton and Dan Seymour, vps, named to exec. committee; W. D. Laurie Jr., elected a dir.

Edward H. Mahoney, ex-Benton & Bowles and Cunningham & Walsh, named vp-mgr., Fuller & Smith & Ross TV-radio dept. Peter Cardozo, FSR TV-radio copy creative dir., will assume responsibility also for TV-commercial production . . . Hubert M. Tibbetts named senior vp, Lennen & Newell . . . Burt Avedon named West Coast operations vp, Kenyon & Eckhardt.

August A. Wavpotich named Ogilvy, Benson & Mather vp . . . Julian Bass appointed a Donahue & Coe vp . . . Rand Grochoske named Guild, Bascom & Bonfigli TV-art dir.

New reps: KVIQ-TV Eureka, Cal. to Hollingbery Sept. 1 from McGavren • WDAF-TV Kansas City to Petry Oct. 1 from Harrington, Righter & Parsons • KOMU-TV Columbia, Mo. to Avery-Knodel Oct. 1 from H-R Television • KIEM-TV Eureka, Cal. and KOTI Klamath Falls & KBES-TV Medford, both Ore., to Young Sept. 1 from Hollingbery • KNOP North Platte, Neb. to Gill-Perna Sept. 1 from Bob Dore • KDIX-TV Dickinson, N.D. to Forjoe Sept. 15 from Holman • Upcoming WTVI Fort Pierce, Fla., due in Nov., and CFTM-TV Montreal, Que., target not reported, have named Forjoe as rep.

Heavy Yuban spot-TV campaign is planned by General Foods Corp. to introduce instant Yuban in the Midwest & South. The premium-priced brand has completed a 15-month trial saturation campaign in Northeast, using all media, reported Yuban's agency, Benton & Bowles.

Blair Co.'s St. Louis branch's move to new quarters this week (Oct. 3) nearly doubles its previous space in the Paul Brown Bldg., 818 Olive St. Telephone changes to Garfield 1-5262.

Forjoe-TV's Los Angeles office has moved to 6362 Hollywood Blvd., Los Angeles 28 (Hollywood 2-1397).

Educational Television

ETV got a break in FCC's latest ruling on the disposition of frequencies above 890 mc when the Commission said that it would allow ETV to use 6,575-6,875 mc for inter-city relays, granting them on a case-by-case basis. The Commission stated that frequencies above 10,000 mc must be used by ETV for intra-city & other short-hop operations. As for short-range space allocations, FCC said, no specific assignments are being made now "in view of present uncertainties." Comments on long-range space allocations are due March 1, 1961.

Educational KQED San Francisco went off the air for the hour of the Presidential debate, having advised viewers to turn to one of the network channels & watch the debate.

Educational Ch. 9, San Antonio—one of the few unused major-city ETV channels—has been granted to the Southwest Texas Educational TV Council.

Six 2-hour drama programs, produced for TV in U.S. & abroad, premiere this month on NET's ETV network. *NET Drama Festival* will feature filmed dramas originally produced by BBC, CBC & WQED Pittsburgh.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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PUBLICATION OFFICE Rodnor, Po., MUrray 8-3940, TWX: Rodnor 1028

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Hollywood 28, Cal.
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DAVID KAUFMAN

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually.
For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
Published March & Sept. Published Saturdays Published in January

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Personals: Richard A. Borel, WBNS-TV Columbus, O., elected chmn., CBS-TV Affiliates Assn. . . . Henry S. White, ex-Screen Gems & CBS-TV, named vp-gen. mgr. WNTA-TV Newark-N.Y. . . . Russ Raycroft, ex-WGN, Dancer-Fitzgerald-Sample, & Wilding Inc., appointed station mgr., KPLR-TV St. Louis . . . Bill Palmer, Paramount TV business mgr., resigns to join Tide Water Oil Co. . . . Joseph Bloom, pres. of Forjoe-TV, adds duties of national sales mgr., WJPB-TV, W.Va., operating out of Forjoe's N.Y. headquarters.

John S. Hayes, president of *The Washington Post* Best. div. (WTOP-TV & WTOP Washington, WJXT Jacksonville, Fla.) appointed by Lyndon B. Johnson as his network TV-radio policy consultant-coordinator . . . Mark L. Wodlinger, WMBD-TV Peoria national sales mgr., named station mgr. . . . Robert Schneider, ex-CBS-TV Spot Sales, named research dir., Edward Petry TV div. . . . Robert Van Roo named A. C. Nielsen promotion dir. of Nielsen Coverage Service, headquartering in Chicago . . . Frank Wayne Peers appointed CBC information programming dir. (news, public affairs, school bests. etc.) . . . William G. Wilkins named finance dir., Columbia Records.

Extra-curricular activities: John Thompson, NBC West Coast mgr. of news & special events, elected pres., Radio & TV News Club of Southern Cal.; Bill Crago, KFWB Los Angeles, named vp . . . George A. Heinemann, NBC public affairs mgr., to teach TV course at Columbia U. . . . Ed Benham, chief engineer, KTTV Los Angeles, teaching course in video-tape editing at USC.

Joseph F. Zias has withdrawn from Loucks, Zias & Jansky to set up his own law office at 605 Colorado Bldg., Washington 5, D.C. (Sterling 3-5750).

Obituary

Harlow Wilcox, 60, former NBC newscaster & announcer, died Sept. 24 in Hollywood. He was for 16 years announcer for the *Fibber McGee & Molly* radio show during the 1930's & 1940's, and before that was with *Myrt & Marge* at CBS Radio.

George Francis Lewis Jr., 41, secy. of Technicolor Inc., died Sept. 27 in Lenox Hill Hospital, N.Y. He was a partner in the law firm of Lewis & McDonald. He is survived by his wife and mother.

Judge Horace Stern, the venerable (82) former Pa. Supreme Court Chief Justice who has served as FCC's examiner in its Miami & Boston "influence" cases, resigned effective Sept. 15. FCC Chmn. Ford, the "talent scout" who approached Judge Stern for the job initially, accepted the resignation with this statement: "You have given to us a model of judicial acumen, concise writing and forthright expression which will make its impact felt upon the Commission and its staff in the years to come."

Meetings next week: N.C. Assn. of Bestrs. fall meeting (Oct. 9-11), Battery Park Hotel, Asheville • National Electronics Conference (10-12), Sherman Hotel, Chicago • Industrial Film & Audio-Visual 4th annual exhibition (10-13), Trade Show Bldg., N.Y. • Audio Engineering Society 12th annual convention (11-14), Hotel New Yorker, N.Y. • RTES production workshop (12): "For Prophets & Profits," Hotel Roosevelt, N.Y.

Junior's nighttime TV viewing—or at least some of it—is credited as homework under a plan at Brooklyn's Junior High School 64. Program suggestions are made weekly by the school and students discuss their viewing in class. The Sept. 26 Nixon-Kennedy debate was mandatory, and parents were requested to allow their children to watch in case others in the family might have preferred a competing program, explained school principal Jacob Landers.

"TV Guide Roundup," an anthology chosen from the magazine's recently published articles & editorials, will be published Oct. 10 by Holt, Rinehart and Winston, N.Y. (\$2.95; 237 pp.).

Technology

Language-translating telephones which will permit direct conversation among people in different foreign countries can be expected within the next 20 year, Sylvania's Dr. Edwin G. Schneider forecast before the convention of the Telephone Assn. of New England. He said that automatic translation of transoceanic telephone conversations would be accomplished with advanced data-processing & communications devices.

Photo-printing electron tube which reproduces high-quality pictures from electronic signals transmitted over telephone, telegraph or radio circuits has been developed by Raytheon. The new tube, which resembles a flattened TV picture tube, makes it possible to print transmitted news pictures in as little as a third of a second, according to industrial-components div. gen. mgr. Robert L. McCormack. He said the printer tube is now being produced in sampling quantities.

Auxiliary Services

FCC vhf & uhf translator rules were eased last week to permit an originating translator, where several operate in "clusters" or "in tandem," to identify all the repeaters involved by transmitting their call signs. Previous rules required that each translator have an automatic device to transmit its call sign. The new rules are effective Oct. 10.

Uhf translator grants: Ch. 70 & 74, for Canadian & Higgins, Tex., and Ch. 72 & 76, for Booker, Darrouzett & Follett, Tex., to C L & O Translator System Inc. Ch. 77, Likely, Cal., to Likely TV Club. Ch. 81, Ellensburg & Kittitas Valley, Wash., to Kittitas Valley TV Assn. Ch. 74, Hood River, Ore., to Columbia Gorge TV Inc.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

JAPAN TV-RADIO IMPORTERS' DIRECTORY: Useful list of some 65 importers & distributors of Japanese transistor radios (& TV sets) will be found on page 16 of this issue.

Because of the need for this information, we are printing this preliminary directory now, will update & complete it in future. Most of the information in the current directory is from Japan Trade Center in N.Y.

Directory gives name & address of each importer and/or distributor, telephone number, brand name under which the products are sold in U.S., and—wherever verifiable—name of Japanese manufacturer of each product brand.

Most importer-distributor set-ups are independent, but there's increasing trend toward establishment of U.S. branches by large Japanese firms—i.e., Matsushita, Mitsubishi, Sony.

TV SALES STILL MAY TOTAL 6.2 MILLION: Despite potentially serious inventory situation & sharp drop in distributor sales to dealers (Vol. 16:39 p14), most manufacturers still think that retail TV sales can total 6.2 million sets this year. While this is fairly sharp drop from the 6.5-6.7 million predicted earlier in 1960, it's still nearly 10% ahead of 1959.

Industry is in rather strange position of being caught with excess inventories while reports from the field indicate relatively good movement at retail. While overproduction alarm is being sounded, it's worth noting that most set makers are reporting Sept. retail pickup. If sales for last 4 months of this year run about same as 1959 months, 1960 could be a 6.3-million set year. But even at this pace, production brakes must be applied to prevent serious dumping situation.

Thus sights are being readjusted from an "excellent" to a "good" retail year in 1960—good when contrasted with last year's 5.75 million and 1958's 5.14 million. On distributor level, as we reported last week, sales may fall slightly short of last year's 6-million mark.

Most manufacturers have predicted healthy retail TV business last 4 months of this year—and this week's information seems to substantiate those forecasts. Add to this the fact that most economic surveys—including those by Federal Reserve Board and U. of Michigan—report consumer buying plans for remainder of year are equal to last year or slightly higher. This combined with growing replacement market indicates that 6.2 or 6.3 million set sales isn't unreasonable figure for 1960.

At last year's end, most manufacturers were willing to settle for 6.1 million in 1960. In our annual survey of manufacturers' predictions for the coming year last Dec., more than half of the forecasters gave the 6.1-million set figure (Vol. 15:51 p14). Good movement the first 6 months of this year caused many to revise their predictions upward.

Major problem continues to be trimming production to match revised sales rates—and this is a problem at top factory level. There may also be some streamlining of lines to cut out slow-moving models. One of first moves in this direction is being taken by Packard Bell, which plans to drop 3 to 8 sets—depending on outcome of survey now being conducted among its distributors. Chances are some of those dropped will be 17- & 21-in. sets, but it's understood some 19-in. models may also be weeded out.

Often neglected in sales picture is importance of dollar volume. Last statistics indicate that average factory price per set sold this year may be highest since 1953, with consoles & combinations accounting for biggest proportion of set sales in 7 years (Vol. 16:34 p14).

Consumer income is at record, and money is available for spending on high-quality merchandise. Competition for consumer's dollar never was greater, though, and we think Magnavox midwestern sales mgr. Austin Cunningham put his finger on basic problem which now confronts TV merchandisers, in a recent talk to dealers:

"Your competitor up the street," he said, "should be the least of your worries. Your real competitors are the ones to worry about—boats, long vacations, wall-to-wall carpeting, swimming pools, country club memberships, second cars. These people are outselling us!"

JAPANESE TV MARKET-TEST THIS WEEK: First test of sales power of Japanese TV sets comes this week when New York's Liberty Music Stores begin pushing Delmonico 19-in. portables at \$159.95. Trade will be following public reaction closely, since the Japanese set—though attractive—is conventional thinline portable and is being sold at price not much below actual selling prices of similar U.S.-brand sets.

Quality-conscious Liberty (Magnavox TV, top brands of component hi fi) kicks off promotion of Delmonico TV with ads in Sunday papers Oct. 2. The portable, made by Japan Victor, has been displayed in Liberty show windows for a week, but store officials withheld comment on customer reaction pending ad results.

Liberty has been quite successful with Japanese radios, strongly featuring Sony line in displays & ads. Liberty is also to handle Delmonico (Japan Victor) 8-in. battery portable TV, due for Christmas sales.

Delmonico officials say they've received about 500 sets so far, with 1,000 more due to arrive early this month. They're shipped without the 19-in. picture tube—U.S.-made tube being inserted upon arrival. Delmonico says its sets will be carried by Macy's, J. L. Hudson (Detroit), Jordan-Marsh (Chicago), among others. We were told by Macy's that the N.Y. store will begin handling Delmonico TVs this month.

Gimbels was ahead of Macy's in selling Japanese-made TVs, however, having picked up a few Star-Lite 8-in. power-cord sets (non-transistorized) and sold them at \$99 each (Vol. 16:36 p12). A store spokesman said the set "has a lot of appeal to it" and that all on hand were sold, including the samples, without any advertising. He declined to state the number of sets moved, except to say it was a relatively small amount. "It performs very well," he said, adding somewhat wistfully: "Too bad we can't sell 'em for \$65."

Star-Lite set is made by Riken Industries for Star-Lite Merchandise Corp., N.Y. Star-Lite co-owner Charles Dayon said some discount houses have also sold the tiny sets, also at \$99. Next problems for Star-Lite, he said, are to improve delivery schedules, which have been slow, and to "make the product better."

The question still remains whether public will buy Japanese-made TV sets in quantity when American brands are selling at comparable prices in special promotions. Competing in price with the 8-in. set are 90-degree 17-in. price-leader portables, now being widely promoted in N.Y. stores at \$88-\$110.

Price promotions aren't being confined to "obsolete" sets. In a class with Delmonico's set, both in tube size & price, we observed Philco & Emerson 19-in. portables at \$159 & \$169 respectively at Macy's, along with Sylvania 23-in. consoles & lowboys at \$199 & \$219.

A hybrid U.S.-foreign TV-radio-phono combo is best seller in one of New York's big appliance chains, incidentally. Vim has been offering German-made Metz TV-phono-AM-FM-SW combinations which incorporate 21-in. RCA TV chassis (Vol. 16:2 p20) for nearly a year. At \$500 & \$520, "they're our biggest-selling TV combinations," we were told.

TV-RADIO PRODUCTION: EIA statistics for the week ended Sept. 23 (38th week of 1960):

	Sept. 16-23	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	143,808	138,092	183,441	4,218,163	4,300,722
Total radio	424,457	385,823	411,956	11,882,213	10,460,308
auto radio	176,733	147,804	146,979	4,517,624	3,968,266

Hertz will rent TV sets, and a range of other merchandise, through new subsidiary Hertz Rent-All Corp. which has been formed by the worldwide car & truck rental & leasing organization. Pres. Walter L. Jacobs said the new subsidiary's first office will be established in Chicago around Nov. 1 and be the forerunner of a national chain of company-owned & franchised outlets. "We feel certain that there is a great unrealized potential in the 'rent all' field," Jacobs noted. "The present volume of the existing 'rent all' industry by the many independents in the U.S. has been estimated at more than \$100 million annually." In addition to TVs, the Hertz subsidiary plans to rent products ranging from party supplies and hospital & sickroom equipment, to reducing aids, silverware and cribs.

Strike at GE by 70,000 IUE members of the total 240,000 work force was slated for midnight Saturday with expiration of the 1955-60 contract. Among major issues involved, IUE wants a 2-year pact with a 3½% minimum wage increase tied to worker productivity and the cost-of-living index. GE has offered a 3-year contract with an immediate 3% increase, a 4% boost 18 months from now. The Federal Mediation and Conciliation Service had asked both sides to continue negotiations "without interruption of production" beyond the strike deadline. Earlier last week, GE notified its vendors of the "impending strike action," announced it would start furloughing several hundred workers at its Louisville home-appliances plant in anticipation of a shutdown.

Directory of Importers & Distributors of Japanese Transistor Radios

NAME, ADDRESS, PHONE	BRAND	MANUFACTURER	NAME, ADDRESS, PHONE	BRAND	MANUFACTURER
A & A Trading Co. 1140 Broadway, N.Y. Murray Hill 4-2758	Brighton Realistic	— —	Lissner Trading Corp. 134 N. LaSalle St. Chicago 2, Ill.	Mitsubishi	Mitsubishi Electric Mfg. Co.
A & S Trading Co. (see Yamakawa Trading Co.)			Longwood Radio Distributors 1261 Broadway, N.Y. MU 3-6481	Longwood	—
Aiwa Electric Co. 15109 Broadway, Cleveland, O. GR 5-1252	Aiwa	Aiwa Co. Ltd.	Majestic International 75 Sedgwick St. Brooklyn 31, N.Y. UL 2-6000	Koyo	—
Arrow Trading Corp. 47 W. 30th St., N.Y. OR 9-4554	Arrow Hartman	— —	Mantone Radio Co. 263 Canal St., N.Y. CA 6-1081	Little Pal Mantone Manhattan	— — —
Brother International Corp. 36-50 38th St. Long Island City, N.Y. EM 1-2690	Brother	—	Marubeni-Iida American Inc. 39 Broadway, N.Y. WH 4-9100	Beniida	—
Charles Brown & Co. 1170 Broadway, N.Y. MU 3-0802	Browni	—	Masuyama International Corp. 214 W. 14th St., N.Y. CH 2-6175	Global	Global Mfg. Co.
California Radio & Electronics 823 N. Highland Ave. Hollywood 38, Cal.	Calrad	—	Matsushita Electric Corp. 41 E. 42nd St., N.Y. MU 2-6244	Matsushita	Matsushita Electric Industrial Co.
Canton-Son Inc. 12 W. 27th St., N.Y. OR 9-7550	Crestline	—	Mitsubishi International Corp. 120 Broadway, N.Y. DI 9-3700	Mitsubishi	Mitsubishi Electric Mfg. Co.
Channel-Master Corp. Ellenville, N.Y. EL 1300	Channel-Master	Sanyo Electric Co.	Mitsui & Co. 530 Fifth Ave., N.Y. YU 6-9600	Viscount Trav-ler Jefferson Travis	— — —
Commodore Import Corp. 74 Throop Ave. Brooklyn 6, N.Y. EV 8-2651	Commodore	—	Nichimen Co. 39 Broadway, N.Y. DI 4-0216	Continental Olympic Universal	— — —
Concord Overseas 15 Moore St., N.Y. WH 4-3977	Marvel	Yokohama Tsushin Kogyo Co.	Nissho American Corp. 74 Trinity Place, N.Y. WH 3-7840	Ten	Kobe Kogyo Corp.
*Consolidated Sewing Machine Corp. 1115 Broadway, N.Y. WA 9-6900	Viscount	—	Omscolite Corp. Stokley & Roberts Sts. Philadelphia BA 3-9900	AM/FM 7	—
Continental Mdse. Co. 236 Fifth Ave., N.Y. MU 3-3540	Continental	—	Panorama Enterprises 1289 S. La Brea Los Angeles 19, Cal.	Fleetwood	New Hope Industrial Co.
Delmonico International 42-24 Orchard St. L. I. City, N.Y. ST 6-8108	Delmonico	Victor Co. of Japan (TV & stereo) Fuji Denki & others (radio)	Peerless Radio Distributors 92-32 Merrick Rd. Jamaica, N.Y. JA 3-3456	Koyo Romance	— —
Eastern Associates Ltd. 214 Mission St. San Francisco, Cal.	Zephyr	—	Petely Sales Corp. 300 Park Ave. S., N.Y. AL 4-7820	Hi-Delity	Victor Co. of Japan
Eisenberg & Co. 52 Broadway, N.Y. BO 9-4062	Fuji Denki	Fuji Denki Co.	Polyrad Corp. 521 Broadway, Cincinnati 2	—	—
Elize Mercantile 1140 Broadway, N.Y. MU 5-9104	Constant Eterna	— Eterna Tsushin Kogyo Co.	Realtone Electronics 184 Fifth Ave., N.Y. CH 3-9106	Realtone	Realtone Electronics Inc.
Excel Corp. of America 9 Rockefeller Plaza, N.Y. JU 6-2960	Cosmopolitan Excel	— —	Sanyo Trading Co. 149 Broadway, N.Y. CO 7-3948	Ten Onkyo Wilco	Kobe Kogyo Corp. Osaka Onkyo Co.
Fortune Star Products Co. 1207 Broadway, N.Y. MU 4-7140	Capri	Japan Communica- tions Industry	Sampson Co. (see International Importers)	—	—
General Export Co. 74 Sacramento St. San Francisco, Cal.	Fortune 4-Star Viscount Jupiter	— — — —	Shrirō Inc. (see Linmark International)	—	—
Gosho Trading Co. 50 Broad St., N.Y. WH 3-0530	Toptone	Tokyo Optical & Radio Mfg. Co.	S. S. Schultz Co. 1186 Broadway, N.Y. OR 9-5948	Ten	Kobe Kogyo Corp.
Culver Gray & Co. 160 Fifth Ave., N.Y.	Marvel	Yokohama Tsushin Kogyo Ltd.	*Solo Electronics Corp. 190 Washington St., N.Y. WO 2-1042	Hitachi	Hitachi Ltd.
Harpers International Inc. 315 Fifth Ave., N.Y. MU 4-3660	Harpers	—	Sony Corp. of America 514 Broadway, N.Y. WO 6-0800	Sony	Sony Corp.
Intercontinental Industries 555 W. Adams St., Chicago	Minute Man	—	Star-Lite Merchandise Corp. 37 W. 23rd St., N.Y. WA 9-1742	Star-Lite (TV)	Riken Industrial
International Importers Inc. (The Sampson Co.) 2242 S. Western Ave., Chicago	Hitachi	Hitachi Ltd.	Sun Coast Merchandise Corp. 410 S. Spring St. Los Angeles 13, Cal.	Suntone	—
Inter-Ocean Commerce Corp. 170 Broadway, N.Y. WO 4-1650	Spica Holiday	Sanritsu Denki Co. Sanshin Jitsugyo Co.	Toyama & Co. 855 Sixth Ave., N.Y. LO 6-5748	Candle	Tokyo Transistor Industrial Co.
Isac & Co. Ltd. Miami, Fla.	Faraday	—	Toyomenka Inc. 2 Broadway, N.Y. DI 4-6130	Sharp Invictor	Hayakawa Electric Co.
Iwai N.Y. Inc. 350 Fifth Ave., N.Y. PE 6-1800	Nanaola	Nanao Radio Co.	Trade Distributors Inc. 461 Fourth Ave., N.Y. MU 6-5442	Ardsley Empire	— —
Kanematsu N.Y. Inc. 150 Broadway, N.Y. BE 3-2890	NEC	Nippon Electric Co.	Trans America Import & Export 116 S. Michigan Blvd. Chicago 3, Ill.	General	Yaou Electric Co.
Kent Overseas 14 W. 23rd St., N.Y. AL 5-7470	Kent	—	*Transistor World Corp. 52 Broadway, N.Y. BO 9-5460	Toshiba	Tokyo Shibaura Electric Co.
Kowa American Inc. 230 Fifth Ave., N.Y. LE 2-0665	Kowa Longwood	Kofuku Sangyo Co.	Transworld Industrial Corp. 50-27 38th St., L. I. City	Transeel Fleetwood	New Hope Industrial Co.
Lafayette Radio Corp. 165-08 Liberty Ave. Jamaica 33, N.Y. AX 1-7000	Argonne Lafayette	— —	Yamakawa Trading Co. 224 W. 30th St., N.Y. LO 5-2418	Fujiya	Fujiya Corp.
Linmark International Corp. 276 Fourth Ave., N.Y. GR 7-7500	Crown Linmark	Asahi Radio Mfg. Co.	Yashica Inc. 234 Fifth Ave., N.Y. MU 3-4730	Yashica	Yashica Inc.

*Distributor only

A Japanese Looks At Color: An interesting wrap-up of color-TV progress & plans in Japan is presented by Hisat-sugu Nakamura, an executive of Sun Wave Industrial Ltd., in the Aug. issue of Tokyo-published *Radio & TV*. In a detailed article on the "Status of Color TV," Nakamura observes in part:

"Japan's TV manufacturing industry reached 300,000 sets-per-month in April for b&w receivers, and since then production has been curbed to prevent increases in inventory. On the other hand, manufacturers are aiming to hit the 200-to-300 sets-per-month figure for color TVs [in August]. Potential demand for 21-in. & 17-in. color receivers is estimated to be around 5,000 sets. All the large TV-set manufacturers have announced production of color-TV sets, and delivery commenced by some in July [Vol. 16:35 p14].

"The average retail price for a 21-in. color-TV receiver runs around the equivalent of \$1,400. The 17-in. type is approximately 20% lower. [Color TVs are high-priced in Japan because at the present time they're virtually hand-made, picture tubes are imported, mass-production techniques have not yet been introduced.] The low labor cost may permit the competitive export of color TV chassis, and several large manufacturers are contemplating entering into the export market with this new item.

"The quality of Japanese-made TV receivers is recognized as being comparable or better than its counterparts made in the U.S. or other foreign countries . . . The bug-a-boo of servicing is creating a great deal of resistance to sales of color TVs in the U.S.

"The completely transistorized TV receiver may be the answer to the color-TV problem. We are bound to see transistorized color TVs as soon as the cost of RF transistors comes down to equal that of vacuum tubes. The reliability & indefinite life of the transistors would be a tremendous advantage to the complex color receiver. Such a development could be realized within a year or two.

"One prominent manufacturer has announced a new video-tape recorder using a single head for scanning the tape. NTSC color signals could be recorded on this machine with slight modifications. One color version of this video-tape recorder is expected to be placed on the market in November."

Alleged violations of Export Control Act by Visual Electronics Corp. (Vol. 16:36 p13) "were isolated transactions involving 3 minor shipments made to a regular Visual customer in Cuba 2 or 3 years ago and refer to matters of a clerical nature," Visual Pres. James B. Tharpe said last week. His statement was in reference to charges by the Bureau of Foreign Commerce. Said Tharpe: "Foreseeing an expanding overseas market for technical broadcast equipment & services in the '60s, Visual began early in 1958 on a comprehensive program to secure a substantial amount of this business for the U.S. in face of growing competition from foreign sources. Visual now exports a substantial share of the U.S. total in this field."

Electronics sales will increase 76.6% in the next 5 years—from this year's estimated \$10 billion to \$17.6 billion by 1965. That's the prediction made in a recent study by research dir. Harry Greenfield of Electronics Investment Management Corp., San Diego. His breakdown by category: Consumer products, a 23% increase from 1960's \$2.2 billion to \$2.7 billion in 1965. Industrial products, 128% from \$1.8 to \$4.1 billion. Govt. products, 96% from \$5.1 to \$10 billion. Replacement parts, 67% from \$900 million to \$1.5 billion.

MERGERS & ACQUISITIONS: Electronics merger news last week was highlighted by the agreement "in principle" reached by Siegler Corp. (Olympic Radio & TV, Hallamore Electronics, David Bogen Co., Presto Recording, other divisions & affiliates) and Jack & Heintz, Cleveland manufacturer of aircraft & missile components and electric control systems. The \$14-million transaction, subject to approval by stockholders of both concerns, would transform J&H into a wholly-owned Siegler subsidiary. Under proposed merger terms, J&H stockholders would have the option of receiving either 11 shares of Siegler common for each 20 of J&H (equal to one share of J&H for each .55 share of Siegler) or exchanging J&H common for a new convertible preferred on a basis to be announced when the merger plan is submitted to shareholders. Other merger news:

Raytheon has acquired for an undisclosed price the assets of Panels Wires Inc., San Francisco.

Lionel Corp.'s proposal to purchase the assets of Anton-Imco Electronics (Vol. 16:29 p18) was approved by the stockholders of both concerns last week. Lionel will pay 1½ shares of common stock (or a total 278,455 shares) for each share of Anton-Imco. Excluded are 40,000 shares of Anton-Imco already held by Lionel.

Itek Corp. and Seeburg once more have broken off their on-again-off-again merger talks. They report in a joint statement that "talks leading to a possible merger of the 2 companies have been definitely discontinued."

Reeves Bcstg. & Development Corp. has acquired for \$780,000 the 16,000-acre Boiling Spring Lakes recreational & residential project near Southport, N.C.

Electric & Musical Industries Ltd., which includes Capitol Records among its various TV-radio-phonograph-record-appliance subsidiaries, has acquired Ardente and its subsidiary Ardente Acoustic Labs for 255,320 EMI shares. The acquisition of the privately-held English manufacturer of miniature electronic components & hearing aids was valued at \$1,680,000 by EMI.

English Electric Co. and London-based General Electric Ltd. are exploring merger possibilities. The combined company would employ nearly 160,000 persons, boast assets of over \$500 million. GE Ltd. is not related to U.S. GE.

New transistor radios: (1) Zenith introduced the Royal 475, described as a "traveling table radio" & "the finest all-transistor set ever produced in a personal size." Slightly smaller than a paper-back book, it's powered by 6 penlight cells and is designed for high sensitivity. It lists at \$49.95. (2) Magnavox has announced 6 new radios, including a 6-transistor cordless table radio at \$39.95, transistorized pocket broadcast-band radios at \$24.95, \$29.95 & \$34.95, a \$59.95 pocket broadcast-shortwave radio.

"Tube radios will replace transistor radios as the leading export." That's the novel prediction of Tokyo's *Radio & TV* magazine. Its reasoning: (1) Transistor radio export quotas limit growth in that field. (2) Regular FM broadcasting, now just beginning in Japan, is providing impetus for manufacturers to enter mass-production of FM sets. (3) Tube radios "are comparatively cheaper than transistors." (4) "Ultra-miniature tube radios have now been perfected."

Hoffman Electronics plans to close the cabinet dept. of its consumer products div., in a move motivated by economics. The company will buy its cabinets in the future.

Trade Personals: Bodie L. Stahlschmidt, ex-sales mgr. for freezers & room air conditioners, named gen. sales mgr., Admiral Sales Corp. . . . Benjamin Abrams, Emerson pres., will be one of 10 honored as founders of the N.Y. Israel Bond Campaign at a dinner Oct. 3 at N.Y.'s Pierre Hotel . . . Oliver Read, ex-publisher of *Ziff-Davis' Electronics World*, *Popular Electronics* and *Hi-Fi & Stereo Review*, becomes dir. of publications, National Radio Institute, Washington.

Harry M. Rich, ex-pres. of Fonovox Corp. and vp of Grundig-Majestic, named mgr. of Westrex Corp.'s new import dept.; Anthony Easton, ex-communications equipment gen. mgr. named dir. of international sales . . . Marion E. Pettegrew, Sylvania senior vp, appointed chmn. of EIA's Walsh-Healey Policy Committee . . . Herman Epstein, ex-Tele-Dynamics, becomes pres. of Omnitronics Inc., new Philadelphia-based electronics subsidiary of Borg-Warner Corp. . . . Harry P. Hancock Jr. named industrial relations mgr., Raytheon's Quincy (Mass.) receiving tube plant . . . Robert D. Lilley named Western Electric personnel & PR vp, succeeding Arthur P. Clow, now vp-gen. mgr., Chesapeake & Potomac Telephone Co.

Dr. Robert W. Hull named to new post of vp for reliability, General Instrument semiconductor division . . . Admiral Neil K. Dietrich (USN ret.), ex-economic research dir., Charleston (S.C.) development board, appointed Hazeltine vp . . . W. G. Gordon, ex-IBM, named to new post of gen. sales mgr. & asst. div. mgr., Dage TV . . . Leo T. Bowles named product planning mgr., GE's receiving tube dept. mktg. section, succeeding Arthur F. Dickerson, appointed product planning mgr. of GE components div.'s advanced product planning operation.

No quotas on "toy" radios—sets with fewer than 3 transistors—will be set now by Japan's Ministry of International Trade & Industry, which has resumed export licensing of the sets after an inquiry into the advisability of restrictions. Interestingly, in rejecting quota proposals, the Japanese govt. rejected a recommendation by its own embassy in Washington.

Obituary

Julian King Sprague, 57, pres., Sprague Electric Co., died Sept. 26 of a heart attack at his ranch in Presidio, Tex. A long-time leader in the electronics industry & civic affairs, he held important consultant positions to the War Production Board (1943-45), Research & Development Board (1951-54), and was chairman of the Defense Dept.'s advisory group on electronic parts. In 1953, he became president of the firm founded by his father, Frank J. Sprague, a pioneer electrical inventor known as the "father of electrical transportation." Sprague Electric Co., one of the nation's largest electronic component firms, is chaired by Julian Sprague's brother, Robert C. Sprague, who preceded him in the post of president. In addition to his brother, he leaves his wife, a daughter, a son and mother.

Charles B. Swope Sr., 45, senior counsel in RCA's industrial electronic products div., was killed Sept. 24 in an unsuccessful effort to rescue his 12-year-old son Charles B. Jr. from their blazing home near Phoenixville, Pa. He is survived by his wife, daughter and a younger son.

Arthur T. Brown, 72, who retired in 1953 as asst. to the pres. of International GE, died Sept. 17 in Fort Lauderdale, Fla. after a long illness. He is survived by his wife and a daughter.

Satire on planned obsolescence in stereo is presented in an attention-getting Capitol Records ad, featured in trade publications last week. The editorial ad, whose message is geared to the fact that Capitol phonos don't have yearly styling changes, is captioned "Suddenly! All Your Stereo is Obsolete!" Illustration shows flying-saucer-like phono, with such features as motorized dust brush, headlight for music to read by, double needle to play both sides of records simultaneously, cigar lighter, extra long spindle to play 127 records, tailfin with red light which goes on when 86th record is played, outlet for electric shaver, soft-drink dispenser. There's even one futuristic gadget labeled "doesn't do anything, but it looks pretty."

Automatic Radio Mfg. posted a profit of \$1,272,558 (69¢ a share) on \$11,339,154 sales in the 9 months to June 30, according to a report filed with SEC (Vol. 16:38 p19). The Boston concern produces auto & portable radios, auto air-conditioners, antennas, other electronic products. Its capital structure includes 3 million authorized common shares, 2,010,015 outstanding. More than 67% of the stock (1,350,490 shares) is owned by the Housman family—Pres.-treas. David, exec. vp E. L., asst. treas. C. J. In its preceding fiscal year ended Sept. 30, 1959, Automatic Radio earned \$1,849,561 (99¢) on \$13,871,695 sales.

Kahn single sideband AM system shouldn't be authorized by FCC until the industry has had a chance to test it, EIA's radio receiver committee told the Commission last week. FCC had solicited industry comments in a rule-making proceeding (Vol. 16:25 p11). The Committee, headed by Zenith's Karl E. Hassell, said the system "has not been disclosed in sufficient detail to permit other organizations to make an independent engineering appraisal of it." Concern was expressed about the possibility of interference to conventional broadcasts, tuning difficulties, etc.

EIA opposition to Labor Dept. proposal to set minimum wages for electron tube & semiconductor industries on a national instead of regional basis was filed with Labor Secy. James P. Mitchell last week (Vol. 16:34 p16). The EIA brief urged that wages be based on minimums prevailing in 4 regions (New England, Middle Atlantic, Central, Western), challenged the basis upon which the Department proposes a \$1.42 hourly minimum for tube makers, \$1.35 for semiconductor producers.

Two-year schedule of wage & benefit improvements has been adopted for Sylvania non-union employes and is being offered to unions representing the company's other hourly workers. It provides for raises of 5¢ to 10¢ an hour, effective Aug. 29, 1960, and establishment of non-contributory pension plan and voluntary contributory savings & security plan Sept. 1, 1961. Under the formula, Sylvania will eliminate its cost-of-living escalator increase plan Nov. 1, 1960.

Electronic components shipments by U.S. manufacturers achieved an all-time high during first quarter 1960, according to BDSA electronics div. The output was 8% higher than the preceding 6-month period and 20% more than during first-half 1959. There was a sharp increase in quartz crystals, transformers & transistors, while TV picture tubes, power & special-purpose tubes declined slightly.

Color-TV promotion at Macy's N.Y. area stores features continuous color film showings on RCA sets at main stores, and RCA sets priced at \$495.95 & up, including installation and 90-day parts, labor, pickup & delivery warranty.

Finance

Hallicrafters Goes Public: Hallicrafters stock becomes publicly owned again with the offering of 300,000 shares at \$17.50 per share by a group headed by Paine, Webber, Jackson & Curtis. Actually the current Hallicrafters Co. is successor to the original Hallicrafters Inc. which was purchased in 1956 by Penn-Texas Corp., and then purchased a year later from Penn-Texas by Pres.-Chmn. William J. Halligan & family. Of the 300,000 shares now being offered, the company is selling 100,000, Halligan & family 200,000, after which members of the Halligan family will own 781,000 or 70.6% of the outstanding shares.

Out of the home TV-radio business since 1958, Hallicrafters' output now is 47.4% military, 16.9% commercial communications equipment and 35.7% electronic organs (it makes the Lowrey Electronic Organ for Chicago Musical Instrument Co.). In its industrial business, it manufactures citizens band transmitter-receivers and 2-way marine radio equipment for RCA. Its well-known line of amateur radio equipment soon will be joined by transmitter & receiver kits for the "do-it-yourself" market in the below-\$100 range.

The stock-offering prospectus reports Hallicrafters' total assets as \$11,192,147, current assets as \$9,523,634, current liabilities \$4,519,130. It has 2,175 employes. For the 9 months ended May 30, 1960, its sales are given as \$21,872,000, profit \$650,000 after taxes (65¢ on each of 1,004,900 shares) compared with \$17,655,000 sales and \$431,000 net (43¢ a share) for the same 1959 period.

American Electronics, Los Angeles maker of electronic components, magnetic tape recorders, other products, forecasts total 1960 sales of \$29-30 million (vs. \$25 million in 1959), profits from operations of about \$800,000 (\$609,599), and per-share earnings of 68¢ (70¢). Chmn.-Pres. Philip W. Zonne said the 9 months to Sept. 30 produced earnings of some \$482,000 (about 41¢ a share on 1,117,708 shares now outstanding) vs. \$353,084 (40¢ on 874,272 shares) in the year-ago period. American Electronics expects to liquidate its data-processing equipment business, Zonne noted, adding: "We have an active prospect for selling it and we expect to dispose of it before the end of the year. After this sale we will have pretty much cleaned up the company." Operating with a "clean slate" in 1961, the company should push sales to more than \$35 million and show profits in excess of \$1.4 million, he said.

Magnavox profits in the 3rd quarter will be 35-40% ahead of the same 1959 period on a 15-20% sales increase, according to Pres. Frank Freimann. He noted an increase in sales of higher-priced TV & hi-fi models, particularly the \$595 Stereo Theater unit. Many defense orders are now out of the research-&-development stage and in the delivery stage, he added. The company's defense-order backlog is about \$100 million vs. \$46 million a year ago. Magnavox full-year profits & sales are expected to set a new record.

Wilcox-Gay, parent of Majestic International (Grundig-Majestic and other imports), has effected a "reverse" split in its common stock by issuing one share of a new \$4-par common for each 4 shares of the previous \$1-par stock. Under the recapitalization, already approved by stockholders, Wilcox-Gay will have an authorized capital structure of 562,500 shares of the new \$4-par stock and 400,000 shares of no-par-value common stock.

AB-PT Sees Record Year: Third-quarter earnings of AB-PT will be about 40% ahead of the same 1959 period and sales & earnings for the full year should set new records, Pres. Leonard H. Goldenson told the Boston Society of Security Analysts last week.

"Television has been primarily responsible for the improvement shown this year and this will continue to be the case in its continued growth over the years ahead," he said. If the economy continues to move upward and ABC's growth trends remain the same, he predicted that the ABC-TV network could more than double its 1959 gross time billings of \$126 million within 5 years. Other points made by Goldenson:

ABC-TV's 28% improvement in gross time billings for the first 7 months of this year should be maintained for the balance of the year.

Direct international TV via space satellite should be possible within 5-to-10 years. AB-PT plans to make additional investments in TV stations & networks abroad.

AB-PT directors might consider an extra stock dividend at their November meeting, Goldenson said in response to a question.

Market news: Trav-Ler Radio is offering for public sale \$2.2 million of 15-year 6½% sinking fund debentures, through underwriters Lee Higginson Corp. and Straus, Blosser and McDowell. Each \$1,000 debenture entitles the holder to purchase 50 shares of common at \$7.50 a share for 5 years, at \$9.50 per for the next 5 years and at \$11.50 per for the final 5 years • Cetron Electronic, Chicago maker of electron tubes, is offering 260,000 shares of common stock at \$6.75 a share through Leason & Co. Cetron plans to extend its activities into the fields of optic & electronic systems • Milgo Electronic, Miami manufacturer of electronic components & devices, is offering holders of common rights to subscribe for 65,000 additional shares of common on a 1-for-6 basis, at \$16 a share. The underwriting group is headed by Shearson, Hammill & Co.

Hoffman's 3rd-quarter profits will be lower, on higher sales, than in the same 1959 period, vp-treas. Carroll E. Underwood predicted last week. Earnings will total about \$300,000 (19¢ on 1,524,222 shares) on sales of \$15 million, compared with \$453,661 (30¢ on 1,506,322 shares) in 3rd quarter 1959, he said. He pointed out that the company's earnings have increased each quarter this year, and predicted that the 4th quarter will be better than the 3rd. In forecasting 3rd-quarter earnings, Underwood shaved his previous prediction of \$64 million sales this year to between \$58 & \$60 million.

Metropolitan Telecommunications Corp., Ames Court, Plainview, N.Y. (transformers, filters, relays, capacitors, etc.) has filed with SEC (File 2-17105) a proposal to offer \$600,000 of convertible subordinated debentures & 25,000 shares of outstanding common stock, through M. L. Lee & Co. and Milton D. Blauner & Co.

Reports & comments available: Trav-Ler Radio, prospectus, Lee Higginson Corp., 20 Broad St., N.Y. 5 • Electrical & Musical Industries, analysis, Abraham & Co., 120 Broadway, N.Y. 5 • Medical Electronics, discussion, McDonnell & Co., 120 Broadway, N.Y. 5 • Cetron Electronic, prospectus, Leason & Co., 39 S. LaSalle St., Chicago 3 • Milgo Electronic, prospectus, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • Rollins Bestg., profile in Sept. 28 *Financial World* • Four Star Television, prospectus, Dempsey-Tegeler & Co., 72 Wall St., N.Y. 5.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avnet Electronics	1960—year to June 30	\$ 9,271,181	\$ 2,026,361	\$ 1,014,051	\$0.67	1,513,300
	1959—year to June 30	6,372,595	1,530,927	767,620	.55 ¹	1,400,000 ¹
Electronic Research Associates	1960—year to May 31	2,291,228	331,101	141,101	.42	336,595
	1959—year to May 31	1,730,078	304,674	159,390	.48	335,388
Federal Pacific Electric	1960—year to June 30	100,194,175 ⁵	—	2,767,815	1.72 ³	1,454,558
	1959—year to June 30	62,724,709	—	2,307,494	1.61 ³	1,365,877
General Tire & Rubber	1960—9 mo. to Aug. 31	535,428,022 ²	29,472,431	16,272,431	2.90 ³	5,326,529
	1959—9 mo. to Aug. 31	483,644,239	38,320,567	20,320,567	3.79 ³	5,131,248
Hycon Mfg.	1960—6 mo. to July 31	3,764,527	—	130,481	.03	—
	1959—6 mo. to July 31	3,211,143	—	305,195 ⁹	.09	—
Narda Microwave	1960—year to June 30	2,276,870	—	63,811	.11	600,000
	1959—year to June 30	1,543,717	—	56,716	.10	600,000
Polarad Electronics	1960—year to June 30 ⁷	15,000,000	—	732,000	.57	1,311,092 ⁸
	1959—year to June 30	11,900,206	—	475,186	.94	501,396
Thompson-Starrett ⁴	1960—6 mo. to June 30	5,212,535	—	(246,373)	—	2,650,266
	1959—6 mo. to June 30	4,821,242	—	(14,442)	—	2,559,234

Notes: ¹ Adjusted to reflect May-1960 2-for-1 split. ² No breakdown on broadcast revenue was supplied. ³ After preferred dividends. ⁴ Including Delmonico International div. ⁵ Includes operations of Cornell-Dubilier for 12 months to June 30, 1960. ⁶ Includes \$200,000 gain on sale of Hermes Electronics preferred stock. ⁷ Approximate. ⁸ Reflects 2-for-1 split.

Cost of a 30-min. Film: Budget-minded executives will be interested in the breakdown of the \$50,520 cost of an average 30-min. film show (one of 26) as presented by editors Nicholas Archer & John Barnwell in the latest *Telefilm* magazine (7071 Hollywood Blvd., Hollywood 28, Cal). The article supplies the details for each of the following items:

Script & rights	\$3,500
Producer & staff	2,500
Director	1,250
Cast	11,000
Music	500
Miscellaneous above-line	3,500
Total above-the-line	\$22,250
Productions staff	1,400
Camera	1,200
Sound recording	1,165
Set construction	1,500
Set design	600
Film & lab	3,200
Film editing	2,200
Special effects	300
Process & stock shots	150
Projection	100
Grip & standby	1,020
Electrical	1,600
Wardrobe	720
Makeup & hair dressing	415
Props	750
Set dressing & drapery	1,200
Scoring & dubbing	1,100
Location expenses	1,200
Transportation	700
Insurance	250
Payroll taxes	1,200
Stage space rentals & studio charges	2,200
Pre- & post-production amortization	300
General overhead	400
Production fee	3,000
Miscellaneous	400
Total below-the-line	\$28,270
Grand total	\$50,520

Ampex sales & profit forecasts for the year ending April 30 may have to be revised downward—but even so, the final results will be higher than last year. So said Ampex Pres. George I. Long last week in a talk to the Financial Analysts of Philadelphia. Last August, Long estimated fiscal 1961 sales at \$75-80 million, up from \$68 million in fiscal 1960, with profit margins “comparing favorably” with those for fiscal 1960.

New listings on American Stock Exchange: Electronic Research Associates Class A stock (symbol ERA A), Hycon Mfg. Co. (HY), Western Nuclear Inc. (WNU). Ling-Temco stock is due to be listed soon on the N.Y. Stock Exchange.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Sept. 29, 1960

Electronics TV-Radios-Appliances Amusements

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

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	22	25 1/2	Maxxon (W. L.)	8 1/2	9 1/2
Aerovox	8 1/4	9 1/4	Meredith Pub.	39	42 1/2
Allied Radio	20 1/2	22	Metropolitan Bcstg.	16 1/4	17 1/2
Astron Corp.	2	2 1/2	Milgo Electronics	18	20 1/2
Baird Atomic	26 1/4	28 1/2	MPO Videotronics	7	7 1/4
British Industries	16 1/4	18 1/2	Narda Microwave	5	5 1/4
CGS Labs	8 1/2	10 1/2	National Co.	27	29 1/2
Control Data Corp.	38 1/4	41 1/2	Nuclear of Chicago	28 1/2	30 1/2
Cook Elec.	14	15 1/4	Official Films	2	2 1/4
Craig Systems	15	16 1/4	Pacific Automation	6	6 1/4
Dictaphone	38	41 1/2	Pacific Mercury	6 1/2	7 1/4
Digitronics	20 1/2	22 1/2	Perkin-Elmer	36 1/4	39 1/2
Eastern Ind.	12 1/4	13 1/2	Philips Lamp	160	165 1/4
Eitel-McCullough	20 1/2	22	Pyramid Electric	3	3 1/2
Elco Corp.	14 1/2	16 1/4	Radiation Inc.	17 1/2	19 1/2
Electro Instruments	25 1/2	28 1/2	Howard W. Sams	40	43 1/2
Electro Voice	10 1/4	12	Sanders Associates	24 1/2	26 1/4
Electronic Associates	26	28 1/4	Silicon Transistor	5	5 1/4
Erie Resistor	7 1/2	8 1/4	Soroban Engineering	20 1/4	22 1/4
Executone	26	29 1/2	Soundsciber	11	12 1/2
Farrington Mfg.	32 1/2	35 1/2	Speer Carbon	21	23
Fischer & Porter	17 1/4	19 1/2	Sprague Electric	47	50 1/2
FXR	41	45 1/2	Taft Bcstg.	12 1/2	14 1/2
General Devices	11 1/4	12 1/2	Taylor Instrument	30 1/2	32 1/2
G-L Electronics	8 1/4	9 1/2	Technology Inst.	9 1/4	10 1/2
Granco Products	3 1/2	4 1/4	Tele-Broadcasters	1/2	1-1/16
Haydu	1/8	5/16	Telechrome	10	11 1/4
Hewlett-Packard	23 1/4	24 1/2	Telecomputing	7 1/2	8 1/4
High Voltage Eng.	125	139	Telemeter	11 1/4	12 1/2
Infrared Industries	16 1/4	18 1/2	Time Inc.	63 1/2	67
Internat. Rectifier	20	21 1/2	Tracerlab	8 1/2	9 1/4
Interstate Engineering	23 1/4	24 1/2	United Artists	7	7 1/4
Itek	47	51 1/2	United Control	19 1/2	22
Jerrold	7 1/2	8 1/4	Universal Trans.	1 1/2	2
Lab for Electronics	38	40 1/2	Vitro	11 1/4	12 1/2
Lel Inc.	4 1/2	5 1/2	Vocaline	2 1/2	3-5/16
LFE Inc.	11 1/4	—	WJR Goodwill Station	9	—
Magna Theater	2 1/2	3-7/16	Wells-Gardner	14 1/2	16
Magnetics Inc.	7 1/2	8 1/2			

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

SUMMARY-INDEX OF WEEK'S NEWS

WITH THIS ISSUE: January-September 1960 Index to Television Digest

FCC

ALLOCATIONS—"HAVES" vs. "HAVE NOTS." 3,000 pages from 150 parties argue issue of vhf drop-ins (p. 1).

MIAMI "FIX" RETRIAL STARTS with ex-FCC Comr, Richard A. Mack in hospital and Ch. 10 conspiracy co-defendant Thurman A. Whiteside in court alone (p. 5).

FCC VIEWS ON "CENSORSHIP" elaborated in short-license decision. Wouldn't "jeopardize" freedom of speech guarantees (p. 6).

Stations

ROAD CLEAR FOR COLLINS as NAB pres., with Board expected to approve him and \$75,000 salary. No dissents in sight, though some say they should have been informed earlier (p. 2).

Advertising

ANA-4A WATCHDOG COMMITTEE is formed. Representation from both ad groups will deal with offensive ads through self-regulation. It's first such joint effort by these associations (p. 2).

NAB WIDENS LIQUOR BAN on TV, review board stretching Code to cover non-alcoholic cocktail mixes. WNTA-TV N. Y. picks up challenged Holland House spots (p. 7).

Technology

FM STEREO REPORT due for completion this week by NSRC field-test panel. No recommendations to be made but all systems will be directly compared in comprehensive document (p. 3).

Film & Tape

HOLLYWOOD: "WHO? ME?" Makers of TV film are not impressed by their product this season—place responsibility elsewhere (p. 3).

Consumer Electronics

RETAIL TV SALES down 13% from 1959 in August—first month this year to show decrease. Eight-month retail sales still far ahead of last year (pp. 14 & 16).

FLAT-SCREEN TV brought closer by new Sylvania developments in larger & brighter electro-luminescent panels, but engineers see 10 more years needed (p. 14).

GE's COMPACTRON TUBES adopted by 13 consumer-electronics equipment manufacturers; CBS Electronics & Tung-Sol also will produce them (p. 15).

JAPANESE TV SET draws "good" response in N.Y. sales debut. Delmonico plans complete 23-in. line next year (p. 15).

TV RENTAL BUSINESS GOOD, NARDA finds in survey indicating more than half of TV dealers also rent sets, make money (p. 16).

COMPONENT SALES continued at record high in first-quarter 1960, Commerce Dept. reports on basis of industry survey (p. 16).

ELECTRONICS 'BUG' BBB: Consumer electronic products accounted for 1 of 10 complaints, BBB Pres. K. B. Willson tells EIA (p. 17).

Programming

GREAT DEBATE ROLLS ON. Political parties concern with "image" created by their candidates again points up enormous impact of the medium (p. 4).

Finance

SKIATRON STOCK SALES BARRED to Pres. Arthur Levey & pay-TV licensee Matty Fox by SEC ruling banning public deals (p. 18).

Other Departments

NETWORKS (p. 12). **CONGRESS** (p. 13). **PERSONALS** (p. 13).

ALLOCATIONS—"HAVES" VS. "HAVE-NOTS": We've leafed through many of the 3,000 or more pages filed by some 150 parties in FCC's "interim" allocation plan proceeding and found they're much the same as major filings we summarized earlier (Vol. 16:40 p2).

Well-situated vhf's want things left alone—building their arguments on prospective loss of fringe service to public. Uhfs or prospective vhf applicants heartily endorse vhf drop-ins via mileage cuts—citing need for more competition in larger cities & local service in smaller communities.

But the "haves," recognizing they may have to give some ground, strive vigorously to contain the "invaders." They argue for "specificity" and a single-package proceeding which would allow just so many drop-ins—and then slam door shut. Some also make it clear they'll try every legal device in the books to delay implementation of drop-ins. Even ETV vhf "haves" oppose service-area cuts; however, they say, if there are going to be drop-ins, they want them.

Those urging drop-ins frequently included elaborate documentation to show need in their cities for more stations. They insist that added competition & full availability of 3rd network service outweigh any possible loss to fringe service of existing vhf's.

Almost everyone objects to proposed adjacent-channel cut from 60 to 40 miles and to 20-db directionals. RCA filed report on feasibility of DAs.

Motorola opposed FCC's plan with argument that non-broadcast services need vhf more than TV does. Apparently, it looks toward ultimate shift of TV to uhf—or to sharing vhf channels with non-broadcast users.

Mass of material is so huge that FCC granted industry requests for more time to prepare reply comments, extending deadline 45 days beyond previously-set Oct. 14. It also gave same extension for reply deadline in Grand Rapids & Providence drop-in rule-making proceedings.

ROAD CLEAR FOR COLLINS AS NAB PRES.: Gov. LeRoy Collins' selection as next NAB president appears all over but the shouting—though there may be a little mild shouting, not much, as NAB Board meets at 11 this Monday morning (Oct. 10) to vote.

We've discovered no real opposition to Collins, per se, but there is some grumbling among Board members who wish they'd been consulted by selection committee. "Our only concern," said one, "is that we really don't know much about him in terms of our industry." No one expects the appointment to be delayed, however, and no dissenting votes are anticipated. Contract is same as the one late Pres. Harold Fellows had—\$75,000 plus about \$12,500 expenses. It runs 3 years.

In Tallahassee at his news conference last week, Collins for first time virtually confirmed pendency of NAB position by saying that if he becomes NAB president he'll immediately stop campaigning for Kennedy & Johnson, and resign as chmn. of Democrats' Speakers Bureau. He can assume NAB duties when term as Fla. Governor expires Jan. 3.

Collins was picked over other finalist, U.S. Information Agency Dir. George V. Allen, not only because committee was tremendously impressed by Collins but because it wasn't considered wise to attempt to woo Allen from his foreign affairs duties at this time. Committee members wouldn't say that they considered either the better qualified man.

After our early report first revealed to industry that Collins was leading candidate for job (Vol. 16:31 p1), nothing but kudos has been received by selection committee, according to Chmn. C. Howard Lane, KOIN-TV Portland, Ore. "I haven't heard a word of dissent," he told us. And, he added, "I'm bushed."

ADVERTISING'S SELF-POLICING MACHINERY: Biggest U.S. agencies & advertisers have joined forces in new, stiffer program to police "manifestly misleading" or "bad taste" advertising.

Unity-of-action link is through new 20-man group, Committee for Improvement of Advertising, with equal representation by Assn. of National Advertisers and American Assn. of Advertising Agencies. Each organization has been individually active in post-quiz-scandal cleanup of ad practices (Vol. 15:46 p5; 16:3 p8), but this is first joint program.

Influence of new Committee will be sizable, by all indications. ANA and 4A are 2 of strongest ad-industry associations. Although no drastic punishment for an offending ANA or 4A member is possible under groups' present rules, Committee will "coax, coax, coax—and then slug," said ANA Chmn. Donald S. Frost.

There's no conflict with govt. or business regulatory forces, such as FTC or Better Business Bureau. Committee won't, for instance, set up lab to validate product ad claims and it won't screen ads in pre-release stage. Focus will be on advertising that other admen consider to be "harmful to advertising as a whole."

Here's how machinery will work: When complaint is filed, each of 20 Committee members will receive voting form & copy of objectionable ad. For a TV commercial, they'll get a "photoscript"—audio transcript plus off-the-air still photos. Each ANA-4A member votes independently; votes are tallied; offending advertiser & his agency are notified simultaneously. If offenders continue, they'll be asked to resign—a threat more important in terms of industry prestige than it might sound. Committee members won't vote on complaints involving competitors, and findings & decisions won't be made public.

Essentially, Committee function represents new dimension for existing Interchange of Opinion, a 4A program in effect since 1946. Under new setup, Interchange will be operated jointly by 4A and ANA. Heading Committee are co-chmn. E. G. Gerbic (Heublein Inc. ad vp) and Robert E. Allen (Fuller & Smith & Ross pres.). Represented on Committee are such advertising blue-chips as Reynolds Metals, RCA, Dole, Ford Motor, Lever Bros., J. Walter Thompson, BBDO, Benton & Bowles.

STEREO COMMITTEE COMPLETING REPORT: Ahead of schedule, analysis of FM stereo radio field tests is due to be completed this week by field test panel of EIA's intra-industry National Stereophonic Radio Committee. This is next to last major step before inauguration of new stereo radio service. Final step, of course, is FCC's establishment of standards—choosing from among the 6 stereo systems tested & evaluated by NSRC, or, conceivably, a "dark horse" or "hybrid" system not considered by NSRC.

FCC's work should be considerably speeded by thorough NSRC field-test report, compiled under chairmanship of NAB engineering dept. mgr. A. Prose Walker. Report will be 5-to-6 inches thick, accompanied by series of test tapes, recorded at field test receiving site at Uniontown, Pa. from Pittsburgh's KDKA-FM, which served as test station. Although FCC's deadline for the field-test report & other FM stereo comments is Oct. 28, NSRC could beat this date—if no hitch develops at this week's meeting and if mechanical work (mimeographing of report, etc.) proceeds with dispatch.

Report itself will express no opinions—it's strictly a comparative engineering evaluation—but if any one system shows up as outstanding this will be obvious to engineers reading the data. Parameters of all systems will be compared directly in the various curves showing measurements at different field strengths. All companies sponsoring systems have worked with field testers and are expected to sign & vouch for report, so there's no argument as to impartiality or authority of the data.

Analyses will be objective rather than subjective—although if FCC staffers or Commissioners wish to hear results of different systems they can do so by listening to test tapes. Panel members, however, didn't evaluate tapes by personal preference, haven't even listened to them since they were recorded in wee small hours during last summer's Uniontown tests.

Panel's work has been conducted in completely scientific atmosphere. Chmn. Walker & panel members stress that no system has been (or will be) recommended or ruled out. They add that previous reports that one system failed to provide satisfactory stereo were not the opinion of the panel, which will allow engineering measurements & test tapes to speak for themselves.

Commission still hopes to proceed as swiftly as possible on establishing final standards. No hearings are planned and staffers hope to get to work on evaluation of all material right after Oct. 28 deadline, in hope that final decision can come out before year's end.

HOLLYWOOD: 'WHO? ME?' Most film-capital production executives take a dim view of the new TV season—at least so far as Hollywood product is concerned. Reaction ranges from occasional "wait until you see our good show coming up" to more frequent opinions that this is an uninspired, imitative and unimaginative season. The opinion coincides with that of TV-radio vp Arthur E. Duram of Fuller & Smith & Ross, who last week (Vol. 16:40 p4) took his fellow admen to task for TV's formula programming.

The gloomy view of programming is far more prevalent than the optimistic. Considering that many of these same executives are responsible for the film seen on TV, we asked one producer about this seeming paradox. Replied he: "When an agency or network says it wants a comedy or Western series you don't argue or turn down an order—you supply what they want."

"Very bad" was how one top executive of diversified & high-echelon background described the 1960-61 film season. He had not a good word to say for it, even though his product is included. Another termed bulk of programming "mediocre." Still another said most agency & network representatives currently in Hollywood from N.Y. are interested almost solely in next year's programs. They seem to have written off this season.

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Number of executives blame the networks for what they term a deplorable situation. This, they say, is the season the networks have assumed responsibility for programming, and there has been a damper on anything but the most routine formats. Any faintly new approach is discouraged by network—and sometimes agency—executives, they assert.

Overall, there is a marked air of apathy regarding Hollywood's filmed, or bread-&-butter shows. There is general agreement with the mainly critical reviews, although it's usually on a don't-quote-me basis. Some executives say part of the reason for the low-level quality is the writers' strike which paralyzed production for 5 months earlier this year and brought on panic-buying of scripts. Others say scripts they are now receiving are still mediocre, but are often purchased nevertheless, because better ones can't be found.

Programming

GREAT DEBATE ROLLS ON: With the first of the Nixon-Kennedy debates having made both political & TV-rating history (Vol. 16:40 p3), the TV industry poised itself last week for the second clash—on Friday, Oct. 7—in the 4-program, all-networks series. Developments:

NBC Chmn. Robert W. Sarnoff told the San Francisco Ad Club of a plan for local-level adaptation of the Great Debate technique within legal limits. As soon as possible, NBC's o&o stations will frame debate shows featuring candidates in major local political contests. Urged Sarnoff: The current suspension of Sec. 315 should be made "permanent, and extended to state & local contests." Reviewing the background of the debate telecasts, Sarnoff said that in 1952, when the idea for the debate format was proposed by Mich. Sen. Blair Moody, "NBC became the first network to try to adopt it. We wired both candidates . . . Our offer was declined." (But on Aug. 6, 1952, CBS Inc. Pres. Dr. Frank Stanton had offered a network debate arrangement in a letter to Moody. NBC's wire went Aug. 18.)

The tremendous impact of the TV debates continued to cause the 2 major political parties to curtail plans for paid political telecasts (Vol. 16:39 p8). According to Republican PR director Louis Guyley, the GOP will spend "only about half" of the \$2.5 million put into political TV time in 1956, with 60% of that budget going into 30-min. segments and 40% into 5-min. network segments & announcements. The Democrats have scheduled a pair of 30-min. network shows & a single 60-min. network telecast, with an additional budget for spot announcements. Just what the Democratic TV budget will be hasn't been decided.

The U.S. Information Agency began to do a brisk international trade in kinescopes of the first Nixon-Kennedy debate. So far, kines have been sent to 100 countries, said USIA. Telecasts were scheduled in 48 of the countries; in the remainder, the kines will be shown in theaters. An even larger distribution is expected for the second debate show. In N.Y., WNEW-TV again made plans to run a tape of the debate show the following day, slotting it Oct. 8 in a noon-to-1 p.m. period. CBS Films also made some rapid international deals, shipping the first debate film by air to 9 foreign countries Sept. 27. No profit was made on the sales, CBS Films having agreed in advance to ship debate footage abroad at cost—roughly \$100 per program. The films, sold on a non-exclusive basis to England, Japan, Germany, Sweden, Denmark, Norway, France, Finland, Australia and Canada, were given on-air live translations where necessary. Remaining debates will be handled by CBS Films in the same manner.

Mutual Bestg. System came up with a suggestion for Broadway theater managers, night-club owners and others in N.Y. who might have their box-offices crimped by a general let's-stay-home-and-watch-the-debate movement. Sending wires to N.Y. managers who had reported losses on Sept. 26, MBS recommended: "Suggest you advise general public your public address system inside theater will air candidates' appearance prior to curtain-raising. Broadcast ends at 8:30 p.m. and is readily tunable via WOR, Mutual network N.Y. affiliate. Radio placed before public address microphone can do job for you."

Vital interest of Congress in Kennedy-Nixon debates is indicated by the fact that representative of Senate Commerce Committee, communications counsel Nicholas Zapple, is making a point of observing each encounter at the originating studios, in the company of top network officials.

Several changes, major & minor, were made in the physical production of the second debatecast, as compared with the first. Print-media newsmen made up half the panel (Alvin Spivak, UPI; Hal Levy, Washington correspondent, *Newsday*) with TV-radio newsmen (ABC's Edward P. Morgan; CBS's Paul Niven) the balance. NBC's Frank McGee was moderator. The set was "warmer," using various shades of brown against a straw-matting backdrop. There were no flags, flowers or pictures in view. Unlike the first show, the panel was arranged so that viewers could see their faces, and not just the backs of their heads. Candidates Nixon & Kennedy were questioned alternately by the panel, with each candidate having 2½ mins. to reply (and with 1½ mins. to comment on the reply of the other).

TV reporters on a panel which will question the Presidential candidates in the 3rd "Great Debate" Oct. 13—a split-screen show with Nixon in Los Angeles & Kennedy in N.Y.—will be picked by CBS & NBC. Print media will be represented by Roscoe Drummond, *N.Y. Herald Tribune* syndicated columnist, and *Reporter* magazine's Douglas Cater. Names of Drummond & Cater were drawn from a list of reporters who have covered both candidates.

CBS Inc. Pres. Frank Stanton told reporters in Washington that Vice Presidential candidates Lyndon B. Johnson & Henry Cabot Lodge had rejected network invitations to get into the "Great Debate" act, too. Stanton said neither gave reasons for turning down the TV bids, but that there was speculation each believed he would be handicapped, in any face-to-face confrontation, by specialized backgrounds—Johnson in domestic affairs, Lodge in International affairs. Stanton also said he hoped the Presidential-ticket debates would be repeated in 1964. But he expressed doubts, pointing out that one of the 1960 candidates will be in the White House then. "Will the President in 1964 be willing to repeat on TV?" Stanton asked.

CBS upstaged NBC's Bob Hope last week as the comedian led off his 60-min. TV show with a barrage of political jokes. The mixup was audio-visual—NBC's Eastern viewers saw Hope, but heard dialogue from rival network CBS's *To Tell the Truth*. Explanation: "Something went wrong with the telephone wires." Program sponsor, General Motors, however, was entitled to a smile or at least a sigh of relief—the sound was corrected precisely as Hope plugged: "I don't care who gets to the White House just as long as he drives there in a Buick."

N.Y. County Grand Jury is readying 2nd-degree perjury charges against 20-25 persons who testified before it about the 1958-59 TV quiz scandals. The charges are expected to be handed down this week to General Sessions Judge Charles Marks. Indications are that the Grand Jury will return informations rather than indictments against the witnesses. Charges in an information involve misdemeanors; indictments, felonies.

Court Series Back on Air: Taped recordings of actual proceedings in the Parma, O. traffic court were broadcast again by Westinghouse's radio KYW Cleveland last week, following a ruling by a State Supreme Court committee that the programming didn't violate the American Bar Assn.'s Canon 35.

The *Traffic Court* series, which helped win a 1958 Alfred P. Sloan Award for the station, had been dropped by KYW in May 1959 when the Cleveland Bar Assn.'s Professional Ethics Committee decided it came under Canon 35's ban against microphone-&-camera coverage in courts.

But the Supreme Court's board of commissioners of grievances & discipline ruled this June that Canon 35 doesn't apply to taping of courtroom proceedings for subsequent broadcast.

KYW tapes entire sessions—often lasting 3 hours—of the Parma court presided over by Municipal Judge George P. Allen, then edits them into 30-min. weekly programs (10-10:30 p.m. Tue.). The series has been praised publicly by police officials for its help in highway safety education.

Meanwhile, KGW-TV Portland received the first TV award ever made by the Ore. State Bar Assn. for promotion of public understanding of legal processes. The station was cited for its 60-min. May 1 "World Court in Action" special. Produced in cooperation with the lawyers' organization, with judges & attorneys playing roles, the show dramatized World Court sessions on the Anglo-Iranian oil dispute.

On TV's Labor Front: Outwardly, TV labor negotiations seemed to be in a lull last week, but at all 3 networks and in management conferences at most big ad agencies, new AFTRA demands were being vigorously discussed—particularly since they'd been made with SAG sitting in as an "observer" (Vol. 16:40 p9).

Networks were quietly estimating probable costs of the AFTRA-proposed new TV-radio commercials rate structure (a complicated change in the size-of-market "population units" upon which old fees were based). Additional AFTRA-SAG demands will be made this week (Oct. 11), in the fields of tape, film and live commercials. All new AFTRA proposals will almost certainly contribute heavily to increases in program & commercial costs.

On an even broader labor front, there were signs that inter-union cooperation in the talent field might be expanded to include technical unions. Leaders of IATSE, IBEW and NABET met in N.Y. last week with AFTRA, and co-negotiator SAG, to discuss a united labor front. With industry negotiations due for all 5 unions in the coming months, the meeting was aimed at strengthening their bargaining positions.

Most expensive NBC flop of the new season continues to be the \$450,000 pilot of *The Barbarians* (Vol. 16:31 p12; 16:32 p4). In an attempt at TV salvage, NBC dropped it as a one-shot into the 10-11 p.m. slot Oct. 4, offered it as a colorcast special. There were no takers, and the show went on the air as a sustainer loaded with promotional spots for other (and more financially fortunate) shows. Potential cost of the unsold airtime—about \$130,000—must now be added to other red ink on the Mahin-Rackin-produced special. Critics were lukewarm toward it ("Punic corn all the way but at least a change from cactus drama"—Jack Gould, *N.Y. Times*). Just so it shouldn't be a total loss, NBC intends to splice in another 30-min. of *Barbarians* footage and release it as a feature film—outside the U.S.

The FCC

MIAMI 'FIX' RETRIAL STARTS: With ex-FCC Comr. Richard A. Mack confined to a Fort Lauderdale hospital and co-defendant Thurman A. Whiteside going it alone, the Justice Dept. set out again last week in U.S. District Court, Washington, to prove that they had plotted to rig the Miami Ch. 10 grant for WPST-TV.

Judge Alexander Holtzoff ordered Miami lawyer Whiteside to stand trial separately from the ailing Mack in the second go-around of the often-delayed conspiracy case (Vol. 16:18 p14). He rejected defense pleas for another postponement. The first trial ended in a hung jury.

At the same time (Oct. 3), Holtzoff ordered Mack's \$1,000 bail to be forfeited. He denied a request by govt. attorney Oliver Dibble for a bench warrant for the missing Mack, but said 2 medical specialists would be assigned to examine Mack, who is reported by his counsel Nicholas J. Chase to be "seriously ill" in a Fort Lauderdale hospital.

Chase submitted a letter to the Court from Dr. E. C. Chamberlain, who said no final diagnosis of Mack's condition had been made, but that the former FCC member may be suffering from cirrhosis of the liver, pernicious anemia, carcinoma of the intestines—or something else. But Holtzoff was unimpressed.

Shift to Miami is Rejected

Judge Holtzoff turned down arguments by Whiteside's counsel Arthur J. Hilland that the retrial should be shifted from Washington to Miami. Trial proceedings finally got under way Oct. 4 with selection of a jury: 7 men, 5 women.

First days of the second trial, which also promised to last for weeks, were taken up by a repetition of testimony heard in the first run—and by barrages of objections (most of them overruled) by Whiteside's lawyers.

Among the early witnesses was FCC lawyer Charles R. Escola, who testified that Mack participated in the final 1957 decision giving the Miami award to National Airlines' Public Service TV Inc. But Escola said Mack didn't take part in a preliminary decision in favor of winner WPST-TV, whose grant was taken away by FCC on "influence" grounds in July of this year (Vol. 16:29 p1 et seq.).

The govt. introduced photostats of checks totaling \$10,000 (including 8 checks for \$4,100 signed by Whiteside) which allegedly were sent to Mack in connection with the Miami case. FBI accountant Milton Singman testified that from July 7, 1955 to Jan. 31, 1958, Mack received \$13,571.23 from Whiteside in payments which included checks from 2 Whiteside-owned companies. Under defense cross-examination, Singman conceded he hadn't explored earlier financial transactions between the 2 men, who were close friends before Mack joined FCC.

What happens to Ch. 10, meanwhile, is up to the Court of Appeals. In a recent order, the Court said in effect that it would hold everything until FCC acts on all petitions for reconsideration of the basic decision which stated that WPST-TV must vacate the channel. Then, last week, the Commission finally rejected Elzey Roberts' petition for reconsideration, and announced its intention of turning down North Dade Video's similar effort.

L. B. Wilson Inc., which is scheduled to get Ch. 10 under the Commission's basic decision, last week urged the Court to let it take over the channel immediately. The FCC also plumped for a quick take-over, saying that: (1) WPST-TV has a "minimal" chance of ultimate legal victory. (2) Any injury to WPST-TV would be "largely counterbalanced" by the injury to L. B. Wilson. (3) Miami public would benefit by the switch in licensees.

FCC VIEWS ON 'CENSORSHIP': The text of FCC's decision to grant licenses for less than 3 years whenever it considers this advisable (Vol. 16:40 p5) was released last week. It contains some significant language on the subject of censorship & the Commission's role. The comments were in answer to objections NAB had filed when the rule was proposed:

"We reject NAB's contention that adoption of the rule under consideration herein would infringe upon the statutory prohibition of censorship. In the first place, a course of violations which might impel the Commission to limit a given renewal to less than 3 years might involve technical operation of the stations, the accuracy & truthfulness of reports to the Commission, or other matters apart from questions of the discharge by licensees of their responsibility to program their stations in the public interest. No question of censorship would be relevant in such cases.

"NAB appears to feel concern, however, with the possibility that the Commission may invoke the rule because of its dissatisfaction with a station's programming practices. Although it should be unnecessary to do so, in view of innumerable Commission utterances on the subject, we again disavow any intention or desire to infringe upon the letter or the spirit of the restraints which are clearly imposed upon the Commission through the statutory prohibition of censorship & by the Constitutional guarantee of free speech. But, as has been explained many times, these propositions do not equate with the position (which in any event has never been seriously advanced) that the Commission can authorize the use of scarce frequencies for the public service of broadcasting with total disregard of the manner in which licensees discharge their responsibility to determine the content, format and scheduling of all matters broadcast over their stations. Statutory law itself lays down certain express requirements and prohibitions in this regard (See Section 315 of the Communications Act requiring equal time for candidates for public office, Section 317 requiring identification of sponsors of broadcast matter and Sections 1304, 1434, and 1464 of Title 18 of the U.S. Code prohibiting the broadcast of lottery information, fraud by radio and the dissemination by radio of obscene, indecent, or profane language, respectively).

"Beyond these statutory prescriptions & proscriptions, it is well established that the Commission has legitimate concern with such matters as performance conforming reasonably with programming proposals, the comparison of program proposals of mutually exclusive applicants for broadcast facility and other cognizance of broadcast programming. It is needless & would be inappropriate to endeavor to restate here in detail the Commission's long-established interpretation of its duty to take cognizance of program proposals and all-over performance by broadcasters in making the requisite determination that the public interest would be served by the issuance of each broadcast license. What is relevant to the arguments raised by NAB is the Commission's equally long-standing policy, which will be continued without change, to refrain from any action which would even remotely jeopardize the protection to the public which is afforded by the statutory prohibition against censorship and the Constitutional guarantee of free speech. In these circumstances, we find no merit in the arguments advanced by NAB against adoption of the proposed rule."

NAB has been turned down by FCC in its request that AM stations be required to log frequency monitor readings twice daily instead of every ½ hour.

FORD SPURS EDITORIALS: Warm encouragement of broadcast editorializing was expressed by FCC Chmn. Ford in his speech prepared for the Oct. 6 Radio-TV News Directors Assn. convention in Montreal. He did, however, acknowledge that some operators have been hesitant—in the absence of specific FCC "guidelines"—about what constitutes "fairness." The speech was read by Ford's special asst. James Sheridan because Ford was confined to his home with a virus infection.

"It would seem," Ford said, "that the time has come after 11 years of editorializing for the Commission to call upon the experience of broadcasters for the purpose of establishing specific guidelines in this area, so that the broadcaster who does editorialize will know, insofar as it is possible, precisely what is expected of him."

He gave several examples by which broadcasters insure fair presentations: (1) Labeling editorials as such, before & after presentation. (2) Sending copies to people known to have opposing views. (3) Maintaining files of all editorials. (4) Avoiding editorials on subjects involving personal or financial interests of the station owner.

"These examples," he continued, "are some of the things which broadcasters have found helpful in complying with the fairness doctrine. If they & perhaps other requirements were clearly spelled out, more broadcasters might be encouraged to air their editorial opinions. This is becoming increasingly important because of the decline in the number of competing daily newspapers in many cities of the U.S.

"It seems to me, however, that there may be an even more important benefit to the public which can flow from licensee editorialization. Any broadcaster who is constantly studying the issues confronting his community, and conscientiously attempting to stimulate the public by offering his own views through broadcast editorials, will almost have to engage in that type of activity referred to in the Commission's Report on Programming [Vol. 16:31 special supplement]—namely, assiduous planning & consultation with both the public & leaders in community life in order to discover & fulfill [his area's] tastes, needs and desires."

* * *

Most radio stations editorialize, NAB research mgr. Richard M. Allerton reported following a survey (Vol. 16:38 p11) which showed that the practice "is on the increase." He said 61.8% of stations responding to NAB's questionnaire do broadcast opinions on public issues, although only about half of them do so regularly. Other findings in the radio survey: (1) The editorial function generally is assigned to top management. (2) Opposing viewpoints are actively sought by 80% of the editorializing stations. (3) Editorializing is regarded by station managements as a "plus" programming feature.

* * *

FCC's role in programming, payola, rules violations, etc., is discussed by Chmn. Ford in the Oct. 8 *TV Guide*. He includes his "personal views" on the subject of "violence," reiterating the concern he expressed at the last NAB convention (Vol. 16:15 p6). "It seemed to me," he writes, "that public comment & complaints about excessive violence on the TV screen had reached such proportions that I felt compelled to bring this matter to their attention. . . . It was very heartening, therefore, to learn recently that the TV Code Review Board reported a general expansion of its activities in order to deal more effectively with this problem 'at the source.'"

Advertising

NAB WIDENS ITS LIQUOR BAN: Members of NAB's Code Board huddled in Washington last week on a newly-sticky subject of whisky sours. They voted to broaden the industry's self-regulatory ban on hard-liquor advertising to include non-alcoholic mixes for cocktails—and crossed their fingers.

Confronted with a challenge to the Code posed by Holland House TV spots for a whisky-sour mix (Vol. 16:40 p10), the Review Board wrote a new interpretation of the Code rule which for long has said: "The advertising of hard liquor should not be accepted."

Clarifying language added by the Board to the anti-liquor section of the Code reads: "This restraint applies also to the advertising of products and/or services in themselves not hard liquors, but which in their presentation induce the use of hard liquor."

Immediate target of the broadened ban was the Holland House commercials, rejected by Code subscriber WPIX N.Y., but accepted by non-subscribing WNTA-TV N.Y. The commercials show actual mixing of a whisky sour with the prepared mix.

There was no indication last week that use of such spots was spreading beyond WNTA-TV, but the Board regarded the threat to the Code as so serious that most of the day-long Oct. 4 session in Washington was taken up with the new Topic A on the agenda.

Following the closed Board meeting, Chmn. E. K. Hartenbower (KCMO-TV Kansas City) had nothing to say publicly about WNTA-TV. But he said WPIX (which dropped the spots after scheduling them for Sept. 25) demonstrated "a highly commendable sense of responsibility to broadcasting & a keen awareness of the traditional patterns of good broadcasting in rejecting the cocktail mix commercials offered by a leading advertising agency."

Hartenbower cited WPIX's conduct in the Holland House controversy as "another example of how Code subscribers such as WPIX, working through the Code Review Board procedures, can help the industry solve its own problems and thus head off restrictive govt. regulation which always threatens any licensed industry."

The Holland House agency, Erwin Wasey, Ruthrauff & Ryan in N.Y., hadn't heard about the Board's action 2 days later when we sought its reaction to the Code interpretation. But publicity dir. Phillips Fewsmith indicated that the agency was undismayed. He said the mix spots on WNTA-TV were "an experiment" to see how the public received them, that the agency had no present plans to place them on other TV stations—and that no use of radio was contemplated.

WNTA-TV's sales vp Donald J. Quinn defended his station's acceptance of the Holland House account. He pointed out that the challenged spots (starting Oct. 2 for 13 weeks) were seen only on the late-night *Open End* and *Picture of the Week* shows, when the viewing audience presumably is adult.

"We're pretty much of an adult station," Quinn told us. "Our standards are—in our opinion—higher than those demanded by the NAB Code." He added that so far the station had heard no comments from viewers—pro or con.

Present claimant to title of "television's longest-run dramatic program" is *Armstrong's Circle Theater* which announces entrance into its 2nd decade this week.

Next major drive by FTC—which hit the broadcasting industry's payola practices in a wide-swinging campaign this year—will be against illegal advertising allowances in the food industry. Unbowed by the Senate's failure to confirm his reappointment (Vol. 16:35 p3), lame duck FTC Chmn. Earl W. Kintner signaled his wind-up pitch for the new campaign in an Oct. 3 speech to the Minn. Food Retailers Assn. in St. Paul. He said that as a starter FTC has sent questionnaires to 422 corporations in the food field demanding detailed information on allowances to retailers. In a further check on violations of the Robinson-Patman Act (which forbids discriminatory advertising practices by sellers), 113 suppliers & 211 grocery chains have been ordered to file reports to FTC. Another big FTC push under Kintner (who can stay in office until a successor is confirmed) will come next January when the 87th Congress convenes. The ad-policing & anti-monopoly agency, now operating on a budget of about \$8 million, is expected to ask appropriation adds for at least 50% staff expansion.

Eversharp Inc. has agreed to an FTC consent order forbidding "deceptive" TV commercials for Schick safety razors & blades. Cited in an FTC complaint in March for boxing-glove demonstrations "which unduly frighten prospective purchasers of competitive razors" (Vol. 16:13 p8), Eversharp promised to eliminate Schick advertising which: (1) Claims the razors are safer than others. (2) Disparages competitive products untruthfully. (3) Misrepresents consequences if shavers use other razors. Joining in the consent order were Eversharp vp E. E. Ettinger and vp John Hise of Eversharp's agency Compton. FTC dismissed a complaint citation against ex-Compton account executive Alex Hoffman.

Lever Bros. was confronted with testimony at an FTC hearing that an enamel preparation used in TV demonstrations of stain-removing properties of Pepsodent toothpaste was unlike the actual surface of teeth. Dr. David Scott was the star witness summoned by FTC attorney Frederick McManus to back up a complaint that Pepsodent commercials were misleading (Vol. 16:3 p8). An official of the govt.'s National Institute of Dental Research at the National Institutes of Health, he said the demonstration plate wouldn't react like teeth when brushed with Pepsodent. Following initial cross-examination of Dr. Scott by Lever Bros. lawyers, FTC hearing examiner Harry R. Hinkes recessed the proceedings until Nov. 30 in Houston.

General Mills has signed an FTC stipulation in which it agrees to tone down animated TV commercials implying that its Surechamp dog food "contains meat, fish and liver." Negotiated by General Mills & FTC lawyers before any formal proceedings were started by the ad-policing agency, the agreement acknowledges that Surechamp ingredients "are actually meat meal, fish meal and liver meal." In a similar but non-FTC case, the Gaines div. of General Foods has agreed with the Texas Feed Control Service that TV claims that its dog biscuits are "chicken, milk, cheese, meat and liver flavored" were exaggerated.

\$1 million a day is the rate of gross time spending on TV by national food & grocery companies who make TV their No. 1 medium. So reports TVB for the first half of 1960. Billings in network & spot TV totaled \$144,766,075 during the 6-month period (\$88,798,000 for spot; \$55,968,075 for network). Coffee, tea & food drinks were the major category (\$31,213,881) with General Foods leading this group. Runner-up category was cereals, which spent \$20,666,327, Kellogg leading. Baked goods (\$16,836,003) was 3rd with National Biscuit as top spender.

Stations

'9 Worst TV Cities': There'll be plenty of dispute about it, but antenna manufacturer Channel Master Corp. has come up with a list of the 9 U.S. cities having the worst TV reception, as decided by a poll of TV dealers & service technicians. Channel Master's list:

(1) Kankakee, Ill., depends on Chicago—60 miles distant—for its TV. This fact alone wouldn't make it a bad area—but Kankakee is situated in a hollow. As a result, 40-to-60-ft. towers are required to pick up any signal at all.

(2) San Francisco, because of its hills & valleys, is extremely susceptible to ghosts. Super-directional antennas must be used.

(3) Chicago has a problem similar to that of San Francisco, but because of tall buildings. The problem here is much more serious than in N.Y. City, where it is ameliorated by the Empire State Bldg.'s height & central location.

(4) Utica, N.Y., with one local station set up in a different direction from Syracuse's 2 outlets, has a severe antenna-orientation problem.

(5) Toledo, O. has 2 local vhf stations, but viewers also can receive signals from Detroit (northeast of Toledo) and Cleveland (southeast).

(6) Detroit also has antenna orientation difficulties, with its 4 local stations (including one across the river in Windsor, Ont.) and 2 in the Flint-Lansing area.

(7) Dayton has a similar problem, with its 2 local stations and 3 in Cincinnati.

(8) Los Angeles is a cross between San Francisco & Chicago—buildings & hills—resulting in a ghost problem.

(9) Kauai, Hawaii, is just a little too far from TV, and residents must mount their antennas on 60-ft. telephone poles to pick up Honolulu stations.

“Apostles of the positive” are needed in broadcasting, NAB Policy Committee member G. Richard Shafto (WIS-TV & WIS Columbia, S.C.) told the Alabama Bcstrs. Assn. at the U. of Ala., Tuscaloosa. Instead of “talking among ourselves” about industry virtues, he said, broadcasters should do more to carry the facts to public office holders, civic & educational leaders, churchmen, businessmen and others in their communities. Shafto also called on all in the industry to line up with NAB's TV & Radio Codes. He concluded: “These 2 steps alone—greater effectiveness in our liaison with key local, state and national leaders, and universal support of our own codes of conduct—will take us far toward the freedom . . . which we have always espoused.”

Picketing of sponsors advertising on radio WOGA Chattanooga has been ruled illegal by NLRB trial examiner Louis Libbin in an unfair-labor-practice case involving IBEW's Radio & TV Engineers' local 662. He recommended that NLRB issue a cease-&-desist order against the union. It would prohibit secondary picketing that is designed to induce employes of an advertiser to walk out in sympathy with an IBEW strike against the station. Libbin also urged that the IBEW local be ordered to stop distributing “do not patronize” leaflets intended to “force or require” others to stop doing business with WOGA.

Anti-payola consent orders, approved by FTC in settlement of complaints, have been signed by: Rank Records of America Inc., 24 W. 57th St., N.Y. • Joseph M. Zamoiski Co., 1101, DeSoto Rd., Baltimore • Malverne Distributors Inc., 424 W. 49th St., N.Y. • Sue Records Inc., 725 Riverside Dr., N.Y. • Apollo Records N.Y. Corp., 1780 Broadway, N.Y.

Ike to Broadcasters: President Eisenhower's message to Western Hemisphere broadcasters, taped at the White House and distributed to stations by NAB (Vol. 16:40 p11), described TV & radio as “the eyes & ears of democracy.” The text:

“On Continental Broadcasting Day I extend greetings to the members of the Inter-American Assn. of Bcstrs. and to their audiences throughout the hemisphere. The purpose of this day is to honor the work done by the radio & television industry in defense of human rights & liberties. Too many, too often, take these basic freedoms for granted. Only those who have lost them realize how precious they are & how essential they are to the survival of popular govt. and to human dignity.

“Among the most important rights of free men is the freedom to talk & write & communicate openly. A dictatorship destroys this freedom by censorship, by closing down the newspapers, by taking over the radio & television stations. Then, after these sources of truth have been cut off and any public discussion of the issues has been forbidden, a dictator turns his country into a desert of ignorance. The people become fearful, isolated, and uninformed as to the issues of the day.

“On Continental Bcstg. Day I congratulate those broadcasters in North & South America who help defend their neighbor's right to speak, to discuss, and to think for themselves. By broadcasting the news with freedom & courage, they perform an essential service for us all. They are the eyes & ears of democracy.”

First NAB fall conference in Atlanta Oct. 13-14 (Vol. 16:40 p11) will feature Pres. Noah Langdale Jr. of the Ga. State College of Business Administration as the closing second-day luncheon speaker. Other end-of-sessions speakers at the conferences will be: Dallas, Oct. 18-19, Pres. Will C. Grant of Grant Advertising Inc., Chicago • San Francisco, Oct. 20-21, U. of Cal. journalism Prof. Charles M. Hulton • Denver, Oct. 24-25, Martin Co. vp William L. Whitson • Washington, Nov. 14-15, FCC Chmn. Ford • Chicago, Nov. 21-22, American Motors Co. Pres.-Chmn. George Romney • N.Y., Nov. 28-29, U.S. Chamber of Commerce Pres. Arthur E. Motley • The Oct. 27-28 Omaha conference will be closed with a tour of Strategic Air Command hq and a briefing by Gen. Thomas S. Power.

NAB engineering award winner next year will be nominated by a 4-man subcommittee headed by NAB engineering mgr. A. Prose Walker. Other members, named at a Washington meeting of the Engineering Conference Committee which is planning May 7-10 sessions in Washington: Committee Chmn. Virgil Duncan (WRAL-TV Raleigh), Frank Marx (ABC), Benjamin E. Windle (Radio WCLT Newark, O.) Marx heads a subcommittee to choose conference speakers. Other members: James D. Parker (CBS), William S. Duttera (NBC).

Unfair labor practices by WEEK-TV Peoria against members of IBEW local 1292 are alleged by NLRB trial examiner George J. Bott in an intermediate report. The station denied union charges that it had discriminated against IBEW personnel in hiring-&-firing policies, but Bott held that dismissal of floor directors James Palmer & John Jordon was intended to discourage membership in the IBEW. Bott recommended that both be re-instated and that WEEK-TV be required to post a pledge against interference with its employes' right to self-organization.

Revised summary of federal lottery laws and their application to broadcasters is being distributed by NAB.

Although the 3 TV networks have stayed away from a Nikita Khrushchev guest star appearance during his U.S. visit (Mutual invited him; was turned down because he said they wanted too much control), David Susskind was set to give him air time on his *Open End* series last week-end (WNTA-TV Sun. 10 p.m.). Only Susskind, an interpreter, and Khrushchev were scheduled to be on the show. No questions were submitted in advance by Susskind, and he said he hadn't been contacted by the State Dept. to warn informally against allowing Khrushchev a propaganda platform. Why Khrushchev as a guest? "I want to elicit answers to the dozens of questions in every American's mind about the urgent issues of our times." For security reasons the studio to be used for the show was not announced in advance. Investment broker Sutro Bros. & Co. announced it was dropping its sponsorship of *Open End* show with Khrushchev because it would "do nothing to further relations between the United States and the Soviet Union"—but it will resume *Open End* sponsorship in subsequent weeks.

Freedom of news was upheld by the Ga. Supreme Court last week in setting aside a \$20,000 contempt-of-court fine imposed on Atlanta Newspapers Inc. last April. The unanimous decision held that Superior Court Judge Durwood T. Pye had erred in ruling the *Atlanta Journal-Constitution* guilty of contempt because of a news story which cited previous arrests of a robbery defendant on trial before Pye. Ruled the Supreme Court: "Freedom of speech & of the press, as guaranteed by the Constitution, is essential to the preservation of a free society."

TV status report was issued last week by TvB in the form of a promotional pocketpiece entitled *TV Basics*. The booklet's vital statistics include such facts as: Standard irons are in 86% of U.S. homes and electric clocks are in 77%, but TV is in 88%. More than 43 million homes are reached by TV each week, compared with 33.9 million in 1956. There are now 1,334 brand-name products sold on network TV, and 6,088 use national spot TV. The top 100 U.S. advertisers place 51% of their budgets into TV.

Unique circular studio wing is part of a new building to be constructed for KTRK-TV (Ch. 13) Houston at a 4-acre Bissonnet site, between Buffalo Speedway & Westchester. An L-shaped office building forms the other wing, with a patio & pool area also to be available for TV. The circular building, scheduled to be ready by next summer, will be usable as a single 53-ft.-wide studio or, divided, for 2 or more shows. Additional shooting space is available on a nearby lot.

Two applications for new TV stations were filed with FCC last week: For Ch. 56 Binghamton, N.Y. by Alfred E. Anscombe, 5% owner of WKBW-TV Buffalo; for Ch. 10 Terre Haute, Ind. by a local group headed by attorney H. Ralph Johnston. The Terre Haute application is contingent on WTHI-TV's moving to Ch. 2. Total applications on file: 98 (19 uhf).

Switch of KTVT Ft. Worth from Ch. 11 to Ch. 2 has again been turned down by FCC as it denied the station's petition for reconsideration. KTVT was seeking to swap channels with Denton's educational Ch. 2. Comr. Hyde dissented and Comr. King didn't participate.

Objections to deintermixture of Fresno, filed by the city of Fresno and local educators, have been rejected by FCC. The Commission had ordered Ch. 30 substituted for KFRE-TV's Ch. 12.

Third station for Anchorage, Alaska, was granted by FCC—Ch. 13 to radio KBYR. Now operating are KENI-TV (Ch. 2) & KTVA (Ch. 11).

Auxiliary Services

CANADA'S CHARGE-A-VISION (cont.): More light was shed last week on the mystery of Charge-a-Vision, the wired pay-TV system announced via local newspaper ads as due to begin operation soon in Sault Ste. Marie, Ont. (Vol. 16:40 p3). Principal protagonist is Canadian promoter Ray Harnet, who has been conducting negotiations with the world-wide wired & broadcast TV-radio combine Rediffusion Ltd., and the Canadian subsidiary of electronic equipment manufacturer General Instrument Corp.

As we went to press, the only party known to have any direct proprietary interest in Charge-a-Vision was Harnet, film industry veteran who once was Warner Bros. Canadian sales mgr. and who more recently severed his affiliation with Rediffusion to promote the Charge-a-Vision wired pay-TV system in the same city where he had been promoting an upcoming Rediffusion CATV project.

General Instrument-F. W. Sickles of Canada Ltd., Waterloo, Ont., at week's end was considering whether it will undertake to manufacture the Charge-a-Vision pay-TV device, which is basically a time meter, indicating the amount of time each pay-TV channel is viewed. Rediffusion was jockeying with Harnet as to whether it would use Charge-a-Vision as an auxiliary to its Sault Ste. Marie CATV system, or whether Harnet would lease cable channels from Rediffusion's service for a Charge-a-Vision market test—but there still was a strong possibility that nothing at all would come of Harnet's announced Sault Ste. Marie pay-TV project.

Rediffusion Unconfuses Confusion

Rediffusion Inc., Canadian affiliate of big British-operated Rediffusion Ltd., currently runs one of North America's biggest CATV systems in Montreal, with 16,000 subscribers. Commenting on the confusion over Rediffusion's relationship with Harnet, Rediffusion Inc. Pres. T. A. Cross told us:

"For the last 12 months, Rediffusion has been planning to establish a 7-channel CATV system in Sault Ste. Marie, Canada. During this period Mr. Ray Harnet was employed as a field representative of Rediffusion and he carried on negotiations with the local authorities. Two months ago, Mr. Harnet left Rediffusion Inc. at his own request to set up Charge-a-Vision Ltd. and he has advised us of his intention to establish this system in Sault Ste. Marie in addition to other Canadian cities.

"However, Rediffusion has negotiated an exclusive contract with Soo Micro Inc. for the provision of U.S. TV signals by cable from Sault Ste. Marie, Mich., and it is our intention to use this import to provide a cable TV distribution system in Sault Ste. Marie, Canada, before Christmas. Our men are currently engaged in local planning & erection of cable across the Canadian locks.

"We have received overtures from Mr. Ray Harnet and General Instrument-F. W. Sickles of Canada regarding the possibility of utilizing the Charge-a-Vision box ancillary to our system for the purpose of providing pay-TV channels in addition to CATV. We have taken this matter under advisement and we have suggested to the Charge-a-Vision group that they might care to consider leasing from us spare channels on our grids for the purpose of testing the marketability of their device. . . . Whatever conclusion is reached, Rediffusion will proceed to erect a regular cable system in Sault Ste. Marie, Canada, to which pay TV may be added at a later date, but not immediately unless the

discussions with General Instrument are brought to a satisfactory conclusion."

At week's end—despite earlier pronouncements from Canada—General Instrument appeared to be cooling to the whole idea.

Rediffusion, incidentally, already has interest in a proposed pay-TV system—called Choice View—under a 21-year partnership agreement with Britain's J. Arthur Rank film combine.

FCC's Oct. 24-28 pay-TV hearing on the proposed RKO-Zenith Hartford test (Vol. 16:40 p3) has no issue dealing with programming, theater groups told the Commission last week, urging in a petition that the following issue be added: "To determine the nature of the programs to be presented by the applicant during the conduct of trial subscription operations; the manner in which such programs will be selected & procured; the effect of its proposed programming upon the program services presently available; and whether, in light of the facts so determined, a grant of the application would serve the public interest, convenience and necessity." The petition said that the RKO-Zenith application includes "only the most general type of information" and that it is essential that FCC have the data. The petition notes that the present issues may already cover programming, but the exhibitors want to be sure.

Universal Pictures protested last week to Zenith about a gratuitous plug for "Spartacus," a big-budget, \$12-million Ben-Hur-ish epic which Universal is distributing. The hassle began when Zenith PR chief Ted Leitzell, in a Sept. 26 Rotary Club speech boosting the proposed RKO-Zenith pay-TV test in Hartford (Vol. 16:40 p3), updated his previous practice of predicting that pay TV would bring viewers Broadway fare like "My Fair Lady." This time Leitzell cited as illustrative (but not specific) examples new movies "Spartacus," "Ice Palace" and "From the Terrace." Snapped Universal's Charles F. Simonelli in a wire to Leitzell: "We have not made any commitment for the exhibition of our picture on TV, whether by toll or otherwise, and we have no intention of doing so." Leitzell quickly wired Universal that what he had said was that pay-TV movies would be "of the calibre of" Universal's new blockbuster, and "at no time did I suggest that arrangements had been made for exhibition of any of these pictures on subscription TV."

Williamsport Cable Corp., National Theatre's 8,700-subscriber CATV system in Williamsport, Pa., has bought competitor West Branch TV Services Inc. for an undisclosed price. West Branch has 4,200 subscribers. The city has 3 more systems: Lycoming TV Cable Corp., with 3,000 connections; Clearview TV Service, 400; Cole TV, 150. NT&T Pres. B. Gerald Cantor said the West Branch system would be integrated with the Williamsport system into one operation, directed by Samuel P. Norton, pres. of WCC. Prices for systems are running \$150-\$300 per subscriber.

Unusual CATV setup in Salisbury, Md., finds 2 systems under construction simultaneously & competitively. One is operated by the city's station, uhf WBOC-TV (Ch. 16); the other by a group whose head is Martin F. Malarkey Jr., pioneer CATV operator & former pres. of NCTA. After a protracted dispute, the city gave both organizations the go-ahead. Competition for customers has been brisk, sometimes bitter. Each supplies 5 TV channels plus FM signals. Neither charges an installation fee, and both get \$4.45 a month.

Film & Tape

FCC Begins Film Quiz: FCC's public hearings on TV film, which begin in Hollywood this week (Mon., Oct. 10), will probably last for 2 weeks "or more," we're informed by FCC attorney James Tierney, who, with Ashbrook Bryant, will conduct the hearings (Vol. 16:40 p8).

Tierney said leading Hollywood TV film executives will be asked to explain how they develop a new series, how they follow it through and eventually sell the property. "We will seek details on all of their activities, in an effort to obtain facts for the FCC and Congress to determine if any new legislation is needed," Tierney said.

FCC plans first to call executives of the major movie studios engaged in TV. They will be followed by representatives of the larger independent TV film companies. Then will come the smaller companies and individual spokesmen. All will be required to testify under oath.

In a surprising development, the FCC attorneys also requested talent guild executives to testify. The latter were reluctant, and will appear only because they have been subpoenaed. Screen Actors Guild national exec. secy. John Dales & his asst., Chet Migden, and Writers Guild of America West Pres. Curtis Kenyon will testify. FCC's staffers have also discussed the hearing with the Directors Guild of America.

* * *

TV film producers, worried about the new payola law, have asked FCC to maintain the status quo until the Commission comes up with specific rules as guidelines. Alliance of TV Film Producers, which met with FCC staff members recently (Vol. 16:39 p6), said that legislative history indicates clearly that the amendments to Sec. 317 of the Communications Act weren't meant to affect film produced before Sept. 13. Therefore, it requested the Commission to issue "an interim ruling on Sec. 317 (d) declaring that until a final ruling is issued on the subject, the provisions of Sec. 317 as it existed prior to Sept. 13, 1960 shall govern announcements with respect to filmed programs produced prior to Sept. 13, 1960." As for programs produced thereafter, it said, time is needed to examine the industry's practices to see whether they're proscribed by law and what should be done about it. It asked for a waiver until Jan. 1, 1961, to protect current production. Motion Picture Assn. told the Commission it was studying the matter, would shortly give its views—presumably similar to ATP's.

Revue Studios placed Robert Horton of *Wagon Train* on suspension when he failed to report for work last week. Horton, who earns \$2,250 a week as a co-star with Ward Bond, has given Revue no reason, said a studio source. He is being replaced by Terry Wilson of the series' regular cast for the episode currently shooting. Bond denies a feud exists, but adds: "I feel Horton was never particularly interested in the show. He seemed more interested doing work where he could make more money once the series established him. I would feel more loyalty to the series than that." Horton was reported doing a personal appearance in Little Rock, Ark., at the time he was to report for work in the series.

Los Angeles Superior Court last week approved a contract for 15-year-old actor Richard Eyer, a co-star of Four Star Television's *Stagecoach West*. Under its terms he receives \$1,500 an episode and 20% of his original salary for each rerun; his parents get \$250 an episode for "supervision."

HOLLYWOOD ROUNDUP

WGA Recall Vote Oct. 26: Writers Guild of America West's bitter internal fight comes to a showdown Oct. 26 when members will vote in a recall election aimed at removing members of the TV-radio board. The factionalism began during the WGA strike against TV film early this year. One group wanted an early settlement without royalties on foreign reruns; the other held out for the foreign rights. The latter group's stand was upheld by the membership, and eventually by the contract after the strike.

Since the strike's end, the 2 groups have been warring over selection of a WGA representative on the industry fact-finding committee to be set up to establish a royalty figure. The negotiating committee wanted one of its members, Sam Newman named a fulltime, paid member of the industry group—and were backed by a majority of the membership. But the TV-radio board fought this selection, and ultimately the WGA council recommended a non-Guild member for the job.

The infighting continued. Newman withdrew from the controversy, notifying WGA he wasn't available. At the same time he sharply rapped the knuckles of the TV-radio board for "ignoring" membership recommendations & delaying all action as long as he was a candidate. WGA then named attorney Joe Taback as its paid representative on the industry committee for a 3-month period.

Republic Studios is building a new sound stage specifically for TV film . . . Revue Studios, currently constructing 2 new stages, has decided to build 2 more (for both movie & TV production). Newest tenant at the Universal City lot is the Stanley Kramer Co.

Producer Nat Holt will end *Wells Fargo* after this season. "We feel it's better to quit while we're ahead," Holt told us. By this season's end he will have produced 167 films. Dale Robertson, star of the series, owns a piece of it. Holt, who is also producer of *The Tall Man*, is planning 2 new Western pilots. Unlike many of his colleagues, he believes Westerns are far from through.

Allied Artists and Lindsley Parsons, Inc. plan a pilot for a 60-min. action show, *Patrol Boat 999*, in December. The project, dealing with the U.S. Coast Guard in the 1920s and 1930s, will be produced by Aubrey Wisberg. Parsons is exec. producer.

Screen Gems has resumed production of *Man Hunt*, starring Victor Jory & Pat McVey, in San Diego. Robert Cranford replaces Michael Stefani as a cast member.

Collier Young Associates has been formed by producer Young and Robert H. Hill. Its first project is syndicated (30-min.) taped series, *Crime & Punishment*.

ABC Films' *The Racers* goes into production late in Oct. at Republic Studios. Albert J. Cohn is producer.

Producer Jack M. Warner plans a series about the Civil Air Patrol.

People: Desilu Productions has signed producer Mort Briskin to a new contract. He is developing pilots of two 60-min. and two 30-min. series . . . Warner Bros. has signed actor Grant Williams for TV . . . Filmways has re-signed commercials-production vp Will Cowan to a 3-year contract . . . Leo Salkin has been named Format Films story editor of *The Shrimp* series being prepared for Four Star.

NEW YORK ROUNDUP

Add syndication sales: ITC picked up 42 Canadian markets last month for its 17 properties syndicated in Canada. A rundown of sales for individual series includes: *Interpol Calling*, sold in 10 markets; *Best of the Post*, 7 Canadian market sales (now in 104 U.S. markets) . . . CBS Newsfilm's daily news & sports service gained 9 stations last month: 4 foreign & 5 U.S. New stations include: Fuji Telecasting Co., Tokyo, Japan; Productores TV Asociados, Montevideo, Uruguay; WRDW-TV Augusta, Ga.; WTOL-TV Toledo, Ohio . . . Ziv-UA's adventure series, *Sea Hunt*, now in its fourth year of syndication, signed 20 new markets last week . . . MCA-TV's first-run-off-network series *M Squad* gained 7 new stations last month including KTTV Los Angeles; KPLR-TV St. Louis; WMAL-TV Wash. D.C. . . . ABC Films' *John Gunther's High Road* will go into first-run-off-network syndication this week. Market sales to date total 4, including WPIX N.Y., with 3 additional markets reportedly ready to sign.

Peter M. Robeck & Co. Inc., TV syndication firm, formerly Scarab Film Corp., was announced last week by ex-Scarab Pres. Peter Robeck. It will be the exclusive distributor of *The Pioneers*, 52 reruns from the McCann-Erickson & Borax Chemical Corp. syndicated production, *Death Valley Days*. Featuring Will Rogers Jr. as host, the rerun package has been sold in 60 markets.

NTA's Storevision returned Oct. 3 for the 1960-61 season, via WNTA-TV N.Y.'s *Day Watch* program, in 275 metropolitan locations. The away-from-home TV show, which began a year ago but took a 1960 summer hiatus, will reach viewers in supermarkets, self-service laundries & drug stores with tips on shopping, latest news, sports & weather information and stock market quotations. It can also be seen by home viewers.

George George Productions, producer of the Trans-Lux-syndicated *Rube Goldberg's Inventions* (launched this month—Vol. 16:40 p9) has named Alexander Film Studios to handle physical production of the series. AFS is primarily a commercial film house located in Colorado Springs, Colorado. Cartoonist Rube Goldberg completed his role in the pilot reel last week.

Telestudios, NTA-owned N.Y. producer of taped commercials, increased billings 59% in the past 6 months over the comparable previous period, reported Telestudios Pres. George K. Gould. Among agencies regularly using their tape facilities: BBDO; Young & Rubicam; Benton & Bowles; Ted Bates.

An independent movie producer will make *The Big Payola*, dealing with the scandals in TV & radio. Alan Freed, N.Y. disc jockey fired during the investigation, and now working for KDAY Los Angeles, will star in the movie, which will be produced by Maurice Duke.

Ziv-UA has launched its 6th syndicated series of year, *Miami Undercover*, originally planned as a United Artists syndication release.

People: James B. Faichney has joined the creative projects section of NBC News & Public Affairs to develop programs in new *Victory* series . . . Richard Brill has been signed as Selmur Productions (AB-PT subsidiary) producer and gen. programming exec. . . . Mauri H. Goldberg has joined Robert Lawrence productions as senior producer & dir.

Networks

CBS will salute auto industry Oct. 16 with a Sun.-evening, 6-7 p.m. special packaged by CBS News. The telecast is timed to coincide with the 43rd annual National Automobile Show. Viewers will be given a backstage look at the design, testing and construction of new cars, plus a shopper's-eye-view of the "complete, 1961 lines of every American auto manufacturer." The network's news interest in the auto show, however, is inversely proportional to the amount of auto advertising booked this season among the networks. Currently, NBC (despite the loss of much Plymouth billing to ABC and considerable Ford billing with the demise of *Startime*) has 55% of network auto business, ABC has 26%, and CBS has 19%. CBS apparently hopes to improve its general image among auto sponsors by its auto-show cooperation.

Leading network-TV advertiser in July was conventions-sponsor Westinghouse with gross time billings of \$5,831,551, reports TvB. Runner-up was another convention advertiser, Lever Bros., with \$3,330,794 in billings. Other convention sponsors among July's top 15 advertisers: Mutual Benefit Health & Accident Assn., Brown & Williamson, Bristol-Myers, Cowles Magazines, B. F. Goodrich, RCA. Westinghouse also took top honors in the most-advertised-brand category, with a \$2,701,068 investment for institutional advertising. July's leading advertiser category was toiletries & toilet goods (\$8,768,074). Leader for the 7-month Jan.-July period was food & food products (\$65,332,423)—down from \$66,564,653 last year. Toiletries & toilet goods time-billings totaled \$64,867,095 for 1960's first 7 months—up from \$60,258,536 in Jan.-July 1959.

NETWORK SALES ACTIVITY

ABC-TV

- Walt Disney Presents, Sun. 6:30-7:30 p.m., participations eff. Oct. 2 and Nov. 6 respectively.
American Chicle (D-F-S)
Johnson & Johnson (Young & Rubicam)
- Cheyenne, Mon 7:30-8:30 p.m., participations eff. Dec.
Coleman (Potts-Woodbury)
- Daytime programming, Mon.-Fri., part. eff. Oct. 24.
Better Vision Institute (Doherty, Clifford, Steers & Shenfield)
- Election Eve program, Mon. Nov. 7, 11 p.m.-12 mid., one-time special, full sponsorship.
Republican National Committee (Campaign Associates)

CBS-TV

- The Year of the Polaris (*CBS Reports* series), Tue. Oct. 11, 8-9 p.m., full sponsorship.
Marlboro Cigarettes (Leo Burnett)
- New York Philharmonic Young People's Concerts, 4 Sun. specials, 4-5 p.m., full sponsorship eff. Jan. 8.
Shell Oil (Kenyon & Eckhardt)
- The Scarlet Pimpernel (*Family Classics* series), Fri. & Sat. Oct. 28 & 29, 7:30-8:30 p.m., half-sponsorship.
Procter & Gamble (Benton & Bowles)

NBC-TV

- Mike Nichols & Elaine May Revue, Fri. Jan. 27, 9-10 p.m., one-time special, full sponsorship.
Kitchens of Sara Lee (Cunningham & Walsh)

"This Ain't My Life" was in substance the charge by New Haven, Conn. factory foreman Abraham Hahn in a \$500,000 suit against NBC last week. Hahn's gripe was what he termed a "fraudulent & misleading description of [his] family situation May 4 in a *This Is Your Life* Mother's Day tribute to his wife. On that occasion, Ralph Edwards chose to portray Mrs. Betty Hahn as an "ideal" mother known for her "deep & moving sacrifices on behalf of her family." The truth, according to Hahn: Betty Hahn is separated from him, has been in & out of juvenile courts with 17-year-old daughter Pauline, and is not in contact with son Herbert, 19. NBC flatly denied having had any information contrary to the Edwards-portrayed facts. "The program is handled in complete secrecy and therefore we had no idea about the truth of the matter," stated the network Oct. 6. "A carefully planned hoax," was NBC's final word on the mishap. "All participants in the telecast went along with the deception and we had no way of knowing anything before this week." However, the network insisted that it was not backing down on its previously announced position—"to assume complete responsibility to the public for what appears on the network."

Edward R. Murrow publicly needled the networks last week—including CBS—for "remaining mute" in the face of recent State Dept. suggestions for limitations on TV-radio coverage of Khrushchev & friends. The networks, said Murrow on his Sunday CBS Radio news-analysis show, should have told State Dept. officials: "We in the news business think we are competent to make our own decisions . . . and require no editorial assistance. Thank you very much, period." Implying that CBS was as much at fault as anyone for taking State Dept. guff, Murrow declared that "only ABC's [news vp] John Daly" spoke out against "the old grinding machinery of bureaucracy." Observers noted that the CBS-Murrow difference of opinion was not the only one in recent weeks. (Vol. 16:32 p 8).

CBS Inc. Pres. Dr. Frank Stanton will assess "the long range significance of advances in broadcast journalism, including the current Presidential debates" in a book due for 1961 publication by Alfred A. Knopf. Stanton, prime mover in the drive to lift restrictive Sec. 315 (see p. 4), will "deal historically & analytically" with advances made in TV-radio news during recent world crises.

NBC-TV has signed a new "Emmy" contract to replace its good-until-1962 pact with the National Academy of TV Arts & Sciences. The deal through 1965 will help NATAS to push ahead on new projects (ETV aid, TV library & museum, scholarships, etc.), but NBC wasn't being altruistic. ABC recently landed the movies' Oscarcast under a long-range deal, reputedly had its eye on the Emmy show.

Congress

Vote of confidence in TV & radio was given by Congress in passing the anti-payola Harris-Pastore Act and suspending equal-time rules for Presidential tickets (Vol. 16:35 p1), according to NAB chief counsel Douglas A. Anello. "The public & our industry will benefit" from both measures, he told a Nashville meeting of American Women in Radio & TV. Anello said broadcasters are "grateful for the confidence expressed by Congress in our integrity" and that they'll "not be found wanting." At the same time, Anello warned that many in Congress held "strong reservations" about giving too much freedom of action to broadcasters. He said the industry "must demonstrate once & for all that this confidence has not been misplaced."

Technology

Toward Space TV Relays: Another big advance toward worldwide instantaneous TV transmission via spaceborne relays was made last week with the successful orbiting & operation of the 500-lb. Courier communications satellite.

Courier won't accommodate the bandwidths required for TV, but it offers another proof that satellites will some day be practical for TV relay. Courier is able to record messages sent to it, playing them back when it is keyed from the ground. It also can be used as an instantaneous microwave relay when it is in range of 2 ground stations.

Echo I, the 100-ft. aluminized balloon now in orbit, represents the "passive" approach to space communications, in that it has no electronic equipment in it—radio signals are merely "bounced" from it. Courier is the most elaborate "active" (or repeating) satellite sent aloft to date. Both approaches have TV-relay possibilities.

Courier is experimental forerunner of Project Advent, now being developed by the Army. Advent will involve the spacing of 3 one-ton satellites equidistantly around the equator at a height of about 22,500 miles (Courier is only 500-745 miles up), so that they will hover over the same spot on earth, moving at the same speed as the earth's rotation. With these 3 satellites in place, nearly 100% of the earth's surface would be within communications range. The first Advent satellites are expected to be orbiting in 1963, with regular operation before 1970.

Commercial TV relaying is not the principal goal of any of these communications satellite programs. They are designed as military or general communications necessities—but the aim is to provide channels with enough bandwidth to accommodate video information, and live transoceanic TV will be a psychologically important by-product.

Courier was developed by the Army Signal Corps, its payload built by Philco, the ground transmitting, receiving & control equipment by ITT, antennas by Radiation Inc.

Two new superpower microwave tubes, described as "revolutionary breakthroughs in microwave tube technology," have been developed by GE Research Lab, with potential uses in radio-astronomy, space satellites, space probe tracking, space communications, etc. To develop hardware encompassing the new developments, GE's power-tube dept. is setting up a superpower microwave tube lab. The new tube types: (1) Multiple-beam klystron, combining a number of beams in one RF structure within a single vacuum enclosure. (2) Orthotron, a cross-field tube employing traveling waves.

New technical TV report available from FCC: "A Further Analysis of TASO Panel 6 Data on Signal to Interference Ratios & Their Application to Description of TV Service." It's titled "T.R.R. 5.1.2," may be obtained from the FCC Technical Research Div., Washington.

Brief progress report on N.Y. uhf project was issued by FCC last week. It noted: (1) An antenna showing "a reasonable approach to coverage" from the Empire State Bldg. has been designed by Melpar and will be tested. (2) Though tuners could be developed with a 3 db improvement over the better tuners now on the market, such tuners can be simulated by single-channel amplifiers—thus saving money. (3) Ch. 31 will be used on the Empire State Bldg. and a channel in the 800-mc range will be employed for the lower-powered unit. It's hoped that the latter can be mounted on the idle tower at Alpine, N.J., formerly used for FM by the late Dr. Edwin Armstrong. (4) Receiver sites are being studied.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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TELEVISION DIGEST. Published Mondays. Subscription \$75 annually. For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
Published March & Sept. Published Saturdays Published in January

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Personals: Ben Park named WBC exec. producer for program development . . . Larry Paulus named asst. program dir., WCBS-TV N.Y. . . . Thomas B. Shull, Storer Bcstg. film-operations dir., elected chmn., U.S. Bcstrs. Committee on World Affairs for UN . . . Daniel R. Kelly named sales presentations mgr. of CBS-TV Spot Sales' new sales presentation dept. . . . Ed Aaronoff appointed ad, promotion & publicity dir., MCA.

FCC Chmn. Frederick Ford, suffering from a virus infection, stayed home all last week on instructions of his physician. He sent asst. James Sheridan to read his prepared speech to the Montreal convention of the Radio-TV News Directors Assn. (see p. 6) and canceled an inspection trip to Telemeter's pay-TV installation in Toronto.

Donald W. Peterson, RCA Labs, Princeton, has received the annual Scott Helt Award of IRE's Professional Group on Broadcasting for his paper (*TV Antenna System Measurement Based on Pulse Techniques*) published in the March 1960 issue of the Group's *Transactions*.

Obituary

Jacob (Jay) Paley, 75, a founding director (1929-37) of CBS and uncle of CBS Inc. Chmn. William S. Paley, died Sept. 30 in his Bel Air home at Los Angeles following a heart attack. A wide-ranging financier who retired in 1934, he had held interests in film production with Walter Wanger, in the old Congress Cigar Co., and in the Del Mar Race Track & Arrowhead Springs Hotel. Immediate survivors include a daughter, 2 brothers, a sister.

Joseph Nye Welch, 69, who became a national figure overnight as the Army's counsel in the 1954 televised Army-McCarthy hearings, died Oct. 6 at Hyannis, Mass. His performance at the televised hearings brought Welch new careers in the movies (as the judge in "Anatomy of a Murder") & TV. Among his many TV credits: relater of the story of the Constitution in an *Omnibus* series; host of *Dow Hour of Great Mysteries*.

Lord Simon of Wythenshawe, 80, chmn. of the BBC from 1947 until 1952, died Oct. 3 in Manchester, England. A member of the Labor party, he caused a controversy in 1950 by canceling a BBC-TV play that ridiculed socialism.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

AUG. RETAIL TV SALES DOWN 13%: Official confirmation came last week from EIA that August was the first 1960 month to show retail TV sales figures below the comparable 1959 month. Monthly report by EIA shows Aug. sales to consumers dipped 13% below those of Aug. 1959—a somewhat greater drop than earlier estimates had indicated (Vol. 16:39 p14).

August retail TV sales showed seasonal pickup from July—in fact were highest this year since March—but pickup wasn't enough to maintain 1960's previous good sales momentum. Consumers bought 429,346 TV sets in Aug. 1960, compared with 492,449 in Aug. 1959.

On a yearly basis, Aug. sales were at a rate of about 5.8 million. But retail sales figures for first 8 months of 1960 totaled 3,479,731 units, or an annual pace of about 6.3 million (vs. 1959's total retail sales of 5.74 million). The 8-month retail sales total was still well ahead of 1959's first-8-months figure of 3,126,981. On other hand, total distributor sales to dealers through September, as previously reported, now is slightly below 1959's first-9-month total.

Total retail sales of radios (excluding auto) continued higher than 1959 during Aug.—794,608 sets sold vs. 671,713 in Aug. 1959—still at annual sales rate of about 10 million sets. For complete tables, see p. 16.

FLAT-SCREEN TV—HOW SOON? Remarkable progress in electroluminescence for lighting uses—and some beginnings in use of this new medium for electronic display devices—were demonstrated by Sylvania in N.Y. last week.

Electroluminescent lighting panels now can be produced in 3x5-ft. sizes, making possible walls and even whole buildings which glow with a soft light, Sylvania officials demonstrated. This larger size & greatly increased brightness are among latest breakthroughs in science of electronic lighting. (Developmental lighting panel glows at brightness of 1,000 ft.-lamberts, compared with 50 ft.-lamberts given off by TV screen.)

Since electroluminescent lighting panels may be made as thin as .04 in. and can be made to glow in response to variations in voltage or frequency applied to them, this principle is generally accepted as the one which eventually will yield the true flat TV picture—successor to the cathode-ray tube.

First simple electroluminescent read-out devices—such as one which forms all numbers & letters of alphabet—are crude forerunners of flat TV displays.

How soon will the flat screen arrive? How actively are electronics labs working on this project? We put these questions to several top Sylvania electroluminescent research scientists. In answer to 2nd question—plenty of work is going on. Sylvania has already announced a developmental flat-panel oscilloscope—2nd cousin to a TV display—but with limited resolution capacity.

Big stumbling-block in development of flat TV screen is deflection device, extremely complex & capable of rapid switching. In essence, this would be a computer—and as one engineer said: "We could find plenty of other uses for a computer like the one we'd have to develop for an electroluminescent TV screen."

Sylvania officials aren't saying how far along they are in development of such a device—nor are other companies. Nobody wants to give clues to his competitors or upset the TV market with pie-in-the-sky announcements. There's another imponderable involved: How interested is the military in a flat screen for radar or TV pictures? Flat-screen TV will come much sooner if it is by-product of military research than if it's undertaken for consumer-products manufacturers, whose research funds are far more limited.

From our conversations with scientists & engineers of Sylvania and other companies, here's rough guess at a flat-screen timetable: Demonstration of high quality electroluminescent TV picture in 2-to-3 years; flat screen ready for commercial production within 10 years. So don't throw away your cathode-ray tubes.

SET MAKERS ADOPT GE's COMPACTRON: GE's new approach to multi-function receiving tubes—the Compactron (Vol. 16:27 p14)—has drawn active interest of 13 electronic equipment manufacturers (all of them understood to be connected with consumer fields) and firm orders for more than 50,000 Compactrons a month.

Two other receiving tube manufacturers—CBS Electronics and Tung-Sol—also are planning to produce Compactrons, thereby guaranteeing equipment makers an alternate source of supply. Such a guarantee is extremely important, as the current IUE strike against GE points up.

Combining as many as 8 tube functions within one glass envelope, Compactrons promise real circuit savings in TVs, radios & phonos, without lowering quality. In addition, they also permit some size reduction in equipment. GE said it expects "Compactronized" equipment to start appearing on market next year, is completing tooling-up of plants in Owensboro, Ky. & Tell City, Ind. It is developing 37 Compactron types at request of customers. These range from 8-function types down to single-function units (which can handle more power output than equivalent tubes) in both series-string & parallel heater arrangements.

'GOOD' RESPONSE TO JAPANESE TV SET: First market test of Delmonico's 19-in. Japanese-made TV set at N.Y.'s Liberty Music Shops (Vol. 16:40 p14) was described last week by a store official as successful. A N.Y. Times ad pulled "very well," he said, with "good" store traffic resulting & several sales made—although he declined to state the number.

The portable, which is being sold for \$159.95 at Liberty, went into distribution to other outlets across the country last week, and Delmonico exec. vp Herbert Kabat termed distributor reaction "excellent."

Liberty's N.Y. Times ad last week, due to be repeated, stressed the set's quality & value, with big photo of chassis, smaller shot of front of set. "Built to exceed the finest standards of quality in workmanship, performance, engineering, design," said the ad. Only hints that it might be foreign-made set were these phrases: "All tubes available anywhere in the U.S. . . . Workmanship to rival the finest Swiss watch!"

Although proud of heavy-duty quality features of set, it's understood Delmonico is working with manufacturer Victor of Japan to produce less deluxe version which could be sold cheaper. Other Delmonico TV plans: 19-in. TV-radio-phono combination, due to arrive within 60 days; complete 23-in. line early next year.

Japanese portable battery-operated sets still aren't in sight for U.S. market. "We're waiting for improvements in performance," Delmonico's Kabat told us. "There are certain corrections we feel are necessary." He had no estimate of when transistor sets meeting Delmonico's requirements would be available in quantity.

Sony also says it doesn't know when it will have battery TVs for sale here. Representative of Sony Corp. of America said his company no longer is aiming at Christmas season sales this year. He pointed out that current production of Sony transistor TV is still going entirely to Japanese domestic market. As for any plans to market conventional TV sets in this country: "We have none so far."

TV-RADIO PRODUCTION: EIA statistics for the week ended Sept. 30 (39th week of 1960):

	Sept. 23-30	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	150,503	143,808	192,383	4,368,666	4,488,857
Total radio	521,194	424,457	467,129	12,403,407	10,927,252
auto radio	264,212	176,733	183,656	4,781,836	4,151,846

New plants & expansions: Texas Instruments is establishing foreign subsidiary Texas Instruments France to manufacture semiconductor devices & components for the European Common Market. Manufacturing quarters will be leased in Nice, pending construction of a plant in or near that city • Philco has elevated its communications systems dept. to divisional status (the 5th in the company's govt. & industrial group). The new division will be headquartered in a 70,000 sq.-ft. building Philco will erect in the Fort Washington (Pa.) Industrial Park. Until the new Philco Bldg. is ready for occupancy early next year, the communications div. will lease quarters in the Park.

Yugoslavia Pres. Tito apparently favors EIA's TV-in-every-room campaign. He took home with him 6 U.S.-made portable TVs.

Mergers & acquisitions: Telex Inc., Minneapolis manufacturer of electronic components, plans to acquire 82% of the stock of Waters Conley Co., Rochester, Minn. phonograph maker, in exchange for 102,000 shares of Telex. The Telex stock is currently valued at about \$2.5 million • Microdot, Pasadena components maker, has entered the fields of transducers and cryogenics with the acquisition for an undisclosed number of shares of Nacimco Products, San Diego • Walco Electronics, new manufacturing & distributing concern, has acquired the Clevite Walco operation from Clevite's electronic components div.

Crosby Electronics enters the hi-fi component field under its own name (it also owns hi-fi manufacturer Madison Fielding) with an FM tuner at \$99.95 and a 28-watt stereo preamp-amplifier at \$119.95.

More about

RETAIL TV SALES DOWN: This year's first dip in retail sales (see p. 14) brought cumulative TV sales to the public to 3,479,731, or an annual rate of about 6.3 million. In radio, Aug. retail sales continued to run ahead of last year. TV production was below the corresponding 1959 month for the 3rd consecutive time as manufacturers continued their attempts to trim inventories to match slowdown in purchases by dealers. (Vol. 16:39 p14). Here are EIA's Aug. and year-to-date figures on production & retail sales of TVs & radio:

TELEVISION

Month	Total Production		Uhf Production		Retail Sales	
	1960	1959	1960	1959	1960	1959
January	626,494	437,026	50,119	35,841	590,867	501,704
February	503,453	459,492	43,537	34,678	507,673	448,173
March	549,500	494,032	45,411	32,112	501,829	425,751
April	422,551	389,251	39,240	20,501	351,214	263,998
May	442,176	431,911	32,295	28,247	334,283	279,536
June	518,870	571,004	34,245	29,064	371,661	344,795
July	268,854	350,360	14,621	21,022	392,858	370,575
August	462,286	547,445	26,829	32,847	429,346	492,449
TOTAL	3,694,184	3,680,520	286,297	234,312	3,479,731	3,126,981

RADIO

Month	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1960	1959	1960	1959	1960	1959
January	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June	1,551,451	1,430,165	596,870	637,806	702,889	678,195
July	890,359	829,035	328,009	254,725	573,363	526,827
August	1,048,406	1,009,423	340,860	279,424	794,608	671,713
TOTAL	10,463,285	8,946,044	3,991,961	3,434,345	5,246,329	4,357,421

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 50,963 (29,145), March 83,127 (32,994), April 61,953 (31,425), May 65,438 (48,841), June 105,317 (50,783), July 49,707 (24,553), Aug. 71,125 (42,866). Eight-month total: 573,367 (290,862).

Component Sales High: Shipments of electronic components again were at record levels during 1960's first quarter, according to the electronics div. of Commerce Dept.'s Business & Defense Services Administration. As reported last week, the first quarter saw shipments of components (including tubes & semiconductors) at more than 20% above the first-half 1959 rate (Vol. 16:40 p18).

The Commerce Dept. figures are derived from the quarterly Survey of Production Capabilities for Electronic Parts, conducted jointly by Defense Dept.'s Electronics Production Resources Agency and BDSA's electronics div. and are labeled "estimates." A more detailed table—breaking down the following categories into product groups—is available from the BDSA. These figures are for first-quarter 1960:

Category	Units (add 000)		Value (add 000,000)	
	Total	Military	Total	Military
Power & special tubes	3,211	745	\$ 62.5	\$40.2
Receiving tubes	106,962	6,570	95.2	14.6
TV picture tubes	3,070		61.9	
Semiconductor devices	63,507	19,648	129.0	63.4
Capacitors	328,585	35,601	65.5	20.3
Complex components	10,093	138	5.2	2.7
Connectors	27,612	17,012	43.1	23.4
Quartz crystals	1,646	629	4.8	1.4
Relays	10,377	3,212	48.8	22.5
Resistors	532,771	59,892	61.2	27.6
Transformers & reactors	10,294	1,684	46.4	19.9

New TV picture-tube phosphor (CR407) developed by Sylvania chemical & metallurgical div. is claimed to offer these production & quality advantages: (1) Simplified application to face of picture tube. (2) Improved resistance to contamination from impurity elements during production process. (3) Increased resistance to ion burns.

TV RENTAL BUSINESS GOOD: Most TV dealers are also in a rental business—and business is good. This was one of the conclusions of a recent NARDA survey of TV-radio-appliance dealers. Of the 60 dealers replying, 38—or about two-thirds—indicated that they rent TV sets or appliances.

TV is by far the most popular rental appliance, 31 of the 38 renting dealers indicating that they do TV rental business. Next come automatic washers & refrigerators (10 dealers each), ranges (8), dryers (5), dehumidifiers & air conditioners (4 each), tape recorders & sound systems (3 each), freezers, dishwashers & wringer washers (2 each), gas incinerators & ironers (one each).

Average rental price charged for TV sets is \$1.20 a day (low 90¢ high \$2), \$5.75 a week, \$23.70 a month (low \$10, high \$50), with an average minimum rental of \$5.

For tape recorders, average rate is \$15 a week, with monthly rates \$45 to \$60. Sound systems run \$10 a week, \$40 a month, the survey indicates.

Although some dealers actively promote rentals, NARDA found others merely carry it on as a quiet sideline or as a sales inducement—but "none of the dealers reported they were taking a loss on their rental programs, and many indicated they found the rental business a profitable sideline for their selling operation."

Automobile record player made by Philips of Eindhoven has been introduced in U.S. by North American Philips. The single-play Norelco Auto Mignon, priced at \$57.50 including brackets for under-dash mounting, plays 45-rpm records which are inserted in a slot, sliding them out of slot automatically after playing. The operation can be accomplished with one hand. About a year ago, Chrysler Corp. introduced an RCA automatic changer which plays 14 regular 45-rpm discs (Vol. 15:47 p19). It was offered as an accessory for 1960 Plymouths & DeSotos at \$51.75 (1961 availability & prices not yet announced). Both the RCA & Philips machines plug into the auto radio, using its audio amplifier & speaker.

IUE's strike against GE (Vol. 16:40 p15) was still going strong after 6 days, with no settlement in sight, as we went to press. Both sides were still conferring with the Federal Mediation & Conciliation Service, although GE had rejected as a "grandstand play" IUE's proposal for a 30-day truce. The walkout was joined last week by 9,000 IUE workers at GE's largest plant, in Schenectady. IUE represents 70,000 workers in about 55 plants, out of a total of 240,000 at 166 plants. There was violence at some plants. The worst developed at Schenectady, where Mayor Malcolm Ellis declared a state of emergency Oct. 7 after fighting broke out on the picket lines.

New tube complements for AC-DC radios in 4-tube & 5-tube versions were introduced last week by RCA electron tube div. The series-string tubes, which have 100-milliamp heaters, generate "substantially less" heat than conventional 150-milliamp tubes and therefore can be used in smaller cabinets and add new flexibility to component positioning. The 4-tube "economy" radio complement includes a high-sensitivity audio-output pentode (50FK5) which eliminates the need for a preceding AF amplifier stage.

Admiral's 1960 radio sales will set an all-time record, Admiral Sales Corp. electronics div. vp Ross D. Siragusa Jr. predicted last week. He said sales to dealers for this year through Sept. 9 have been 42.6% higher than the year-ago period, compared with industry's increase of 6.8%.

ELECTRONICS 'BUGS' BBB: Consumer electronic products accounted for approximately one of every 10 complaints registered with Better Business Bureaus last year, BBB Pres. Kenneth B. Willson told the EIA service committee at its quarterly meeting in Haddonfield, N.J. last week. The complaint rate was high enough to place the electronics industry 3rd among the nation's worst offenders—hard on the heels of its relative—2nd-place major household appliances. Top gripe-getter: home-improvement field.

Sympathetic to the enormity of the electronics industry's over-all sales-service problem, Willson offered numerous suggestions for reducing the complaint rate. The suggestions, based on the views of hundreds of dealers & servicemen throughout the country, included: Ship only pretested products. Educate the public to the nature & limits of warranties. Limit ad claims to the product's field performance, step-up replacement-parts availability. Keep the service industry better informed on products. Recognize & correct product "bugs" promptly.

Willson noted 3 main sources of complaints:

(1) Consumers vs. dealers & servicemen. Said he: "The most serious [complaints] involve misunderstanding of warranties, alleged excessive charges and its first cousin, dishonesty, and dilatory & inefficient servicing."

(2) Dealers & servicemen vs. manufacturers. Among the major beefs: Manufacturers "soft-pedal the service needs of their products," oversell trouble-free performance. Extended warranties of one year place an undue economic burden on dealers & servicemen. Unavailability of replacement parts. Delays in correcting manufacturing faults. Inadequate field-testing & inspection of products. Said Willson: "Dealers report that there are very few brands of TV sets that they would dare take to a customer's home in an unopened carton, because so many sets require servicing *before* installation."

(3) Dealers & servicemen vs. parts distributors. Prime gripes: Unavailability of replacement parts. Poor communications. Sales of parts by distributors to anyone, including do-it-yourself consumers & part-time, loft-type technicians.

Some Believe Licensing Needed

Willson noted that "many dealers & technicians have expressed the view that there is a need for the licensing of the electronics-servicing business. Those who hold this view believe that the only way to keep the incompetent & the fringe operator out of the field is to have a regulation which will require an examination to test the fitness of all who pose as qualified technicians.

"Your service industry is seriously concerned with its poor public acceptance," Willson told the EIA group, "and those who participated in our study are almost unanimous in looking to manufacturers to help them improve it. There is a strong feeling among servicemen & service dealers that manufacturers should, individually & jointly, help to create public awareness of the fact that electronics products are delicate & complex instruments requiring care & servicing; that the qualified technician must be a highly skilled artisan with years of training & experience; that he is a small businessman with a substantial capital investment in his tools, parts, trucks and equipment, and that the fees he charges must be in relation to the costs involved—including the diagnosis as well as the remedy. Many in the service industry feel that manufacturers could do more to stress the basic integrity of the majority of servicemen through appropriate educational material,

and thereby help overcome the onus of the minority which desecrates their—and your—industry."

Willson emphasized the willingness of BBB to work with EIA to improve the industry's image: "An up-to-date BBB-EIA booklet on the subject, covering perhaps the broad field of electronics-consumer products," he said, "could be useful to the dealer & serviceman in creating better public understanding about the servicing of electronics products... Another way in which we might help your industry to improve its public relations would be through joint sponsorship of a public-service type film about the nature of your products, their servicing, the skills & investments required, the important role the serviceman plays in the business community, and the basic integrity of the majority of them.

"The vast reservoir of public good will which the BBBs have earned," he concluded, "can be harnessed to help the service industry, at the local level as well as the national, to eliminate practices which make for bad public relations, and to follow ethical principals which will earn public respect."

* * *

GE's Steven R. Mihalic was renamed EIA service committee chairman. Sylvania's E. W. Merriam continues as the committee's vice chairman.

Whither Canadian Electronics? The past, present and future of Canada's \$400-million-a-year electronics industry are scrutinized by Toronto-published *The Financial Post* in a special Oct. 1 report. General conclusion: Things could be better—and may be a long time improving.

Notes the *Post*: "Canadian electronics manufacturers are experiencing a recession in sales of home entertainment products (radio & TV receivers and record players) from the peak years of 1955-56. There has also been a decline in orders for military electronic equipment. But the most hopeful areas lie in the continuing demand for communications equipment, and the ever-widening range of possible applications of electronics in business & industry."

How are electronics sales trending in Canada? The report notes these 1960 estimates (with 1959 dollar volume in parentheses): TV sales, down 18.9% (\$115.4 million); radio, down 9.5% (\$42.5 million); record players, down 6.3% (\$11.6 million); replacement parts & service, "foreign competition, particularly in tubes, is expected to result in a further reduction in 1960" from 1959's \$108-million volume. One optimistic sales trend was noted in the field of broadcast & general communications, which last year had a volume of \$34.5 million. Forecast the *Post*: "With new TV stations & expensive microwave installations under construction, look for an upturn." Canada's 1959 military-electronics volume totaled \$99.5 million; the report did not include a 1960 estimate.

Emphasized the report: "There's a great future for many phases of Canada's electronics industry. But the potential giant will take some time to grow from its present status as a \$400 million-a-year stripling."

The prescribed remedy for lagging sales: "With imports of good-quality, low-cost electronic equipment taking a major share of the market in Canada, it is inevitable that the nature of our electronics industry will change. The swing must be to low-volume, specialized equipment which can be sold in both domestic & foreign markets. Canadians have been reluctant to go after export sales for various reasons. But they are now being forced into it if they want to survive."

Trade Personals: Bernard H. Lippin, chmn. of Symphonic Electronic Corp., named pres. of parent Lynch Corp. . . . Reed Vail Bontecou resigns as CBS Electronics mktg. vp to take an undisclosed post with Pacific Semiconductor Inc. (Thompson Ramo Wooldridge) . . . Robison Clark, ex-Link, named Stromberg-Carlson controller . . . William G. Handfield, Philco tax counsel, appointed tax mgr. . . . John R. Siragusa named gen. sales mgr. of Admiral's new Ensign div. (production & sales of record changers, wireless remote controls, etc., to industry) . . . Philip N. Ross named a Westinghouse vp . . . John Manniello, ex-Fairchild Camera & Instrument Corp., made mktg. dir., CBS Labs.

William L. Davis named to new post of exec. vp, Emerson Electric Co. (St. Louis), also serving as gen. mgr., electronics & avionics div. . . . Richard L. White named eng-electronics & avionics div. . . . Richard L. White named engineering product mgr. Hoffman industrial products div. . . . Richard Bambery, ex-Admiral, named to new post of corporate mktg. vp, Astro-Science Corp. . . . J. Ray Topper named product sales mgr., GE industrial & military tubes, succeeding Leo T. Bowles, now receiving tube dept. mgr. of product planning . . . Roy Juusola named to new post of mgr. of mktg. services in CBS Electronics mktg. & sales realignment which includes these other changes: Lou Niemann, dir. of govt. relations (Washington); John Hauser, gen. mgr., distributor sales; Ross Yeiter, sales mgr., semiconductors . . . Robert Laub & Jack Breakiron elected vps, Lafayette Radio Electronics.

No more Japanese-made Motorola radios—from now on the company will make all its sets in the U.S., a spokesman says. Reason given: They can now be made as cheaply in Motorola's own plants. The company will continue to use some Japanese parts in its transistor radios. Certain models had previously been imported, while other transistor sets had been made in U.S. with some Japanese parts.

Sprague Electric Co., North Adams, Mass., was founded in 1926 (as Sprague Specialties Co.) by Robert C. Sprague, who now is chairman & treasurer, not by his father, the late Frank J. Sprague, as was stated here last week in the obituary of Pres. Julian K. Sprague (Vol. 16:40 p18). The earlier Sprague Electric Co., which was founded & headed by Frank J. Sprague, was purchased by GE in 1902 and of course is in no way connected with today's company of the same name.

Jerrold Electronics Pres. Milton J. Shapp took a full page in Oct. 3 *Wall St. Journal* to announce his support of Sen. John Kennedy. Answering his own question, "Is the GOP Really the Party for Business?" Shapp wrote: "Despite the impression that the Republicans are considered the party of business, the record clearly shows that the policies of the Democratic Party create a better climate for business activity in the U.S." Shapp told us he has received more than 172,000 requests for reprints, that his mail is running 4-to-1 in support of his stand. He is planning additional ads in other papers, will distribute at his own expense 125,000 reprints to Pennsylvania business & professional men. His reason: "The world situation is such that every man—including businessmen—must support & speak up for the policies & leaders he believes in."

Obituary

Clarence S. Tay, 72, who retired in 1955 as exec. vp of Admiral Distributors, former Admiral subsidiary, died Oct. 7 in St. Albans, Vt. He joined Admiral in 1944, after being affiliated with the former Crosley div. of Avco Mfg. Co. since 1931. He is survived by a daughter.

Finance

SKIATRON STOCK SALES BARRED: Two of pay TV's most persistent promoters—Pres. Arthur Levey of Skiatron Electronics & TV Corp. and its licensee Matthew M. Fox of Skiatron of America Inc. (now Tolvision of America Inc.)—were prohibited last week from making any public sales of Skiatron stock.

This was the immediate effect of a "stop order" issued by SEC suspending a "materially misleading" stock registration statement filed with the agency Aug. 19, 1959 by Skiatron Electronics & TV (Vol. 15:34 p19). The company's pay-TV prospectus was challenged by SEC in Dec. and was subjected to protracted hearings on charges that the statement didn't comply with the Securities Act's disclosure requirements (Vol. 15:51 p20 et seq.).

Citing voluminous testimony at the hearings—and stipulations of facts signed by company lawyers—the SEC decision said there was no basis in fact for Skiatron's claims that it had favorable prospects for commercial operation of its pay-TV system early in 1960.

Most "striking" omission from the registration statement, SEC said, was Skiatron's failure to show that it lacked necessary resources—estimated at \$13 million minimum—for installation of a wire system. Moreover, SEC said, licensee Fox & his company were at least \$1 million in debt and Fox owed \$3 million to various lending agencies & individuals.

ASE To Continue Ban

The "stop order" made it illegal for Levey or Fox to engage in any public—if not private—Skiatron stock transactions. But SEC said that its suspension of American Stock Exchange & over-the-counter trading in Skiatron, in effect since Dec., would be lifted as of Oct. 12. SEC observed that any investors could be guided by its report on Skiatron in making evaluations of Skiatron's worth. Despite SEC's permission to resume Skiatron trading, the American Stock Exchange will continue the suspension, however. ASE officials said Skiatron trading will not be permitted on the exchange again until the status of the company is cleared up.

Levey & Fox promptly issued statements professing continued confidence in Skiatron's ultimate pay-TV success.

Levey said he was pleased that SEC was permitting resumption of trading in Skiatron stock, that with "perseverance & cooperation of its stockholders" the company could proceed despite "trials & tribulations." He said Skiatron had long since agreed that its Aug. 1959 offering of 172,242 shares (30,000 owned by Levey, 125,000 covered by warrants owned by Fox) should be withdrawn.

Fox said "it is imperative" that the public understand that his new Tolvision of America has no corporate connection with Skiatron except as the licensee of the system. "I, personally, have incurred more than \$6 million in costs to complete the development and to field-test our system," he said. Fox added: "We are confident that Tolvision, generally conceded to be the best & most feasible system, will be established through private financing."

SEC's action opened the way for buyers of the unregistered Skiatron stock (at least 78,000 of the shares covered in the now-suspended registration statement were reported already sold) to sue the sellers for recovery of the purchase price. If the buyers subsequently sold the shares at a loss, they can also claim damages from the original sellers (Levey, Fox, others) and it's possible that Skiatron itself could be made liable, an SEC spokesman told us.

Among other things, the ruling served notice on bankers, factors and other lenders in the market that they can't make public sales of unregistered stock which is posted by company officers or stockholders as collateral for defaulted loans. Such Skiatron sales had been made by creditors of Fox, SEC pointed out. SEC's power to require registration of stock pledged for loans had been upheld previously by the Court of Appeals in N.Y. in the Guild Films case (Vol. 16:23 p24).

The SEC decision reviewed Skiatron's operations since the company was organized in 1948, recited its deals with Fox starting in 1954, and made such points as these:

(1) Skiatron's principal asset is the right to receive pay-TV royalties under its licensing agreement with Fox. The agreement first stipulated that the company would get 5% of gross revenues but was renegotiated to make the royalty 2½% when Skiatron shifted its plans from broadcast pay TV to a wire system to avoid FCC controls.

(2) Skiatron's patent claims, as represented in its SEC registration prospectus, were misleading. The patents aren't essential to operation of either an over-the-air or wire system, and Skiatron isn't able to show that patents ever will be issued on pending applications—or if they are, that they'd make Skiatron dominant in the pay-TV field.

(3) Neither Skiatron nor Fox had access to any sources able or willing to put up the money required to get a wire system going in a densely populated area.

(4) Potential pay-TV program sources had been contacted, but no arrangements or commitments had been made to supply Skiatron with programming. "Publicity" last year boasted that Fox had made Skiatron deals with baseball clubs on the West Coast and with theatrical impresario Sol Hurok, but Fox was in default to the club owners and Hurok had agreed only to serve as a consultant.

(5) In general, Skiatron's prospectus was faulty because it didn't disclose financial & other difficulties encountered—and still to be encountered—preparatory to any actual operations.

Motorola's 3rd-quarter sales ran about the same as a year ago but profit was down "very slightly," according to Pres. Robert W. Galvin. He said that Motorola has revised downward its earlier estimates that 1960 sales & earnings would rise 10% from 1959. The company is now forecasting 1960 sales of \$300-to-\$310 million (vs. 1959's \$289.5 million) & earnings "slightly larger" than last year's \$14,-171,237. He blamed lagging TV sales, estimated industry's 1960 wholesale sales at 5.8-to-6 million sets—down from 1959's 6.2-million volume. In August, Galvin said, the TV industry's wholesale volume dropped 30.8% below Aug. 1959. However, Motorola's volume was down only about 17%, he noted, adding: "No one knows exactly what happened. Our appraisal is that retailers built heavy inventories through special buys in the spring & early summer and these purchases did not move out as expected." Retail sales have improved in recent weeks, he said, "but it is difficult to determine how significant this upturn is."

Raytheon's Jan.-Sept. operating profit will fall below the earnings of \$2.22 a share on 3,414,292 shares (3,725,414 now outstanding) for 1959's first 3 quarters. However, points out Chmn. Charles F. Adams, earnings will be augmented by a non-recurring income of more than \$5 million (\$1:35) for helping 5 NATO nations produce the Hawk missile. This sum will be reflected in 3rd-quarter earnings, will push total Jan.-Sept. profits "considerably" above the year-ago net, Adams said.

Record in Rectifiers: International Rectifier Corp., which last week reported record profits of \$1.2 million on an all-time sales high of \$13.1 million for the fiscal year ended June 30 (see financial table)—increases of 34% & 21% respectively—now calls itself "the largest manufacturer of semiconductor rectifiers."

The rapidly-growing El Segundo, Cal. firm is now in a large variety of semiconductor fields, from diodes to solar cells, but has not entered the transistor field. Pres. Eric Lidow said last week that the firm's "research & development expenditure, amounting to 8% of net sales, enabled the company to develop & produce 20 complete new product lines during fiscal 1960."

Founded in 1947, the firm now has 750 employes producing more than 7,000 types of rectifiers. The company ranks itself, among the 50 U.S. semiconductor firms which compete with it in one or more lines, as follows: Largest maker of semiconductor rectifiers, accounting for about 15% of total industry sales; the major domestic producer of selenium photoelectric cells; one of the 2 principal makers of solar cells; one of the 4 largest manufacturers of Zener diodes; one of 6 manufacturers of controlled rectifiers—a product too new to develop industry sales figures.

A firm which "practically outlaws automation," International Rectifier claims to have employe benefits almost unmatched in its area. Production workers' beginning pay is \$1.40 an hour, 25% higher than the regional industry average, and workers get a 10¢ per hour yearly raise with no limitation or maximum, in addition to medical benefits, pensions, life insurance and stock options.

Metropolitan Bcstg. will produce record sales & earnings this year, Chmn.-Pres. John W. Kluge reported last week. He predicted earnings of \$1.25 a share (on 1,699,012 shares outstanding) on sales of \$40 million, compared with 1959's earnings of 91¢ (1,549,012 shares) on sales of \$14,-174,487. Some \$18-to-20 million of 1960's sales will come from Metropolitan's new outdoor advertising subsidiary Foster & Kleiser, acquired last March, he added. Kluge said that Metropolitan plans to acquire 2 more TV stations to bring its total to the allowable limit of 7. Metropolitan's TV-radio properties: WNEW-TV & WNEW N.Y.; WTTG Washington, D.C.; KOVR Stockton, Cal.; WTVH Peoria; radios WHK Cleveland & WIP Philadelphia; and (in process of takeover) WTVP Decatur, Ill. and radio WRUL Scituate, Mass.

Decca Records and subsidiary Universal Pictures will report record operating profits this year, according to Milton B. Rackmil, president of both companies. He told the N.Y. Society of Security Analysts last week that Decca will report earnings of about \$4.25 a share, up from \$1.81 last year, while consolidated gross sales will rise to about \$85 million from \$79.9 million in 1959. He noted that this will mean that the profit margin will rise to 6.4% of sales from last year's 2.9% on a sales increase of about \$5 million. Universal's operational profits for the year ending Oct. 30 will rise to more than \$6 million, or about \$6.80 a share, he predicted, up from \$4,698,000 (\$5.02) in fiscal 1959. He said chances "look good" for a further increase in Decca's dividend rate next year. Its annual dividend rate was increased last June to \$1.20 a share from \$1.

Creditors of Alto Fonic Corp., Palo Alto, Cal. maker of tape recorders, met Sept. 29 in San Jose, Cal. The firm was adjudged bankrupt by federal court after filing a voluntary petition. Daniel R. Cowans, 211 Post Office Bldg., San Jose, was referee.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Artists	1960—year to July 2	\$ 16,296,000	\$ 1,615,538	\$ 1,204,538	\$1.33 ¹	895,346
	1959—year to June 27	15,365,000	(202,499)	(262,499)	—	882,799
Avco ²	1960—9 mo. to Aug. 31	240,016,634	13,893,365	7,318,365	.71 ¹	10,314,753
	1959—9 mo. to Aug. 31	223,231,000	11,743,000	6,268,000	.61 ¹	10,235,353
G-L Electronics	1960—year to July 31	1,726,236	—	70,505	.15	469,758
	1959—year to July 31	1,154,967	—	89,321	.19	469,758
International Rectifier <small>Story on p. 19.</small>	1960—year to June 30	13,124,586 ³	—	1,206,007 ³	.52	2,308,804
	1959—year to June 30	10,870,038	—	877,371	.39	2,225,266
Pentron Electronics	1960—year to June 30	2,871,243	45,336	38,336	.06	810,000
	1959—year to June 30	2,720,498	(148,639)	(111,433) ⁴	—	536,667
Polarad Electronics	1960—year to June 30	15,072,833 ³	—	731,640 ³	.57	1,302,542
	1959—year to June 30	11,900,206	—	475,186	.45	1,102,542
Republic Corp.	1960—39 wks. to July 30	19,946,558	3,040,294	1,340,294	.52 ¹	2,004,190
	1959—39 wks. to July 30	18,638,445	1,456,878	675,678	.19 ¹	2,004,190
Trav-Ler Radio	1960—qtr. to July 31	4,784,250	—	104,718	.12	864,911
	1959—qtr. to July 31	5,191,954	—	185,418	.22	839,155

Notes: ¹ After preferred dividends. ² Including wholly-owned subsidiary Crosley Bcstg. which netted record 9-month sales & earnings. ³ Record. ⁴ Includes non-recurring loss of \$103,602 on disposal of inventories.

Distribution by NT&T of 844,875 shares of common stock of NTA will be made Nov. 10 to NT&T stockholders of record Oct. 14 (Vol. 16:33 p5). NT&T stockholders will receive 3 shares of NTA for each 10 shares of NT&T held. Chase Manhattan Bank, which holds NTA stock as trustee, will handle the distribution. The dividend decreases NT&T's holdings in NTA to 625,511 shares, approximately 38% of the total of 1,627,572 shares of NTA common stock to be outstanding.

Texas Research & Electronic Corp., Dallas, organized in September under Minnesota law to go into the electronics business by acquiring existing companies, plans a public stock offering of 600,000 common shares at \$1.15 per share. An SEC registration statement (File 2-17147) lists Naftalin & Co. Inc. as the underwriter. The prospectus said the new firm, headed by K. A. Fison, had made no commitments for acquisitions and wasn't ready to commence business operations. It reported Texas Research & Electronic had \$400,000 cash on hand.

Clarostat Mfg., Dover, N.H. components maker, anticipates record sales & earnings for 1960. Pres. Victor Mucher forecasts profits of 75-to-80¢ a share (vs. 59¢ in 1959) on sales of more than \$9 million (\$8,998,941 last year). Mucher said TV, radio and sound-reproduction equipment represent the major markets for Clarostat's commercial products. Military business will account for 20-to-25% of 1960's total volume, compared with 35-to-40% last year.

AT&T has filed a SEC registration covering the offering, at competitive bidding, of \$250 million of 32-year debentures. The securities will be non-callable by AT&T during the first 5 years.

OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Oct. 6, 1960

Electronics TV-Radios-Appliances Amusements

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

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	21½	23½	Maxxon (W.L.)	8¾	9¼
Aerovox	8	9½	Meredith Pub.	39½	43½
Allied Radio	20½	22¼	Metropolitan Bcstg.	17¾	19½
Astron Corp.	2	2½	Milgo Electronics	16	17½
Baird Atomic	25¼	27¼	MPO Videotronics	7¾	8½
British Industries	16¼	17¾	Narda Microwave	5	5½
CGS Labs	8	10	National Co.	27½	29½
Control Data Corp.	39	42	Nuclear of Chicago	29	31½
Cook Elec.	15	16¼	Official Films	2	2¼
Craig Systems	15½	17½	Pacific Automation	5½	6½
Dictaphone	36½	39½	Pacific Mercury	6¾	7½
Digitronics	25	27¼	Perkin-Elmer	40½	43½
Eastern Ind.	12¾	13½	Phillips Lamp	167½	173¼
Eitel-McCullough	22¼	23¾	Pyramld Electric	27½	3-5/16
Elco Corp.	14¾	16½	Radiation Inc.	19½	21½
Electro Instruments	20½	29½	Howard W. Sams	40	43¼
Electro Voice	10¾	12	Sanders Associates	24¼	26½
Electronic Associates	25¼	27½	Silicon Transistor	4	5½
Erie Resistor	8½	9¼	Soroban Engineering	23¼	25¾
Executone	26¼	28½	Soundscriber	11½	12½
Farrington Mfg.	31½	34½	Speer Carbon	20½	22¼
Fischer & Porter	17½	19½	Sprague Electric	48½	51¾
FXR	41	45½	Taft Bcstg.	12¼	13½
General Devices	11¾	12¾	Taylor Instrument	30	33
G-L Electronics	8½	9¾	Technology Inst.	9½	10½
Granco Products	4	4½	Tele-Broadcasters	¾	1-5/16
Haydu	¼	5/16	Teledrome	10¼	11½
Hewlett-Packard	24	25½	Telecomputing	6¾	7¾
High Voltage Eng.	127	138	Telemeter	11¼	12¾
Infrared Industries	17½	19½	Time Inc.	62¼	65¼
International Rectifier	22¼	24½	Tracerlab	8¾	10
Interstate Engineering	23	24½	United Artists	6¾	7½
Itek	49½	54	United Control	20	22
Jerrold	7¾	8½	Universal Trans.	1¼	1½
Lab for Electronics	38½	41½	Vitro	11¼	12¾
Lel Inc.	4½	5¼	Vocaline	2½	2¾
LFE Inc.	11½	—	WJR Goodwill Station	—	10
Magna Theater	27½	3-5/16	Wells-Gardner	15½	16¾
Magnetics Inc.	9¾	11¼	Wometco Ent.	11¾	13

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avco	Q	\$0.12½	Nov. 20	Oct. 28
Loral Electronics	Stk.	200%	Nov. 25	Nov. 2
Metropolitan Bcstg.	—	.15	Oct. 28	Oct. 7
Movielab Film Lab A.	—	.10	Nov. 1	Oct. 25
A. C. Nielsen	New	.12½	Nov. 1	Oct. 13
Packard Bell	Q	.12½	Oct. 25	Oct. 10
Sonotone	Q	.07	Dec. 16	Nov. 18
Trav-Ler Radio	Stk.	5%	Nov. 22	Nov. 7
Wurlitzer	—	.20	Dec. 1	Nov. 15

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

SUMMARY-INDEX OF WEEK'S NEWS

Stations

GOV. COLLINS TAKES NAB HELM Jan. 4 following unanimous confirmation by Board of selection as pres. He drops all Democratic campaign assignments (p. 1).

NAB CONFERENCE CRUSADE LAUNCHED in Atlanta to mobilize industry for defense against continuing assaults. Political perils stressed (pp. 2 & 9).

TV CODE PROGRESS REPORT is made to network affiliates by NAB's E. K. Hartenbower & Clair R. McCollough who boasts that more than 70% of stations now subscribe (p. 10).

Film & Tape

HOLLYWOOD TALKS TO FCC. First week of hearings brings out top film makers in discussions of their business relations with the networks & talent agencies (pp. 2 & 4).

ETV

ETV MAINTAINING GROWTH PACE; may repeat 1959 figure of 10 new stations this year (p. 2).

SURVEY OF COMMERCIAL STATIONS shows 68% using "educational" programming, 17% of them downright academic (p. 8).

NAEB MEETS THIS WEEK in San Francisco with many top industry names in attendance (p. 8).

Auxiliary Services

HEARING ON PAY-TV TEST FIRING UP, with NAB the only added starter (p. 3).

FCC

IMPACT OF WHITESIDE ACQUITTAL UNCERTAIN, with attorneys speculating pro & con about impact on FCC-court consideration of Miami Ch. 10 case (p. 3).

Programming

DEBATES CONTINUE TO DRAW large audiences, although the 2nd & 3rd shows haven't done as well as the Sept. 26 kickoff (p. 13).

L.A. STATIONS SAY post-1948s too expensive; they're not rushing to buy (p. 14).

TIO's NEW BOOK, "Interaction," profiles more than 1,000 locally-produced public-affairs shows with an aim to providing stations with new ideas & formats (p. 15).

Consumer Electronics

IMPROVEMENT IN TV MARKET noted; Sept. retail sales below last year, but decline is less than in August; distributor sales pick up; production cuts trim inventory (p. 17).

"GOOD STEREO" DEFINED in listener tests by Bell Labs & RCA Labs. Important directional effect reported at low frequencies, jarring widely held stereo theories (p. 17).

NSRC COMPLETES WORK on FM stereo systems as field-test panel makes report on measurements. Chmn. Walker predicts good stereo radio, inexpensive sets (p. 18).

JAPANESE ELECTRONICS EXPORTS to U.S. totaled \$38.7 million in first 6 months of year, up 75% from 1959 period; official breakdown by product category (p. 19).

Finance

GE SALES & PROFITS DROP in 1960's first 9 months & 3rd quarter; Chmn. Cordiner forecasts downbeat 4th quarter, notes GE's increasing electronics emphasis (p. 22).

Other Departments

NETWORKS (p. 11). **Advertising** (p. 12). **CONGRESS** (p. 15). **PERSONALS** (p. 16). **FINANCE** (p. 20). **TECHNOLOGY** (p. 24).

GOV. COLLINS TAKES NAB HELM JAN. 4: NAB's 43-member joint TV-Radio Board made it official Oct. 10 at closed Washington meeting. Selection by special 11-man nominating committee of Fla. Gov. LeRoy Collins to succeed late Harold E. Fellows as NAB pres. & chmn. was confirmed (Vol. 16:41, 39, 23).

Election of Collins was announced as unanimous—and there was no dissent reported before vote was taken at session in Statler Hilton Hotel. Under 3-year contract (\$75,000 plus \$12,500 expenses annually—same as his predecessor's arrangement, plus other unspecified fringe benefits) he'll formally take post Jan. 4 at end of 6-year term (at \$22,500 per year) in Fla.

New NAB job is "tremendous challenge," Collins said in brief acceptance speech to Board. He spent next day looking over NAB hq and talking with staffers, then returned to Tallahassee. NAB had hoped Collins would drop in on fall conferences starting last week in Atlanta (pp. 2 & 9) for get-acquainted visits with members. But he told us he'd be unable to attend any. "I've got a lot of work to do yet back home," he said.

"I am happy & proud to join the industry," Collins told us. As for his concept of NAB leadership, he said he'd try to do what Fellows did as administrator & TV-radio ambassador. He begged off discussing specifics of industry problems and his hopes & plans for resolving them. "I'll have to be very general about them now," he said. "I haven't had the time to do the research necessary." Collins indicated he'd put in much home work on his new assignment between now & January.

"I think the greatness of the broadcasting industry and of America are inseparable," Collins said,

speaking generally of NAB's present & future as he sees them. "No industry has a greater potential for advancing & enriching our free enterprise system than broadcasting in all its phases & media.

"It will certainly be my purpose as president, working with those in the industry, further to strengthen the industry from within and to protect it from any effort—from any quarter—to weaken the basic principles which are essential to its progress."

All public partisan political activities by Collins, including his chairmanship of Democratic National Committee's Speaker's Bureau, were dropped by him immediately after his NAB election. He had been in great demand as campaign speaker for Kennedy-Johnson ticket.

Collins said he had no more political plans for himself: "When I take office in January my work for the industry will be my sole ambition, and to this end I will dedicate all my energies & abilities."

NAB staffers were put at ease by Collins during his hq tour. "I've been impressed with the high caliber of the present staff of NAB and I greatly appreciate the warm spirit of cooperation which the Board has so generously & enthusiastically offered," he said before he left for Tallahassee. Collins added that he didn't "foreclose" possibility of staff revamping after he takes office, but that he had no ideas for any changes now.

Interregnum administration of NAB will continue under direction of Clair R. McCollough's Policy Committee until Collins takes over, with NAB secy.-treas. Everett E. Revercomb as acting hq administrator.

HOLLYWOOD TALKS TO FCC: The first week's hearing by FCC on TV-film industry practices in Los Angeles (Vol. 16:41 p10) saw participation by a number of top executives. While their testimony differed, a clear pattern of network & talent-agency domination emerged. Highlights:

Networks have increased their financial participation in TV film series, as well as their control of content of programs.

MCA and William Morris, the 2 giant talent agencies, wield powerful influence over the industry, acting in the dual capacities of talent agents & sales agents.

Individual TV stations, held responsible for programming under the law, have no influence whatsoever on content of TV film, which today forms a large bulk of programming.

At the half-way mark, first full-scale investigation into TV film indicated that TV-film producers have little chance of survival unless they are linked with network or one of the giant agencies. (Details on p. 4.)

ETV MAINTAINING GROWTH PACE: ETV may repeat its 10 new-stations 1959 record and wind up 1960 with on-air total of 55 non-commercial outlets (including 17 uhf) if following meet their target dates: KTPS (Ch. 62) Tacoma, Wash., with fall target; KCSO-TV (Ch. 19) Kansas City, Dec. 15; WIPM-TV (Ch. 3) Mayaguez, P.R., Dec. This would leave but 15 CPs outstanding for the educators—7 of them uhfs in New York state where the legislature has consistently refused to appropriate funds for construction.

Here's yearly record for ETV since lifting of the freeze: 2 ETV stations started in 1953 vs. 229 commercial outlets; 10 in 1954 vs. 91 commercial; 7 in 1955 vs. 52; 4 in 1956 vs. 40; 6 in 1957 vs. 34; 8 in 1958 vs. 28; 10 in 1959 vs. 14; 7 thus far in 1960 vs. 12. These figures add up to 2 more than the 52 ETV outlets now on air, because they include KTHE (Ch. 28) Los Angeles, which left air in Sept. 1954 and WKAR-TV (Ch. 60) East Lansing, Mich., which left air in June 1958. (For news about upcoming commercial stations, see page 11.)

PROBLEMS, POLITICS, PEOPLE, PROFITS: NAB's hq staff went on road last week at start of 7-week 8-city tour of country, carrying the evangelistic message to broadcasters (who never have had it so rough) that they can & must make TV & radio look better.

This was earnest theme of NAB preachments at opening of annual series of fall conferences (Vol. 16:41 p8) in Atlanta, where industry leaders joined staffers to conduct 2 days of TV, radio and joint seminars for 209 executives from stations in Southeast. (For details see p. 9).

Year of industry scandals & narrow escapes from drastic govt. crackdowns was reviewed somberly by conference speakers whose major topics were billed as "Broadcasters & Politics" and "People—and Profits." They agreed that salvation in year ahead under new NAB Pres. LeRoy Collins (see p. 1) depends not only on better medium salesmanship but on greater devotion to public interest—and to industry's self-regulating, self-preserving TV & Radio Codes.

"If we are to stand together as an industry—protect our freedom & move forward to greater responsibility & greater stature—all segments of the industry must work together," keynoted NAB industry affairs vp Howard H. Bell.

"We must make these Codes work," said NAB Policy Committee member G. Richard Shafto (WIS-TV & WIS Columbia, S.C.), listing industry objectives under them: "Freedom from artificial controls. Freedom to perform in direct response to the temperaments of our own audiences. Freedom to serve our advertisers efficiently. Freedom to be creative & enterprising and to enjoy the rewards of initiative."

Broadcasting's full attainment of these aims will come only after TV & radio achieve "industrywide posture" which commands fuller respect of Congress, FCC and public alike, Shafto said in speech which summed up industry's year of tribulation—and NAB conference pleadings.

Note: Jim Southerland, administrative asst. to Gov. Collins, attended Atlanta sessions as observer.

HEARING ON PAY-TV TEST FIRING UP: NAB is the only new starter in FCC's Oct. 24-28 hearing on RKO-Zenith's proposed Hartford pay-TV test. FCC had already indicated applicant Hartford Phonevision Co. and its theater-identified opponents would be parties. For legally technical reasons, Zenith itself & its affiliated TV Entertainment Co. (Teco) also filed. None of the parties is saying who it will present as witnesses. NAB Board on Oct. 10 "reaffirmed the NAB's position against the use of the air waves for pay TV."

It looks as if Commission will go at least part way to assure theater groups that they can explore programming issue in cross-examination. Exhibitors had asked for "clarification" and a new issue on programming to be added to the proceeding (Vol. 16:41 p10). Commission counsel Louis Stephens recommended clarification but no new issue—and FCC is expected to follow his suggestions.

Stephens said that "the present issues amply cover appropriate inquiry into the applicant's programming plans." On one hand, he noted, FCC recognizes that the applicant may not be able to furnish minute detail because it's unable to form firm programming commitments until FCC gives it a go-ahead. However, Stephens went on, FCC expects programming plans "to the fullest extent possible in the circumstances."

Earlier in week, Hartford Phonevision Co. had told Commission it's impossible to supply exact detail. "Until applicant has the authority to proceed," it said, "and is placed in the position of seriously negotiating for program product and is able to bind itself to exhibit the product it seeks, it cannot be certain as to the specific programs it will be able to procure."

As if to emphasize its seriousness, Zenith's Teco announced appointment of noted theater & movie producer Leland Hayward as dir. of its programming activities. His current Broadway hits are "The Sound of Music" & "Gypsy." He said pay TV will give entertainment largest boxoffice ever—and he wants to join up.

In general, press, which is frequently pro-pay, is beginning to stir again with toll-TV stories. Oct. 9 "Parade" reports on Toronto cable experiment, concludes people are delighted with it—particularly because it's commercial-less. Nov. "Pageant" calls Telemeter "a thumping success," concludes: "For most thoughtful Americans, the shining promise of pay TV is that it will raise the whole level of TV viewing." Rash of similar articles can be anticipated, stimulated by forthcoming FCC hearing.

And in Britain, new firm, British Home Entertainment Ltd., headed by Gen. Slim, wants nation's 3rd network to be a pay system.

IMPACT OF WHITESIDE ACQUITTAL UNCERTAIN: With Thurman Whiteside cleared by a Washington jury last week of all charges of conspiracy & corruption in connection with ex-Comr. Richard Mack's vote for National Airlines' WPST-TV (Ch. 10) Miami, speculation is now wide open on fate of Ch. 10 case in courts & before FCC.

Lawyers run whole gamut of views—from "this changes the whole picture" to "no effect at all." Counsel for the 2 parties most concerned—WPST-TV and L. B. Wilson Inc. (to which FCC awarded Ch. 10)—are cautious. Norman Jorgensen, for former, said: "It certainly puts a different atmosphere over the situation." Robert Marmet, for latter, stated: "The 2 cases—the Mack-Whiteside trial & the FCC-court proceeding—are completely different proceedings. We couldn't & wouldn't comment on the verdict."

There's strong agreement that legal problems of Mack are over. No one can visualize govt. attempting to bring him to trial now.

Judge Holtzoff's 1-hour charge to jury put their job in very simple terms. The only thing they had to decide, he said, was whether Whiteside's gifts or loans of money to Mack were ordinary loans or bribes to get Mack's vote for National Airlines. And when jury returned verdict after 4 hours, he said that its decision was "entirely reasonable" and that he would have reached same conclusion.

Charges of conspiracy & corruption have not been involved in FCC & court consideration of Ch. 10 case. Question is whether parties made off-the-record pitches to Mack & others. FCC decided that 3 parties did, gave Ch. 10 to L. B. Wilson Inc. (Vol. 16:29 p1). Losers have been challenging decision in courts ever since.

Whiteside trial lasted only 8 days, contrasted with the 14 weeks of first trial, which resulted in hung jury split 11-to-1 in favor of conviction (Vol. 15:28 p5). A surprise in 2nd trial was fact that Whiteside testified; he didn't in first trial.

Whiteside's points: (1) He had no agreement with Mack on Ch. 10, had never tried to persuade him. (2) He offered character references for some of WPST-TV's backers, but had no financial interest in Ch. 10 application and was paid nothing for the references. (3) He had loaned thousands of dollars to Mack, starting long before Mack joined FCC, and virtually all has been repaid. (4) He cautioned Mack (who had "personal problems, individual & domestic") not to take FCC job in 1955.

Earlier in week, 2 court-appointed Ft. Lauderdale physicians had advised Judge Holtzoff that the hospitalized Mack was too ill to stand trial, reporting that he suffered from cirrhosis of the liver & malnourishment, probably has anemia—stemming from alcoholism. They said he had drunk half-pint to pint of liquor daily for years. The judge commented that "Mack's condition is self-inflicted," but didn't issue bench warrant sought by govt. attorneys. After last week's verdict, prosecutor Oliver Dibble said he didn't know what effect the decision would have on Mack's situation.

Whiteside & his wife broke into tears and embraced after hearing verdict—and defense counsel Richard Hunt exclaimed: "Thank God for a fair judge and jury."

Film & Tape

More about

FCC's ADVENTURES IN HOLLYWOOD: An impressive array of Hollywood's top-echelon TV film executives began testifying last week before the FCC in the Commission's first comprehensive inquiry into the fast-growing film industry (see p. 2).

Under the questioning of FCC attorneys Ashbrook Bryant & James Tierney, the witnesses in a courtroom on the 16th floor of the Federal Bldg. in Los Angeles, officially confirmed under oath what has long been suspected—that the networks are increasing their control over the industry, and that MCA and the William Morris agency are all-powerful forces in it.

Some producers (such as Ozzie Nelson) flatly expressed the hope that the government would not interfere in the industry's operations. Some denied that they were subject to sponsor interference as to content—but others admitted they were. All said they were opposed to excessive violence & crime in TV, but chief hearing examiner James D. Cunningham appeared skeptical that sufficient steps were being taken to eliminate them.

Executives readily admitted the existence of trade deals (e.g. a car manufacturer provides autos, in return for which they are used in films), but all expressed opposition to a policy of "sneak" plugs for identifiable props or brand names, either visual or in the scripts.

But FCC's most intensive quizzing sought to determine the extent to which networks participate in the content-determination and profits of film series, and the influence of the 2 top talent agencies.

Four Star Television Pres. Dick Powell testified that CBS-TV has a 50% interest in the profits of *Wanted—Dead or Alive*, although it did not finance the pilot. This entitles the network to a split of the merchandising, syndication, foreign rights, etc. Asked by Bryant why the network got such a piece, Powell explained that it had originally bought 26 films in the series, that it took "considerable risk" before finding a sponsor, and that the deal involved a "considerable" sum of money. "We felt it was a good business decision," Powell said. He denied that the profit-sharing had anything to do with the series getting on the network.

CBS-TV also has a participation deal in Four Star's *Trackdown* "approximately the same," said Powell—also has a piece of Four Star's *Richard Diamond, Private Detective*, for which Four Star financed the pilot. *Diamond*, which began on CBS-TV, was later sold to NBC-TV and that network too gets a small percentage of its profits. Four Star financed the pilot of its *Robert Taylor's The Detectives*, and ABC-TV has a "very small" profit participation. Quizzed as to why they allowed the network a piece of a series featuring a movie star ("which should have been easy to sell"), Powell pointed out that many movie-star pilots have not sold.

NBC-TV has first negotiation rights for syndication on Four Star's *Dante*. Four Star financed the pilot of *The Tom Ewell Show*, but CBS-TV gets a "minor" percentage of profits. NBC-TV, which financed the pilot of *Michael Shayne*, has a financial interest in the show, an across-the-board arrangement on profits. ABC-TV, which financed the *Stagecoach West* pilot, has a participation in profits involving syndication rights. Four Star financed the pilot of *The Westerner*, but NBC-TV has a percentage of the

syndication & merchandising. ABC-TV, financing 4 of *The Corrupters* episodes, has a "small" profit participation deal & first rights to negatives for syndication.

Bryant then asked Powell why deals are made which give the network valuable syndication rights. Replied Powell: "We would prefer to retain them [but] it's good business to give away those rights in order to sell the series at all." CBS-TV has distribution rights to *Four Stars' Trackdown*, some of the *Diamond* segments and *Wanted*, he said. NBC-TV has a "small" percentage of profits on *Four Star's The Plainsman*, and control of syndication, although *Four Star* financed the pilot.

Powell estimated that distribution fees range from 35-to-50%. He testified that the Morris Agency is *Four Star's* sales agent, and receives 10% of gross revenue of TV sales as its commission. The commission includes syndication & merchandising in some areas, he added. Powell said *Four Star* had no series at the time it signed Morris as exclusive sales agent 4 years ago. Today the company has 12—and a 13th scheduled.

Bryant asked whether MCA, which owns *Revue Studios*, makes its top talent available to *Four Star*. Powell replied that he didn't know specifically. He recalled that *Four Star* had planned a series with MCA client Joan Crawford, that Miss Crawford told him she wanted to do the series, but that ultimately she did not. "Later I was told MCA had persuaded her not to do it. I was told that *Revue* was going to need Miss Crawford, and therefore we couldn't use her," commented Powell.

Powell told of *Four Star's* trade deal with Ford, which supplies cars to be used in their films. On another subject, when the film maker said that *Four Star* was against excessive violence, examiner Cunningham asked about its Westerns. Replied Powell: "In *Rifleman*, the Bible is quoted more than in any other series. Westerns are different from contemporary violence. They're historic and they deal in Western lore."

On sponsorship influence, Powell & his vp, Tom McDermott, said final decision on a show's contents is made collectively by the sponsor, producer and star.

Cooper on MCA & Wm. Morris

MCA and William Morris were the targets of Frank Cooper Associates Pres. Cooper. He asserted that the preponderance of top TV talent is represented by these 2 agencies. He added that MCA's ownership of *Revue* and WM's contract as sales agent for *Four Star* make it impossible for him to sell packages to those companies.

Cooper told of how he had represented *The Real McCoys* during its inception. When creator-owner-producer Irving Pincus wanted Walter Brennan for the series, he went to WM, the actor's agent. "Pincus then told me he could get Brennan—but only if WM were to act as sales agent. They subsequently took over the package, and got 10% off the top (of the gross revenue)," he said.

Cooper said the influence of the big agencies is such that they often sign talent originally developed by smaller agencies. Examples: Frank Sinatra, who went from GAC to MCA (he has since joined & left WM); Dinah Shore, from GAC to WM; Alan Young, from Cooper to Morris.

Cooper told how his agency had created *The Lineup*—which, "although a hit, had a substantial loss, which was sustained by CBS-TV, which bought it. It's recouping slowly its capital loss, but it will be a considerable time before CBS-TV is ahead," he said. Cooper receives a royalty & share of profits.

Ozzie Nelson, pres., Stage 5 Productions, testified that his series, *The Adventures of Ozzie and Harriet*, is fi-

nanced by ABC-TV, and that MCA is his agent. MCA also has a sales agent contract with ABC-TV on the series, and ABC-TV has a 40% interest in the show.

Nelson said he controls the artistic factors of the series, but that he consults with ABC-TV & the sponsors on policy. He thought there was too much criticism of sponsors in TV, terming it "hogwash." He said sponsors & agencies did not interfere with him, that he was always guided by taste & common sense. "The things you can't do on TV are the things you don't want to do," he stated.

Ozzie Nelson on Trade Deals

The producer-actor conceded his family-type show was "basically non-objectionable to the point of being cowardly . . . If somebody wants no trouble, he comes to our show—although I don't think it is bland." Asked about trade deals, Nelson commented that Representatives and Senators make use of such deals themselves during political conventions—a remark which brought on so much laughter that Cunningham rapped his gavel for order. Stage 5 has a trade deal with Chrysler.

Nelson said he thought TV was doing a good job of policing itself, and that it has the best built-in control—"If the public doesn't like your show, it turns you off." He labeled groups protesting TV's programs unrealistic although well-intentioned. "The danger of such groups is that they may try to foist on the public things it doesn't want," Nelson thought.

Toreto Films Inc. Pres. Loretta Young said she became interested in starring on TV in 1950, and so notified her talent representative, the Morris Agency. When nothing happened after a year or two, she & her husband, Tom Lewis, developed a series script which WM sold to NBC-TV. That network financed the pilot, participated in the profits, and bought syndication rights last year. For having sold the show, WM gets 10% on all the Young films, although NBC-TV now owns the series.

Miss Young, outspoken against TV violence, said her show seeks to make a sociological or moral point although it also has lighter, frothy episodes. She retains creative control of her scripts, has discussed only 2 scripts with sponsors in 8 years. Last year ex-sponsor P&G told her it had received a great deal of mail "suggesting" she was "much too Catholic" in her presentations, and that many non-Catholics objected to her views on divorce & suicide. "I wouldn't change it because I am what I am. There are many groups of writing clubs," she said. The star added that P&G also wanted to move the show to a different time slot. She refused, and that ended their relationship.

Levathes on Film Costs

Peter G. Levathes, pres. of Twentieth Century-Fox TV, commented: "TV is derived from radio and inherited many of its artificialities—such as a precise length." He estimated a half-hour pilot cost \$50-to-75,000 or more; a 60-min. pilot \$135-to-140,000, "sometimes more;" That an average half-hour episode costs \$40-to-60,000; and an average hour \$85-to-140,000.

Networks finance pilots in return for an interest in the series, Levathes explained. Such interests vary, and sometimes are in perpetuity. ABC-TV has a percentage-of-profits interest in *Hong Kong*, of which it financed the pilot. It also has a "substantial" interest in *Adventures in Paradise*, although no pilot was involved. NBC-TV had an interest in the now-defunct *5 Fingers*, the executive said. ABC-TV originally had bought only 5 segments of *Paradise*, later expanded the order to 26. In answer to a question, Levathes said that a network's participation in a series does not affect its judgment as to the show going on

the aid. He added, incidentally, that contracts for *Paradise* aren't signed yet.

Networks want good shows, and to buy a series simply because of participation deals would be damaging, said Levathes. Asked why ABC-TV holds an interest in *Paradise*, he replied: "Such an undertaking is an enormous risk, involving \$11-to-12 million." When Bryant quickly questioned this figure, Levathes explained that an hour of prime network time costs \$110,000, the show costs the same—which comes to \$220,000 for one segment's time & cost.

Levathes said economics have caused the increase in network ownership of shows, time & production costs being so "very, very high" in the last few years. Formerly a sponsor could pay for a half-hour show—and that was that. As prices went up, the pattern changed to alternate sponsors, and today spot participations are commonplace, because this "dilutes the risk."

Levathes said the trend toward network participation in profits extends to 30-min. as well as 60-min. shows, and for the same reason. As did other executives, Levathes said costs are rarely recovered by a show's first run.

The Morris Agency is no longer the sales agent for 20th Century-Fox, he said. During the time it represented TCF, WM received a perpetual 10% commission on its packages for TCF, such as *Paradise* and *5 Fingers*.

Other Levathes points: Sponsors have control on matters of taste & policy, but not of artistic content. Twentieth has a trade deal with Chrysler. On violence—one writer conceived a story in which someone was beaten to death with a bowling ball. "We changed it to something more conventional."

The Screen Gems Story

Screen Gems' William Dozier, vp in charge of West Coast activities, said NBC-TV financed the pilot of *Dan Raven*. Its deal includes participation in profits all down the line, including syndication & merchandising. He said such deals with networks vary from 20-to-50%.

SG financed the pilot of *Route 66*, now on CBS-TV. That network has a "relatively minor" participation—much less than 50%—and only for network & first syndication runs," said Dozier. Asked why CBS-TV holds an interest although it did not finance the pilot, Dozier explained "they took a very large-sized gamble when they ordered 26 shows at \$125,000 a show." Like other witnesses, Dozier said networks do not ask sponsors to pay more for a show than it costs.

SG is no longer making package deals with Morris or MCA, Dozier said. However, components of packages are available from the agencies, he added. Asked if MCA charges SG more for talent it represents than it does when the same talent works for Revue, Dozier said: "No. We know what prices stars get wherever they work."

Networks have become much more vigilant in exercising control over content involving crime & violence, Dozier thought. As for sponsor influence, he admitted the ad agency won policy arguments, but SG had the last word in areas of dramatic material. The vp introduced several lists of sponsor restrictions.

On another matter, he said there was no relationship to being on a network and granting it an interest in the series. He also thought the foreign market was expanding and would be valuable eventually—a view expressed by several other witnesses.

SG has trade deals for Ford cars, Kleenex, milk bottles, washing machines, Coca Cola, pots & pans, soap flasks, swim suits, and others.

Dozier testified to the growing tendency on the part of top writers & actors for participation deals, commenting: "That's the only way they can develop what they call 'keeping money' under the tax structure."

MGM-TV vp George Shupert testified to NBC-TV's profit participation in that studio's *National Velvet*. Rex-all Drug financed the pilot, but when it couldn't find an alternate sponsor, sold it to NBC-TV, which consequently has an across-the-board participation.

ABC-TV has a profit participation in *The Islanders*, for which it financed the pilot. MGM-TV retains artistic control in both series, said Shupert.

MGM-TV does not seek series provided by talent agencies, relying instead on its own creative staff, which is now developing 14 new shows.

Shupert said he thought it "more intelligent" to develop a show with network interest & financing. In this way the network has more of an interest in the project, and MGM-TV can use the money it would invest in pilots and invest it instead in creative talent to develop new projects, he argued.

MGM-TV has a trade deal with General Motors on *Islanders*. When Cunningham questioned Shupert sharply regarding excessive violence in over-all programming, the executive retorted that this was beyond his ken & responsibility, that total programming was a network problem.

The Warner Bros. Story

Warner Bros. vp & exec. TV producer William Orr testified that WB has a merchandising dept. dealing in various items associated with its series, but its income is less than 1% of the over-all TV operation.

Orr said Warners has no exclusive contract with ABC-TV (on which all of its series are seen), but that it has been in negotiation with all the networks. "We like the way they (ABC) do business," he commented.

ABC-TV shares in merchandising & syndication rights on all of its series except *Cheyenne* and *Bugs Bunny*, said Orr. ABC-TV has "cutback" rights, meaning that it may reduce a commitment from 39 to 26 segments at certain contractual dates.

ABC-TV needs not air pilots that it has financed, as demonstrated by past instances, Orr testified. Warners retains creative control subject to conformance with ABC-TV's continuity-acceptance dept. regulations. "We're mindful of advertisers, but not obligated to them," said Orr.

Orr said Warners does not allow ad agency representatives on its sets and that it will not be subject to the "arbitrary" decisions of others. He said he has never seen a list of sponsor taboos, but added the studio consults with ABC-TV on scripts, and distributes them to ad agencies involved. When one cigaret sponsor objected to a drama in which the lead said "I never drink, smoke, or go out with girls," that was changed for policy reason.

ABC-TV has financed the pilot of *Maverick*, *Sugarfoot* and *Room for One More*. Orr said Warners has a policy against outside packages, hence has no such dealings with Morris and MCA.

Other witnesses included Screen Actors Guild national exec. dir. John L. Dales and his asst., Chet Migden, Don Feddersen, Don Sharpe and James Schulke, the latter vp of Paramount Television.

The SAG executives told of granting MCA a contingent waiver in 1952 to allow it to be both a TV film producer, through its Revue subsidiary, and a talent agent. MCA's waiver was granted on a conditional basis under which the agency agreed not to collect any commission from actors under representation contract to MCA if they were to be

used in a Revue film or any other production in which MCA had more than a 10% interest.

Figures were presented showing that the Morris Agency represents 635 actors, MCA 544.

Fedderson testified that neither MCA nor the Morris Agency exerted any pressure regarding talent for his series. Sharpe testified that ABC-TV held a 50% & profit-participation on *Wire Service*, which he originated. Schulke said his firm was committed entirely to tape operations.

Network executives were interested ringside observers during each day of the hearings, which will continue through this week.

More Due This Week

Called to testify for the second & last round this week: Frank Capra, pres. of Directors Guild of America; Philip Feldman, ex-CBS-TV; Al Scalpone, ex-West Coast program vp for CBS-TV; Richard Jencks, pres. of the Alliance of Television Film Producers; Edward Bronson, director of TV Code for NAB; Frank Morris, in charge of NAB TV Code office in Hollywood; Revue Studios Pres. Taft Schreiber; Sam Weisbrod, William Morris Agency TV executive. Others may also be called.

Desi Arnaz testified that in 1954 he & Lucy sold 24% interest in Desilu to CBS-TV for \$1 million "because we needed the money." He said CBS agreed to give Desilu below-the-line production deals for 5 years on network series. As a result, Desilu filmed *The Lineup* and *Our Miss Brooks* for the network. In 1957, Desilu bought the 24% back from CBS-TV.

CBS-TV has a profit-sharing interest in 13 hour-long *Lucille Ball-Desi Arnaz* shows, Desilu owning 61.3% and the network 33%, Desi testified.

CBS-TV has syndication & foreign rights to these shows, but Desilu has the right of sponsor approval.

The Morris Agency received 10% commission for packaging & selling *The Ann Sothern Show*, for which Desilu financed the pilot. The Morris office also received a 10% commission for selling Desilu's *Guestward Ho!* series.

ABC-TV has a profit-participation deal on *The Untouchables*, although there was no pilot on this series.

Arnaz explained that ABC-TV, for an across-the-board participation deal, gave Desilu a commitment on 26 episodes involving about \$3 million. ABC-TV has first refusal on syndication rights. ABC-TV also has a participation of profits on *Harrigan & Son* and *Guestward Ho!*

Data on The Untouchables

Arnaz said production companies often fail to recoup their investment on first run and look to residuals to recoup. Asked Bryant: "Then why are you willing to share these rights with the networks?" Answer: "We do it because they finance the pilots."

Asker about sponsor influence, Arnaz said, Desilu retains creative control. Regarding *The Untouchables*, he said he did not believe it had "unnecessary" violence. Asked by Cunningham if crime shows weren't more lucrative, Arnaz answered: "We went over budget on *The Untouchables*."

Cunningham said FCC does not attempt to exercise judgment as to whether programs are good or bad, but instead seeks to evaluate over-all program operation.

Writers Guild of America West Pres. Curtis Kenyon testified in his testimony that MCA represents 20% of all TV writers who have agents, while the Morris Agency and Famous Artists each represent 14-to-18%.

Auxiliary Services

TelePrompter's Pay-TV Plans: Progress on an all-electronic central-source billing system has persuaded TelePrompter to by-pass its proposed interim "tape-on-the-pole" system of cable pay TV (Vol. 16:26 p4), according to Pres. Irving Kahn.

TelePrompter had planned to start the operation with its Liberal, Kan. CATV system within 2-to-4 months of its announcement last June, Kahn said, but the central-source concept is so superior that the beginning has been delayed. The interim proposal had called for tape-recording mechanisms on the utility poles nearest subscribers' homes. The tapes would tally pay-TV program usage; servicemen would collect the tapes periodically, run them through a computer, send bills.

"We're now making final tests of the electronic system," Kahn said, "and we hope to get going before long. Sylvania is producing some of the equipment."

The firm is negotiating for the purchase of additional CATV systems, Kahn said, and hopes to close some deals soon. The last purchase was Abar TV Cable Co., Eugene, Ore., which has approximately 5,000 subscribers (Vol. 16:35 p6). TelePrompter's other systems are in Silver City & Farmington, N.M., Rawlins, Wyo. & Liberal.

First applications for new vhf translators were received by FCC last week—from the Mexican Hat Assn., Mexican Hat, Utah. Two 10-watt units are proposed—Ch. 3 & Ch. 13—to repeat KGGM-TV (Ch. 13) & KOB-TV (Ch. 4) Albuquerque. They've been assigned file numbers BPTTV-1 & BPTTV-2. These are to be distinguished from "vhf repeaters," the name the Commission has given to those previously illegal units which are required to file applications for special temporary authority to continue as is—until they comply with new translator rules. When a "repeater" complies, it will become a "translator." Meanwhile, the Commission granted 2 more vhf translators: Ch. 70 & Ch. 80, Moorefield, W. Va., to repeat WTOP-TV Washington & WJAC-TV Johnstown, Pa.

Large-screen color is now being offered by Theatre Network TV, which has purchased 37 color projectors from RCA. Pres. Nathan L. Halpern said that research has shown that best-quality color pictures can be obtained with the projectors in the 26-to-50 sq. ft. range. They will be used for the first time in a series of sales meetings beginning Oct. 24 sponsored by Celanese Corp. of America.

Road construction is being TV-supervised by a closed-circuit remote-control camera mounted on the roof of a 5-story building in N.Y. The manager of the project gets a bird's-eye-view of construction maneuvers without leaving his desk and, using 2-way radio, keeps the job running smoothly.

National Community TV Assn.'s presidential selection committee is ready to recommend a man to its board at the Oct. 20 meeting in Denver, but his identity is still concealed. It's understood that he's in private industry at a substantial salary, although presumably not getting the \$30,000-plus talked about for the NCTA job.

First uhf on-channel booster granted by FCC under its new rules (Vol. 16:22 p6) was authorized to WINR-TV (Ch. 40) Binghamton, N.Y. The purpose of the boosters is to fill in weak-signal spots in parent stations' areas.

Translator starts: K70BT Santa Rosa, N.M. started Sept. 1 with KOB-TV Albuquerque • K74BC Lihue, Hawaii started Sept. 18, owned by KHVH-TV Honolulu.

Educational Television

COMMERCIAL STATIONS' ETV: Two out of every 3 commercial TV stations (68%) which responded to our recent mail survey told us that they are presently scheduling local public-affairs programming in the "educational" category. Of this group, about one in 4 produces purely academic local ETV programs in association with colleges, secondary schools and ETV groups.

The replies came from a cross-section of stations (approximately 15 out of every 100) in large & small markets in all areas of the U.S. & Canada.

Clear-cut ETV projects are aired by 17% of our respondents. Reported a San Diego station: "While ratings for our ETV program have left something to be desired, local reaction has been extremely gratifying." Subjects range the educational curriculum: math, science, English, history, etc. WMBD-TV Peoria, Ill. telecasts "Sunrise Seminar" with Bradley U. on a regular Mon.-Fri. basis; college credits may be obtained if viewers pay a fee & take examinations. KREM-TV Spokane, Wash. wakes up viewers with "Guten Morgen," an early-a.m. German class offered for credit. WECT Wilmington, N.C. produces credit courses in diverse subjects all week in cooperation with U. of North Carolina at Chapel Hill. KCMO-TV Kansas City, Mo. has an in-school noontime viewing project, "Teleschool," produced with the Kansas City Board of Education.

Other scholastic courses on commercial outlets cited in our survey: WNHC-TV New Haven, Conn. has aired "Yale Reports," 3 specials produced on the basis of faculty lectures. WSVA-TV Harrisonburg, Va. offers a Bible course for credit with the cooperation of American U. in Washington. And WPIX New York has one of the most ambitious ETV programs, giving the entire school day (10 a.m.-3 p.m.) to the N.Y. State Regents project for in-school teaching programs on a wide variety of subjects.

Local & State Problems Often Treated

Locally-produced information shows—the most common type of educational programming on local commercial outlets—deal with everything from Communism to sexual deviation, but community & state problems are among the more common issues tackled. Some samples: WVEC-TV Norfolk-Hampton, Va. recently produced a series, *Dick Mansfield Reports*, aimed at educating viewers on such issues as the retail sale of alcoholic beverages and the state's tax structure. WHEN-TV Syracuse, N.Y. is concerned with area education in its series, *One O'clock Scholar*, based on activities & advancements in schools & colleges. CFCL-TV Timmins, Ont. presents *Canadians All*, which features the art, music, theater and cultural patterns of ethnic groups of northern Ontario.

KRCA Los Angeles has highlighted state affairs in its *California Report*: California voting trends, hospital conditions, amusement centers, traffic problems. WABC-TV N.Y. recently launched *Youth Project* in cooperation with the President's Youth Fitness Council to present informational, educational & cultural programming for young viewers in that area.

Horizons extend beyond purely local or regional issues—to a diversity of national, international and historical subjects. WCAU-TV Philadelphia dealt recently with the problem of sexual deviates in a 60-min. documentary study, "The Sex Offender: A Study in Violence." The project was aimed at encouraging the Philadelphia General Hospital to institute special study of the problem & its treatment.

WPTA Ft. Wayne, Ind. recently presented a series, *Communism Looks at Youth*, to help young people combat the ideological force & its methods of infiltration. WSFA-TV Montgomery, Ala. gave local legal angles to a topic of general interest in "It's The Law," produced in cooperation with the Montgomery Bar Assn., providing locally-slanted information about legal cases & practices.

"Cultural" programming was labeled by 15.4% of respondent stations as their most successful local educational fare. Notable examples: WMAR-TV Baltimore's series about Shakespeare in cooperation with the public schools, and culminating with telecasts of the Laurence Olivier feature productions of "Richard III" and "Hamlet." WROC-TV Rochester, N.Y. cooperated with Rochester U.'s Eastman School of Music to produce a stereo simulcast of the school's symphony orchestra live from the stage of the Eastman Theater. WWLP Springfield, Mass. has fostered art & music in its area with "Around Our Town," presenting TV visits to local music groups, art galleries and museums. WEHT Evansville, Ind. has similarly aroused interest in the completion of a new art museum with a series of local specials describing the efforts that went into its creation.

* * *

Profiles of many ETV shows (including several reported in our own survey) are given in *Interaction*, the new 288-page book published by the Television Information Office and described on p. 15 of this issue. At least 5 chapters (literature & the arts; for better schools; science & technology; formal education; general adult education) of the book's 15 will interest ETV people.

NAEB Meets This Week: With guest panelists due to tackle topics ranging from the uses of new TV equipment to the broadcasting of controversial material, the 36th annual convention of the National Assn. of Educational Bcstrs. is scheduled for Oct. 18-21 at San Francisco's Jack Tar Hotel.

Guest speakers at the NAEB meeting, latest gathering of the "principal professional organization of radio & TV broadcasters dedicated to the effective use of these media for educational & cultural purposes," include many top industry names: Steve Allen, Sylvester (Pat) Weaver Jr., Rod Serling, Dr. Frank C. Baxter along with Drs. Edward Teller, S. I. Hayakawa, Mortimer J. Adler and designer Charles Eames. Convention chmn. is KQED Pittsburgh gen. mgr. James Day.

The meeting's opening session (Tue. eve.) will feature Drs. Teller and Adler, Weaver and Eames in a discussion of "the nurturing of creativity." Also included in the convention program are special section meetings on press criticism of cultural broadcasting, effective use of sound in radio broadcasting and fundamental issues of instructional shows.

Public service citations have been presented by the city of Philadelphia to local commercial stations WRCV-TV, WFIL-TV and WCAU-TV for coming to the aid of fire-wrecked educational WHYY-TV. The 3 vhf stations furnished studios & airtime to keep the educational programs of the uhf outlet on the air.

Govt. ETV research grants awarded through Oct. 1959 under Title VII of the National Defense Education Act (Vol. 16:28 p13) are detailed in a special edition of *News & Reports*, published by the U.S. Office of Education.

ETV at RTES: Resistance, and even apathy, toward ETV on the part of parents, school boards and some teachers is bringing considerable frustration & stalemate to educational broadcasters. This was the consensus of a 3-man workshop panel staged Oct. 12 in N.Y. by RTES at the audio-visual exhibition. Panel members: N.Y. Regents ETV project exec. dir. Edward King, National ETV & Radio Center station relations dir. Paul Owen, and Frank Cariott, vp, Dave Chapman Inc.

"We must combat prejudice & old-fashioned ideas that 'machines are taking over' before greater headway [for ETV] can be made," said King. Added panelist Owen: "ETV is the most important aid to academic education of the century; we need money & cooperation to make it widespread & effective."

The panel agreed that budget problems remain one of ETV's biggest headaches. According to King, the WPIX N.Y.-telecast Regents project has a total budget of \$385,000 from public funds—"about the cost of one network special." Personal resistance on the part of teachers (some of whom feel "TV is only for entertainment") was cited by Owen as another major problem. There's a current problem, too, in terms of equipment. "We need better sets in schools—not the kind that the PTA buys cheaply from someone's last year's stock," said Cariott.

The panel also noted that: Annual budgets of the National ETV & Radio Center now amount to \$2.5 million, although additional funds are coming from such philanthropic organizations as Ford Foundation and National Science Foundation; 40% of U.S. ETV stations are connected with universities, 20% with public-school systems, and 40% are community-supported; many ETV broadcasters today, having had their training in commercial TV, are bringing its better production techniques to ETV.

Operation Airborne to Test in Jan.: ETV demonstration flights in Operation Airborne (Vol. 15:42 p3 et seq.) are scheduled to start next Jan. 30 for a 16-week test period. Based at Purdue U.'s West Lafayette, Ind. airport, 2 DC6AB planes will alternate in a schedule calling for transmission over 2 channels 3 hours daily, 4 days a week, while schools in 6 states check equipment & reception.

The Midwest Program on Airborne TV Instruction (MPATI) plans its first full academic year of operation for Sept. 1961-June 1962 with a flight schedule of 6 hours a day, 4 days a week. Taped courses, some of which will be sampled during the demonstration period, will be provided by WCET (Ch. 48) Cincinnati, Purdue, U. of Detroit, N.Y.U., WHYY (Ch. 35) Phila., WTTW (Ch. 11) Chicago.

The full-term 1961-62 MPATI curriculum, as planned, will offer 16½ hours weekly of elementary school instruction, 16½ hours of secondary courses and 7 hours for college-level students. Elementary courses: science, social studies, arithmetic, French, Spanish, art, music. Secondary courses: general science, physics, biology, American history & govt., world history & geography, Spanish, American literature & composition. College courses: mathematics, chemistry, Russian.

Educational KQED San Francisco has opened its 3rd year of in-school teleclasses with a \$100,000, 11-course curriculum that "will be viewed by thousands of students from 53 school districts of 10 Bay Area counties," according to KQED school bestg. dir. Raymond L. Smith. Eight new courses have been introduced for the 1960-61 academic year, "with a heavy concentration on foreign language & science, primarily for elementary schools."

Stations

More about

NAB CONFERENCE CRUSADE: Broadcasters from South-eastern states went to school in Atlanta last week to have their knuckles rapped by a NAB faculty and hear illustrated lectures on self-improvement.

In the first of NAB's series of 1960 regional fall conferences, the station management men were told sternly that the TV-radio industry's performance needs to be bettered (see p. 2). They got advice from a dozen NAB staffers and from other visiting specialists on how to do it.

Problems of govt. & public relations dominated the tightly-planned agenda of the Oct. 13-14 conference in the ballrooms of Atlanta's Biltmore Hotel. In lectures buttressed by films & slides, such lessons as these were taught by NAB lecturers:

Govt. affairs vp Vincent T. Wasilewski: Broadcasters can't blame Democratic or Republican politics for Congressional exposures of TV & radio evils. Washington's picture of broadcasting as a wayward industry "has not been painted with a brush of partisanship."

Industry affairs vp Howard H. Bell: "We were lucky" that Congress didn't do more than it did. From now on, individual broadcasters must get in & pitch at national, state and local political levels to see to it that "mutual understanding" is reached. "We can't be complacent about the future. We cannot depend on luck."

Radio vp John F. Meagher: NAB shouldn't be expected to do all the lobbying. There's need for more planning & pushing by state broadcasting groups to promote industry causes. "The state association is no longer a defensive mechanism concerned only with combatting adverse measures which might crop up in the legislature."

Community Acceptance Essential

Public relations mgr. John M. Couric: All station employees must learn that "the station's future & their livelihood depend on community acceptance, community support and community goodwill." It's not a one-man job; "every-one on the payroll should be working on it fulltime."

A joint talk-&-film presentation by NAB's TV Code affairs dir. Edward H. Bronson & Code Review Board member Robert W. Ferguson (WTRF-TV Wheeling) at a TV session dealt with a related public-acceptance subject. They warned that in the area of questionable commercials & programming, biggest hazards now are in "personal products," sexed-up theater trailers, post-1948 movies. The Code (scheduled for updating this year) is TV's "single most important shield," said TV vp Charles H. Tower.

Brightening of TV's often clouded public image through station use of public-affairs programming ideas in a new TV Information Office book—*Interaction*—was proposed by dir. Louis Hausman. The 288-page TIO compendium describes more than 1,000 programs & series broadcast by 264 stations in 162 cities (see p. 15).

Delegates also gave rapt attention to a filmed talk by the industry's most formidable Congressional figure—House Commerce Committee Chmn. Harris (D-Ark.). He said "responsible broadcasters have nothing to fear" from anti-payola legislation enacted this year. He praised political behavior by TV & radio "so far" in current election campaigns. Harris also said the industry wasn't yet out from under trouble on Capitol Hill. He reminded NAB members that unfinished Congressional investigative business includes such issues as network regulation, trafficking in licenses, editorializing practices.

All of the 2-day Atlanta conference (whose presentations will be repeated at the 7 remaining regional meetings) wasn't spent on the industry's past, present and pending public woes, however. The opening session was devoted to "People—and Profits." Advice was given by NAB staffers on how to "manage" the former and increase the latter.

Station relations mgr. William Carlisle said station executives should experiment with fresh sales techniques to become "successful convincers" in persuading reluctant prospects to accept an idea or product. Broadcast personnel & economics mgr. James H. Hulbert outlined the sad case history of an unidentified radio station. Its 1954-59 sales went up nearly 300% but its profits dropped terribly because of an inflated payroll, Hulbert said. He recommended that managements keep an eye on NAB & FCC figures on comparable stations in comparable markets to make sure their own payrolls aren't getting out of hand.

And TvB Pres. Norman (Pete) Cash closed the final TV business session of the conference with characteristically upbeat predictions on "The Future of TV." Declared Cash: "TV may never again be as inexpensive or as efficient as it is right now. TV has a very long way to go before its cost efficiency is reduced to the low levels of other major media . . . Magazines cost more than TV, newspapers cost more than TV. TV is the cheapest of major media when it comes to reaching people, no matter who measures it."

Speaker at NAB's fall-conference luncheon in Chicago Nov. 22 will be Edward C. Quinn, pres.-gen. mgr. of Chrysler Motors Corp., replacing American Motors Chmn.-Pres. George Romney, canceled because of other commitments.

Control of Detroit Tigers is being acquired by John E. Fetzer, who is increasing his holdings from $\frac{1}{3}$ to $\frac{2}{3}$ by buying the stock of the group headed by Kenyon Brown. Now chmn., Fetzer will become pres. The price won't be disclosed, he said. Fetzer and the Brown group bought the club from the Walter O. Briggs Sr. estate for \$5.5 million in 1956 (Vol. 12:29 p14). Fetzer owns WKZO-TV & WKZO Kalamazoo, KOLN-TV Lincoln, Neb., WWTW Cadillac, Mich. & radio WJEF Grand Rapids.

Despite earlier denial that WMGM N.Y. was on the block (Vol. 16:39 p11), the Loew's Theatres-owned independent radio outlet is being bought, contingent on FCC approval, for more than \$10 million by Crowell-Collier Bestg. Corp., subsidiary of the publishing firm. The deal was approved last week by both parent companies. One of the earliest independent radio stations, it debuted in 1922 as WHN under the ownership of MGM. Crowell-Collier currently owns KEWB Oakland, KFWB Los Angeles, KDWB St. Paul, has agreement to buy WGMS Washington.

New 35-kw high-band vhf amplifier will be offered to stations by GE's communications products dept. The new amplifier, capable of being driven by a transmitter of less than 5 kw, "makes it economically feasible for many more stations to increase their ERP to the 316-kw limit," GE stated, pointing out that many stations' present transmitters can be used as driver to attain maximum ERP.

NAB's TV Board, meeting in Washington last week, took the following actions: (1) Reaffirmed its support of legislation to regulate CATV. (2) Told the NAB staff to support FCC, against FAA, as the agency with final jurisdiction over tall towers.

Purchase of KBAK-TV (Ch. 29) Bakersfield, Cal. by Reeves Bestg. & Development Corp. from the Chronicle Publishing Co., has been approved by FCC. Price: \$468,634 plus cancellation of \$381,366 indebtedness.

TV Code Progress Report: More than 70% of 524 on-air commercial TV stations—380 (an increase of 109 from Nov. 1959's 271)—now subscribe to NAB's TV Code, Review Board Chmn. E. K. Hartenbower (KCMO-TV Kansas C.) boasted last week in a taped report to network affiliates.

"But let's not be over-confident," he added quickly in the closed-circuit broadcast which he shared with NAB Policy Committee Chmn. Clair R. McCollough. "When I was a boy we always threw the biggest mud ball at the biggest barn door. It's not going to be any different this year; TV is today the target of many critics. Let's all be alert to guard against the excesses our critics are happy to pounce upon—over-commercialism, unnecessary sex or violence in programming."

McCollough said he was sure that without the Code, the entire TV industry would have been "in serious trouble" in the past 18 months—"in many ways the most hectic in the history of TV." He reminded the network affiliates of quiz & payola scandals, assaults on programming, knife-sharpening by TV's competitors, Congressional demands for rigid govt. controls.

"During this difficult period one of our most powerful weapons has been the NAB TV Code," McCollough said. One result: "Despite the furor, the people never lost confidence or interest in the splendid service TV provides."

The progress report was taped following Oct. 4 sessions of the Review Board in Washington (Vol. 16:41 p7). It was carried to affiliates by CBS & NBC Oct. 10. ABC scheduled it for Oct. 17.

In another post-meeting move, the Review Board urged subscribers & post-1948 film distributors to consult with Board members & Code staffers when they run into taste problems in this "rich new source of TV programming." The Board warned that "there are instances when interpretations of the TV Code may be required."

NAB's radio vp John F. Meagher reported to the Radio Board meanwhile that 845 AM & FM outlets vs. 683 last Dec. (Vol. 15:51 p7) are now signed up for compliance with the Radio Code. Meeting with the Radio Board following joint TV-Radio Board sessions at which Fla. Gov. LeRoy Collins was elected NAB pres. (see p. 1), Meagher also said radio subscribers soon will be supplied with recorded Code announcements.

Injunction prohibiting payola was signed in Philadelphia last week by Common Pleas Court Judge David L. Ullman against 11 record distributors & 22 disc jockeys who had agreed to consent decrees (Vol. 16:39 p11). Six more jockeys are on the hook, but 5 haven't been served with complaints yet; 6th is under preliminary injunction.

Payments for spot announcements by non-subscribing sponsors of background music services aren't subject to the 8% wire-&-equipment excise tax on the services themselves, the Internal Revenue Service has ruled. In reply to inquiries by an unnamed operator of a background service, the IRS decision (Rev. Rul. 60-318) also said the excise doesn't apply to music supplied by means of tape players installed on subscribers' premises.

Sale of CHLT-TV (Ch. 7) Sherbrooke, Que. with radio CHLT, both French-language outlets, as well as English-language radio CKTS there, and French-language newspaper *La Tribune* pends BBG approval. Ottawa merchant Raoul Landriault, also part-owner of upcoming CJOH-TV (Ch. 13) Ottawa, is acquiring properties for \$6 million from Paul Desruisseaux and associates.

UPCOMING STATIONS: Following are the latest reports from principals in U.S. & Canada holding authorizations for new TV stations. For a status report on educational TV outlets in the U.S., see page 2.

KCND-TV (Ch. 12) Pembina, N.D. has a 2-kw RCA transmitter wired. It began tests week of Oct. 10, reports operations dir. Charles K. Bundlie. It also has a 1350-ft. Stainless tower ready for traveling wave antenna. It is negotiating for network affiliation. Base hour will be \$400. Reps will be Meeker, Wayne Evans (Minn.), Pembina TV Sales (Winnipeg, Man.), TV Representatives Ltd. (Canada).

WTVI (Ch. 19) Fort Pierce, Fla. plans test patterns about mid-October and expects to meet Nov. 1 target for programming with CBS-TV & ABC-TV, writes gen. mgr. Herbert E. Buck Jr. for owner Gene Dyer. GE 12-kw transmitter is being wired and a 390-ft. Stainless tower is ready for helical antenna, due shortly. Base hour will be \$300. Rep will be Forjoe.

KEZI-TV (Ch. 9) Eugene, Ore. has changed target for programming with ABC-TV to Nov. 25, reports gen. mgr. Marvin A. Krek. Interior of studio building at 2225 Coburg Rd. is being finished and transmitter house roof was installed week of Oct. 10. GE 35-kw transmitter is to be shipped Nov. 1. Its 200-ft. tower from Tower Sales Erecting Co. is 1/3 up and GE antenna was to be shipped Oct. 15. Base hour will be \$396. Rep. will be Meeker.

CJAY-TV (Ch. 7) Winnipeg, Man. is installing a 25-kw RCA transmitter at its site on Hwy. 75, 16 mi. S of city. It expects to meet a Nov. 1 programming target, reports public-service dir. Barry Nicholls, ex-CHCT-TV Calgary, Alta. It has erected 480 ft. of a 1000-ft. Dominion Bridge tower. Equipment is being installed in studios at Polo Park Shopping Center. Jerry Johnson, ex-CKBI-TV Prince Albert, Sask. will be gen. sales mgr. Base hour will be \$500. Reps will be Weed and Stovin-Byles Ltd.

CHAN-TV (Ch. 8) Vancouver, B.C., planning Nov. start, has an 11-kw RCA transmitter and 300-ft. Western Bridge tower with 81-ft. antenna ready on Burnaby Mt., according to Blair R. B. Patterson, promotion mgr., reporting for pres.-gen. mgr. Art Jones. The walls are partly up for a studio building on Lougheed Hwy., Burnaby, B.C. Base hour will be \$550. Reps will be Weed and All-Canada.

Montana broadcaster Ed Craney is disposing of the last of his station interests, selling KXLF-TV & KXLF Butte and KXLJ-TV & KXLJ Helena to Joseph S. Sample, operator of KOOK-TV Billings. Simultaneously, Sample will sell the Helena stations to the local CATV operator, Helena TV Inc., with which Craney has had a long & bitter feud. Tax counsel are still working on details, but the final price to Sample will run between \$1 & \$1.5 million. Helena TV Inc. is headed by William Piehl, managed by Bruce Hamilton. The transactions were handled by Blackburn & Co., which recently negotiated the sales of WBIR-TV & WBIR Knoxville and WKST-TV & WKST Youngstown (Vol. 16:40 p11).

KPAR-TV Sweetwater, Tex. is being leased to Texas Key Bcstrs. Inc., according to an application filed with FCC. The lease is for 10 years, for \$799,440, with Texas Key holding an option to buy 50% for \$50,000 at the end of the period. Texas Key is headed by James W. Isaacs, a vp of KPAR-TV who will resign. Albert R. Elam Sr. is vp, Albert R. Elam Jr., secy.-treas. The Elams own oil drilling & trucking businesses.

Networks

AFTRA's New Demands: Network officials in N.Y. last week were "stunned" (according to a union source) by AFTRA's latest demands as negotiations continued between the networks and the live-talent union over revised rates & working conditions. Neither side, of course, has officially revealed details of the new demands, but it's clear that they'll cause changes in future program pricing.

One AFTRA demand networks are currently opposing is for a sizable increase in the pay scales of TV-radio sportscasters. Another: scales for live & tape commercials.

The networks, meanwhile, are making some proposals of their own to AFTRA. They're seeking a formula to cover talent payments on odd-length programs (45-min., etc.). They'd also like a revised discount scale on talent costs for live across-the-board daytime shows.

SAG is scheduled to join with AFTRA later this week in negotiations concerning commercials. Although the 2 unions are still apart on the topic of an AFTRA-SAG merger, there is a strong liaison between the labor organizations concerning such matters as contract termination, pay scales and general aims.

Will Jim Hagerty join ABC? The rumor that the White House press secretary was planning to join ABC next January as a top-level news & public affairs official was back in circulation last week. Both Hagerty and ABC refused to comment.

NETWORK SALES ACTIVITY

ABC-TV

- Political messages, 5 min. daytime spots, full-sponsorship eff. Oct. 20 and Oct. 24 respectively.
Democratic National Committee (Guild, Bascom & Bonfigli)
Republican National Committee (Campaign Associates)
- Bugs Bunny, Tue. 7:30-8 p.m., participations eff. June 1961.
Perkins div. of General Foods (F, C & B)
- Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Nov.
Bristol-Myers (D, C, S & S)
- Hong Kong, Wed. 7:30-8:30 p.m., part. eff. this month.
Pan-American Coffee Bureau (BBDO)
- Daytime programming, Mon.-Fri. part. eff. this month.
J. H. Filbert (Young & Rubicam)
Carter Products (Ted Bates)
Reynolds Metals (Lennen & Newell)

CBS-TV

- Person to Person, Thu. 10-10:30 p.m., part. eff. Oct. 27.
Wander (Clinton E. Frank)

NBC-TV

- Happy Talk, Dec. 6, 10-11 p.m., one-time special, co-sponsorship.
Lipton Tea (S, S, C & B)
Larvin (North)
- Macy's Thanksgiving Day Parade, Thu. Nov. 24, 11 a.m.-12 noon, one-time special, co-sponsorship.
Ideal Toy (Grey)
Lionel Train (Grey)
- The Shirley Temple Show, Sun. 7-8 p.m., part. eff. spring, '61.
Perkins div. of General Foods (F, C & B)
- Remember How Great, Feb. 9, 8:30-9:30 p.m., one-time special, full sponsorship.
American Tobacco (BBDO)

Canada's Second Network: Schedule of hearings leading to a decision on Canada's 2nd TV network & new TV licenses has been announced by the Board of Broadcast Governors. Nov. 10 is the deadline for network applications, with public hearing on them fixed for Nov. 29. Currently, Canadian Bestg. Corp. operates the nation's only TV network, and the only declared applicant for another is Spencer Caldwell, Toronto film distributor who failed in his bid for a Toronto station. Eight newly-licensed TV stations (in Halifax, Montreal, Ottawa, Toronto, Winnipeg, Calgary, Edmonton and Vancouver) have formed an independent TV organization and will likely apply. BBG has said preference will be given to this application in which all the stations share ownership & operation.

BBG has also announced meetings in Saskatoon this week (Oct. 20) and next in Fredericton (Oct. 24) to facilitate the "most rapid & most orderly" development & extension of TV across northern Manitoba, Saskatchewan and Alberta and into distant parts of Quebec and the Maritime Provinces on the Atlantic Coast.

Pending the Saskatoon & Fredericton meetings, BBG deferred applications for satellites in the affected areas, but recommended satellite TV stations at Fox River, Quebec, for CHAU-TV Carleton, Quebec; and at Lumby B.C., for CHBC-TV Kelowna, B.C. A power increase has been authorized for CKX-TV Brandon, Man.

NBC backed its challenge of FCC's spot-rep decision (which puts CBS & NBC out of the business—Vol. 16:24 p8) with a brief filed last week in the Court of Appeals. Independent briefs were filed by NBC-repped KOA-TV Denver, KSD-TV St. Louis, WAVE-TV Louisville & WRGB Schenectady. FCC & Justice Dept. have until Nov. 10 to answer the briefs, and the appellants' reply deadline is Nov. 22. The parties hope for oral argument by the end of the year. NBC summarized its position as follows: "The Commission's order should be set aside because it is an unauthorized & unwarranted extension & distortion of the function conferred upon the Commission by the Communications Act. The order divests NBC of a valuable & perfectly proper & lawful business enterprise without any evidence of impropriety in the conduct of that business or even of any threatened harm or danger to the public interest. Moreover, by the application of a misconceived idea of the national policy favoring free competition, the Commission would destroy existing competition in a paternalistic effort to protect station licensees from a non-existent threat, against which they would, in any event, be perfectly able to protect themselves. In doing this, the Commission ignores not only the statutory limits of its authority but also Constitutional limitations."

NBC Chmn. Robert W. Sarnoff defended the TV-spurred American consumer economy against warnings of a "cult" of economists in an address before the American Gas Assn. at its Oct. 12 meeting in Atlantic City, N.J. "I think the American people will reject the notion that prosperity is a sin," said Sarnoff. "They will have little patience with a cult that preaches economic asceticism. Most Americans will recognize it would tighten not merely a belt but a noose." As U.S. purchasing power grows in the next decade, said Sarnoff, the average consumer will have "almost twice as much money to spend" in such pleasant decisions as whether to buy a new car or a swimming pool or a trip to Europe. "These," added Sarnoff, "are some of the choices upon which the eloquent selling power of TV can & will be brought to bear."

Advertising

Coffee, Tea, Insurance TV Gains: Gross network & spot TV time billings for coffee & tea companies jumped 19% in the first half of 1960, compared with spending by this beverage category in the same 1959 period, TvB reports. The figures: \$27,220,905 (\$21 million for network; \$6.2 million for spot) vs. the previous \$22.7 million. Coffee led tea \$21,807,054 vs. \$5,413,851. Top coffee spenders: General Foods, \$9,320,900; Standard Brands, \$2,184,215. Leading tea advertiser was Lever Bros. (\$2,125,420 for Lipton).

Insurance companies' gross time TV billings will top \$16 million in 1960, compared with 1959's \$14 million. First half spendings totaled \$7,264,611 (\$5,584,611 network, \$1,680,000 spot). First half's leader was Mutual Benefit Health & Accident Assn. with \$3,036,436 gross. Runners-up: Prudential (\$2,369,634) and Allstate (\$1,688,700).

TvB also announced that its 1960 annual meeting scheduled for N.Y., would be held Nov. 15-18. Topics on the agenda include: Current sales problems in advertising; reports on TvB activities; showing of the new TvB film presentation "The Progress of Discontent."

FTC Chmn. Earl W. Kintner passed the 200-speech mark last week. In the latest of a series of hard-talking public appearances, started when he took office 15 months ago, Kintner: (1) Told Washington's Ad Club and Better Business Bureau that it's unfortunate that foreign diplomats' impressions of the U.S. economy are colored by "breathless bargains barking out of their TV & radio sets." (2) Assured an Advertising Federation of America district conference in Richmond that "gyp operators" of direct mail advertising schemes will feel FTC's sting soon. (3) Warned the Grocery Mfrs. Representatives in N.Y. that any business which ignores laws forbidding discriminatory pricing & advertising allowances "is digging its own grave" in harsher govt. regulation.

Agencies are being "cheated" by commercial film makers who confine their efforts to "the mechanics of commercial film production" and allow the creative process to "die at our doorsteps," stated Robert Lawrence Productions Pres., Robert L. Lawrence, last week to the audiovisual exhibition. "Evasion of our challenge as commercial producers leaves the sole prerogative to agencies—which is irresponsible," Lawrence added. Responsibilities labeled "primary" by Lawrence for film companies: Casting, director's role on stage, cutting, visual vitality.

Chmn. Arthur C. Nielsen of that research organization, speaking to a luncheon meeting of the Broadcast Advertising Club of Chicago last week, branded as fallacies a pair of pet advertising theories: That TV ratings would be "unnecessary if the advertiser would merely watch his cash register," and that TV is unsuccessful "unless it produces a sales increase." TV, said Nielsen, might prove "very profitable" if it simply halted a sales decline, or maintained current sales levels at a reduced advertising cost or maintained them in the face of "certain competitive handicaps."

New 700-volume reference library, a project of the Advertising Federation of America and the Advertising Club of N.Y., will be dedicated this week (Oct. 21). Located in AFA's N.Y. offices at 655 Madison Ave., the library will be open to the entire ad industry and will furnish "an important new addition to the technical resources of the advertising & marketing fraternity," according to AFA Chmn. James S. Fish.

Ad People: Fred Marlin Mitchell Jr., ex-Dancer-Fitzgerald-Sample, named Kenyon & Eckhardt senior vp . . . Gunnard Faulk and Gene Federico named Benton & Bowles vps . . . Paul R. Smith, ex-Fletcher Richards, Calkins & Holden, named creative services exec. vp, Grant Advertising . . . Samuel B. Vitt named Doherty, Clifford, Steers & Shenfield media dir.

Clayton G. Going and Charles P. Murphy named BBDO vps . . . W. Watts Biggers named a Dancer-Fitzgerald-Sample vp . . . Ruth Downing, Helen Klintrup and Harriet Rex named J. Walter Thompson vps . . . Richard N. Risteen, ex-Sullivan, Stauffer, Colwell & Bayles, appointed vp-mktg. dir., Needham, Louis & Brorby . . . William M. Schmick named vp & mktg. dir., Donahue & Coe; Lawrence D. Gibson appointed vp & research dir. . . Robert J. Lyon elected a Ted Bates vp . . . William V. Patten named San Francisco mktg. dir., Lennen & Newell.

Gene Taylor named Fuller & Smith & Ross vp & creative dir.; David Mathews named head of best. activities, Los Angeles office . . . F. G. Hunsicker named a Ted Bates vp . . . Walter H. Johnson Jr., ex-Capital Airlines named a McCann-Erickson vp . . . Roy Passman, J. M. Mathes TV, radio & motion picture dept. dir., named a vp.

Comparative Network Costs: A 5-year comparison of the cost-per-1,000-homes-per-commercial-nighttime-minute for each of the 3 networks has just been released by *Sponsor*. The figures (based on Jan.-Feb. averages) show an evolution for ABC-TV from being the most expensive in 1956 to the least expensive network this year. The tabulation:

YEAR	ABC-TV	CBS-TV	NBC-TV
1956	\$3.93	\$2.80	\$3.31
1957	3.82	2.65	3.52
1958	2.86	2.97	3.27
1959	2.66	2.93	3.43
1960	2.78	3.17	4.17

New reps: KSWO-TV Lawton, Okla.-Wichita Falls, Tex. to Venard, Rintoul & McConnell Oct. 1 from McGavren
 • KTVE El Dorado, Ark. to Bolling Nov. 1 from Weed.

The FCC

FCC was rebuked by the Court of Appeals last week for failing to maintain the status quo in the Boston Ch. 5 *ex parte* case. On July 14, the Commission had ordered Ch. 5 taken from WHDH-TV and said that a new comparative proceeding would be required (Vol. 16:29 p1). By deciding to set aside WHDH-TV's grant, Judges Edgerton, Danaher & Burger said, the FCC "altered the status of the parties notwithstanding this court's order of July 31, 1958, which had expressly directed that the status quo be maintained pending the further order of this court." Therefore, the court said: (1) FCC's July 14 decision is set aside for the present. (2) FCC is given 30 days within which to give the Court "its findings & recommendations based upon the supplemental record compiled before the special Commission hearing examiner." Thereafter, the Court stated, briefs or oral argument may be ordered. It said that the foregoing is "required in the interest of orderly procedure."

Allocations petitions: (1) By WNOK-TV (Ch. 67) Columbia, S.C.—addition of Ch. 14 to the city. The station also seeks a show-cause order shifting it to Ch. 14. At the same time, it filed an application to shift to Ch. 25. (2) By KVIQ-TV (Ch. 6) Eureka, Cal.—assignment of Ch. 11 to Ft. Bragg, Cal., for which it will apply.

Devotion to Public Interest Dept.: While the last game of the World Series was being played, FCC members were listening to an oral argument. Subject: Whether or not a shrimp boat operator's radio license should be revoked.

Programming

DEBATES 2 & 3: Although the latest pair of Nixon-Kennedy debates drew TV audiences that were smaller than the Sept. 26 kickoff (largely because of the early-evening slotting) the Great Debate series last week was clearly becoming an established political fixture. Everybody's technique was improving—the candidates in presenting themselves and their views, the networks in staging the political clashes, and the political advisers in establishing format & ground rules that will probably be repeated in future elections.

The Oct. 13 debate produced at least one development that defied ready explanation. Arbitron ratings for the first show (Vol. 16:40 p2) gave the biggest slice of audience to CBS-TV. On the Oct. 13 show, the balance of rating power shifted noticeably. ABC-TV drew a 17.2 share, CBS-TV a 26.7, and NBC-TV a sizable 41.2. In measuring the overall impact, Trendex noted in a 25-city check that 50.4% of the available TV audience was tuned to the debates, and projected this to a national total of over 60 million people.

The Oct. 7 debate did about as well, drawing a national Arbitron-estimated audience of some 61 million as against the first debate's 75 million. The 14-million-viewer loss was, network officials agreed, primarily a matter of time periods (7:30 p.m. for the 2nd and 3rd debates, vs. 9:30 p.m. for the first).

A possible 5th debate, to be held as close as possible to the election, was scheduled for exploration in Washington by the candidates' representatives Oct. 15. So far, Kennedy has voiced support of an extra debate; Nixon has suggested a stretched-out 4th debate that would include a debate session between the Vice-Presidential aspirants.

Were the debates helping one candidate more than the other? You could get all shades of opinion on this last week. Most observers felt that Nixon was looking better (thanks to improved lights and makeup) as the debate series rolled along, and was hitting harder. Some critics, including John Crosby, who caught the 3rd show on radio but not on TV, felt that Nixon seemed more relaxed, assured, and less nervous than Kennedy. Kennedy supporters, however, felt generally that their candidate's image had been improved enormously by the debate series, and could hardly wait for word on an extra telecast.

"If networks exercised as much imagination, resourcefulness and showmanship in basic entertainment as in [their present] binge for public-service & news programs, the entire medium would be better off. What's wrong, in short, with beefing up public service in the form of entertainment? It doesn't all have to be news. What happens is a constant aping of the same patterns & formula. If it isn't Westerns, it's situation comedies. What has happened to the solid hour dramas which really put the stamp of distinction on the medium? And the variety shows? Dating from Berle, these were the bulwark of the new medium's most vivid & vital entertainment hours"—C. Terence Clyne, vice-chmn. of McCann-Erickson and key decision-maker in spending \$105 million a year in M-E billings, in *Variety*.

WABC-TV N.Y. has splurged sizably for new film product with close to \$1 million invested in 1960 for syndicated & feature-film programming. Among recent purchases: ITC's *Best of the Post*; CNP's *Blue Angels* and *Jim Backus Show*; Screen Gems' *Ivanhoe* and *Rescue 8*; Ziv-UA's *Case of the Dangerous Robin*; the Lopert-Rank feature film package; Paramount's *Action Theater*.

L. A. SAYS POST-1948s TOO COSTLY: Is the anticipated fortune from TV sales of the post-1948s more of a myth than a fact? The question has popped up in 7-station Los Angeles, which has been one of the best movie customers in the industry. Our check of the stations disclosed general hostility to the prices asked for the post-1948s, and in some instances outright indifference to the packages. Those interviewed had been offered packages of post-1948s from 7 Arts-Warner Bros., United Artists Associates, NTA-Twentieth Century-Fox, and Columbia Pictures-Screen Gems. (Vol. 16:31 p10, 16:30 p4, 16:28 p1).

All expressed the opinion that the major studios & distributors have greatly over-estimated the value of their post-1948s. The consensus: "Sure we'd like to have them, but not at those prices." Certain stations, which rely heavily on movies for programming, plan to play a waiting game; they are sure that prices will come down eventually.

Admittedly only a one-city check, the findings have significance because Los Angeles has often served as a barometer in movie-to-TV deals. And some L.A. executives stated that their attitude coincided with that of buyers in other cities with whom they'd talked.

While the principal objection is to price, there is also resistance to buying a package which may include a preponderance of inferior movies with a few good pictures.

Here's a sampling of the reactions:

Robert Breckner, vp-gen. mgr., KTTV: "The main reason mitigating against our buying post-1948s is the price—which is unreasonable. We don't feel there's any magic to the term 'post-1948.' Whether or not movies can be as effective in prime time as in the past I don't know. TV fare has improved. We will wait & see if the price drops."

Al Flanagan, vp-gen. mgr., KCOP: "There are going to be so many of these post-1948s they will no longer be a novelty. Prices are probably double what they were on the pre-1948s. We are interested, but not at the prices they're asking now."

Hal Phillips, prog. dir., KHJ-TV: "We are *the* movie station in L.A.—75% of our programming is movies. But with prices so high, we'd do better with some of those choice pre-1948s."

William Alcine, film dir., KNXT: "We'll wait to see what they'll do on a 5-station buy. They'll have to come down to reasonable scales. They are asking from \$15,000 to \$20,000 a picture, and you have to buy the whole package. These post-1948 packages have a lot of films too short for our regular feature-film time and some wide-screen movies which create screening problems."

Elton Rule, gen.-mgr., KABC-TV: "Being a network station we don't show movies in prime time, and wouldn't be interested in this high-priced, new product for our other time periods. We haven't considered the major-studio post-1948s as potential programming at all."

Tom McCray, vp-gen. mgr., KRCA: "I doubt very much that we could buy the post-1948s. We could only play them in afternoon slots or late Sunday nights, and the station couldn't get its money back. They are asking 50-to-75% more than the pre-1948 prices. Economics just don't permit such prices."

Still another factor holding up early buys was the possibility that the networks may purchase some of the cream of the post-1948 crop to use as specials. There is resentment on the local-station level against the idea that the distributors & majors want to sell their best product to the networks, sell leftovers to local stations at top prices.

David & Goliath: With the appearance of Russia's Khrushchev as guest on the Oct. 9 *Open End* show, produced & hosted by David Susskind, sponsor Sutro Bros. & Co., N.Y. brokerage firm, not only canceled its partial sponsorship, but asked WNTA-TV N.Y. for an aired announcement to the effect that it was completely opposed to the Russian leader's appearance. NTA refused to go along with the brokerage firm.

WNTA-TV drew considerable censure, however, for what must have seemed like a good way to appease Sutro (and other anti-Khrushchev elements). NTA filled a pair of 60-sec. station breaks with Radio Free Europe film spots that many broadcasters have used—but which most critics agreed were in rather bad taste during a TV show on which the head of the major world power against whom the RFE spots were directed was a guest.

The RFE announcements (which Khrushchev learned of during the course of the show—to his apparent annoyance) came over only in the N.Y.-area telecast. Late last week, when most of the critical returns were in, NTA Chmn. Ely Landau was willing to admit that slotting the hard-sell RFE film spots was "a mistake."

In Los Angeles, KTTV canceled the Khrushchev interview on the grounds that it was "propaganda." Pres. Richard Moore said he thought it would be "contrary to the public interest" to air the tape, but that his station would waive its contractual rights to any other station in the area that wanted to telecast the interview.

Widely covered by the press, since it was Khrushchev's only non-news-program TV appearance in the U.S. during his recent visit, the show drew a big audience. ARB estimated that in N.Y. the interview portion of the show reached an average of 360,000 homes, with a viewing peak of nearly 500,000 homes. Viewer opinion, as expressed in letters to WNTA-TV, seemed closely divided: Of 768 letters received in the 2 days following the show, 402 viewers were in favor of the interview, 366 were critical.

The long (9 p.m. to station sign-off, including a period of analysis by a panel of newsmen) program was scheduled on a live basis by 6 stations affiliated with NET (National ETV), who in turn provided tapes of the program to 50 more ETV stations. More than 200 U.S. radio stations carried the audio portion. In addition, overseas telecasts were scheduled by Britain's BBC, Canada's CBC, Australia's ABC, Japan's NHK and Radio Moscow's TV channels.

Public's taste for TV gore, critics notwithstanding, was vividly illustrated Oct. 13 with the season premiere of *The Untouchables* on ABC-TV. The kick-off episode, "The Rusty Heller Story," contained a number of blood-bath touches (machine-gunning & bombing of rival mobsters, a "squealer" whose tongue is cut out in a nightclub) that made Shakespeare's "Titus Andronicus" look mild. Viewers loved it, however. An overnight Trendex gave the Desilu-produced 60-min. show a 9:30-10:30 p.m. rating of 31.6 and a whopping audience share of 55.7%. On CBS-TV, *The Ann Sothern Show* and *Person to Person* managed an 8.7 rating and 15.4 share. On NBC-TV Ernie Ford and Groucho drew a 12.0 rating and 21.5 share.

Actress Donna Reed has been named TV committee chmn. for American Education Week, Nov. 6-12, by the National Education Assn. The star of *The Donna Reed Show* has been serving as a volunteer consultant to NEA in the formation of the TV committee, notes NEA Pres. Clarice Kline.

TIO's Idea Book: Station program executives looking for new local-level ideas in the public-affairs field (and critics of TV's social behavior) will do well to examine *Interaction*, a sizable (288 pps.) book published Oct. 16 by the TV Information Office. The product of a large-scale TIO survey, *Interaction* summarizes more than 1,000 public-affairs TV shows & series that were telecast during the past season over 264 TV stations in 162 U.S. cities.

Prepared under the supervision of author-critic Robert Lewis Shayon, the book has 15 chapters which range from shows dealing with "community affairs & problems" to an exploration of new local program areas. Each chapter introduces the program type, gives detailed descriptions of outstanding shows—and capsules of 20-to-100 more. Considerable production information is included to aid stations wishing to adapt a format to local needs.

Copies of *Interaction* are available for \$3 each from TIO, 666 Fifth Ave., N.Y. 19, N.Y.

* * *

Joint program schedules of their prestige programming are now being issued by 4 Connecticut outlets. In line with the TIO-sponsored idea now in effect in several cities (Vol. 16:21, 25, 31). WTIC-TV Hartford, WNHC-TV New Haven, WHCT Hartford and WHNB-TV New Britain have initiated publication of a consolidated monthly bulletin, *Connecticut Television Information*. The "cooperative undertaking . . . provides details about the many educational, religious, news, informational, music, interview and special programs available on the 4 stations." Purpose: To point up "the scope & high quality of TV programming in the Connecticut area."

* * *

First nationwide TIO ad is running in the Oct. issues of *Atlantic & Harpers*, Oct. 8 *Saturday Review* and Oct. 13 *Reporter*. The ad, which features the Nixon-Kennedy debates & a list of 25 special-interest programs, is designed to enlighten the public to the "enjoyment & self-fulfillment" which TV offers. TIO will continue the campaign in Nov.

■

"The television debates are proving an invaluable innovation in Presidential campaigning . . . I vote for their continuance. Another act of Congress will be required as well as the willingness of the future Presidential nominees. Congressional approval ought to be readily forthcoming since the present debates are both useful and popular. When Congress considers a new law allowing the networks to put on these joint appearances—without having to guarantee equal time to minor candidates—it should give TV & radio the right to offer similar debates, on a state or regional basis, to Senatorial and Congressional candidates."—Roscoe Drummond.

"Now that face-to-face debates have been established as an essential part of Presidential campaigning, the next logical step is to get the Vice-Presidential candidates to go to the mat together . . . After all, either could become President of the United States. If it is unrealistic to think about this for 1960, it should be considered in 1964. It is too good a possibility to let slip."—*N.Y. Herald Tribune*.

"The TV debate is certain to become a permanent feature in campaigns for elective offices. But [the format] . . . is highly corruptible. [It] is a quiz show, and . . . the temptation to rig the show is almost certain to become too strong to be resisted. The only certain guarantee which the voters can have is that the 2 candidates question each other. Then rigging will be impossible."—Walter Lippmann.

First high-rated new show of the fall season is the 60-min. *Checkmate* series on CBS-TV (Sat. 8:30-9:30 p.m.) for Brown & Williamson, Kimberly-Clark and Lever Bros. Thanks to an early-season start, it showed up in the 2nd of Nielsen's September reports—and drew a 23.1 average-audience level (10.4 million homes) to land in 7th place in the AA ranks. It was the only new program in the top-10 list. The show, produced by J&M Productions and filmed at MCA's Revue Studios, probably wins at least part of its healthy rating on the basis of strong placement. It follows *Perry Mason* (12th in AA ranks) and serves as the lead-in for *Have Gun, Will Travel* (3rd in AA).

Baseball TV suit against the major leagues by the Portsmouth baseball club of the defunct Piedmont League has been rejected by the Supreme Court. The club claimed \$250,000 damages for telecasts of their games into minor territory. In a brief order, the Supreme Court refused to hear arguments in Portsmouth's appeal from a Court of Appeals decision that the major-minor contract wasn't violated by the telecasts. The club alleged that they were responsible for dwindling attendance at Piedmont League games, but the lower court held that the contract didn't extend to broadcasting.

All 7 Los Angeles stations have refused to endorse or cooperate with the Academy of Television Arts & Sciences on local awards for that city. They have refused to participate in next week's awards meeting on the grounds that no agreement has been reached on an awards formula, and there is a marked lack of enthusiasm about the Emmys. They asked the Academy to postpone the awards until a suitable structure is arranged. Mrs. Gail Patrick Jackson, ATAS pres. in Los Angeles, said nominating ballots are already being tabulated and that the awards meeting will be held despite the stations' objections.

"Television & Radio News" (Macmillan, 227 pp., \$5.95) is a treatise on broadcast journalism, by 3 veteran newsmen: ABC's Bob Siller, CBS's Hal Terkel and radio WOR N.Y.'s Ted White. Function: a guidebook that "provides the student & newcomer with the basic knowledge to launch his career and offers the professional new ideas drawn from the practices of stations & networks across the country."

Martin Enterprises Inc. of Chicago has bought TV rights to the Palm Springs golf tournament (Feb. 1-5).

Congress

Legislative Oversight Subcommittee—Rep. Harris's (D-Ark.) quiz-payola-influence group—has served its purpose, need not be continued, according to Harris. In a recent interview on WPST-TV (Ch. 10) Miami, he stated: "We have concluded our hearings unless there is something unforeseen that comes up between now & the first of the year. We have a staff working on a report which we would expect to file on Jan. 3. So far as next year is concerned, a new Congress will determine what is ahead for the Subcommittee. But I think that I should now make my views known prior to the election. I feel that our purposes & objectives have been fairly well accomplished. We have legislation that had been proposed as a result of it. Most of the legislation already has become law by signing of the President. We have other bills pending which we will go into next year. I do not think that the Subcommittee, as now made up & has been for the last 3½ years, should be continued. We will assume the same responsibility by the full Committee."

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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PUBLICATION OFFICE Radnor, Pa., MUrray 8-3940, TWX: Rodnor 1028

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TELEVISION DIGEST. Published Mondays. Subscription \$75 annually.
 For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
 Published March & Sept. Published Saturdays Published in January

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Personals: Richard L. Freund, formerly dir. of labor relations, named ABC vp in charge of labor relations . . . Norton Bloom, ex-CBS, joins NBC as production supervisor, creative projects, NBC News & Public Affairs.

William J. Hart named gen. mgr., WILX-TV Lansing, Mich. . . . Paul E. Freygang named gen. sales mgr., KRSD-TV & KRSD Rapid City, S.D. . . . John Boesel elected an A. C. Nielsen vp, best. div. . . . Glenn W. Maehl named to new post of local sales mgr. KTVU Oakland-San Francisco . . . C. Greg Van Camp, ex-WTAE Pittsburgh, named educational bestg. coordinator, West Va. U. . . . James A. Gustafson, WTTG (Washington) local sales mgr., is teaching a TV-radio management course at American U. . . . John B. Soell, gen. mgr. of KTVE El Dorado, Ark.-Monroe, La., elected vp . . . Bud Wiener, ex-program mgr. of KOLD-TV Tucson, named operations mgr. of upcoming KIFI-TV (Ch. 8) Idaho Falls, due this winter . . . Irving Stevens, ex-radio KEX Portland, Ore., named sales development & promotion dir., KFMB-TV & KFMB San Diego.

Herbert E. Evans, pres. of Nationwide Mutual Insurance Co.'s Peoples Bestg. Co. (KTVU Sioux City, 4 radios), will represent NAB at Nov. 3-6 sessions of directive council of Inter-American Assn. of Bcstrs. (IAAB) in Santiago, Chile . . . Lloyd E. Yoder, NBC vp & mgr. of WNBQ & WMAQ Chicago, elected a lifetime trustee of Carnegie Institute of Technology, where he was an all-American tackle and was graduated in 1927 . . . Robert A. Jolley, pres. of WFBC-TV & WFBC Greenville, S. C., named state chmn. of national business & professional committee for Democratic Presidential campaign.

Creekmore Fath, Austin, Tex. lawyer who worked with Congressional committees and at White House during Truman Administration, appointed majority counsel of Senate Commerce TV-radio equal-time "watchdog" subcommittee, replacing Joe Bailey Humphreys, who resigned to join Kennedy-Johnson campaign forces in Tex. . . . Edwin R. Schneider, ex-Bingham, Collins, Porter & Kistler, joins Washington TV-radio law firm of Segal & Marmet . . . Louis Schwartz, ex-asst. gen. counsel of NLRB, joins Krieger & Jorgensen, Washington TV-radio law firm.

Frederick Ford, FCC chmn., home with virus infection for 2 weeks, expected back in office Oct. 17; he came in Oct. 13 to hear oral argument on St. Louis Ch. 2 *ex parte* case.

Edward K. Mills, who was nominated to FCC but had to withdraw because of conflict-of-interest problems (Vol. 16, 21 p4), has received a recess appointment on the FTC, replacing Edward T. Tait who resigned to enter private practice. Both are Republicans. Mills had to pull out of the FCC nomination because he receives income from a trust which includes GE & Westinghouse stock. Apparently that's no problem at FTC. Chmn. Earl Kintner now stands an excellent chance of remaining on FTC, regardless of which party wins the election. His term expired Sept. 25 and he's on a recess appointment. If Nixon wins, he can appoint 2 members, keep both Kintner & Mills if he chooses. If Kennedy wins, he must appoint one from each party, presumably would be under considerable pressure to keep Kintner, who is popular with Congress, but not as chairman, of course.

Raymond Guy, pioneer of Broadcast Engineering Pioneers, retires from NBC & RCA after 42 years, to become a consultant with offices at 264 Franklin St., Haworth, N.J. Guy has played a significant role in almost every broadcast development since World War I. The positions he has held include the presidency of the IRE, Broadcast Pioneers, DeForest Pioneers and Veteran Wireless Operators Assn. Recently, the Radio & TV Executives Society cited him for having the longest continuous experience as a broadcast engineer of anyone in the world. He retired from the position of NBC senior staff engineer after serving for many years as dir. of radio & allocations engineering, in charge of planning & construction of NBC transmitting facilities.

Meetings this week: National Educational TV & Radio Center annual affiliated station mgrs. meeting (Oct. 16-18), Rickey's, Palo Alto, Cal. • Ky. Bcstrs. Assn. annual fall meeting (17-19), Kentucky Dam Village State Park, Gilbertsville, Ky. • Assn. of Maximum Service Telecasters directors (18), Sheraton-Carlton Hotel, Washington, D.C. • National Assn. of Education Bcstrs. annual convention (18-21), Jack Tar Hotel, San Francisco • RTES roundtable with American Women in Radio & TV (19), Hotel Roosevelt, N.Y. • S. Cal. Bcstrs. Assn. luncheon (20), Hollywood Knickerbocker.

Obituary

Donald Withycomb, 63, veteran of the broadcasting business who was assistant to Merlin H. Aylesworth when he became first NBC president in 1926, died Oct. 12 at Knickerbocker Hospital, N.Y. He joined Meredith Publishing Co. in 1947, joining Voice of America in 1951 and serving in Germany. He is survived by his wife.

Basil Ruysdael, 72, former radio announcer for *Your Hit Parade*, died Oct. 11 in Los Angeles. Ruysdael had also sung for 8 seasons with the Metropolitan Opera, appeared in many movies and was Lawrence Tibbett's voice coach. During the 1930's he was an announcer, script writer and actor for WOR. He is survived by his wife.

Ralph LeRoy Harlow, 75, BMI vp, died Oct. 7 in Framingham, Mass. From 1928 to 1943 he was vp-mgr. of the Yankee Network, and in 1912 was mgr. of the Marconi wireless station in Boston. He began his career in the theater as an actor and singer. He is survived by his wife and 2 daughters.

Mrs. Slocum Chapin, 45, wife of the ABC-TV Western div. network sales vp, died Oct. 10 after a month's illness in Stamford, Conn. Besides her husband, 2 daughters, her mother and a brother survive.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

TV SALES, INVENTORY POSITION IMPROVING: Some pickup in retail & distributor sales, reductions in inventory, brakes on production—these are signs & portents of last few weeks indicating that worst may be over in 1960's TV market readjustment.

"It won't be a boom year, but we can all make a buck," was the way one TV marketing topkick expressed outlook. Although they won't make anyone jump for joy, these recent signs contain encouragement:

Retail TV market improved slightly from Aug. to Sept., showing that there's been no collapse. Preliminary industry-wide figures indicated that Sept. sales this year were below those of Sept. 1959, but the drop from last year wasn't as great as last month's 13% dip below Aug. 1959 (Vol. 16:41 p14). Sept. retail sales were higher than Sept. 1958 sales of 605,638 (but below Sept. 1959's 684,773).

Noticeable improvement in distributor sales to dealers was reported in last 2 weeks on industry-wide basis as dealers continued to clean out old stocks. Weekly TV production figures show industry is taking danger signals seriously, cutting output. In the 5 statistical weeks comprising Sept. in EIA's calendar, production (as carried in weekly totals in these pages) was 674,482 as compared with 808,337 in Sept. 1959. In first week of Oct., output was 50,000 sets (or 27%) less than same 1959 week (see table, p. 19).

Zenith's Leonard C. Truesdell, whose stern warning in these pages last month caused considerable industry comment (Vol. 16:39 p15), told us last week that "things look a little better than they did, on an industry-wide basis. If manufacturers take care to "cut the cloth to fit the pattern"—gear production closely to rate of sales—year should end with inventories in fairly good balance, he said. He predicted "good sharp lift" in TV sales between Thanksgiving & Christmas. Zenith sales, he said, are up over last year so far in Oct., and he predicted another increase in first quarter 1961, although he forecast first-quarter industry sales somewhat below last year.

Question of TV price-increases keeps cropping up and Truesdell stated last week that Zenith is "seriously looking at the possibility of an increase in prices of a number of our models." Prices of 19- & 23-in. sets "can go up justifiably to provide dealers with better margins," he said. Despite recent shakiness of market, he saw strong possibility of "general increase in prices at industry level." Hoffman & Sylvania have already raised some prices (Vol. 16:35 p11), and any boosts by a manufacturer of Zenith's standing probably would be followed by rest of industry.

'GOOD STEREO' DEFINED IN LISTENER TESTS: Some widely held theories about stereo were sharply jarred last week in 2 papers presented before Audio Engineering Society's N.Y. convention. They described separate stereophonic listening tests. One paper indicated that human hearing is directional across nearly the entire band of audible frequencies. Both papers stated that music-listening test panels found stereo effect was impaired when lower frequency (bass) sounds were mixed and non-directional.

Significance of these test results (although more research on "average" listeners obviously is needed) is that they indicate that many hi-fi manufacturers may be woofing up the wrong stereo tree when they use single speaker system to reproduce all notes below 500 cycles on theory that hearing of lower frequencies is "non-directional." Tests indicated that human hearing apparently is very directional from 100 cycles to 8,000 to 10,000 cycles (maximum range of human hearing is considered to be about 30-15,000 cycles) and that eliminating directional effect of frequencies below 500 cycles appears to alter location of sound source.

The 2 tests described last week—by Bell Telephone Labs and RCA Labs—tend to corroborate earlier findings by GE radio receiver dept., which reported at last March's IRE convention that test listeners generally prefer full-separation 2-channel stereo systems to those in which lows are mixed together (Vol. 16:13 p19).

Last week's reports were both based on research for stereo radio system development, in attempt to determine exactly how far stereo channel separation need be carried to provide good stereo. Both tests used listener panels making comparative "blind" tests, judging apparent spatial changes in sound direction as upper & lower limits of stereo sound separation were changed.

Bell Labs' experiments, conducted in connection with NSRC's "subjective aspects" panel for preparation of test tape for stereo FM field tests, used 10 "critical observers" familiar with stereo, whose hearing had been carefully tested. Loudspeakers were placed 7 ft. apart with listener centered 10 ft. from each. Each listener compared spatial effects of "straight stereo" with various versions of "modified stereo" in which separation cut-off frequencies were changed. Principal conclusions of tests, as outlined by Bell Labs' F. K. Harvey & M. R. Schroeder:

Stereo spatial reproduction can be considered "good" when full-channel separation is maintained from 100 cycles to about 8 kc, or when a channel separation of 16 db is maintained across the entire frequency band. If cut-offs of stereo separation are applied at the 100-cycle & 8-kc points, channel separation should be increased to 20 db.

In examining Bell Labs' experiments, it's interesting to note that when lower cut-off frequency was 500 cycles, all listeners detected a spatial difference from full-range stereo, and an average of fewer than 20% found "good" spatial resemblance to full-range stereo. (Most stereo phonos without bass separation use 500 cycles as the point below which there is no stereo effect.)

Among other results, Bell Labs found that an amplitude (loudness) difference of 3 db between channels appears to pull the music off center. It found, too, that a 2-in. displacement of one loudspeaker (either forward or back) also distorted directionality of musical images which are supposed to originate from center point between both speakers. At the distances used in Bell Labs' tests, it was found that "a center listener needs to confine his sidewise movement to about plus-or-minus 4 in. to preserve center images."

Adding up the 2 stereo channels doesn't always result in good monophonic programming, Bell Labs found—a finding which will be mentioned in NSRC field-test report (see above). When both channels of stereo tape or disc are fed into single amplifier-reproducer system, compatibility isn't necessarily perfect. Said the Bell Labs report: "Out-of-phase effects in the program material itself, or due to tape-head misalignments in the multiple generation recording & reproducing, or even resulting from the movement of the performer in front of paired microphones, all contribute to degradation in the summed program."

RCA Labs' tests, using different procedures, reached quite similar conclusions on issue of separation at various frequencies. With speakers 10 ft. apart and listeners slightly more than 10 ft. from both speakers, series of tests described by Donald S. McCoy led to these conclusions:

"Some directional information is conveyed by frequency components over almost the entire audio-frequency band" and full stereo separation between channels from 100 cycles to 10 kc "is required to provide an almost undetectable distortion of auditory perspective." RCA's tests showed, however, that "the components [of the audio-frequency spectrum] at the extremes of this range are somewhat less important to localization [of sound] than the components in the middle range."

NSRC COMPLETES FM STEREO WORK: "Among the FM stereo systems we examined are some very good ones. Any one of the systems can provide pretty good stereo. All of them work quite well down to low field strength. FM radio can provide stereo inexpensively."

These are personal observations of A. Prose Walker, NAB engineering dept. mgr. & chairman of field-test panel of intra-industry National Stereophonic Radio Committee, which wound up work last week on completion of voluminous report on field tests of 6 FM stereo radio systems. Report won't be made public until parent EIA files it with FCC on or before Oct. 28 deadline.

Report, which gives comparative measurements for all systems (but makes no recommendations), was approved unanimously by all members, representing top engineers of many radio manufacturers and others. In addition to measurements, report contains an appendix in which proponents of each system were given opportunity to comment.

Field test report will discuss briefly the question of compatibility of stereo programming when reproduced monophonically, although this issue is not included specifically in panel's "terms of reference." Report will mention (as did Bell Labs' listener test report above) that some stereo material doesn't provide satisfac-

tory monaural fare. One area not explored by field-test panel is effect of co-channel & adjacent-channel interference on stereo FM reception. This is actually a lab problem and some proponents are making measurements in this area, to be filed separately with FCC.

Principal section of report will cover standard measurements of all systems, including channel separation, frequency response, signal-to-noise ratio, etc. at various field strengths. For the layman, it won't make exciting reading, but it will help immeasurably in speeding FCC's choice of a broadcast system which provides complete 2-channel stereo and a compatible monophonic signal on a single FM channel.

JAPAN-TO-U.S. ELECTRONICS EXPORTS UP 75% : Exports of Japanese electronic products to U.S. totaled \$38.7 million during 1960's first half, 75% higher than the \$22.1 million in the same 1959 period. This was reported last week by electronics div. of Commerce Dept.'s Business & Defense Services Administration on basis of figures from Japan's Ministry of International Trade & Industry.

Radio receivers continued to be by far the predominant product classification, accounting for 77% of all Japanese electronics exports to U.S. Radio exports gained 69% over the corresponding 1959 period and would have been even greater had not Japanese govt. clamped embargo on radio exports to U.S. from mid-May to July 1, while export quotas were being established (Vol. 16:20 p17, 27 p14).

Exports of sound recorders showed biggest percentage boost in 1960, rising 294% from 7,000 in Jan.-June 1959 to 34,000 in same 1960 period. Radio-phonos were up 92% in same period, receiving tubes 259%, capacitors 136%, speakers 128%. Exports of transistors increased very little in number of units, but higher average price boosted value of transistor exports by 21%.

U.S. continues to account for some 50% of Japan's electronics exports—about same as last year. Her electronics exports to U.S. in this year's 2nd quarter alone, incidentally, totaled \$22.8 million, or more than the figure for entire year of 1958.

This breakdown, by product category, shows Japanese exports to U.S. for first half 1960 compared with first-half 1959 and full years of 1959 & 1958 (converted at rate of 360 yen = \$1):

JAPANESE EXPORTS OF ELECTRONIC PRODUCTS TO U.S.

Product	Quantity in thousands of units				Value in thousands of dollars			
	1958	1959	1959	1960	1958	1959	1959	1960
			Jan.-June				Jan.-June	
Radio receivers, total	2,507	6,052	2,183	2,922	17,904	62,373	17,584	29,796
tube type	*	457	183	282	*	2,552	1,003	1,938
3 or more transistors	*	3,990	1,154	1,840	*	57,272	15,847	25,440
other	*	1,605	846	800	*	2,549	734	2,418
Radio-phonographs	2	21	6	10	59	547	149	286
Sound recorders & reproducers ..	8	41	7	34	449	1,617	363	1,429
Amplifiers	†	34	13	38	‡	460	151	237
Microphones	80	161	80	122	177	321	156	204
Speakers	129	455	132	815	420	1,155	453	1,033
Capacitors	6,166	8,925	3,454	6,968	288	533	203	480
Earphones	†	2,741	808	1,158	‡	619	190	248
Electron tubes, total	1,238	7,911	2,268	6,839	314	2,088	558	1,839
receiving tubes	*	7,704	2,079	6,829	*	2,034	511	1,833
other	*	207	189	10	*	54	47	6
Transistors	11	2,393	823	832	7	1,581	521	631
Other semiconductor devices	‡	597	280	56	‡	92	42	9
Phonograph parts & accessories .	—	—	—	—	757	824	389	457
Other electronic products	—	—	—	—	1,400	3,432	1,342	2,060
TOTAL	—	—	—	—	21,775	75,642	22,101	38,709

* Not shown separately. † Included in "Other electronic products."

TV-RADIO PRODUCTION: EIA statistics for the week ended Oct. 7 (40th week of 1960):

	Sept. 30-Oct. 7	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	131,583	150,503	181,845	4,500,249	4,670,958
Total radio	426,968	521,194	429,245	12,830,375	11,357,198
auto radio	169,171	264,212	136,815	4,951,007	4,288,582

Ampex's Self-Threading Tape: With a simple but ingenious device, Ampex may have gone a long way toward solving one of the problems many merchandisers believe is impeding sales of home tape-recorders and pre-recorded tape. Ampex Professional Products Co. last week showed an automatic tape-threading accessory for its new PR-10 broadcast-type tape recorder. But the new self-threader, which operates itself in 2 seconds, is so inexpensive (\$35 in professional version) that it seems a natural for the home field, and there's good reason to believe Ampex Audio (consumer tape recorders) may offer a home version of it.

The principal is so simple that threading of any home tape recorder becomes semi-automatic just by using the special reels & leader tape developed by Ampex for the accessory—with no conversion required. In the complete, motorized version demonstrated last week, threading operation is done this way: The reels are placed on the recorder in the usual manner, the tape leader end protruding slightly from the full reel. A touch of a switch completely threads the tape, from reel to reel.

Invented by Ampex engineer George Rehklau, the complete automatic device employs 2 inexpensive motors, special plastic reels and plastic leader tape. As demonstrated at Audio Engineering Society convention in N.Y., the recorder had a plastic channel to guide the tape through the head assembly. The small motors operated supply & take-up reels. A stiff but flexible plastic leader, formed into a flat hook at its end, automatically guides itself through the head assembly and then onto the special reel when the motors are engaged. The special reel has channels which engage the end of the plastic leader and guide it to a slot in the hub.

Ampex officials said reels and leader-tape could be manufactured inexpensively. We tried the threading operation both with the special motors and without the motors (turning the reels by hand) and found it to be a practically foolproof operation.

For semi-automatic tape threading, the special reels need only be dropped onto any conventional tape recorder. The special leader can easily be pushed manually through the head assembly; then a twist of the take-up reel firmly engages it in place for playing.

Added advantages of the Ampex reel (not yet in production): Sides are solid plastic and the tapered plastic leader seats firmly in the reel, providing a dustproof seal for the reel of tape and preventing tape spillage.

Strikebound GE & IUE were still deadlocked over key issues as we went to press, after 13 days of picket-line violence & apparently fruitless negotiations. The IUE walkout, which began midnight Oct. 1 (Vol. 16:41 p16), threatened to spill over to Westinghouse, where the present contract was slated to expire midnight Friday. Meanwhile, federal mediation chief Walter A. Maggiolo stepped into the GE-IUE picture in an attempt to resolve differences.

Use of wireless remote controls to operate household appliances & other consumer products will be pushed by Admiral's new Ensign Div., formed to produce & market remote controls & record changers to industry. Admiral itself plans to introduce wireless remote control in one of its appliances next year.

First Capehart portable TVs are priced at \$199.50 & \$209.50. Through a typographical error, an incorrect figure was given in a recent report (Vol. 16:39 p16).

"Presidential debate" promotion—including special window displays—is being offered to Admiral dealers.

Factory sales of picture & receiving tubes in August were the highest of any month this year and also exceeded the Aug. 1959 totals by a substantial margin, according to EIA figures released last week. August picture-tube sales of 928,164 units at \$18,843,067 compared with Aug. 1959 sales of 823,098 at \$15,493,908, while receiving tube sales were 38,540,000 units at \$31,702,000 vs. 35,435,000 at \$28,974,000. For the first 8 months of 1960, picture-tube sales were well ahead of 1959, but receiving-tube sales continued to lag below last year's mark, as shown in the table below:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	795,250	\$15,831,430	31,367,000	\$26,872,000
February	741,233	14,495,480	32,734,000	27,881,000
March	794,375	15,654,281	36,382,000	31,751,000
April	707,252	13,782,769	29,737,000	25,759,000
May	659,859	13,329,826	30,354,000	25,580,000
June	756,827	15,505,481	33,916,000	29,065,000
July	681,785	13,898,468	34,883,000	28,810,000
August	928,164	18,843,067	38,540,000	31,702,000
Jan.-Aug. 1960	6,064,745	\$121,340,802	267,847,000	\$226,909,000
Jan.-Aug. 1959	5,943,985	114,398,631	273,808,000	234,534,000

Canadian TV sales to dealers rose 43% in August from July, but still ran markedly behind the year-ago volume, reports EIA of Canada. The year-to-date volume totaled 184,155 TVs vs. 222,552 in Jan.-Aug. 1959. The Aug.-1960 sales totaled 28,091 units, down from 31,105 a year ago. The 8-month breakdown (corresponding 1959 figures in parentheses): Portables, 36,602 (40,722); table models, 37,298 (58,383); consoles, 102,102 (116,172); combinations, 8,153 (7,275). For Aug. 1960 (vs. Aug. 1959): Portables, 3,812 (3,501); table models, 5,949 (6,245); consoles, 16,748 (20,259); combinations, 1,582 (1,100).

RCA's 4th-quarter ad campaign for color & b&w TV, radios and phonos will provide "almost 3 billion impressions on RCA Victor products during the peak fall selling season," reports Sales Corp. ad & sales promotion mgr. Jack M. Williams. The campaign embraces 55 min. of commercials on the co-sponsored NBC-TV color shows *Bonanza* and *The Shirley Temple Show*, 32 pages of national magazine advertising, and "a series of factory-sponsored newspaper insertions for the first time in a number of years." Williams added: "These efforts, coupled with an expected increase in distributor co-operative advertising in newspapers, local radio & TV, billboards and in-store promotions will give us one of the most extensive RCA Victor fall ad campaigns in our history."

Motorola's Astronaut transistor TV is selling well, according to consumer-products mktg. vp S. R. (Ted) Herkes. The company is back-ordered on the 19-in. battery sets (list price \$275 plus \$88 for battery), said Herkes, describing current production rate as "good." In N.Y. recently, Friendly Frost appliance chain promoted the Astronaut in large newspaper ads with the notation: "Now taking orders for future delivery."

Zenith enters miniature radio field with an all-American-made shirt-pocket transistor set to list at \$29.95. Zenith Sales Corp. Pres. L. C. Truesdell, noting that miniature radios account for 25% of all single-band portable sales, predicted that the new Royal 50 will become the largest-selling radio in Zenith history.

Westinghouse light-amplifier tube, the Astracon, is now in production. Sample tubes, at \$7,500 each, are now available. An important initial use of the tube is expected to be amplification of telescope images.

Vitro Corp. of America's Nems-Clarke Co. div. (electronic components & equipment, broadcast products) has been re-named Vitro Electronics.

Trade Personals: Wendell Smith, ex-dir. of mktg. research & development, appointed RCA staff vp, mktg. development . . . George W. Westfall, ex-Westfall, ex-Hotpoint mgr. of sales & mkt. research, appointed to new post of EIA mktg. research dir. in expansion of the manufacturer association's marketing studies . . . C. Fred Parsons, former Motorola consumer products div. merchandising mgr., named gen. mgr. of Motorola's Chicago factory branch.

Joseph P. Gordon, ex-Du Mont Labs, named to new post of cathode ray tube div. vp, Electronic Tube Corp. . . . Alfred Strogoff promoted from mktg. vp to vp-gen. mgr., Adler Electronics . . . Charles D. Alkman named mfg. vp, Reeves Soundcraft . . . Joseph T. Cimorelli named RCA receiving tube operations engineering mgr.; Kenneth G. Bucklin appointed to new post of new products engineering mgr., electron tube div.

Charles R. Burke, ex-Westinghouse, appointed district sales mgr., Philco's new Dallas computer div. (Suite 1236, Exchange Bank Bldg., Exchange Park, Dallas) . . . Tore N. Anderson named FXR pres., succeeding Henry Feldmann, company founder, who was elected to new post of chmn. . . . Forbes Morse named vp, Waltham Precision Instrument, continuing as pres. of Waltham's recently acquired Electro-Mec Lab. . . . Glenn E. Ronk, ex-industrial & military sales mgr., named gen. sales dir., Cornell-Dubilier electronics div. of Federal Pacific Electric Co.; Rear Adm. Carl F. Stillman (USN ret.) joins Cornell-Dubilier as administrative asst. to the mktg. vp.

GE receiving tube dept. has named Gardner Advertising, St. Louis, for advertising & sales promotion of tubes & components. Account formerly was handled by Maxon.

Dr. Harry F. Olson, RCA Labs, was installed as president of the Audio Engineering Society Oct. 11 at the group's convention in N.Y. Other new officers: Hermon H. Scott, H. H. Scott Inc., exec. vp; L. R. Burroughs, Electro-Voice, Central vp; Pell Kruttschnitt, Capitol Records, Western vp; Re-elected: C. J. LeBel, Audio Instrument Co., secy.; R. A. Schlegel, WOR N.Y., treas. Newly elected governors: Murray G. Crosby, Crosby Electronics; John M. Hollywood, CBS Labs; Dr. M. R. Schroeder, Bell Telephone Labs. Awards: John H. Potts Memorial Award, to Dr. S. J. Begun, Clevite Corp., in recognition of more than 30 years of research toward better sound transmission & recording; Emile Berliner Award, to Rene Snepvangers, Electrosonic Labs, for contributions to fine-groove disc recording; AES Award, to Harvey Sampson Jr., Harvey Radio Co., for service to the Society.

RCA Chmn. David Sarnoff arrived in Japan Oct. 11 for an 18-day visit. Among his activities will be a luncheon for 82 Japanese students who have been awarded David Sarnoff RCA scholarships.

Obituary

Fredrick Dietrich, 80, pioneer in radio mfg., died Oct. 9 in N.Y. after a brief illness. He became head of Charles Brandes Inc. (head set receivers) in 1909. The company was later merged with Federal Telephone & Telegraph, which then was absorbed by ITT. His wife survives him.

Herman M. Stein, 72, president of Davega Stores Corp. from 1929 until his resignation last year, died Oct. 12 at his home in Lawrence, N.Y. after a brief illness. Among other posts, he was formerly secy.-treas. of radio WMCA N.Y. He is survived by his wife, a son and 3 grandchildren.

Rejection of color TV by Canada's Board of Broadcast Governors (Vol. 16:40 p11) has drawn a sharp retort from the Dominion's electronics industry. Fred W. Radcliffe, EIA of Canada gen. mgr., called the rejection "very disappointing." Commented EIAC: "The basing of the decision, in part as reported in the daily press, on a current lack of viewer demand for color appears very short sighted & irrational in the industry's opinion . . . Color TV can only be exposed to the Canadian public by Canadian TV stations being licensed to transmit it. Once Canadians generally have an opportunity to see for themselves how much better color TV is, and are given adequate programming & reasonably priced merchandise, then in our opinion they will demand it." The BBG decision noted the slow growth of color TV in the U.S., concluded that "the time has not yet come for the introduction of color telecasting in Canada."

Admiral's latest tack in its Buy-American crusade is a campaign calling attention to the Underwriters Laboratories seal of approval on its own products. All salesmen have been informed by Admiral that imported TVs, radios & phonos generally aren't UL-approved (Vol. 16:22 p17). Admiral, incidentally, has mailed out nearly 30,000 copies of its booklet on Japanese electronics (Vol. 16:34 p16) to dealers, members of Congress, etc., and spokesmen say reaction to the literature has been good. Copies of the booklet are still available from Admiral.

Applied research in picture tubes and other visual display & storage devices for home & military uses will be conducted by a new advanced projects operation in GE's cathode-ray tube dept. Located in Syracuse, the new facility has been charged with exploring scientific discoveries from GE Research Lab, adapting them to potential products and conducting long-range market research & product planning. It will concentrate on "demands of the future for drastically new & different" visual devices. Channing Dichter, former mgr. of industrial & military operations for special-purpose tubes, heads the new operation. M. B. Lees heads market research & product planing.

TV sets are high on shopping lists of Iron Curtain officials who visit this country, apparently. Following the example set by Yugoslavia's President Tito, who toted home portable TVs, Russia's Khrushchev had an undisclosed number of portable TVs—plus radios, air conditioners, auto supplies, etc.—loaded aboard the liner Baltika before he emplaned for home last week.

"To advance basic research" in electronics, Collins Radio Co. announced it will establish a corporate research div. at a site to be selected "in close proximity to a university in Southern California." The new division, which will begin operation in 1962, will explore virtually all electronics fields, and will be headed by Dr. R. L. McCreary, now dir. of research at the Cedar Rapids div.

TV set that's worn on the head—in 3-D yet—has been patented by Morton L. Heilig of N.Y. The stereo TV system, somewhat bigger than a stereo slideviewer, is strapped to the viewer's head. Two small picture tubes—one for each eye—are contained in the headpiece. If there's any room left on the viewer's head, he can wear earphones to hear the sound.

Zenith will introduce new tuner in some of its sets next January, according to grapevine reports in the industry. The super-sensitive tuner is understood to be among 4 major chassis changes contemplated for midwinter addition to its line.

Finance

GE ON SALES-PROFIT SLIDE: Strike-hobbled General Electric delivered more unhappy news to stockholders last week: Profits fell 11%, sales 3% during 1960's first 3 quarters (see financial table). The slide quickened in the September quarter as net income dropped 20% below the year-ago level and sales sagged 4%. Cautioned Chmn. Ralph J. Cordiner: "Somewhat lowered volume & earnings for the 4th quarter" and the total year will result from the current IUE strike affecting 70,000 workers at 55 GE plants.

The downbeat 3rd-quarter, Cordiner explained, reflected a general softening of prices, developmental costs on a number of new GE ventures, and a slowdown in sales of large household appliances. These major appliances are now selling at 1951-52 levels, he said, adding: "The total electrical industry is operating at not much more than half capacity, reflecting both expanded capabilities of major producers and the entrance of so many new competitors in the field." He noted that GE's order backlog for heavy capital goods & defense products is up 12% from a year ago.

"As we progress into the 1960's," he said, "the company is being reoriented from its concentration on traditional apparatus & consumer goods to the products of more advanced technologies. Significantly, already a quarter of the total business of the company, or something over \$1 billion of annual volume, is in the field of electronics. This probably means that GE may be the largest producer of electronic components & equipment in this country."

Mergers & acquisitions: Meredith Publishing (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, Mo., radio KRMG Tulsa, *Better Homes & Gardens*, *Successful Farming*) plans to purchase closely-held N.Y. book publisher Appleton-Century-Crofts. The transaction has been approved by the directors of both concerns, and is contingent upon 80% of Appleton's 17,000 shares of stock being tendered. Meredith's offer to purchase the stock expires Nov. 20 • GT&E International has acquired for an undisclosed price a majority interest in the radio communications div. of Milan, Italy-based Magnetti Marcelli • Hudson Radio & TV and Terminal Electronics have merged to form Terminal-Hudson Electronics • Cook Electric stockholders have approved the acquisition of N.R.K. Mfg. & Engineering Co., Chicago maker of microwave components. N.R.K. shareholders previously approved the transaction.

Thompson Ramo Wooldridge's stock-market symbol has been changed to TRW from THO.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Allied Radio	Q	\$0.08	Nov. 18	Nov. 4
Allied Radio	Stk.	2%	Nov. 18	Nov. 4
Buckeye Corp.	Stk.	1%	Oct. 31	Oct. 17
Crowell-Collier	Stk.	4%	Dec. 7	Nov. 14
General Instrument ...	—	.15	Dec. 9	Nov. 10
Gross Telecasting ...	—	.40	Nov. 10	Oct. 25
Gross Telecasting "B"	Q	.07½	Nov. 10	Oct. 25
Liquidometer	—	.50	Nov. 25	Oct. 21
Liquidometer	Stk.	100%	Nov. 25	Oct. 21
National	Stk.	2%	Dec. 30	Dec. 9
Republic Corp.	—	.15	Nov. 15	Nov. 4
Terminal-Hudson	New	.06	Oct. 27	Oct. 17

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

Admiral. Joseph E. Dempsey sold 4,000, held none.
 Allied Artists. George N. Blatchford sold 500, held 200. Roger W. Hurlock bought 300, held 19,900.
 AB-PT. Edward L. Hyman sold 3,000, held 6,000. James G. Riddell sold 100, held 1,600.
 Ampex. Herbert L. Brown exercised option to buy 1,125, held 1,923. Murray Innes Jr. sold 1,000 from trusts, held none in trusts, 3,000 personally. Henry A. McMicking sold 11,250, held 52,235.
 Audio Devices. Joseph K. McCammon sold 1,000, held 12,006. L. M. McHugh sold 1,000, held 1,000.
 Avco. A. R. Kantrowitz exercised option to buy 2,500, held 8,500. Matthew A. McLaughlin sold 3,300, held 6,000. W. A. Mogensen sold 3,000, held 6,000.
 Belock Instrument. S. R. Grant bought 1,000 warrants held 1,000.
 Capital Cities Bcstg. William J. Casey sold 200, held 42,008 personally, 2,109 in foundation. Donald A. Pels sold 200, held 500, bought 1,000 warrants, held 1,000.
 Cohu Electronics. Henry W. Cobu sold 1,000, held 7,034. Ernest A. Massa bought 2,000, held 2,000.
 Collins Rádio. Max W. Burrell sold 2,500, held 254. L. Morgan Craft acquired 741 as dividend and 25 more for trust as dividend, converted 86 for trust, held 19,263 personally, 646 in trust. M. L. Doelz sold 542, held none. Robert S. Gates converted 110 for trust, held 646 in trust, 22,441 personally.
 Electronics Capital. Alfred J. Coyle sold 110 through Hayden Stone & Co., held none in Hayden Stone & Co., 200 personally.
 Filmways. Drummond Drury sold 680, held 500. Richard B. Sage sold 400, held 8,905.
 Friden. R. E. Busher bought 5,000, held 6,343 personally, 543 for wife.
 General Dynamics. F. de Hoffmann sold 1,300, held 723. Patrick J. Sullivan sold 100, held 400.
 GE. Hubert W. Gouldtborpe bought 360, held 1,607. Edwin H. Howell exercised option to buy 813, held 2,378. Carter L. Redd exercised option to buy 504, held 3,797, 7 for wife, 542 for son, 1,350 in trust.
 General Transistor. Bernard Jacobs bought 2,300, held 4,100.
 Globe-Union. Walter E. Anderson exercised option to buy 1,400, held 3,850 personally, 505 in trust. Ralph W. Conway exercised option to buy 100, held 2,350. George C. French Jr. bought 200, held 4,375 personally, 112 for members of family.
 Hazeltine. Harold W. Wheeler sold 2,500, held 5,150.
 Herold Radio & Electronics. Shepherd Freedland bought 200 and sold 700, held none.
 Indiana General. Henry H. Arnhold sold 700, held 27,300. J. H. Bouwmeester sold 204 Class A, held 10,988.
 IBM. John J. Bricker exercised option to buy 500, held 1,323. Albert L. Williams sold 400, held 3,299.
 Lear. Joseph M. Walsh exercised option to buy 2,050, held 2,183.
 Litton Industries. Henry Salvatori sold 2,000, held 78,800 and 13,000 more subject to escrow by issuer.
 Loral Electronics. Sheldon Simon sold 500, held 25.
 MGM. Benjamin Thau exercised option to buy 4,101, held 4,101.
 Joseph R. Vogel exercised option to buy 3,728, held 15,378.
 Motorola. Charles E. Green sold 1,000, held 2,520.
 National Theatres & TV. Samuel Firks sold 12,000, held 50,164.
 Paramount Pictures. Y. Frank Freeman sold 700, held 2,000.
 Pentron Electronics. Richard F. Dooley sold 3,000, held 4,363.
 Kenneth C. Prince sold 2,506, held 6,000.
 Philips Electronics & Pharmaceutical. James J. Colt sold 100 from Colt Foundation, held 63,053 in Colt Foundation, 3,834 personally.
 RCA. Elmer W. Engstrom exercised option to buy 500, held 3,972. Ernest B. Gorin exercised option to buy 1,300, held 1,555. Theodore A. Smith sold 325, held 2,652. William W. Watts exercised option to buy 2,000, held 2,796.
 Raytheon. David D. Coffin sold 2,000, held 1,812.
 Siegler. Merrill L. Bengston sold 3,000, held 7,255.
 Texas Instruments. W. O. Coursey sold 100, held 5,745. S. T. Harris sold 2,100, held 17,920 personally, 454 in Trust A, 584 in Trust B.
 W. F. Joyce sold 500, held 7,545. R. W. Olson sold 700, held 11,950.
 Trans Lux. Harry Brandt bought 900 personally and 1,300 more for foundations, sold 1,500 from foundations and 600 more through Pamela Amusement Co., held 161,900 personally, 35,180 in foundations, 800 in Pamela Amusement Co., 17,000 for wife, 100 in Barvic Theatres, 2,000 in Brapick Inc., 200 in Marathon Pictures, 400 in Bilpam Corp.
 Tung-Sol. Milton R. Schulte bought 300, held 3,486.
 Varian Associates. C. V. Heimbucher exchanged 2,500 for Centennial Fund Inc. shares, held 29,186. Richard M. Leonard exchanged 1,000 for Centennial Fund Inc. shares, held 27,263. Decker G. McAllister exchanged 2,500 for Centennial Fund Inc. shares, held 22,888. Sigurd F. Varian sold 800 from community property, held 74,148 in community property, 6 personally.
 Walt Disney Productions. W. H. Anderson bought 500, held 500.
 Warner Bros. J. B. Conkling exercised option to buy 5,000, held 5,000.
 Webcor. Edward J. Ryan bought 124, held 1,515.
 Westinghouse. John A. Hutcheson sold 6,620, held none. Russell B. Read sold 100, held 1,286. Charles C. Shutt exercised option to buy 1,040, held 3,000. Tom Turner exercised option to buy 500, held 5,830.
 Zenith. J. E. Brown bought 600, held 600. Eugene M. Kinney sold 400, held 2,591. Hugh Robertson sold 600, held 6,708.

Friendly Frost (radio WGLI Babylon, N.Y., operator of 20 Friendly Frost Stores appliance & houseware outlets, other retail & service activities) is now traded on the American Stock Exchange. Symbol: FF. Friendly Frost has 934,620 shares of common stock outstanding.

National Co. is now traded on the American Stock Exchange. Symbol: NCI.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AT&T	1960—12 mo. to Aug. 31	\$7,747,195,000	—	\$1,178,374,000	\$5.45	216,226,000 ¹
	1959—12 mo. to Aug. 31	7,205,246,000	—	1,072,200,000	5.05	212,281,000 ¹
	1960—qtr. to Aug. 31	1,991,202,000	—	308,204,000	1.40	220,667,000 ¹
	1959—qtr. to Aug. 31	1,862,515,000	—	278,729,000	1.30	213,817,000 ¹
Collins Radio	1960—year to July 31 . .	190,837,480 ²	\$ 13,731,881	6,560,596 ²	3.04 ³	2,149,172 ⁴
	1959—year to July 31	117,864,139	7,662,958	3,718,817	1.87 ³	1,885,880 ⁴
Columbia Pictures	1960—year to June 25	—	—	1,905,000 ⁵	1.31 ⁵	1,287,109
	1959—year to June 25	—	—	(2,445,000) ⁶	—	1,239,365
Erie Resistor	1960—36 wks. to Sep. 4	18,087,084	—	280,595	.28 ³	—
	1959—36 wks. to Sep. 4	16,418,002	—	201,225	.17 ³	—
GE Story on p. 22.	1960—9 mo. to Sep. 30	3,053,223,000	337,812,000	168,935,000	1.91	—
	1959—9 mo. to Sep. 30	3,142,297,000	394,805,000	189,512,000	2.16	—
	1960—qtr. to Sep. 30	1,030,524,000	109,935,000	57,506,000	.65	—
	1959—qtr. to Sep. 30	1,076,850,000	151,069,000	72,273,000	.82	—
General Instrument ⁷	1960—6 mo. to Aug. 31	26,452,782	2,177,368	1,001,368	.56	1,773,523
	1959—6 mo. to Aug. 31	25,381,254	1,329,100	613,610	.40	1,524,923
	1960—qtr. to Aug. 31	13,441,872	1,240,445	570,445	.32	1,773,523
	1959—qtr. to Aug. 31	12,652,400	872,300	402,500	.26	1,524,923
IBM	1960—9 mo. to Sep. 30	1,040,572,434 ²	246,188,057	119,088,057 ²	6.51	18,302,058
	1959—9 mo. to Sep. 30	940,896,512	210,560,050	101,684,050	5.57	18,257,133
Lafayette Radio Electronics	1960—year to June 30	18,128,306 ²	—	565,665 ²	.55	1,025,000
	1959—year to June 30	14,331,842	—	310,027	.39	800,000
P. R. Mallory	1960—9 mo. to Sep. 30	63,558,601	6,242,603	2,921,212	1.92 ³	1,442,739 ³
	1959—9 mo. to Sep. 30	63,795,410	6,183,855	3,000,590	1.97 ³	1,442,739 ³
Movielab Film Labs	1960—26 wks. to July 2	2,543,150	—	114,316	.37	312,500
	1959—26 wks. to July 2	1,974,280	—	68,556	.27	250,000
Video Corp.	1960—year to July 31	608,710	—	59,820 ²	.20	300,000
	1959—year to July 31	382,226	—	32,727	.14	240,000
Western Union	1960—8 mo. to Aug. 31	181,633,684	—	7,000,704	1.09	6,394,966
	1959—8 mo. to Aug. 31	183,637,055	—	9,911,422	1.56	6,356,223
Wometco	1960—36 wks. to Sep. 10	8,506,085	—	700,937	.72	—
	1959—36 wks. to Sep. 12	7,056,088	—	510,306	.57	—
	1960—12 wks. to Sep. 10	2,979,132	—	210,702	.21	—
	1959—12 wks. to Sep. 12	2,315,709	—	139,019	.16	—

Notes: ¹Average. ²Record. ³After preferred dividends. ⁴Adjusted to reflect Aug.-1960 4% stock dividend. ⁵Excludes \$202,000 profit (which added 16¢ to per-share earnings) on sale of studio facilities. ⁶Excludes \$2,596,000 profit on sale of studio facilities. ⁷Does not include newly-merged General Transistor (Vol. 16:36 p15). ⁸Outstanding Sep. 30, 1960.

Reports & comments available: P. R. Mallory, review, Fahnstock & Co., 65 Broadway, N.Y. 6 • Tung-Sol Electric, report, A. M. Kidder & Co., One Wall St., N.Y. 5 • Columbia Pictures, review, Herzfeld & Stern, 30 Broad st., N.Y. 4 • Hallicrafters, report, B. N. Rubin & Co., 56 Beaver St., N.Y. 4 • Topic Electronics, offering circular, Morris Cohon & Co., 19 Rector St. N.Y. 6 • Foto-Video Electronics, prospectus, Fund Planning Inc., 15 E. 40th St., N.Y. 16 • Federal Pacific Electric, prospectus, H. M. Byllesby & Co., 405 Lexington Ave., N.Y. 17 • "The Major Broadcasters," profile in Oct. 12 *Financial World* • AB-PT, analysis, Newburger, Loeb & Co., 15 Broad St., N.Y. 5 • Radio Shack, prospectus, Granbery, Marache & Co., 67 Wall St., N.Y. 5.

Crosby-Teletronics Corp. (hi-fi components, test instruments, facsimile gear) expects sales of \$1.5 million for the year ending Aug. 31, with profit of close to \$100,000 (after deducting an expected operating loss from subsidiary Crosby Electronics). "The company definitely has turned the corner, said Pres. Murray G. Crosby, pointing to a \$1.5-million order backlog. For 10 months to Aug. 31 he said, sales totaled \$993,000, with a profit of \$93,000. The company has a "substantial" tax-loss carry-over from previous years.

P. R. Mallory expects a record 1960 profit—"around 2%" above the \$2.87 a share earned in 1959 on sales of \$86.5 million. Pres. B. Barron Mallory forecast that improved sales & elimination of non-recurring expenses in the final quarter will more than offset Jan.-Sept.'s off-pace performance: Profits down 5% from \$2.01 a share on sales "about the same" as the \$63.8 million posted a year ago. "Volume pepped up noticeably" during August & September, he said, and "incoming orders are keeping up with deliveries, although unfilled orders are down about 10% from the 1959 year-end figure" of \$10,350,000. The Mallory president said that no public financing is contemplated "for some time to come." Additional funds needed for expansion will be from retained earnings or short-term borrowing.

Western Union will construct & lease to the Air Force a \$67-million nationwide combat-logistics communications network linking approximately 450 bases, air stations, depots and civilian suppliers. The system initially will handle 100 million words daily when it goes into full operation early in 1962. The Air Force will lease the network from WU at a yearly rental of \$22 million. RCA has been named principal subcontractor to WU, and will have responsibility for manufacturing & assembling the system's electronic equipment at a cost of about \$50 million.

Pentron Electronics foresees a sales rise to \$4 million in fiscal 1961 (ending June 30) from \$2.9 million in fiscal 1960 (Vol. 16:41 p20), Pres. Theodore Rossman told the Chicago firm's first annual meeting last week. He said fiscal-1961's first quarter (July-Sept.) sales & earnings were down, due to a recession in the electronics industry, but that incoming orders were accelerating. He told stockholders that about 75% of Pentron's business is in tape recorders. Although the company is talking merger with 2 companies, including one which emphasizes defense work, Pentron plans to maintain its consumer-product activities at 70-to-75% of total volume.

Electronics Capital Corp., the small-business investment company headed by Charles E. Salik, increased its portfolio to 14 last week by investing \$900,000 in 2 additional electronics firms. ECC purchased \$400,000 of 8% convertible debentures (convertible into 45% of total common stock) & \$100,000 senior notes of Quan-Tech Labs, Boonton, N.J., and \$300,000 of 8% convertible debentures (into 25% of total common) & \$100,000 senior notes of Neff Instrument, Duarte, Cal. Both concerns specialize in precision electronic instruments for military & industrial applications.

Republic Corp. virtually doubled profit (to \$1,340,294 from \$675,678) on a strong sales rise in the 39 weeks to July 30. Chmn.-Pres. Victor M. Carter reports that the film firm "now is studying acquisitions that can add sales, additional facilities and, above all, greater profits. Early in calendar 1961 we should be ready to undertake an acquisition program that will give [us] a strong stake in electronics & space-age technology."

**OVER-THE-COUNTER
COMMON STOCK QUOTATIONS**
Thursday, Oct. 13, 1960
Electronics TV-Radios-Appliances Amusements

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

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	22 3/4	25 1/8	Maxson (W.L.)	8 3/8	9 1/8
AeroVox	7 3/4	8 1/8	Meredith Pub.	43	47 1/4
Allied Radio	22	23 7/8	Metropolitan Bcstg.	17 1/2	18 7/8
Astron Corp.	2	2 3/8	Milgo Electronics	16	17 3/4
Baird Atomic	25 1/2	27 1/2	MPO Videotronics	8 1/4	9 1/8
British Industries	15 1/4	16 1/4	Narda Microwave	5	5 1/2
CGS Labs	8 3/4	10 1/4	National Co.	27	28 3/4
Cetron	6 1/4	7 1/8	Nuclear of Chicago	33 1/2	36 3/4
Control Data Corp.	44 1/4	47 1/2	Official Films	2	2 1/4
Cook Elec.	15 1/8	16 3/8	Pacific Automation	5 1/2	6 1/4
Craig Systems	15 3/4	17 1/4	Pacific Mercury	7 1/2	7 3/4
Dictaphone	36	38 3/4	Perkin-Elmer	38 1/2	41 3/8
Digitronics	23 1/2	25 3/8	Philips Lamp	166	172
Eastern Ind.	12	13 1/8	Pyramid Electric	27 3/8	3-5/16
Eitel-McCullough	22 1/8	23 3/8	Radiation Inc.	21 1/4	23 1/4
Elco Corp.	14	15 1/4	Howard W. Sams	38	41 1/4
Electro Instruments	25 1/2	28 3/8	Sanders Associates	25	27 1/4
Electro Voice	10 3/4	11 3/4	Silicon Transistor	6 1/8	7
Electronic Associates	26 3/4	29 1/8	Soroban Engineering	28 1/2	30 3/4
Erle Resistor	7 1/8	8 3/8	Soundscribe	12 1/4	13 3/8
Executone	28	31 1/2	Speer Carbon	20 3/4	22 1/2
Farrington Mfg.	27	29 3/4	Sprague Electric	48	51 3/4
Fischer & Porter	17 1/2	19 3/8	Sterling TV	1 3/4	1 3/4
FXR	41	45 1/8	Taft Bcstg.	12 5/8	13 3/4
General Devices	11 7/8	13	Taylor Instrument	37 1/2	40 7/8
G-L Electronics	8	9 1/8	Technology Inst.	9 1/4	10 1/2
Granco Products	3 3/4	4 3/8	Tele-Broadcasters	3 1/4	3-3/16
Haydu	1 1/8	1-5/16	Telechrome	10 3/4	12
Hewlett-Packard	24 1/4	26 1/4	Telecomputing	6 3/8	7 3/8
High Voltage Eng.	140	149	Telemeter	10 1/8	11 1/4
Infrared Industries	19 1/2	21 1/4	Time Inc.	61	64 1/2
International Rectifier	21 3/4	23 3/4	Tracerlab	8 3/4	10
Interstate Engineering	22	23 3/4	United Artists	6 3/4	7 1/2
Itek	52	56 1/2	United Control	20 1/2	22 1/2
Jerrold	7 1/4	8 1/2	Universal Trans.	1 1/8	1 5/8
Lab for Electronics	38 1/2	41 3/4	Vitro	11 3/4	12 3/4
Lel Inc.	5	5 3/4	Vocaline	2 1/2	3-3/16
LFE Inc.	11 1/2	—	Wells-Gardner	15 3/8	16 7/8
Magna Theater	2 3/4	3-3/16	Wometco Ent.	12	13
Magnetics Inc.	9 1/2	11			

Technology

Private operation of space communications, with the govt. providing the launching & related services at cost, was proposed last week by Dr. T. Keith Glennan, dir. of the National Aeronautics & Space Administration. His statement, in a Portland, Ore. speech, while heartening to industry groups, is expected to provoke some criticism by those who believe that govt. should dominate space communications. "Traditionally," Glennan said, "communications services in this country have been provided by privately financed carriers competing with one another to serve the public interest under federal controls & regulations. There seems to be no reason to change that policy with the advent of communications satellites." NASA, he added, will "make vehicles, launching & tracking facilities & technical services available at cost to private companies, provided the private plans for the development & commercial unitization of communications satellites are technically promising & in general consonance with the requirements of other licensing bodies."

Cancer-causing electron may be the missing link to the identity of the medical scourge, in the opinion of Dr. Albert Szent-Gyorgyi, 1937 winner of the Nobel Prize for medicine, now director of the Institute for Muscle Research at Woods Hole, Mass. There well may be an electronic basis for many of the biochemical processes—both normal & abnormal—in living cells & tissues, he told a lecture audience, adding: "You all know that there are substances capable of producing cancer, but nobody has yet explained the way in which these simple chemical substances produce this disturbance. We have found, lately, that all the substances which produce cancer are capable of giving off one electron. So, we have reason to believe that this electron, given off by carcinogens (cancer-producing substances) is actually involved in the production of cancer."

Electronic name scrambler has been developed by RCA to prevent the forging of signatures in lost or stolen bankbooks. The RCA "Signaguard" reproduces a passbook signature as an unrecognizable mass of broken lines. When the passbook is presented at the bank, the electronic device transforms the lines into the depositor's bonafide signature, enabling the teller to compare it with the one on the withdrawal slip. RCA says the device "so effectively scrambles a signature that even a bonafide depositor, much less an aspiring forger, cannot decipher the name on a lost passbook. The imprint is produced as mixed segments of lines thousands of an inch in diameter."

New Ampex professional tape recorder, the PR-10 series, was demonstrated to newsmen last week at the Audio Engineering Society convention in N.Y. Claimed to be the first completely professional recorder priced under \$1,000, the basic PR-10 is priced at \$895 (mono) & \$995 (stereo) in portable carrying case. Among accessories are 2-channel mixer, speaker-amplifier monitor system, remote control, plug-in equalizers and miniaturized plug-in pre-amplifier with nuvistorized circuit. Unique accessory is an automatic tape-threading device (details on p. 20).

Fire-detecting electron tube has been developed by McGraw-Edison's Thomas A. Edison Industries div. The Chicago concern says the tube—smaller than a golf ball—will give "instantaneous alarm" in case of fire. The Edison "U-V Detector" spots the fire by sensing its ultraviolet radiation.

WEEKLY **Television Digest**

OCTOBER 24, 1960

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VOL. 16: No. 43

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

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Technology

AT&T AIMS FOR TV SATELLITE WITHIN YEAR. asking FCC for two 100-mc bands for 2,200-mile, 2-watt, polar-orbiting U.S.-European link (p. 1).

FCC

DECKS CLEARED FOR PAY-TV HEARING. Thomas O'Neil chief witness for RKO-Zenith, Arthur Mayer for exhibitors, Charles Tower for NAB (p. 3).

FCC SEEKS TO EASE BORDER ALLOCATIONS. Hyde heads for Mexico City; Commission studies U.S.-Canadian agreement (p. 2).

FCC TELLS FAA ABOUT TOWERS saying it must continue granting or denying, pointing out that aviation has had fair shake in satisfactory system (pp. 4 & 5).

LEE PUSHES FOR SHIFT TO UHF in 5-to-7 years, offers 11-point program to smooth transition, blasts crime & violence (p. 4).

Film & Tape

MCA DEFIES FILM QUIZ in Los Angeles; refuses to testify on constitutional grounds. Inquiry now focusing on plugs (pp. 3 & 6).

Advertising

PAPERWORK BREAKTHROUGH achieved in realm of spot TV-radio contracts by Station Reps Assn. & 4A, who have evolved simplified new forms (p. 4). Dept. (p. 14).

Stations

EQUAL-TIME COMPLAINTS WANTED by Chmn. Yarborough (D-Tex.) of Senate's "watchdog" unit, who demands reports from all stations. NAB protests vehemently (pp. 3 & 10).

RADIO'S 1959 BALANCE SHEET as reported by FCC shows 4 networks & 19 o&o's lost \$4.5 vs. \$4.9 million in 1958. Profits of rest of radio went up 11.9% (p. 10).

Consumer Electronics

SQUARE 16-in. TUBE may be next new size. Glass sampling begins in Dec., but price may be too high for industry. Price boost due for 19-in. Improved & brighter RCA color tube understood due for Dec. debut (p. 15).

AUGUST PHONO SALES 13% ahead of last year at retail; 8-month sales 16% ahead. Cumulative stereo sales outpace mono more than 3-to-1 vs. about 50-50 last year (p. 16).

TRAV-LER'S PRIVATE BRANDS account for 50% of its business today, says prospectus. Phonos loom larger in product mix (p. 17).

SARNOFF LAUDS JAPAN in Tokyo speech. RCA chairman praises Nippon's electronics achievements (p. 17).

ON LABOR'S FRONT, IUE made peace with Westinghouse but continued at odds with GE, although there are signs of fatigue in the strike effort (p. 18).

Finance

LOWER PROFIT, HIGHER SALES reported by RCA & Westinghouse. Former's Jan.-Sept. sales exceeded billion dollars for first time, but net dropped 12% (p. 19).

ETV

NIXON & KENNEDY both pledge aid to ETV at NAEB convention in San Francisco (p. 6).

Networks

BILLINGS ROSE 9.1% IN AUGUST to \$50.9 million from \$46.6 million a year ago (p. 13).

CANADIAN TV NETWORK regulations adopted by BBG. Nov. 14 is deadline for network license applications (p. 13).

Other Departments

PROGRAMMING (p. 12). **PERSONALS** (p. 14).

AT&T AIMS FOR TV SATELLITE WITHIN YEAR: AT&T is shooting for some "firsts" in satellite communications—first industry owned-&-operated "bird" and first TV transmissions—in its application to FCC filed last week.

AT&T told Commission it hopes to get satellite in orbit within a year, working with NASA, and paying all costs with help of European communications interests. Phone company thus follows through immediately on policy statement by NASA chief Dr. T. Keith Glennan, who said private companies should handle satellite communications, same as they do earth-bound (Vol. 16:42 p24).

A polar-orbiting unit, 2,200 miles up, is proposed—using 6775-6875 mc to satellite & 6425-6525 mc from satellite. It will be a simultaneously-transmitting unit, no TV storage facilities, handling not only TV but telephone, data, etc. It would have 4-ft. diameter, weigh 175 lbs. First U.S. ground station would be at Bell Labs' Holmdel, N.J. plant. It will transmit up to 35 min., 3-to-4 times daily, communicating with United Kingdom & Western Europe, emitting 2 watts, with traveling-wave tube at heart of unit.

Simultaneously with its application for experimental facilities, AT&T petitioned FCC to let 6425-6925 mc be used for regular commercial space communications, shared with other services now using the band. By 1980, AT&T said, space relays will need 4 blocks of frequencies 500 mc wide or sixteen 125-mc bands.

No cost figures were given out for first unit but company estimates that once regular production is reached, units would run about \$1 million each to build & launch.

Project comes under long lines vp Henry T. Killingsworth, who said: "We believe that the commercial application of satellite communications is a job for private enterprise. This new project is still another indication of our readiness to take on that job and pay our own way."

FCC SEEKS TO EASE BORDER ALLOCATIONS: To permit short-spaced vhf drop-ins along Canadian & Mexican borders, FCC is laying groundwork for amendments to international agreements.

Comr. Rosel Hyde and top staff members James Barr & Hart Cowperthwait are scheduled to spend this week in Mexico City, and Commission is already considering U.S.-Canadian revisions which FCC staff & Canadian counterparts in Dept. of Transport consider satisfactory. Canadians actually initiated latest proposal because they've wanted to add assignments for some time.

Proposed Canadian agreement would enhance possibility of adding assignments to such cities as Rochester, Syracuse, Binghamton, Elmira, Bangor, Me. & Williamsport, Pa.—for which short-space plans have been suggested to Commission.

Canadian agreement being studied by Commission would give both countries' stations mutual protection equivalent to that provided at Grade B contours of 2 co-channel stations using 500-ft. average antenna height, 220-mile separations, full power—and assuming receiving antennas with 5-db discrimination. Protected contours would not extend beyond 57 miles for Ch. 2-6, 52-miles for Ch. 7-13. Directional antennas up to 20 db would be allowed.

Although Canadians would prefer making all allocations according to this formula, they're willing to stick to a 170-mile minimum in Zone I & 190-mile in Zone III until Commission finally decides what to do about pending short-spaced drop-in rule-making. Minimum adjacent-channel spacing would be 60 miles.

Currently, new U.S. or Canadian allocations (within 250 miles of border) are agreed upon in case-by-case negotiations. New agreement would set out series of tables and each country could make new assignments without worrying about the other—so long as they comply with mileage "floors" in tables. This would make for more speed, ease & certainty.

MCA DEFIES FCC TV QUIZ: Claiming he was being denied Constitutional rights, MCA vp Taft Schreiber—who is also president of MCA's Revue Studios—Friday (Oct. 21) walked out of FCC's Los Angeles TV film industry hearings after refusing to produce list of film series MCA represents as packager & sales agent.

Walkout followed bitter exchange between MCA attorney Allen Susman and FCC hearing examiner James D. Cunningham, who at one point threatened to eject counsel from the hearing room. Schreiber claimed FCC queries were beyond scope of investigation and that the list sought by Cunningham was confidential. He offered to produce it only if it were kept secret. First blowup came when Susman repeatedly attempted to testify in place of his client.

FCC attorneys now will recommend that Commission ask federal court to require Schreiber to return and produce the requested material or be held in contempt.

The excitement came as FCC's Hollywood inquiry wound up its 2nd week of hearings. This week it is scheduled to scrutinize plugola specialists in TV film trade. Eleven alleged plug merchants have been subpoenaed to appear at the Monday (Oct. 24) sessions.

Hearings last week continued to look into control & content of TV films, highlighted by testimony of talent agency officials and NAB TV Code spokesmen. Quizzing of Code officials was centered around crime & violence in TV films and the whole question of program balance.

One major purpose of hearings is to probe network participation in ownership of TV film series—including whether "a piece of the action" is the price of getting telefilm on the networks—and this wasn't overlooked in the questioning. FCC officials arrived at unofficial estimate that 68 program series have network ownership participation. Another hearing will be held in N.Y. (date not set) with network officials as star witnesses. For details of this week's hearings, see p. 6.

'WATCHDOG' YARBOROUGH SNAPS AT INDUSTRY: Broadcasters who have been congratulating themselves on their widely-applauded election-campaign performances were brought up short last week by one of their harshest critics.

"Confess your equal-time sins and do penance," all TV & radio stations were told in effect by Chmn. Yarborough (D-Tex.) of Senate Commerce Committee's special 3-man Sec. 315 "watchdog" unit (see p. 10).

Yarborough letters brought outraged reaction from NAB. Policy Committee Chmn. Clair R. McCollough told him in telegram that broadcasters were "at a complete loss to understand" why Yarborough thought it necessary now to demand reports (within 24 hours) from all licensees on any & all equal-time complaints—and what steps were taken to satisfy beefs. McCollough asked for NAB conference "immediately" with Yarborough, who was campaigning in Texas for Democratic Presidential ticket. "I am sure he will wish to meet with you whenever possible," Yarborough's administrative asst. Victor Russell assured McCollough, who tried to get an Oct. 24 date.

"Complimentary & laudatory comments" on behavior of TV & radio during election campaign have come from all over, McCollough pointed out. He cited "Great Debate" series as outstanding example of industry's "achievements & its demonstrated fairness." McCollough also reminded Yarborough that each station already was required by FCC to file "lengthy & detailed report" with Commission on all political operations—including handling of equal-time demands (Vol. 16:34 p9).

There was no reported rush in field to comply with Yarborough's demand for reports, which he said are needed to help his Freedom of Communications Subcommittee do its work. Stations were under no legal compulsion to comply, and NAB sources told us that few members had bothered to ask hq what to do. Officials of networks whose o&o stations received Yarborough letters were incensed by them. But licensees generally seemed to be taking letters coolly in wait-&-see reaction.

Yarborough acted alone in starting his NAB storm-raising foray. He didn't consult with other Subcommittee members—Sens. McGee (D-Wyo.) & Scott (R-Pa.)—before instructing majority counsel Creekmore Fath to send out letters. And minority counsel Walter Boehm told us mailing was under way before he knew what was up.

What's with Yarborough? Best guess: He's frustrated by fact that his Subcommittee has had little attention & equal-time business—and he's out to get both. He regards broadcasting with dark suspicion. He has repeatedly expressed conviction that stations get away with too much political—especially Republican—bias. Yarborough was last-ditch supporter of proposals that networks be compelled to give free time to Presidential candidates and he was lone holdout in Senate when Sec. 315 suspension was voted to permit voluntary "Great Debate" programming for top tickets (Vol. 16:27 p6).

Note: If any equal-time cause celebre arises from 1960 campaign, it's likely that it will be produced in Yarborough's own home state—and by Republicans. Democratic Vice Presidential candidate Lyndon Johnson also is running for Senate in Texas. Do Johnson's Sec. 315-exempt appearances as 2nd man on national ticket entitle Republican Senatorial candidate John Tower to equal time in state? Texas stations say "no;" Tower says "yes." Odds on how FCC may resolve issue are even.

DECKS CLEARED FOR PAY-TV HEARING: FCC wrapped up the last ragtags of pre-hearing technicalities and got set for week-long session on Hartford Phonevision Co. (RKO & Zenith) plans for pay-TV tests in Hartford.

First, it cleaned up theater owners' request for "clarification or modification" of issues, in which they sought to make sure they could dig as deeply into programming plans as they chose (Vol. 16:42 p3). Though Commission "denied" the petition, it did so, it said, because "the present issues encompass the information required as to programming." Actually, Commission will play it by ear, asking the applicant to give as much data as it thinks reasonable to expect—recognizing that RKO-Zenith frequently couldn't get firm programming-source commitments without FCC go-ahead on the experiment.

Commission also turned down Zenith & Teco requests to participate as parties—satisfied that they're sufficiently represented through Hartford Phonevision.

Applicant's chief witness will be RKO General Pres.-Chmn. Thomas F. O'Neil—though it may also present Zenith Pres. Joseph Wright and Teco Pres. Pieter Van Beek. Exhibitors will offer only one witness initially, movie industry "senior statesman" 74-year-old Arthur L. Mayer who has had prominent role in

virtually every phase of film industry. But they have other witnesses up their sleeve, available if needed. Dallas Smythe, U. of Ill. prof. and former FCC chief economist, is top data compiler for theatermen. For NAB, TV vp Charles Tower will appear.

Commission set out agenda of hearing as follows: FCC counsel Louis Stephens with opening statement, applicant, NAB, exhibitors, applicant's rebuttal, summations (up to 30 minutes each) by applicant, exhibitors, FCC Broadcast Bureau. Stephens will be flanked by attorney Sol Schildhause, economist Hy Goldin & engineer John Taff. It's assumed Stephens will put Golden & Taff on stand if he believes they're needed to "clarify the record." Hearing starts 10 a.m. Monday (Oct. 24) in ICC Hearing Room B.

Bets are being taken on length of hearing. It's Commission's firm intention & hope to wind it up in a week. Chmn. Ford will preside, and with his experience as onetime head of Commission's hearing div. he's expected to keep parties' feet to fire. Whole affair could be finished in as little as 3 days—or it could run for weeks. In 1948, FCC counsel predicted that the allocations "freeze" hearing would run a few weeks. Color controversy entered and the proceeding ran about 3½ years. Reminded of this, Stephens was aghast, said he didn't see how this could happen in pay-TV affair.

FCC TELLS FAA ABOUT TOWERS: FCC isn't about to turn over to FAA its traditional tower-approval authority—even though FAA believes it is required to assume jurisdiction.

FCC last week filed comments on FAA's proposed rule-making in which latter set out plans for taking over (Vol. 16:38 p5). Commission made it clear it believes that law requires it to continue granting or denying towers. Furthermore, Commission noted, system has "worked quite satisfactorily over the past several years," with aviation interests getting full & fair shake in Commission proceedings. In effect, it asks: "Why change?" (For pertinent excerpts from Commission's comments, see p. 5).

Deadline for filing in FAA's proceeding is Oct. 31, and broadcasters are expected to offer vigorous comments backing up FCC. If FAA chooses to buck Commission, resolution of conflict will be up to Congress or courts, or both.

SPOT-SALES PAPERWORK BREAKTHROUGH: Blizzard of spot TV-radio purchase forms that has snowed-under many an agency's media billings dept. for years, will soon be curbed, to large extent, by standardized contract forms developed by Station Reps Assn. and 4A.

New forms eliminate time-consuming process whereby station reps issue separate confirmation-of-broadcast order form to agency & station. And same form also eliminates need for agencies to type up and issue a contract. By signing and exchanging copies, stations & agencies will have a firm spot deal. By SRA's estimate, the new forms will "save thousands of hours of clerical work for all concerned."

Starting date for new forms is Nov. 1, at which time a number of SRA member firms (so far, about 7) will change over. They're not a new idea; SRA and 4A have been working on project since 1948.

The FCC

LEE PUSHES SHIFT TO UHF: With his most explicit proposals to date, FCC Comr. Robert E. Lee last week pressed hard in his long campaign to move TV to uhf. "Put the Show on the Road" was the title of his address before the NAEB convention in San Francisco.

FCC should put everyone on notice that the shift will come in 5-to-7 years, he said, because only uhf promises the room for expansion that TV needs. He said that the "present economy would easily support 750 commercial stations and ultimately many more instead of the 560-odd now on the air." At the same time, he added, the mobile service could expand into the vhf spectrum vacated by TV. Hoping that his suggestions wouldn't become known as the "Lee plan," he offered the following:

"(1) We should immediately put to rest any notion that the solution lies in squeezing in sub-standard vhf assignments which in themselves create substandard service and have a concurrent depressive effect upon uhf set manufacture and uhf station growth.

"(2) We should and, I might add, we will press for legislation that TV sets transported in interstate commerce be capable of receiving all channels in the TV broadcast band.

"(3) We should forthrightly move forward to de-intermix markets where uhf development is ripe so that the number of all-channel sets in use will increase and thereby create incentive for the manufacturer to make the all-channel set while he is about it. This should be the interim plan.

"(4) We should impose a permanent freeze now on new and improved vhf stations.

"(5) We should allocate available and newly released vhf frequency space to non-broadcast mobile service, both to common carriers and to private users. In this connection, as soon as the necessary rules were promulgated, I would permit these services to share the vhf channels on a secondary or non-interference basis.

"(6) We should dissolve the table of TV assignments, retaining only the educational reservations and, of course, existing engineering standards.

"(7) We should license new uhf stations to the lowest

channels available in their particular areas, using a system whereby we would assign channels to the licenses we issue in the order in which we make grants and thereby eliminate the time and expense of comparative hearings, as well as providing the incentive to apply.

"(8) We should permit vhf stations to operate both in vhf and uhf, contrary to our current rules until such time as it appears appropriate to discontinue the vhf service.

"(9) Dependent upon the availability of program choices in given areas, we should permit these stations to duplicate their vhf service with appropriate announcements that as of a certain date only the uhf would be available. This would eliminate the impact on the public, since a TV set is normally replaced in a maximum of 5 years.

"(10) We should examine the reasons why networks refuse affiliation to small station markets beyond the normal service area of another affiliate. It may be that refined rules or even, perhaps, legislation is necessary.

"(11) In the event the above course of action was adopted by the Commission, I would put a short temporary freeze on new uhf operations to permit existing operations to apply for the best uhf channel available."

Lee also added his voice to the swelling volume of protest against excessive violence & crime on TV. "I was interested in reading," he said, "a speech delivered recently by an executive in commercial TV circles. I sensed that the author was understandably proud of the merits of his own work else he would not have mailed me a copy. The topic under discussion was crime & violence on TV. He first attempted to prove statistically that crime & violence on TV were a requirement on broadcasters in order to please all tastes. He claimed that no one to date has affirmatively demonstrated that liberal doses of crime on TV are bad for children and assured his audience that TV critics' charges of 'moral squalor' in the industry are completely without foundation. My reaction was immediate. It occurs to me that if anyone were to speak on the subject, 'Are Excessive Doses of Crime & Violence on TV Good for Children?', he might have a more difficult task."

(For more news of NAEB convention, see p. 6.)

Amendments to Communications Act are getting early consideration from FCC as it prepares for the start of the new Congressional session in January. The Commission is thinking about a score or so changes, and the first 2 on tap aim at speeding processes. One would change Sec. 5(c) of the Communications to give the Office of Opinions & Review more leeway in helping the Commissioners dispose of minor "interlocutory" matters and in preparing analyses of all adjudicatory cases. The new proposal still would prohibit the staff from recommending final decisions or drafting decisions without specific Commission instruction. The other—changing Sections 219(a), 308(b) & 319(a)—would eliminate need for filing of applications under "oath or affirmation." The Commission believes that the law already has plenty of safeguards against false filings and that elimination of the requirement would remove a lot of time-wasting prodding of applicants who fail to comply.

Vhf repeater operators now have until the end of the year to file with FCC their requests for temporary authorization to continue. The Commission extended the Oct. 31 deadline because many operators have been delayed in receiving rebroadcast permission from the stations whose signals they rebroadcast. The Commission reported that more than 400 applications have been filed. There are an estimated 1,000-to-2,000 repeaters operating.

More about

FCC, FAA & TOWERS: Here are the salient excerpts from FCC's comments on FAA's proposal to assume the Commission's role of deciding whether TV-radio towers are air hazards (see p. 4):

"The FCC must in the final analysis determine whether an authorization to build & operate a radio station shall be issued. The views of the FAA must perforce be considered in this decision, but the Commission cannot, under the existing statute, avoid making the decision nor delegate its responsibility. Nor can the statutory procedures for a full & complete hearing be abrogated. The Commission most certainly does not minimize the extreme importance of air navigation or the need for the utmost precaution to assure the safety of aircraft in flight. However, the Commission must also take into account the public need for the communications facility proposed, and in those cases where the Commission is unable to find upon an examination of the application that the public interest, convenience or necessity would be served by a grant thereof, that the applicant be afforded a 'full hearing' upon the specific issues (see Communications Act, Section 309). Such a hearing provides a formal forum for a comprehensive examination of the issues and an impartial evaluation of all of the considerations affecting both the communications proposal and the needs & interests of air navigation as pertinent thereto. This approach has not proved to be cumbersome or unworkable in the past, as witnessed by the fact that, over the many years it has been in existence, less than 10 cases have culminated in a formal hearing to resolve the problems.

"With respect to the specifics of the FAA's Notice of Proposed Adoption of Regulations the Commission, of course, recognizes the FAA's responsibilities with respect to aeronautical hazards and its specific concern regarding man-made structures, including the towers of radio stations licensed by the Commission. The notice contemplates criteria for 'obstructions to air navigation', 'hazards to air navigation' and procedures for both informal & formal aeronautical studies to determine in any given situation whether an exemption to the 'hazard criteria' should be granted. The proposal provides further that the determination of the administrator in this matter is 'final' and will be published in the Federal Register. Such a 'final determination' by the administrator would place an applicant for a radio station in a situation where one agency of the government, the Commission, has authorized the construction of a tower while another agency, the FAA, has finally determined the structure to be a hazard to air navigation, thus at least implying that he is prohibited from constructing the tower. Since both the FAA & the FCC are agencies of the United States govt., with large responsibilities in the public interest, any action by either agency which might indicate anything other than harmonized policy on the part of the govt. appears to be detrimental to the programs of both agencies."

Allocations petitions: by Newark Public Schools, Newark, O. to reassign Ch. 28 from Lancaster, O. to Newark for educational use; by WMTV Madison, Wis. to replace Ch. 33 Madison with Ch. 15 and allow WMTV to switch to Ch. 15.

New list of AM & FM transmitters & monitors approved by FCC, as of Aug. 24, may be inspected at the Commission's Washington & field offices.

FCC SEEKS BIGGER BUDGET: As federal bureaucracy goes, FCC never has been a big-spending agency, but if it gets its way with the Budget Bureau & Congress, next year it will be in a \$14-million budget class—upped by a substantial \$2 million.

Commission estimates filed with the Budget Bureau for its needs for fiscal 1962 starting next July 1 are understood to ask for increases which would raise the current appropriation of \$11.8 million to \$13.9 million. This boost would come on top of extra grants this year of \$2 million for the 2-year N.Y. uhf project and \$150,000 (pared from \$300,000) for a new Complaints & Compliance Div. (Vol. 16:28 p2)—neither of which was okayed by Congress without argument.

No new money is asked now by FCC for the uhf program. But it's reported that the biggest single increase in the proposed budget is an additional \$500,000 sought for broadcast activities including added Complaints-&-Compliance payroll funds. For one thing, FCC wants 28 staffers assigned to this policing work instead of 20 now permitted.

All in all, FCC's employment total could go up nearly 200 (from about 1,300 to about 1,500) if the \$13.9-million budget figure gets past the Budget Bureau & Congress.

In addition to the proposed boost for beefed-up broadcast activities, budget increases sought by FCC are understood to include these for more work & manpower: \$300,000, common carrier operations; \$25,000, safety & special radio services; \$125,000, field engineering & monitoring; \$200,000, TV systems engineering study to be conducted under contract.

Elaborating on the TV systems study, the Commission noted that the Bureau of Standards and MIT are now doing some work, but said that more is needed. Basically, it wants to find better technical standards—examining pulse transmission, digital systems, redundancy, noise reduction, coding, uhf receivers, multipath problems. The work would be contracted out to research institutions & organizations.

Agency Conference Set: President Eisenhower's Conference on Administrative Procedure, announced at the White House in Sept. as a device to speed up procedures of FCC & other regulatory agencies (Vol. 16:36 p5), will organize for business this week.

Appeals Court Judge E. Barrett Prettyman, named by the President to direct the Conference, appointed a 15-man organizing committee and called it to its first meeting Oct. 24. Members include FTC Chmn. Earl W. Kintner & FCC gen. counsel John L. Fitzgerald. Washington communications lawyer William C. Koplovitz, past president of the Federal Communications Bar Assn., is secretary.

Prettyman said the White House conference would wage a continuing "assault upon red tape, cumbersome methods, unreasonable delay and unnecessary expense."

Meanwhile, Judge Wilbur K. Miller, 68, replaced the 69-year-old Prettyman as Chief Judge of the Appeals Court for the D. C. Circuit, which has jurisdiction in FCC cases. Prettyman stayed on the bench but stepped down Oct. 21 from the top judicial administrative spot in accordance with a decision he announced when he took the assignment in 1958. "Two years is enough," he said then.

Assignment of Ch. 19 to Bay City, Mich. has been proposed by FCC, at the request of Delta College and WSWM(FM) East Lansing, which plan to file for it jointly.

WWTW Cadillac, Mich. has been granted permission to identify itself also with Traverse City—Bartley dissenting.

Educational Television

Nixon, Kennedy & ETV: Both major Presidential candidates pledged federal encouragement to ETV in messages to last week's convention of the National Assn. of Educational Bcstrs. at San Francisco's Jack Tar Hotel—but in both cases the promises seemed carefully worded to avoid the interpretation that either specifically favored or opposed monetary assistance.

Sen. John F. Kennedy stated that the federal govt. should help expedite the use of TV as a tested educational aid, adding: "I pledge . . . that I will back actively suitable legislation aimed at this objective . . ." Vice President Nixon agreed that radio & TV are "proved instructional tools" and stated: "I pledge my cooperation in the development of a national educational TV policy to help realize the goal of the fullest possible educational opportunity for every American . . . Within its assigned role, federal assistance in the stimulation of the use of TV as an aid to education will have my sympathy & support."

More than 400 delegates attended panel sessions & meetings and elected former Chmn. William G. Harley president of NAEB succeeding Harry J. Skornia. (See p. 4 for details of Comr. Lee's talk to the convention.)

"Arranging the Classroom for TV Viewing" has been published by Sylvania's lighting products div. as a guide to optimum room lighting & set location. The brochure was written by illumination engineer Willard Allphin, is available from the div.'s commercial engineering dept., 60 Boston St., Salem, Mass.

Film & Tape

More about

MCA WALKS OUT ON FCC TV QUIZ: When MCA vp Taft Schreiber refused to testify at FCC's TV film investigation last week, the heretofore orderly Los Angeles hearing was thrown into turmoil.

Attorney Allen Susman's repeated attempts to speak for MCA were rejected by examiner James D. Cunningham, who finally threatened to oust him from courtroom. Schreiber then charged the facts the FCC sought were "outside the operation of the hearing," and insisted this was so even after FCC attorney Ashbrook Bryant reminded him the William Morris Agency had freely provided a similar list.

When a semblance of peace settled on the stormy session, Schreiber said: "I came here on the supposition I would testify on matters which would not involve giving confidential information" which would help MCA competitors. He termed the FCC request for a list of its packages "unjustified" and "outside" the course of the hearing. Earlier, Schreiber had made a point of the fact he was appearing under subpoena.

No lawyer can function when he is not allowed to speak for his client, and such ground rules "deprive me of my Constitutional rights, and therefore I decline to proceed as a witness," said Schreiber, stalking from the stand, although Cunningham had told him to testify.

Bryant told Cunningham questions he was asking and evidence sought were within the powers given the FCC. Congress demands regulatory agencies gather information for guidance not only for the Commission but for possible legislation, he contended. Regarding Schreiber's complaint

he was being denied his Constitutional rights, Bryant said the FCC hearing follows precisely the same procedure as other regulatory agencies and Congressional committees—procedures which have been upheld by the courts. He said witnesses are granted the right of counsel.

The FCC consulted with every witness and his counsel beforehand and had made a point of telling them it would not ask questions which would result in disclosure of competitive information, he said. The Morris Agency testified fully on its position as a packager and provided the list of its packages. "I see no reason why Schreiber should have any different treatment than any other witness," he contended.

Cunningham replied he agreed the information sought was relevant.

Meanwhile, FCC investigators, conducting an inquiry into all aspects of the TV film industry in Hollywood, have intensified their scrutiny of the practice of sneaking plugs into TV film.

Ordered to appear to testify on this subject this week (Mon. Oct. 24) were Jimmy Cross, Vici Raaf, Mary Rothchild and Donna Rapp, all of Promotions Unlimited; Betty Langley, Dick Fishell, Carol Prince and Stan Lawrence, all of Dick Fishell Associates; Walter and Fred Kline of Kline & Associates.

Virtually all producers & executives who testified during the hearings admitted they were "aware" of such practices, all condemned it, and a number said they would fire any employes found helping anyone sneak a plug for any commercial product into their film.

Backstage at William Morris

A closeup of how a giant talent agency functions was given at the FCC hearings last week, when Commission attorney Ashbrook Bryant questioned Sam Weisbord, who is in charge of TV for the William Morris Agency in Hollywood. The steady rise of the agency's TV fortunes was seen in Weisbord's figures showing that the agency sold 17 film series for the 1958-59 season, 23 in 1959-60, and 26 for the current season.

The Morris Agency receives 10% commission on the selling price of all series it sells, testified Weisbord. The shows—and components represented: *The Law and Mr. Jones*, (ABC-TV), producer-writer and star; *The Legend of Wyatt Earp*, (ABC-TV), 2 producers and star; *Robert Taylor's The Detectives*, (ABC-TV), star, producers; *The Corrupters*, (ABC-TV), producer, director, stars; *Dante*, (NBC-TV), star, producer; *The Rifleman*, (ABC-TV), producers; *The DuPont Show with June Allyson*, (CBS-TV), star; *The Tom Ewell Show*, (CBS-TV), star, directors; *Stagecoach West*, (ABC-TV), producer; *Peter Loves Mary*, (NBC-TV), stars; *Dick Powell's Zane Grey Theater*, (CBS-TV), producer, host; *Hennessey*, (CBS-TV), star; *Adventures in Paradise*, (ABC-TV), creator; *Wanted—Dead or Alive*, (CBS-TV), star; *The Real McCoys*, (ABC-TV), star; *The Ann Sothern Show*, (CBS-TV), star; *The Andy Griffith Show*, (CBS-TV), star, head writer; *The Danny Thomas Show*, (CBS-TV), star, producer-director; *Guestward Ho!*, (ABC-TV), property from which series was derived; *Michael Shayne*, (NBC-TV), property from which series was derived; *The Loretta Young Show*, (NBC-TV), star; *Hong Kong*, (ABC-TV), creator-writer; *The Groucho Marx Show*, (NBC-TV), star; *The Westerner*, (NBC-TV), producer, head writer; *R.C.M.P.*, sales agent for show only; *The Barbara Stanwyck Theater*, (NBC-TV), star, producer.

Weisbord vigorously denied agent Frank Cooper's contention that he (Cooper) had lost client & package (producer

Irving Pincus & *The Real McCoys*) because when Walter Brennan, a Morris client, was wanted as star, WM refused unless that agency were to be the sales agent. Weisbord testified that the series had originally been represented by the Rosenberg-Coryell agency, which had sought to make a deal with NBC-TV. Pincus wanted Brennan at that time, but the negotiations with NBC-TV collapsed when Brennan demanded ownership participation. Pincus' contract with RC expired, and the producer then signed with Cooper. However, this deal excluded *The Real McCoys* series, Weisbord testified. Consequently Pincus approached the Morris Agency regarding Brennan, and a deal was negotiated for the package, with Danny Thomas to finance and Sheldon Leonard to serve as producer-director of the pilot. "We made it clear & unmistakable to Pincus that we expected to be the sales agent," said Weisbord. Subsequently the Morris Agency sold the series to ABC-TV. "We don't try to woo clients away from the so-called smaller agencies. A number of these agencies have made considerable virtue of their being small," the agent remarked caustically.

Asked why the agency collects a 10% commission on a series when a network finances a pilot, Weisbord and Morris Stoller, who is in charge of business affairs for WM on the West Coast, testified that the agency does much to make such a deal possible. Aside from the negotiations involved, it assumes co-responsibility with the network in finding a sponsor. Taking the Loretta Young series as an illustration, they explained that they had negotiated the deal with NBC-TV, getting "top money" for her; arranged for her studio & business arrangements (Miss Young has her own production company on the series); negotiated the sale of her reruns & a new contract with NBC-TV; and when she was ill one season, the agency had virtually produced the show. Networks frequently have a financial participation in series, Weisbord said.

Stoller, on the subject of foreign rights, called them valuable & likely to become more so as the number of sets increases globally. But the outlook for additional global revenue is mitigated by a number of factors—the increasing number of films available, competition, restrictions and controls in a number of countries. As a result many series have not had any foreign sales, Stoller asserted.

A History of Packaging

Weisbord said that about 50 of the agency's 200 West Coast employes are in TV, and about 30 are in TV in its N.Y. office. He spoke of the ramifications & complexities of the competitive agency business, pointing out that while the agency is functioning basically in representation & management of individuals, it also "stimulates" clients to create packages which it then tries to sell.

Packaging began 30 years ago, in the days of vaudeville, continued into radio and then into TV, he explained. The Morris Agency became involved in TV packaging about a decade ago because there was a void in this field, the major movie studios not having entered it. "We felt it was a wonderful business for our clients, because they received creative control and ownership participation, so we encouraged them to get into TV," he said.

The agency receives its 10% commission off-the-top (gross selling price) on packages, but does not own or invest in any series or packages, Weisbord continued. The package takes various forms. It can stem from an idea or script, be the joint venture of a group of creators, be star-owned, or be a finished film brought to the agency for representation.

Stoller explained how once a package is put together, the agency brings the attorneys of the various clients to-

gether so that a joint venture corporation can be formed "to get the best results" for the client. The Morris Agency, it was evident as testimony continued, serves as far more than an agency representing talent. It advises its clients regarding the creative aspects of a package, studio costs & operations, budgets & accounting, cast insurance, financing—even negotiates leases (such as Four Star Television's lease with Republic).

Earlier in the week, attention was focused on the question of whether NAB's TV Code is doing enough to curb excessive violence and crime on TV. While Code director Edward Bronson and his assistant, Frank Morris, in charge of the Code's West Coast office, stoutly asserted correct steps were being taken in this direction, their views were sharply questioned by chief examiner Cunningham.

When Morris testified he had checked about 350 films, Cunningham asked him whether he was satisfied that, generally, programs are meeting Code standards, and whether he felt they are having an adverse effect on certain segments of the audience, particularly teen-agers.

Morris replied: "There is a greater awareness of the problem by producers today." But Cunningham, dissatisfied, pressed for an answer. Said Morris: "I am not qualified to answer that." Cunningham retorted: "You have reviewed 350 films. You must have some views." Said Morris: "It is less than perfect, but I will back up the product with which I deal."

Morris said most script objections stemmed from excessive violence, suggestiveness and profanity, but that the situation has improved and there is a lessening of the most frequent objections. Cunningham then asked what the FCC or Congress could do to clean up excesses in programming, and Morris replied: "We are attempting to do that by voluntary self-regulation. We have quite a distance to go." Morris estimated 75-80% of the shows he had reviewed involved physical violence. When Cunningham opined that violence was on the increase, Morris said comedies are replacing crime shows, there are also public service & educational shows, and fewer Westerns.

Code dir. Bronson, quizzed by Cunningham, said NAB had no policy on programming balance. Bronson's testimony, like Morris's, didn't satisfy the examiner, and NAB counsel Douglas Anello objected, on the grounds neither of the Code officials could answer policy questions. Cunningham ordered the objections struck from the record.

Tower Takes the Stand

An unscheduled witness, NAB TV vp Charles H. Tower, took the stand to say that program balance is primarily the responsibility of the licensee. While crime & violence were of considerable concern to everyone in TV, he added, program balance generally seems to be satisfactory. He disagreed with viewers who find 2 or 3 crime shows a week too much. Crime programs exist because the people demand them, and the current amount does not unbalance the schedule, he asserted. He said NAB did not agree with those who "assume" bad effects stem from such programs, particularly regarding juveniles. Parental control is the answer, he opined. However, NAB is genuinely concerned about the problem, he added. "If broadcasters thought that shows contributed to juvenile delinquency, they would be the first to get them off the air."

When Cunningham asked what the FCC could do about the situation, Tower answered industry self-regulation is the best control. Asked if NAB has any plans for correcting abuses, Tower said: "We believe we are moving in the right direction." He said NAB plans expansion of its Hollywood Code office, has recently opened an office in N.Y.

Earlier, Morris had testified that while nearly 50% of scripts submitted to him violated some code elements, they were all changed to conform completely with Code regulations. He praised the cooperation of the Alliance of TV Film Producers.

Later in the hearing, when Alliance Pres. Richard Jencks was asked about violence in films, he said he did not think the 300-plus films viewed by Morris constituted a representative sample, pointing out they were less than one-fifth of Alliance-produced shows. Morris, he said, deals mainly with syndicated shows and his sampling was of films most likely to be problem pictures.

Jencks testified Alliance members produce 60-to-70% of Hollywood TV films. He said the Code machinery had never been invoked because of an impasse between NAB and producers during his tenure with the Alliance. He said the Alliance as a trade association does not undertake to edit, censor or control the content of film made by its members. Jencks said it was the producers' responsibility to see that a diverse quantity of programming was available, that last spring more than 200 new series projects were made available by Hollywood producers. They embraced every type of program, but the choice was made by the buyer, he pointed out. Producers have done the best they can, but they are not in a position to tell the buyer what to buy, he added.

Wolper on Public-Service Specials

Independent producer David Wolper told the hearing of his inability to sell a public service special, "The Race for Space," to the networks because—he was told—it was against network policy to buy such shows from outside packagers or producers (Vol. 16:13 p7). Wolper testified he spent \$110,000 on the show for which he found a sponsor, Shulton, but the networks refused it on policy grounds.

Eventually the show was sold to 105 individual stations throughout the country, Shulton sponsoring. Of those stations, 40 were CBS-TV affiliates; 34, NBC-TV; 25, ABC-TV, and 6 independents, he said. The affiliates pre-empted network time to show the special, first TV show ever to be nominated for a movie academy award. Wolper said the networks' policy discourages independent producers who "may have something to contribute from making these programs. We need a multiplicity of ideas—not just those coming from the networks. You can't blame the producers for being forced into trivial potboilers when they aren't allowed to do things with substance," he said.

CBS-TV Richard Salant, a daily visitor at the hearings, confirmed network policy regarding outside packages of public service shows, but said it is an old one with which every producer should be familiar. He also confirmed Wolper's statement that the networks did this to discourage pressure groups from propagandizing. He produced a letter from CBS Pres. Frank Stanton to Chmn. John Pastore (D-R.I.) of the Senate Commerce Communications Subcommittee. Dated March 14, it stated the show was rejected because of CBS-TV policy, and also because its narrator, Mike Wallace, was associated with a non-CBS station in N.Y. and had appeared in commercials for Parliament cigarets which were then appearing on the network. In a field as complicated and controversial as space, said Stanton, the network felt it could be confident of fairness and objectivity only if its own experts had researched the field. Wallace, strongly identified with cigaret commercials, is scarcely the newsman to be measuring our missile gap, he said. Aside from policy reasons, the special would probably have been rejected because it was "not of the highest quality," and CBS News

had dealt with and is dealing with the same issue in a number of specials, said Stanton.

Philip Feldman, exec. vp of Broadcast Management Inc., and formerly dir. of business affairs for CBS-TV in Hollywood, testified that talent agencies sometimes receive as much as 10% of the selling price of a package even though they may have brought the network only one component in the package, such as a star personality. Asked about network financial participation in series, he said when CBS-TV financed a pilot, it would normally receive a participation of profits in return.

Alfred Scalpone, pres. of La Mesa Productions and ex-CBS-TV West Coast program vp, said ad agency men who serve as liaison with film series generally are not of producer caliber. Asked if CBS-TV as a general rule had financial participation in a network show, Scalpone replied, "We would have in a program which we developed." CBS-TV had creative control of its own shows when he was with the network, but sponsors & agencies had control in the fields of taste & policy, he said. Taste & policy, he conceded, can be a "gray area" depending on the "agency representative's intelligence."

Directors Guild of America Pres. Frank Capra testified he complained bitterly to Pres. Eric Johnston, of the Motion Picture Producers Assn., regarding the sale or lease of post-1948 movies to TV. He had asked Johnston to make certain such films were not so badly chopped and edited they would be "tortured" versions of the original. Movies on TV are cut so indiscriminately that "plots & characters are thrown out the window," said Capra. He amused the courtroom audience by saying Johnston's reply "had the impact of a falling autumn leaf." Johnston, it developed, told Capra he would be glad to "share" his letter with member companies.

Capra estimated the William Morris Agency represents most directors, 82. MCA represents 59, Frank Cooper Associates 20, Goldstone-Tobias 26, Jaffe 20, and Ashley-Steiner 18, he said. DGA does not give agent-producers a franchise or waiver as does Screen Actors Guild, but such agents are not allowed to collect commission when directors work in their films, he said.

Roy Huggins, telefilm producer-writer instrumental in developing such Warner Bros. properties as *77 Sunset Strip* and *Maverick*, has been named production vp at 20th Century-Fox TV. The appointment was confirmed in N.Y. Oct. 21 by TCF-TV Pres. Peter Levathes, who told us that Huggins will supervise production of TCF's *Adventures in Paradise* and *Hong Kong* series, as well as development of "several new TV series on which we're now discussing network commitments." Huggins will make his hq at TCF's Hollywood lot. Levathes also confirmed that TCF and NBC have been holding discussions concerning the use of a few choice post-1948 features as network specials, but that "nothing has really developed so far from the meetings."

Eugene Rodney & Robert Young, the production partners responsible for *Father Knows Best*, are preparing a new 30-min. comedy series under contract with CBS-TV for the 1961-62 season, the network stated late last week. The pilot for the new series will be written by Roswell Rogers, chief *Father* writer. Currently that show is in a 2-year rerun cycle on CBS-TV, after which the package will move to ABC-TV for a daytime strip network rerun.

Twentieth Century-Fox TV will produce 3 pilots in the next month: *Margie*, *Silent Investigators* and *San Francisco*.

NEW YORK ROUNDUP

Guild Films has filed a petition in N.Y. Federal Court for reorganization under Chapt. XI of the Bankruptcy Law, halting—at least temporarily—some 60 pending legal actions against the firm by creditors. Guild Pres. John Cole reported assets of \$3.5 million (primarily in distribution rights and unsold TV station time involving a number of telefilm packages) and liabilities of \$9.8 million. A move to merge Guild Films with Vic Tanny's health-club chain, in the works for some time (Vol. 15:29 p18; 48 p13), recently failed to materialize.

AFTRA pay-TV negotiations were under way in N.Y. last week. The talent union admitted that an exclusive contract with an unnamed pay-TV operation is about to be signed, giving AFTRA "a firm stand in the field." Meanwhile, networks continued to mull over AFTRA's long list of new TV-radio contract demands (Vol. 16:42 p11). Final outcome is likely to be posted this week.

People: Earl Rettig has resigned as Cal. National Productions pres. as of Dec. 31; vp Carl Lindemann Jr. is seen as a likely successor . . . Ken Campbell has been appointed Intercontinental TV dir. of European operations. . . . Norman Katz will resign as UAA foreign operations dir. in March 1961 . . . Seven Arts Associated has expanded its sales force, naming George Mitchell Southwest div. mgr.; Lloyd Krause, Eastern div. mgr.; Robert Hoffman, Midwest div. mgr.; Norman C. Long, dir. Los Angeles sales branch; Lester S. Tobias, dir. special feature sales . . . Richard P. Brandt, Trans-Lux pres., left last week on an extended West Coast trip to line up business for new T-L syndicated properties . . . Edward K. Cooper and Stanley Moldow have been named CBS Films domestic sales service mgr. and international sales service mgr. respectively.

HOLLYWOOD ROUNDUP

IATSE is seeking 25% raise across the board and royalty payments totaling double the amount obtained by Hollywood talent guilds last spring, in initial proposals being made to TV & movie producers. In addition to the wage hike, the union seeks improved working conditions from the Alliance of TV Film Producers. Its principal demand of the Assn. of Motion Picture Producers is a lump-sum pension fund in lieu of payment for post-1948 movies sold to TV. Demands also include a proposal to eliminate "runaway" production—movies produced abroad.

AFM begins contract negotiations with the major movie studios in Los Angeles Oct. 26, the musicians having won an NLRB election over Musicians Guild of America.

More than 94% of membership of Screen Extras Guild approved a new contract with the Alliance of TV Film Producers and the Assn. of Motion Picture Producers. A total of 1,705 voted for, 104 against.

People: Phil Rapf named exec. producer of *The Tab Hunter Show* . . . Irving Asher, 20th Century-Fox TV vp, leaves the company Nov. 1, after being unable to reach agreement on a new contract with Pres. Peter Levathes . . . Producer-writer Cy Howard has signed a new 5-year contract with Desilu . . . Producer William Hawks will produce a 60-min. circus series for 20th Century-Fox TV.

Stations

More about

EQUAL-TIME COMPLAINTS WANTED: Every TV & radio station in the country was asked last week by Sen. Yarborough (D-Tex.) to report promptly to his Commerce Freedom of Communications Subcommittee if anybody complains about political equal-time discrimination on the air.

Expressing outrage at this added harassment of the industry in the face of broadcasting's "demonstrated fairness" during the election campaign, NAB quickly filed a formal protest with Yarborough (see p. 3).

In letters dated Oct. 14, but mailed out in batches to the stations last week, the "watchdog" unit chairman told them to forward any complaints—"by a candidate, political committee or individual"—to the Subcommittee's Washington office within 24 hours. The reports of complaints should be followed up quickly with reports on what the stations are doing about them, Yarborough said.

Pointing out that the 1960 election campaign was entering its "last 3 crucial weeks," Yarborough said the information sought from the stations was needed to help his Subcommittee "insure freedom, fairness and impartiality in the treatment of news by TV & radio" under the Communications Act's Sec. 315. He reminded the broadcasters that the law covers treatment of political opinion as well as news & advertising.

Yarborough didn't say so in his letters to the stations, but the Subcommittee and its 2-man investigative staff have had little to do following his failure Sept. 1 to win a special \$150,000 Senate appropriation for equal-time monitoring (Vol. 16:37 p11). Since then the Subcommittee has been waiting for candidates and viewers & listeners to send in Sec. 315 beefs for the staff to investigate—and they have been few & far between.

"The flow of complaints has been very meager," the Subcommittee's minority (Republican) counsel Walter Boehm told us. "We just haven't had the influx that we expected." He said that the few complaints received so far have all come from candidates who thought they deserved better breaks on the air; none have come from the public.

The "watchdog" unit, which has no Sec. 315 policing authority, maintains close liaison with the FCC, which does. But the Commission has been little help in building up the Subcommittee's file of cases.

Copies of all communications to the FCC on equal-time issues are sent along to the Subcommittee on an FYI basis. Some of them have been anonymous. Others, alleging political unfairness, don't even specify which TV or radio station has caused offense or suspicion. "Most of them are quite indefinite & vague," we were told at the FCC. They have demanded Commission answers to such questions as "Why do you let stations do this?"—without saying just what the stations have done.

Yarborough's station-by-station dragnet may produce sharper charges of Sec. 315 abuses by TV & radio in the campaign's final period. But as of last week's end, it looked like the Subcommittee wouldn't have much to say when it submits its report & Sec. 315 recommendations after the next Congress convenes.

Note: In Seattle last week, Senate Commerce Committee Chmn. Magnuson (D-Wash.) said the temporary Sec. 315 suspension for Presidential candidates had worked out so well that he will press for permanent revision next year: "I'm going to offer a bill to make it permanent."

RADIO'S 1959 BALANCE SHEET: The 4 national radio networks & their 19 o&o stations lost a little less in 1959 than they did in 1958 while the 3,509 other AM & FM outlets were making a little more.

FCC's final report on last year's AM-FM financial data, released Oct. 17 as Public Notice 95209, showed that in the aggregate the networks & o&o's dropped \$4.5 million in 1959 vs. a loss of \$4.9 million in 1958 (Vol. 15:39 p8).

For the rest of the radio industry, however, the in-the-black figure was \$46.9 million. Profits (before taxes) of the non-network-owned stations were up 11.9% in 1959 from 1958, when they were down 25.1% from \$54.6 million reported for 1957.

As for radio revenues last year, FCC reported that over-all they rose 7.1% to \$560 million. Network revenues were down 6.4% from \$64.5 million in 1958. But other AM-FM revenues totaled \$499.6 million—an increase of 9.3% over 1958.

Combining the 1959 financial returns for radio with those for TV, computed in Aug. (Vol. 16:36 p1), FCC figured last year's all-broadcasting profits at \$264.7 million—a jump of 26.5% above 1958. All-industry revenues totaled \$1.7 billion for an 11% increase over 1958.

The 16-table radio report by FCC included such detailed breakdowns as these:

(1) All told, the 1959 sale of network radio time declined 23.4% to \$35.6 million from the preceding year. But station sales for national spot went up 9.4% to \$188.1 million, while local advertisers bought \$359.1 million worth of station time—up 11.1% from 1958.

(2) Of 3,380 AM stations reporting, 34.7% lost money in 1959 vs. an almost imperceptibly fewer 34.6% in 1958.

(3) Among 3,248 full-year operating AMs 2,174 reported they were profitable in 1959. The median profit for the 2,174 stations was \$10,300 last year vs. a revised figure of \$10,600 for 1958. The median loss for 1,074 AMs reporting they were in the red was \$7,200 in 1959 vs. \$7,500 (revised) a year earlier.

(4) Expenses for the full-year AMs averaged \$144,201, profits \$16,833.

(5) Of 148 FM-only stations reporting, 110 lost money last year. Over-all FM-only revenues totaled \$4.3 million, expenses \$5.9 million for a loss of \$1.6 million. FMs operated by AM licensees reported 153-station revenues of \$1.4 million.

KFSD-TV & KFSD San Diego are reportedly due to be sold shortly—with Cowles Bcstg. Co. among those mentioned as the purchaser. Negotiations for sale to Hugh Halff family, owners of WOAI-TV San Antonio, for some \$7 million, are now said to have fallen through. The San Diego stations are owned by *Newsweek* and the investment firm of Fox, Wells & Rogers. The magazine owns 45.2%, having paid \$1.5 million for its share in 1957. There were reports last week, too, that KMBC-TV & KMBC Kansas City were being sold to Metropolitan Bcstg. Co. KMBC-TV exec. vp-gen. mgr. John Schilling said many unsolicited offers for the stations had been received over a long period, but no sale has been negotiated.

CP for Ch. 51, Louisville, has been granted to Kentuckiana TV Inc., following the drop-out of competitor United Electronics Lab. Bartley abstained, King dissented.

KRDO-TV Colorado Springs may also identify itself with Pueblo under a waiver of the rules granted by FCC. Comrs. Bartley & Lee dissented.

NAB Staff Marches On: Continuing the industry self-improvement lecture tour they started Oct. 13-14 in Atlanta (Vol. 16:42 p2), NAB staffer moved on to Dallas & San Francisco last week for repeat performances of fall TV-radio conference presentations.

As in Atlanta, staff diagnoses of & prescriptions for industry problems were rounded up & supplemented by NAB Policy Committee member G. Richard Shafto (WIS-TV & WIS Columbia, S.C.). He was the first-day luncheon speaker at the Oct. 18-19 Dallas conference and Oct. 20-21 San Francisco sessions.

Main guest speakers at the 2nd & 3rd of NAB's 8 regional conferences were Chmn. Will C. Grant of Grant Advertising Inc., Chicago, and U. of Cal. journalism Prof. Charles H. Hulten, who addressed closing luncheons.

In Dallas, Grant told Southwestern broadcasters at the Sheraton-Dallas Hotel that it wouldn't be long in the electronic age before U.S. advertisers would be able to reach international TV & radio audiences. He said broadcasting has been "a magic catalytic agent" for domestic industrial expansion. Grant predicted that TV & radio will produce further industrial advances when they cross international borders.

A feature of the Dallas conference was presentation of an NAB memorial plaque to Mrs. Alexander Keese, widow of the late managing dir. of WFAA-TV & WFAA Dallas. He was a 1955-1959 NAB Board member, representing District 13, and had served on many NAB committees.

In San Francisco, Hulten told West Coast station executives in the Mark Hopkins Hotel that broadcasting is fast coming into its own as a news medium. "People look to radio as the place they can get their news first when they want news," he said. He saw TV as "especially important" when it comes to "helping people get the facts they need to make up their minds on issues, candidates and the like."

Remaining NAB conferences: Denver (Denver-Hilton), Oct. 24-25; Omaha (Fontenelle), Oct. 27-28; Washington (Statler-Hilton), Nov. 14-15; Chicago (Edgewater Beach), Nov. 21-22; N.Y. (Biltmore), Nov. 28-29.

The 3-man NAB policy committee will be represented at Denver & Chicago by Merrill Lindsay (radio WSOY Decatur, Ill.). His luncheon-address theme: Recent actions by Congress & FCC "go in the direction of emancipating broadcasters" from extra-rigid controls, but TV & radio must make sure they understand their community-service responsibilities. Committee Chmn. Clair R. McCollough (Steinman Stations) will be at Washington & N.Y. meetings.

AMST reaffirmed its basic principles in a Washington board meeting last week, resolving that: (1) All 12 vhf channels be retained & used for wide-area service. (2) Attempts be made to get more vhf. (3) Uhf be encouraged, side-by-side with vhf. (4) It's premature for FCC to cut vhf spacings before developing long-range plans. (5) If vhf spacings are to be cut nonetheless, they should be done in a single proceeding embracing all short-spaced proposals—limited to "exceptional circumstances" where it's necessary to relieve "serious shortages" in "larger markets"—and without impairment of existing service. The board also decided to participate in FAA's tall-tower rule-making proceeding (see p. 5).

Sale of WHTN-TV Huntington-Charleston, W. Va. to Reeves Bcstg. & Development Corp. by Cowles Bcstg. Co. has been confirmed. Reported price: \$2 million.

World's tallest tower is now in use by KFVS-TV (Ch. 12) Cape Girardeau, Mo., following FCC authorization.

Strike against KXTV Sacramento enters its 4th week Oct. 24, with negotiations completely broken down and no end in sight. Owner Corinthian Bcstg. Co. is operating the station with management & crews from other Corinthian stations, along with crews from KOLO-TV Reno, which picks up CBS-TV feeds from KXTV. Striking are NABET (32 members) & AFTRA (10 members). They walked out after failing to agree with the station on terms for a new contract. Corinthian contends the strike is illegal, since it inherited the labor contracts when it purchased the station (formerly KBET) last year. NABET has filed unfair labor practice charges with NLRB. Richard P. Hogue resigned as vp & station mgr. as a result of "differences of opinion," apparently over terms offered to the unions. KXTV secy. Robert Salk is temporarily serving as station mgr. Sporadic violence was reported last week, including the explosion of a homemade bomb in a station official's car. No one was injured.

Daytime radios sell for over \$500,000: KGMS Sacramento, Cal. has been sold by A. C. Morici & Associates for \$650,000 to a group headed by A. J. Krisik, Ted Wolf and Judd Sturtevant. Buyers own radios KFIV Modesto, Cal.; KAGO Klamath Falls, Ore., and KFAX San Francisco. And KIMN Denver, Colo. has been sold by Cecil L. Heftel for \$607,000 to John Hunter, Bobby Donner Jr., Kenneth Palmer and associates. Broker for sales was Edwin Tornberg & Co.

FTC consent orders have been signed by these record firms in a new batch of payola-case settlements: Starday Recording & Publishing Co. Inc. and Starday International Sales Co. Inc., Madison, Tenn. Hit-Record Distributing Co., Cincinnati. S & S Distributing Co., Detroit. Peacock Record Co. Inc., Houston. ARC Distributing Co., Detroit. Mayfair Distributors Inc., N.Y. Cadet Distributing Co. Inc., Detroit.

RCA shipped a superturndial antenna Oct. 11 and a 25-kw transmitter Oct. 14 to KELP-TV (Ch. 13) El Paso, Tex., which plans a power boost from its new site; a traveling wave antenna Oct. 12 to KROC-TV (Ch. 10) Rochester, Minn., also planning move to new site & power boost; a pylon antenna Oct. 17 to KBAK-TV (Ch. 29) Bakersfield, Cal., also due to move site & boost power.

Radio station sale: WEW St. Louis, by Bruce Barrington for approximately \$600,000 to Franklin Bcstg. Co. (WWOM New Orleans, KOMA Tulsa, WMIN Minneapolis-St. Paul, WLOD Pompano Beach, Fla.), which is headed by Wm. F. Johns Jr. Broker was Hamilton-Landis.

A million dollars' worth of Marconi Mark IV 4½-in. image-orthicon cameras has been exported from Britain in the year since the camera was introduced, Marconi announced last week. The British manufacturer reported that 70 were sold in the U.S., most of them through Ampex Corp., and "well over 200" more in other overseas countries.

Outstanding film & tape commercials will be screened by KTTV Los Angeles at the first American TV Commercials Festival & Forum Oct. 25-26 for agency executives and clients. Commercials were selected from 1,359 entries by 50 top admen in N.Y. last May.

Facility changes: KTVW (Ch. 13) Tacoma, Wash. received program test authorization Oct. 17 for boost to 214 kw • KVIQ-TV (Ch. 6) Eureka, Cal. has begun construction at new site, plants boost to 100 kw about Dec. 15.

New remote-pickup band, 161.625-161.775 mc, for exclusive use of broadcasters, is being proposed by the FCC in lieu of the originally proposed 161.645-161.825 mc.

Programming

The Last Debate: The TV-radio industry's biggest 1960 public-affairs success—the 4-program *Great Debate* series—finished its pre-election run Oct. 21, plans for an extra debate having been scrapped due to lack of agreement among the candidates' representatives. From now on, the TV-radio exposure burden will be carried mainly by free guest shots and political shows (a Nixon appearance on *Person to Person*; ABC's *Campaign Roundup*, CBS's *Presidential Countdown*, NBC's *The Campaign & The Candidate*, etc.).

There had been talk of a 2-hour debate, but a committee of representatives of the candidates & networks decided, late last week, that "in the time involved, an acceptable program . . . could not be developed."

The door was still open, however, for a 5th debate. Kennedy wired Nixon on Oct. 21 urging such a TV meeting and adding that more than 5 debates would be helpful if the record were to be "corrected properly." At a briefing session in N.Y. Oct. 21 for reporters covering the TV debate later that day, Kennedy's press secy., Pierre Salinger, stated that the Democrats would particularly like a 5th debate "to defend ourselves against the TV saturation campaign planned by the Republican Party in the 2 weeks prior to the election." We asked Nixon's press aide, Herb Klein, just how extensive this "saturation" would be. Replied he: "We expect to have some increase in our TV, but I wouldn't call it 'saturation.'"

Paid political network telecasts, already on the lean side (Vol. 16:39 p8), continued to get leaner for the networks. The 60-min. segment reserved by the Democrats on CBS-TV for Election eve last week was trimmed to a 30-min., 11:30-midnight show, and there was talk around the networks that some of the 5-min. time periods held by both parties might be abandoned.

Great Debate film clips were being used in paid political programs. Nixon's campaign director, Robert Finch, complained that a 5-min. Kennedy commercial seen on TV Oct. 20 included spliced film from the first TV debate which made it appear that Nixon was agreeing with Kennedy statements. "Vicious political trickery of the most contemptible sort," said Finch.

The debates also left a financial problem in their wake. Not yet resolved is the question of payment for the extra network lines involved in ABC's origination of the Oct. 13 (3rd in series) debate show. ABC, N.Y. sources told us, wants CBS and NBC to help split the above-normal line charges resulting from the N.Y.-and-Los Angeles origination of the program. Since no formal inter-network deal was ever worked out, the situation, as one ABC official admitted, is "delicate," particularly since ABC also assumed the origination of the Oct. 21 telecast.

* * *

To insure continuation of face-to-face TV debates in future campaigns, Radio-TV News Directors Assn. Pres. William Small (of WHAS-TV Louisville) called on Nixon & Kennedy for a future guarantee. Both candidates were asked whether they would be willing to participate in TV debates in 1964 or to have others do so, if neither is up for re-election. "I feel it is important now that the next President indicate his feelings on a similar series in 1964. If the candidates don't go on record prior to Nov. 8, the ultimate winner may well yield to the pressure of advisers and decline to debate in the future," Small stated.

Hogan's Quiz Kids: Last fall's quiz scandal bounced back into headlines last week when N.Y. DA Frank S. Hogan lowered the boom on nearly 2 dozen quiz-show winners. Hogan's action was taken on the basis of perjury informations handed up by a N.Y. grand jury (Vol. 16:41 p4). The group surrendering to Hogan included such big-money ex-contestants as Charles Van Doren (\$129,000), Elfrida Von Nardroff (\$220,500) and Hank Bloomgarden (\$98,500). Charged by the grand jury with 2 counts of 2nd-degree perjury in denying they had received questions & answers in advance on *Twenty-One* and *Tic Tac Dough*, members of the group were arraigned before Chief Special Sessions Justice John M. Murtagh. All face a maximum penalty of a year in jail and a \$500 fine.

Large-scale religious public-service project "whose object & scope is without precedent in American broadcasting" will be launched by WFIL-TV & WFIL Philadelphia Thanksgiving Day and continue through Brotherhood Week in February. Under the name, "One Nation Under God," the project will feature weekly special programs from churches & synagogues in prime time; "sermonettes" throughout the broadcast day by prominent clergymen and laymen, including J. Edgar Hoover, Henry Luce, Walt Disney, Rod Serling; spot announcements emphasizing importance of religion today.

American Federation of Musicians cracked down last week in N.Y. on alleged "tracking abuses." Specifically, AFM filed charges against conductor Henry (Hank) Levine and 10 musicians for recording an all-music soundtrack to which a vocal was to be added later. "This practice," said AFM, "is in violation of Federation law and labor contracts with recording companies. Subsequent dubbing of the vocal to produce a completed recording is an unartistic short-cut to further reduce the work hours of musicians, and we are alerting our officers and members in every recording jurisdiction to report such abuses."

First casualty of 1960-61 season will be MCA's 60-min. filmed *Riverboat* series, currently occupying the Mon. 7:30-8:30 p.m. slot on NBC-TV with DuPont, Gold Seal, and Block Drug as sponsors. The series, known backstage at the network as "*Wagon Train* with boats," will be replaced Jan. 23 by a 60-min. Civil War-era telefilm show, *The Canfield Brothers*. This is the NBC-produced series originally titled *The Blue & the Gray*, developed by producer Frank Telford.

Three-point program to cure "TV's ills," as proposed by N.Y. Herald-Tribune Syndicate columnist John Crosby in Nov. *Ladies' Home Journal*, is patterned after Britain's TV system. (1) Commercial sponsorship, *per se*, should be banned, substituting magazine-concept advertising in which advertisers have no authority or control over programming. (2) The FCC should establish a Program Advisory Board to hold networks "genuinely accountable" for their program balance. (3) A non-commercial "National Network" should be established and operated with public funds to provide cultural programming.

Minority political parties will get a helping TV hand from CBS which has scheduled an Oct. 30 report on the subject titled "Other Hats in the Ring." To be produced for the public affairs dept. of CBS News by Bill Kobin, the show will trace 3rd-party activity in America from the "Know-Nothings" of the 19th century through the Dixiecrat movement of 1948. Special guest for the show: Norman Thomas, veteran Socialist Party Presidential candidate.

Networks

Electronic Election: All 3 networks are planning to make extensive use of electronic computers in their election-night coverage. In a sense, the telecasts will act as show-cases for the latest computer technology. The lineup:

NBC & RCA: For the first time, NBC will use parent RCA's new 501 data processing system as the "brain" of its election reporting. Studio 8-H will be the network's "Election Central" but special audio-video links will also operate to RCA's N.Y. Electronics Service Center at 45 Wall St. where commentator Richard Harkness will be in charge of what NBC calls "Operation Ballot."

ABC & Remington-Rand: ABC will use the newest Univac equipment in remote pickups from Remington-Rand's N.Y. data processing center, with newsman Don Goddard reporting. The main ABC election commentary will originate in the network's big TV-1 studio on West 66th. St., Manhattan.

CBS & IBM: International Business Machines Corp. and CBS will be partnered on election night, with CBS drawing predictions & analysis from a new 7090 computer located in IBM's midtown Manhattan data center. Walter Cronkite will act as "anchor man," with Edward R. Murrow, European correspondents Eric Sevareid and David Schoenbrun, and CBS News Washington correspondent Howard K. Smith spearheading the news team.

Network Television Billings

August 1960 and January-August 1960

For July report, see TELEVISION DIGEST, Vol. 16:38 p8

Aug. Billings Up 9.1%: Network TV's August gross time billings totaled \$50.9 million—9.1% ahead of the \$46.6 million billed in Aug. 1959. TvB's latest tabulation shows, however, that normally-upbeat August ran markedly behind July 1960's \$55.8-million business. August billings increased the year-to-date total to \$442.9 million, compared with \$402.8 million for Jan.-Aug. 1959. However, the slowed August performance reduced the cumulative percentage gain to 10% from 10.1% the preceding month.

CBS, as usual, led the networks in dollar volume, both in August (\$21.4 million) and year-to-date (\$183.2 million). NBC cut the gap, however, with a 4.4% August gain (vs. CBS's 1.5%) to \$18 million. ABC was the leader in percentage gains: 38.5% for Aug. over Aug. 1959, 29.3% for Jan.-Aug. over 1959's first 8 months.

NETWORK TELEVISION

	Aug. 1960	Aug. 1959	% Change	Jan.-Aug. 1960	Jan.-Aug. 1959	% Change
ABC	\$11,366,100	\$ 8,205,520	+38.5	\$100,846,330	\$ 78,019,506	+29.3
CBS	21,448,482	21,137,261	+ 1.5	183,229,196	174,154,590	+ 5.2
NBC	18,067,503	17,298,527	+ 4.4	158,865,358	150,662,789	+ 5.4
Total	\$50,882,085	\$46,641,308	+ 9.1	\$442,940,884	\$402,836,885	+10.0

1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	\$13,260,010	\$23,477,358	\$20,980,897	\$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,043,799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,642,038	55,923,310
May	12,876,050	23,209,917	19,414,264	55,500,231
June	11,948,700	22,049,440	18,959,323	52,957,463
July	12,529,660	23,442,997	19,805,457	55,778,114
August	11,366,100	21,448,482	18,067,503	50,882,085

Note: Figures revised as of Sept. 29, 1960. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time rates or before frequency or cash discounts.

Canada's TV Networks: The Board of Broadcast Governors last week issued final regulations for the operation of privately-owned TV networks in Canada and posted a Nov. 14 deadline for license applications. Public hearings on the applications will be held Nov. 29.

The network regulations are virtually unchanged from those proposed & discussed at BBG's public hearings in September (Vol. 16:38 p8), and define a network as an affiliation of stations for film, tape or interconnected programming. The general regulations limit a station's affiliation to one network, ban a network from using a single program source, and specify a minimum "reserve time" of 8 hours weekly (but suggest 10 hours to start).

BBG emphasized its authority to grant new TV station licenses conditional with affiliation with the CBC network, but noted that station affiliation with a private network would be voluntary. In cases of disputes between network & affiliates, the BBG, under a new ruling, is authorized to adjudicate.

During the September hearings, it was argued that contractual agreements involving reserve time might be misinterpreted as operating a network. In such cases, BBG says, it will require the station operator at a public hearing "to show cause why he should not either file an affiliation agreement or modify his operations."

NETWORK SALES ACTIVITY

ABC-TV

- The Spirit of the Alamo, Nov. 14, 9:30-10:30 p.m., one-time special, full sponsorship.
Pontiac (MacManus, John & Adams)
- American Bandstand, Mon.-Fri. 4:30-5:30 p.m., part. Nov.
Lehn & Fink (Ted Bates)
Toni (North)
- Roaring 20s, Sat. 7:30-8:30 p.m., part. eff. Oct.
Colgate-Palmolive (Ted Bates)
- Bugs Bunny, Tue. 7:30-8 p.m., part. eff. Oct.
Mattel (Carson-Roberts)
- Naked City, Wed. 10-11 p.m., part. eff. Dec.
Procter & Gamble (Benton & Bowles)
- Adventures in Paradise, Mon. 9:30-10:30 p.m., part. eff. Dec.
Procter & Gamble (Benton & Bowles)
- The Islanders, Sun. 9:30-10:30 p.m., part. eff. this month.
Procter & Gamble (Benton & Bowles)
- Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Dec.
Procter & Gamble (Benton & Bowles)
- Paul Winchell Show, Sun. 4-4:30 p.m., co-sponsorship Dec.
Hartz Mountain Products (H. Hartman)
- Daytime programming, Mon.-Fri., part. eff. Oct. & Nov.
Bristol-Myers (Gilbert & Benton)
J. B. Williams (Parkson)
Dow Chemical (Norman Craig & Kummel)
National Biscuit (Ted Bates)

CBS-TV

- Red Skelton Timex special, Wed. Nov. 30, 8:30-9:30 p.m. one-time special, full sponsorship.
Timex (W. B. Doner)

NBC-TV

- Something Special, Sun. Dec. 4, 10-11 p.m., one-time special, with American Child Guidance Foundation.
New England Mutual Life Ins. (BBDO)
Quaker Oats (J. Walter Thompson)
Gerber's Baby Foods (D'Arcy)
Sterling Drug (Dancer-Fitzgerald-Sample)

Advertising

'Brand X' Is For Real: Madison Ave.'s favorite Patsy—the fictitious "Brand X" with which everything from beer to toothpaste has long been invidiously compared—is no longer a backstage advertising joke. In fact, you'd better check with your legal dept. if you're planning "Brand X" comparison commercials. Like the ugly duckling who made good, "Brand X" now has a positive identity. In fact, it has several.

A new Brand X cigaret will go on the market this month with the slogan: "For the man who is satisfied with nothing less than second best." The inventors of the brand & its theme—Wexton Co. Inc. exec. vp Martin Solow, Monroe Greenthal Co. Inc. vp & creative dir. Dave Diener and Wexton copy chief Ed Handman—believe in 2nd place "because first place is too crowded." Budget permitting, the cigaret will begin TV advertising in the immediate future. Planned commercials will build the "2nd place" theme by enclosing pictures of U.S. Vice Presidents in every pack. ("Our cigaret is for the man who as a boy dreamed of becoming a Vice President," said Solow.)

Another Brand X, this one a window cleaner, is already on the market, launched a few weeks ago by Gleema Co. of Cincinnati. "Brand X was chosen as the name," said Gleema Pres. Harry Chafvin Jr., "because it has already had a lot of free publicity." Chafvin's TV plans have not been announced. An Ohio liquor dealer has been using "Brand X" labels on his private-brand whiskey & gin for some time, reports it selling extremely well because "customers have seen it advertised on TV."

At least one other Brand X product, popcorn, is expected to appear on the market in the near future.

Ad People: Harold Miller elected vp & associate media dir., Grey Advertising, succeeding Eugene A. Accas, now network relations vp . . . Randolph T. McKelvey promoted from vp to senior vp, Young & Rubicam . . . Lee Currlin promoted from vp & associate media dir. to vp-media dept. mgr., Benton & Bowles; Rudy Maffei promoted from asst. to associate media dir. . . . Robert H. Ellis and James J. Jordan Jr. named BBDO vps . . . Milton H. Raymond named senior vp & chmn. of new administrative plans board, Grant Advertising; David Fenwick appointed senior vp & creative supervisor . . . William C. Munro, ex-Foote, Cone & Belding, named D'Arcy mktg. dir. . . . Wilfred S. King elected exec. vp, J. M. Mathes.

Renault's TV-radio billings, now more than \$2 million annually, have been shifted from Kudner to Needham, Louis & Brorby, Chicago ad agency which already has Renault's \$2-million-plus print billings. Renault, like most import car lines, has been hard-hit by the 1959-60 sales success of Detroit's compact cars and has planned for some time to consolidate its ad billings with a single agency. N.Y. agency sources last week speculated to us that, if anything, the move suggested budget cutbacks for Renault's broadcast (but not print) spending. In France, Renault has recently put nearly 20% of its auto labor force on layoff as a result of a decline in export sales, principally to the U.S.

General Motors has agreed in an FTC stipulation to eliminate advertised claims that its 1960 Corvair will deliver 33 miles per gallon of gasoline. It also agreed to discontinue boasts that the car averaged 27.03 miles on a gallon of regular gasoline on the "Mobilgas economy run."

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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PUBLICATION OFFICE Radnor, Pa., MURRAY 8-3940, TWX: Radnor 1028

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TELEVISION DIGEST. Published Mondays. Subscription \$75 annually. For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
Published March & Sept. Published Saturdays Published in January

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Personals: C. Howard Lane, longtime exec. vp of KOIN-TV Portland, Ore., named pres. of Mount Hood Radio & TV Bcstg. (KOIN-TV & KOIN) to succeed late Ted R. Gamble . . . Alan W. Livingston named a Capitol Records vp, returning to the company after being Cal. National Productions pres. and NBC-TV West Coast programming vp . . . Earl J. Kolb named FTC hearing examiner dir., replacing Everett F. Haycraft, who is retiring after 43 years service . . . Dr. William E. Glenn, GE Labs research physicist who invented thermoplastic recording, wins Ga. Tech's George W. McCarty Award for "outstanding young alumnus of 1960" . . . Lewis P. Johnson is mgr., NBC Radio Spot Sales Eastern office . . . James S. Bacharach named Trendex mkt. services vp . . . Andrew J. McCaffrey named PR dir., WPIX N.Y.

Martin Block is retiring on Oct. 29, after 30 years as a disc jockey. During the years since he first started spinning records and chatting with musical personalities, his *Make Believe Ballroom* became one of radio's fixtures. Said Block of his retirement: "Some of the young fellows in the business will do well. As for the payola scandal, only good can come from it. It's as if the people making records were suddenly struck with the realization that they can only succeed with quality. The songs are better, the performances are better since the scandal."

Federal Communications Bar Assn. luncheon at Washington's Willard Hotel Oct. 25 will feature a discussion of Communications Act amendments by FCC Chmn. Ford.

Meetings next week: EIA-IRE Radio Fall Meeting (Oct. 31-Nov. 2), Syracuse Hotel • Ohio Assn. of Bcstrs. fall convention (Nov. 3-4), Columbus Athletic Club • AWRT Pennsylvania conference (4), Harrisburg, Pa. • Mo. Bcstrs. Assn. (5-6), Lennox Hotel, St. Louis.

Obituary

Andrew B. Turnbull, 75, president of the Green Bay Newspaper Co. (radio WJPG Green Bay, Wis.) and the Post Publishing Co., Appleton, Wis., died Oct. 17 of a heart attack in Allouez, Wis. Turnbull was the first president of the Green Bay Packers. He is survived by 2 daughters.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

NEXT NEW TUBE SIZE—SQUARE 16-in.? Tube sizes have stopped going up again—and, once more, there's no place to go but down. At request of several set makers (understood to include Admiral & Philco), Corning will begin sampling 16-in. square-cornered 114-degree tube bulbs in December.

Following historical pattern of tube sizes—steady increases up to a plateau, then a return to smaller sizes—industry again shows interest in "something smaller." Still, it's doubtful whether this interest will be universal or strong enough to make possible production of 16-in. tubes at low enough price to warrant production. Upward trend in sizes leveled off at 23-in., and glass & tube makers have shelved plans for 26-in. rectangular tube because of insufficient industry interest (Vol. 16:31 p17).

New 16-in. tube would be designed for low-end portables and battery portables. At least initially, it would be available in non-bonded version only.

Is there any market for 16-in. tube for conventional-type portables? There may be, according to survey made by Corning and relayed to tube makers, indicating rather surprising potential popularity. In 2 separate tests, groups of consumers were shown 2 portable sets—one with 19-in. and the other with prototype of 16-in. square-cornered tube. In one case 60% said they favored 19-in., 36% favored 16-in. (4% having no preference); in the other test 59% liked the 19-in., 38% the 16-in.

Importance of portability was established by affixing signs to the sets giving respective weight. For the first test group, the 19-in. was labeled "39 lb.," the 16-in. "25 lb." Then the voting changed—51% preferring the 19-in. and 46% choosing the 16-in. With the 19-in. still labeled "39 lb." and the 16-in. labeled "31 lb.," the 2nd group favored the 19-in. more strongly—69%, vs. 28% for the 16-in.

Tests also seemed to show that price is secondary factor to other important features. With the 19-in. set tagged at \$219 (and 39 lb.) and the 16-in. at \$189 (and 25 lb.), result was almost even—49% choosing the 19-in. and 48% the 16-in. For the other test group, the 19-in. price tag was kept at \$219 (and weight at 39 lb.), but 16-in. price was reduced to \$169 and weight raised to 31 lb. Vote then was overwhelmingly for 19-in. set—68% to 31%—despite \$50 price differential.

Cost obviously will be important determinant in whether industry buys 16-in. tube. And this is the big rub: It's understood that Corning has told manufacturers price of 16-in. bulb would be higher than the 23-in. if it were produced in quantities similar to the old 14-in. tube, that at even double those quantities, it still would be priced somewhat higher than 19-in. bulb. So it's obvious that unless there's an all-out industry slide toward the 16-in., there's not too much possibility of its being produced at all.



Price increase in 19-in. tubes now seems certain during first quarter of next year, based on rise understood to be in the works by Kimble Glass Co. and presumably due to be followed by Corning. They'll result in hike of \$1 or more in price of finished tubes, which, translated to retail, could mean boost of \$4-5 in prices of 19-in. sets. If, as some manufacturers predict, there'll be general TV price increase early next year (Vol. 16:42 p17), this rise would be incorporated in any new price levels.

Actually, 19-in. tube is something of a bargain today. Non-bonded version (114 degrees) now sells to set makers at \$16—even less than former price of 110-degree 17-in. (\$16.25) when that was standard tube for portables. The 23-in. non-bonded tube (114 degree) now costs \$21.25, exactly same price as 21-in. 110-degree, while the 110-degree 23-in. bonded tube costs \$24.75.

New 19-in. tube is coming out in next 30 days—with 92-degree deflection angle, making possible lower-cost (but deeper) sets because of lower voltage requirements. It is companion to 92-degree 23-in. tube, already on market (which replaced 90-degree 23-in. tube.)

Note: RCA is due to introduce improved version of its 21-in. color tube in December. Best information indicates it will still be same round shadow-mask tube but with new phosphors giving brighter and better color & b&w renditions. RCA tube officials decline comment on this development except to state that "we are always working on new designs in every area of color performance, including tubes," but that "the present shadow-mask tube is the best that has been discovered."

TV-RADIO PRODUCTION: EIA statistics for the week ended Oct. 14 (41st week of 1960):

	Oct. 7-14	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	124,587	131,583	185,390	4,624,836	4,856,483
Total radio	433,493	426,968	447,496	13,263,868	11,805,476
auto radio	156,510	169,171	133,639	5,107,517	4,422,144

AUGUST PHONO SALES HIGH: Retail unit sales of phonos in August were 13% ahead of Aug. 1959—unlike TV sales, which showed a 13% decline (Vol. 16:41 p14)—according to latest EIA figures. The rise from a year ago was not quite so sharp, however, as July's 15% increase. Cumulative retail sales for 8 months were 16% ahead of last year in units, but probably up more sharply in terms of dollar volume because of the higher proportion of stereo to monophonic units (better than 3-to-1 so far this year as opposed to nearly 50-50 in last year's first 8 months).

Factory sales continued to run well ahead of last year in August. For the 8 months, factory sales slightly exceeded retail sales this year, while last year they were a shade lower than retail sales. EIA data for 8 months:

PHONO FACTORY SALES

Month	1960			1959		
	Mono	Stereo	Total	Mono	Stereo	Total
January	118,400	341,329	459,729	184,147	177,336	361,483
February	92,649	324,666	417,315	164,873	188,750	353,623
March	63,264	242,523	305,787	119,075	168,117	287,192
April	30,962	142,409	173,371	47,153	126,111	172,264
May	36,793	146,176	182,969	33,356	89,827	123,183
June	69,293	198,407	267,700	44,976	152,900	197,876
July	70,992	222,559	293,551	44,591	158,668	203,259
August	109,321	307,517	416,838	65,179	277,545	342,724
TOTAL	591,674	1,925,586	2,517,260	703,350	1,338,254	2,041,604

PHONO RETAIL SALES

Month	1960			1959		
	Mono	Stereo	Total	Mono	Stereo	Total
January	150,688	368,964	449,233	231,429	159,214	390,643
February	102,063	347,860	448,128	171,127	156,477	327,604
March	61,249	249,497	310,746	139,577	140,075	279,652
April	41,503	152,141	193,644	94,226	118,197	212,423
May	39,734	141,080	180,814	70,228	82,765	152,993
June	44,925	165,339	210,264	66,979	100,982	167,961
July	58,787	180,949	239,736	82,742	124,979	207,721
August	79,364	257,581	336,945	98,132	198,926	297,058
TOTAL	578,313	1,863,411	2,441,724	954,440	1,081,615	2,046,055

* * *

Factory sales of transistors climbed in August to 9,732,993 units at more than \$22.7 million—topping slow July by more than 2.6 million units at \$4.6 million. The August sales & dollar volume also were ahead of the year-ago levels by about the same margins. The EIA's monthly figures on factory sales of transistors:

	1960		1959	
	Units	Dollars	Units	Dollars
January	9,606,630	\$24,714,580	5,195,317	\$13,243,224
February	9,527,662	24,831,570	5,393,377	14,550,056
March	12,021,506	28,700,129	6,310,286	18,117,560
April	9,891,236	23,198,576	5,906,736	16,864,049
May	9,046,237	24,714,580	6,358,097	19,007,293
June	10,392,412	27,341,733	6,934,213	18,031,593
July	7,070,884	18,083,802	6,030,265	15,618,315
August	9,732,993	22,739,969	7,129,696	18,054,138
TOTAL	77,289,560	\$193,756,732	49,257,987	\$133,486,228

Radio Fall Meeting Agenda: "Electronics in the Consumer Products Market" will be the topic of Edward R. Taylor, Motorola consumer products div. exec. vp, principal speaker at the annual EIA-IRE Radio Fall Meeting Oct. 31-Nov. 2 at the Syracuse Hotel, Syracuse, N.Y. Highlights of technical papers:

Effect on Color TV of Dr. Edwin Land's Color Experiments, C. J. Hirsch, RCA, chmn., EIA Broadcast TV System Committee. Reliability & Quality Control session, J. R. Steen presiding, with participants J. A. Davies & C. D. McCool, GE; E. P. Laffie, CBS Electronics; J. R. Isken, International Resistance; H. C. Bartels & C. B. Tague, Lansdale div., Philco. Tube session, H. R. Terhune presiding: High-Efficiency Power Rectifier Tube, Frank R. Snyder & C. D. McCool, GE; Multi-Unit Tubes for Auto Receivers, N. C. Johnson & B. Lankford, RCA; 10-Pin Miniature Tubes, W. J. Sember & L. R. Maguire, Sylvania.

Semiconductor session, R. M. Cohen, presiding: AGC Characteristics of vhf Germanium Mesa Transistors, Roger L. Weber & R. C. Grimes, Texas Instruments; Variation of Transistor HF Noise Figure & Gain with Life, C. D. Simmons & C. R. Gray, Lansdale; AM-FM Receiver Utilizing Autodyne Converter, H. Thanos & L. Plus, RCA; Transistorized Horizontal Deflection, Douglas W. Taylor, Motorola.

Radio & TV sessions, I. J. Kaar & W. P. Boothroyd, presiding: Nuistor Triode in UHF Tuners, C. Gonzalez, RCA; Phase-Splitter Video Amplifier for Transistor TV, Z. Wiencek, Warwick; Power Sources for Low-Heater-Power Tubes in Transistorized Receivers, B. Soltoff & C. Tyson, Philco; Benefits of a New TV Aspect Ratio, W. D. Schuster, Sylvania, & C. E. Torsch, Rola Co.; Enhancement of Band-Limited TV Images, J. E. Hefele, Bell Labs; A TV Stereo System, R. B. Dome, GE; Compatible AM Stereo-casting, J. Avins, RCA; Transistorized AM-FM Receiver Using MADT Transistors, T. C. Lawson & J. Heinchon, Philco; New Concept in Citizens Band Systems, H. L. Richardson, Sylvania.

Gross National Product dropped 0.5% in 3rd quarter 1960, President Eisenhower's Council of Economic Advisors estimated last week. The estimate substantiated other indicators that consumers spent less, although their incomes were up. Consumer spending, according to the estimate, was down particularly in non-durables (food, clothing, etc.), probably traceable to lower food prices. The new figures indicated that this decline in consumer non-durable spending wasn't compensated by a rise in spending for durables—but that the money went into savings instead. Personal savings increased by an annual rate of nearly \$4 billion in the 3rd quarter, equal to 8.1% of personal income after taxes.

TRAV-LER'S PRIVATE BRANDS: One of the "smaller" TV-radio-phono manufacturers—20-year-old TV pioneer Trav-Ler Radio Corp.—has revealed that half of its business now is in private brands, up from only 1.4% just 5 years ago.

In a prospectus for its 15-year, 6½% sinking-fund debentures due 1975 (Vol. 16:40 p19), offered by Lee Higginson Corp. and associates, Trav-Ler gives these facts about its growing private-label business:

From 1.4% of net sales in 1955, private-brand business grew to 4% in the period from Jan. 1 to April 30, 1956, to 4.2% in fiscal 1957 (ended April 30), 23.6% in fiscal 1958, 40.3% in fiscal 1959 and 49.5% in fiscal 1960. Trav-Ler says it manufactures private-brand products for Western Auto Supply, CBS Electronics & CBS International, Decca, Coast-to-Coast Stores, Gamble-Skogmo, the May Co., R. H. Macy. Products made for each are unspecified. "The 3 largest of such purchasers," says the prospectus, "accounted for approximately 18%, 11% & 7%, respectively, of the company's total net sales in fiscal year ended April 30, '60."

Other highlights of Trav-Ler's business as reported in the prospectus:

Net sales & profits for 3 months ended July 31 were down from the same 1959 period (as reported in Vol. 16:41 p20)—\$4,784,250 & \$104,718 in 1960 vs. \$5,191,954 & \$185,418 in 1959. These declines, says the prospectus, "reflect a condition which the company believes to be general in the industry for customers to take deliveries less rapidly this year than last year. In addition, the product mix for the first quarter of the current fiscal year contains a relatively larger proportion of lower-profit items. The company estimates that since July 31, 1960, the decline in gross sales & net income has continued as a result of the factors mentioned above."

Increased importance of phonos in Trav-Ler's operations this year is shown in the breakdown of product mix in terms of net dollar sales. For the 3-month period ended July 31, 1960 (compared with similar period ended July 31, 1959 in parentheses), these sales figures are given for product categories:

TV receivers \$1,400,571 (\$2,066,634), radios \$333,918 (\$589,339), phonos \$1,011,585 (\$233,115), hi-fi phonos \$1,097,532 (\$1,571,870), radio-phono & TV-radio-phono combinations \$242,406 (\$299,645), tape recorders \$413,667 (\$173,445), miscellaneous \$284,571 (\$257,906). Breakdown of sales in the same categories for fiscal year ended April 30, 1960: TV \$9,697,323, radios \$1,557,025, phonos \$1,545,272, hi fi \$5,283,019, combinations \$1,079,605, recorders \$1,505,292, miscellaneous \$779,936.

The company produces & finishes 95% of all wooden, and 100% of all fabricoid-covered TV, radio & phono cabinets in its production, produces 75% of its own dies. Its products are marketed through some 30 independent distributors & 20 sales reps. Fiscal 1960 salaries to top executives listed in prospectus: Pres.-treas. Joe Friedman, \$75,000; exec. vp-secy. Ellis Friedman, \$64,360. Joe Friedman owns 30.69% of the company's common stock directly and beneficially, while Mrs. Jeanette Friedman owns 10.98%, the other 6 officers & directors as a group holding 45.34%.

Consolidated balance sheet lists total assets of \$8,284,360; total current assets of \$7,256,317. Current liabilities total \$4,212,309.

Sylvania is producing a new line of 3-in. to 27-in. industrial & military cathode ray tubes with bonded faceplates,

SARNOFF LAUDS JAPAN: RCA Chmn. David Sarnoff last week applauded Nippon's electronics achievements and approved U.S.-Japanese competition as mutually beneficial "because of the stimulus it gives our own efforts & because of the economic strength it provides to us both."

In Tokyo, addressing the Japanese Federation of Economic Organizations, Sarnoff declared: "The field of electronics is broad enough to offer unlimited opportunities to anyone who can contribute to its advance. It is my conviction that the wisest policy of electronic research is one based not upon concealing knowledge, but upon the widest & swiftest dissemination of knowledge, so that all may benefit. This has long been the policy of my company. We like to be first when we can, but we are not distressed when others are first.

"In electronics today," he continued, "we need a further international expansion of research facilities, an even broader exchange of scientific knowledge, and further strengthening of arrangements for the utilization of new developments."

In an obvious reference to American industry's agitation over Japan's intensified product invasion, Sarnoff noted: "In the few days that I have been here [Vol. 16:42 p21], I have been honored by meeting many of Japan's great industrial & political leaders. I have full confidence in their ability to shape a course of moderation & wisdom in their export trade with the U.S. Reasonable standards of competition will enable both of us to reap the rewards of the vast advances in the electronics arts."

Sarnoff praised the Japanese electronics industry for its rapid advance which, he said, has increased production 7-fold in the past 5 years, to a level of more than \$1 billion a year.

"Japan's progress in electronics," he continued, "is best symbolized by the growth of TV. Almost alone, I am told, TV initiated the upsurge in Japanese consumer sales. One out of every 5 TV sets installed throughout the world last year was in Japan."

The RCA chairman noted that Japan's gross national product has almost tripled over the past decade, and that "Japan has emerged as one of the world's foremost industrial powers." Looking ahead, he forecast: "Electronics & other scientific endeavors are uniquely suited to your genius & skills, and they can provide the means for bringing Japan to new heights of progress, prosperity and prestige. With your talents already so vigorously engaged in these enterprises, I have every confidence that you will achieve these goals."

* * *

Japan is appropriating "additional funds to help the Overseas Communications Cooperation Assn. build 10-kw TV broadcasting stations on Ceylon & Taiwan," reports Oct. 14 *Electronics*. "The Ministry of International Trade & Industry appropriated \$140,000. OCCA member firms will contribute another \$140,000. Tokyo observers see this as an obvious attempt to help get rid of the monthly TV production of some 300,000 sets which is threatening to flood the domestic Japanese market. MITI action came faster than usual in an attempt to make an end run around RCA, now reportedly offering easy terms to the Chinese Nationalist govt. to set up a TV bestg. company on Taiwan."

* * *

Channel-Master introduces an 8-transistor Japanese-made table or personal radio at \$59.95.

On Labor's Front: The IUE made peace with Westinghouse last week but continued at odds with GE. A tentative agreement on a new 3-year contract was reached Oct. 20 by the union & Westinghouse 32 hours before a threatened strike by 39,500 (of Westinghouse's 116,000) employes at 38 plants. The terms were ratified by IUE's board Oct. 21.

The new agreement provides 2 salary boosts of 2-to-10¢ each, effective Oct. 17, 1960 & April 16, 1962; higher monthly pensions; increased holidays & vacations, other benefits. The contract excludes a cost-of-living escalator clause, contained in the previous 5-year contract, and, according to Westinghouse, will cost the company much less than under IUE's original demands and no more than the contract proposed by Westinghouse Sept. 6.

IUE's strike at GE was in its 21st day as we went to press, but there were signs, strengthened by the Westinghouse settlement, that the end might be in sight. At GE's big Schenectady plant, 8,700 IUE members accepted a company "truce" proposal and went back to work—evidence that strike fatigue was setting in.

Shipments of semiconductor devices for the first quarter of 1960 totaled \$136.6 million, the Commerce Department's Business & Defense Services Administration reported last week in an official correction of its recent table of first-quarter component sales. To correct the table carried in our Oct. 10 issue (Vol. 16:41 p16), these changes should be made: Semiconductor devices, total quantity 73,430,000 units, of which 22,499,000 went to military and 50,931,000 to non-military customers. In dollar value, the shipments were worth \$136.6 million—\$66.4 million military, \$70.2 million non-military.

Westinghouse's "Curio Gallery" of hand-made decorator TV bases—designed as a promotion and shown for the first time at last July's Music Show (Vol. 16:29 p14)—is going into actual production. Four of the 7 Curio bases shown then are being introduced in production versions in distributor showings in 13 cities which began last week. All of the Curio models accommodate 19-in. Trendsetter TV sets. Also being shown by Westinghouse are 2 new 23-in. consoles and a new 19-in. portable.

Motorola has named 17 distributor salesmen & a regional manager winners of a contest which will send them on a "people-to-people" tour of Europe. The winners & their wives will sightsee England, Spain, Portugal and Tangiers, visit electronics factories, meet with foreign distributors & salesmen. Prior to departure, the Motorola "Ambassadors" will meet with State Department officials & UN representatives of the countries they will visit.

Sign of the radio times: Ads for Japanese radios outnumber those for U.S. brands by 8 pages to 5 in *Home Furnishings Daily's* Christmas Merchandising section Oct. 17. Japanese brands advertising: Toshiba (4 pages), Hitachi (2), Sony, Matsushita. U.S. brands advertised (radio only): Admiral (2 pages), Zenith (2), Sylvania.

Westclox enters radio market with a 6-transistor clock radio, incorporating a key-wound clock, at \$44.95 (\$49.95 with leather case, earphone & battery). Starting in Ohio & Pittsburgh markets, the General Time Corp. division plans to extend into national distribution next year. The firm did not state whether its radios are U.S.-made or imported.

New radio tuner has been patented by Emerson Radio's technical products div.—the Rotary-Axial Tuner—according to exec. vp Dorman D. Israel, who says it is completely linear, relatively inexpensive and "inherently miniaturized."

Trade Personals: Clarence H. Hopper, former CBS vp-facilities and onetime Arma mfg. vp, appointed president, CBS Electronics (phonos, tubes, semiconductors), succeeding Arthur L. Chapman, who joins CBS N.Y. hq staff, continuing as a CBS Inc. vp . . . James M. Toney, RCA Sales Corp. vp in charge of product planning & development, reassigned to staff of Chmn.-Pres. W. Walter Watts, in charge of special projects; C. Richard Johnston, who joined RCA corporate staff last year as mgr. of mktg. research after research posts at Ford and Chrysler, named mgr., product planning & development, RCA Sales Corp.; J. M. (Jack) Williams promoted to ad & sales promotion vp, RCA Sales Corp.

George Voigt named to new post of govt. relations dir., Zenith Radio Corp. military products . . . Z. W. Pique resigns as corporate mktg. vp, Hoffman Electronics; Lawrence Mendelsohn resigns as mfg. vp, military products div. . . . E. O. Welker appointed to the new post of RCA Victor Record div. magnetic tape products mktg. mgr.; J. Y. Burgess Jr. promoted from record div. commercial sales mgr. to commercial sales vp . . . A. B. Pollock named TV instrument & cabinet mfg. operations mgr., RCA Victor Home Instruments, Bloomington, Ind., assuming also responsibility for production, Monticello (Ind.) plant; J. A. Scarlett appointed mgr., radio-"Victrola" instruments & components mgr., operations (Indianapolis & Cambridge plants).

Philip Dechert, Philco gen. counsel, named chmn., EIA law committee . . . Sheldon Newberger promoted from systems engineering mgr. to operations div. dir., Adler Electronics . . . Carl H. Heydeman named to new post of international sales dir., TelePrompTer . . . George Alexandrovich named chief engineer, Fairchild Recording Equipment Corp. . . . Dr. Myron S. Heidingsfield, ex-RCA consumer products div. mkt. research mgr., named Villanova U. School of Commerce associate dean . . . Arthur T. Stephan, ex-FXR, named Crosby-Teletronics controller.

Jack Frietsch named product mgr. for all electronic product lines of Philco's consumer products div.; formerly mgr. of radio & hi-fi product development, he adds responsibility for TV, taking over duties of Jack Siegrist, resigned. Frietsch will be assisted by William Balderston Jr., mgr. for TV line development, and Thomas Fisher, for home radio & phono . . . Edward J. Whalen, former dir. of contract administration for ITT Labs & Communications Systems, elected ITT secy. . . . L. H. Orpin, ex-RCA, rejoins Stromberg-Carlson as gen. mgr., Stromberg-Carlson-San Diego . . . Ozzie Jaeger named military relations mgr., Westinghouse semiconductor dept.

Obituary

George P. Aldridge, 62, former sales vp of RCA's now-defunct Radiomarine Corp. of America, died of a heart attack Oct. 17 at his home in Haddonfield, N.J. Starting his 32-year career with RCA as a shipboard radio operator, he became vp of Radiomarine in 1951. After the division was disbanded in 1956, he was assigned to a marketing post in RCA's defense electronic-products div., Moorestown, N.J. He is survived by his wife, 2 sons and a grandson.

Charles K. Woodbridge, 79, chairman of the Dictaphone Corp., died Oct. 16 in the London Clinic, London, England. While he was mgr. of the Dictaphone div. of the old Columbia Graphophone Co. in 1922, he helped organize Dictaphone as a separate firm and became its first president. He previously had been president of Electric Refrigeration Corp. and a vp of Remington Rand.

New plants & expansions: Sylvania is constructing at Emporium, Pa. a 42,000-sq.-ft. R&D building for electron tubes. Slated for mid-1961 occupancy, it's the first of a group of R&D buildings to be erected on the site by 1963. • Zenith will break ground next month at Paris, Ill. for a 100,000-sq.-ft. radio & components production plant. Pending completion of the plant next June, Zenith is occupying rented space in Paris. • RCA has opened an electronic data processing center in Chicago's Morton Salt Bldg. Its facilities will be available to local industries & businesses on a round-the-clock basis. The Chicago center is RCA's 4th in an eventual coast-to-coast chain. • Adler Electronics will open a 55,000-sq.-ft. production plant at Pelham, N.Y. Nov. 1. It will furnish a major part of Adler manufacturing, doubling present production capacity.

Radio which is worn in the ear has been introduced by Micro-Ceiver Inc., 24 Van Brunt St., Englewood, N.J. The entire 4-transistor set, including batteries, weighs less than an ounce and is smaller than a book of matches. It will retail for \$19.95, including batteries.

Finance

RCA PROFITS LAG: Another sales-up-profits-down financial report was filed by an electronics giant last week. RCA reported that net income during 1960's first 3 quarters dropped 12% from a year ago—despite an 8% sales rise to a record \$1,061 million (see financial table). The same profit-lag pattern was evident in the September quarter. Sales rose to \$354 million from \$344.5 million in July-Sept. 1959, but profits fell to \$6 million from \$7.9 million. The profit drain: a heavy investment in computers.

Explained RCA Chmn. David Sarnoff & Pres. John L. Burns: "During the first 9 months of 1960, RCA has intensified its sales & manufacturing program in electronic data processing. The extent of our successful advance in this highly competitive field is indicated by the fact that orders for data-processing systems, in recent months, have exceeded our most optimistic forecasts. A substantial investment has therefore been required to meet the demands of American business, industry and govt. for these systems.

"Were it not for this investment in what we consider one of the most promising electronic growth areas, RCA's profits for the first 9 months of 1960 would have been at a near-record level because of the outstanding performance of various other major operating units of the corporation"—a performance which for the first time pushed RCA sales above the billion-dollar mark for the 9-month period.

Westinghouse 3rd-quarter returns followed the same pattern: sales up, profit down. Compared with a year ago, Westinghouse sales in the September quarter increased 2% to \$503 million—but earnings dropped 8% to \$20 million (see financial table).

The 3rd-quarter performance sharply whittled the results of the first half (Vol. 16:29 p19), which closed with a profit gain of 18% on a 4% sales rise. For 1960's first 9 months, cumulative earnings totaled \$60.7 million—only 8% higher than Jan.-Sept. 1959's \$56-million profit. Year-to-date sales slipped from 4% to 3% ahead of a year ago.

Pres. Mark W. Cresap Jr. said the profit drop in the September quarter is "accounted for by reduced sales volume & prices of consumer products and by a general easing of prices for other products."

**OVER-THE-COUNTER
COMMON STOCK QUOTATIONS**

Thursday, Oct. 20, 1960

Electronics TV-Radios-Appliances Amusements

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

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	22	24 3/8	Magnetics Inc.	9 1/4	10 3/4
Aerovox	7 1/2	8 3/8	Maxson (W.L.)	7 7/8	8 3/8
Allied Radio	22 1/4	24 1/8	Meredith Pub.	44	47 3/4
Astron Corp.	2	2 3/8	Metropolitan Bestg.	17 1/4	19 1/8
Baird Atomic	23 1/4	25 1/4	Milgo Electronics	16	17 7/8
British Industries	15 1/4	16 1/4	Narda Microwave	5	5 3/4
CGS Labs	9	10 1/2	Nuclear of Chicago	32 1/4	34 3/8
Cetron	6	6 7/8	Official Films	2	2 1/4
Control Data Corp.	42 1/2	45 3/8	Pacific Automation	5 7/8	6 3/8
Cook Elec.	14 1/4	15 1/4	Pacific Mercury	7	7 5/8
Craig Systems	14 1/4	16 1/4	Perkin-Elmer	39 1/4	42
Dictaphone	31 1/2	35 3/8	Philips Lamp	162 3/4	168 1/2
Digitronics	20 1/4	22 1/4	Pyramid Electric	2 3/4	3-3/16
Eastern Ind.	11 3/8	12 3/4	Radiation Inc.	21	23
Eitel-McCullough	20	21 3/4	Howard W. Sams	37	40 1/4
Elco Corp.	16 3/4	18 3/8	Sanders Associates	25 1/2	27 3/4
Electro Instruments	23 1/2	26 1/4	Silicon Transistor	5 5/8	6 1/2
Electro Voice	10	11 1/4	Soroban Engineering	28	30 3/8
Electronic Associates	26 1/2	28 7/8	Soundscribe	12	13 5/8
Erie Resistor	8 3/4	9 3/8	Speer Carbon	20	21 3/4
Executone	27	30 3/8	Sprague Electric	46	49 1/4
Farrington Mfg.	30 1/2	33	Sterling TV	1 3/8	1 7/8
Fischer & Porter	15 3/4	17 1/2	Taft Bestg.	12 1/2	13 3/8
FXR	41 1/2	45 1/8	Taylor Instrument	35	38 1/4
General Devices	11 1/2	12 3/4	Technology Inst.	9	10
G-L Electronics	7 1/2	8 3/8	Tele-Broadcasters	3 1/4	1-3/16
Granco Products	3 3/8	4 1/4	Telechrome	11 1/4	12 5/8
Haydu	1/2	5/16	Telemeter	6 3/8	7 3/8
Hewlett-Packard	21 3/4	23 3/8	Telemeter	10 1/4	11 7/8
High Voltage Eng.	142	152	Time Inc.	59 1/2	63
Infrared Industries	17 3/4	19 3/8	Tracerlab	8 3/4	10
International Rectifier	21 1/4	23	United Artists	6 3/4	7 1/2
Interstate Engineering	21 3/8	23 1/4	United Control	22	24 1/2
Itek	50	54 1/2	Universal Trans.	1 1/8	1 3/4
Jerrold	7 1/4	8 1/8	Vitro	11 1/4	12 1/4
Lab for Electronics	36 3/4	39 3/8	Vocaline	2 3/8	3-1/16
Lel Inc.	5	5 3/4	Wells-Gardner	15 1/2	16 5/8
LFE Inc.	11 1/2	—	Wometco Ent.	12	13 3/8
Magna Theater	2 3/4	3-5/16			

Reports & comments available: Standard Kollsman Industries, report, W. E. Hutton & Co., 14 Wall St., N.Y. 5 • Electronics Research Associates, report, Shearson, Hammil & Co., 14 Wall St., N.Y. 5 • Lionel Corp., prospectus, Granbery, Marache & Co., 67 Wall St., N.Y. 5.

GT&E expects its 1960 profit to increase to approximately \$74 million from \$72,253,000 in 1959. Addressing the Kansas City Society of Financial Analysts, Chmn. Donald C. Power said revenues this year would rise about 6.5% to around \$1.15 billion—including some \$440 million Sylvania sales.

Metropolitan Bestg. Corp. expects its earnings to increase to \$1.25 a share this year, up from 91¢ in 1959. Chmn.-Pres. John W. Kluge believes 1960 sales will total \$50 million. First 9 months' volume topped \$30 million.

Columbia Pictures is offering employees 68,352 shares of common at \$20 per share. The offer closes Nov. 4.

Collins Radio common stock trading on Boston & Philadelphia-Baltimore exchanges on an unlisted basis has been approved by SEC.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Cetron Electronic	Stk.	25%	Nov. 15	Nov. 1
Electronic Investment	—	\$0.03	Nov. 30	Nov. 1
Oak Mfg.	Q	.25	Dec. 15	Dec. 1
Taft Bestg.	Q	.10	Dec. 14	Nov. 15
Thompson Ramo Woold.	Q	.35	Dec. 15	Nov. 30
Wometco "A"	Q	.17 1/2	Dec. 15	Dec. 1
Wometco "B"	Q	.06 1/2	Dec. 15	Dec. 1

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amphenol-Borg Electronics	1960—9 mo. to Sep. 30	\$ 45,682,420	\$ 4,799,017	\$ 2,307,017	\$1.96	1,179,599
	1959—9 mo. to Sep. 30	41,750,024	4,238,389	2,075,389	1.77	1,171,794
	1960—qtr. to Sep. 30	14,278,615	1,463,760	708,760	.60	1,179,599
	1959—qtr. to Sep. 30	13,697,012	1,307,101	711,101	.60	1,171,794
Burroughs	1960—9 mo. to Sep. 30	287,320,000	—	6,198,000	.93	—
	1959—9 mo. to Sep. 30	256,203,000	—	5,312,000	.80	—
	1960—qtr. to Sep. 30	85,819,000	—	1,154,000	.17	—
	1959—qtr. to Sep. 30	88,404,000	—	2,104,000	.32	—
Daystrom	1960—6 mo. to Sep. 30	44,576,000	1,610,000	873,000	.70 ¹⁰	1,254,349
	1959—6 mo. to Sep. 30	41,350,000	1,625,000	802,000	.64 ¹⁰	914,013
	1960—qtr. to Sep. 30	22,119,000	—	528,000	.43 ¹⁰	1,254,349
	1959—qtr. to Sep. 30..	20,111,000	—	440,000	.35 ¹⁰	914,013
Fairchild Camera & Instrument	1960—9 mo. to Sep. 30 ¹	49,168,000	—	2,918,000	2.39 ³	1,219,206
	1959—9 mo. to Sep. 30 ²	30,386,000	—	1,375,000	1.13 ³	991,438
	1960—qtr. to Sep. 30 ¹	19,183,000	—	1,236,000 ¹	1.01 ³	1,219,206
	1959—qtr. to Sep. 30 ²	11,645,000	—	580,000	.48 ³	991,438
Minneapolis-Honeywell	1960—9 mo. to Sep. 30	312,806,497	39,899,826	18,358,826	2.62	7,006,403
	1959—9 mo. to Sep. 30	273,802,961	46,310,657	20,780,657	2.97	6,994,853
	1960—qtr. to Sep. 30	107,066,497	13,945,560	6,374,560	.91	7,006,403
	1959—qtr. to Sep. 30	98,151,670	19,010,961	8,494,961	1.21	6,994,853
Raytheon	1960—9 mo. to Sep. 30	402,830,000	—	6,139,000 ⁷	1.58 ⁴	3,725,411
	1959—9 mo. to Sep. 30	345,764,000	—	7,674,000	2.16 ⁴	3,513,237
	1960—qtr. to Sep. 30	125,266,000	—	1,952,000 ⁵	.50 ⁴	3,725,411
	1959—qtr. to Sep. 30	110,601,000	—	2,562,000	.71 ⁴	3,513,237
RCA Story on p. 19.	1960—9 mo. to Sep. 30	1,061,000,000 ⁸	46,800,000	24,100,000	1.46	14,882,000 ⁷
	1959—9 mo. to Sep. 30	978,200,000	54,300,000	27,300,000	1.80	13,873,000 ⁷
	1960—qtr. to Sep. 30	354,000,000	11,400,000	6,000,000	.32	14,882,000 ⁷
	1959—qtr. to Sep. 30	344,500,000	15,500,000	7,900,000	.51	13,873,000 ⁷
Storer Bcstg.	1960—9 mo. to Sep. 30	—	—	3,554,011	1.44	2,474,750
	1959—9 mo. to Sep. 30	—	—	3,580,268 ⁸	1.45	2,474,750
	1960—qtr. to Sep. 30	—	—	733,072	.30	2,474,750
	1959—qtr. to Sep. 30	—	—	865,719	.35	2,474,750
Taft Bcstg.	1960—6 mo. to Sep. 30	5,350,221	—	622,488	.42	—
	1959—6 mo. to Sep. 30	4,725,704	—	643,380	.43	—
	1960—qtr. to Sep. 30	2,475,346	—	192,716	.13	—
	1959—qtr. to Sep. 30	2,226,940	—	281,290	.19	—
Westinghouse Story on p. 19.	1960—9 mo. to Sep. 30	1,457,233,000	115,780,000	60,680,000	1.71 ⁴	34,791,367
	1959—9 mo. to Sep. 30	1,408,393,000	110,825,000	56,225,000	1.59 ⁴	34,631,462 ⁹
	1960—qtr. to Sep. 30	503,289,000	41,826,000	20,226,000	.57 ⁴	34,791,367
	1959—qtr. to Sep. 30	494,189,000	44,875,000	22,075,000	.63 ⁴	34,631,462 ⁹

Notes: ¹ Includes operations of Allen B. Du Mont Labs from July 5, 1960. ² Adjusted to include operations of Fairchild Semiconductor Corp. ³ Based on 1,219,206 shares outstanding Sep. 30, 1960. ⁴ After preferred dividends. ⁵ Excludes special profit of \$5,040,000 (\$1.35 a share) from European production of Raytheon-developed Hawk missile. ⁶ Record. ⁷ Average. ⁸ Includes \$581,853 profit from sale of radio WAGA Atlanta. ⁹ Adjusted for Feb. 1960 2-for-1 split. ¹⁰ Based on 1,254,349 shares outstanding Sep. 30, 1960.

Selkirk Holdings Ltd., Edmonton, Canada concern which acquired the TV-radio interests of Taylor, Pearson and Carson (Canada) Ltd. in August 1959, reports a net profit of \$142,820 for its first fiscal year ended June 30. Selkirk's TV-radio holdings: 100% of Lethbridge Bcstg., which operates radio CJOC Lethbridge and owns 50% of Lethbridge TV, operator of CJLH-TV; 40% of Edmonton Bcstg. (radio CJCA Edmonton); 40% of Calgary Bcstg. (radio CFAC Calgary); 38% of Northern Bcstg. (radio CFGP Grande Prairie); 13.33% of Calgary TV (CHCT-TV Calgary); 27.6% of Wentworth Radio Bcstg., which operates radio CKOC Hamilton and owns 25% of Niagara TV, operator of CHCH-TV Hamilton; 49% of Edmonton Video, unsuccessful applicant for TV in Edmonton. Selkirk Pres. H. E. Pearson reports the company is carrying on negotiations to expand holdings in broadcasting and other fields.

MPO Videotronics is now listed for trading on the American Stock Exchange. Symbol: MPO.A.

Itek, parent of Hermes Electronics, scored record sales & earnings in its 1960 fiscal year ended Sept. 30. Pres. Richard S. Leghorn estimated a net of more than \$900,000 (about 85¢ a share on 1,104,000 shares) on sales of close to \$35 million. This compares with fiscal-1959's profit of 57¢ a share (838,205 shares) on sales of \$25 million. For fiscal 1961, Leghorn forecasts sales of \$45-to-50 million and another 50% increase in per-share earnings. Itek's business last year was 60% commercial, 40% military. The company is aiming to reduce the military portion to less than one-third of total volume.

Electronic & Missile Facilities Inc., 2 Lafayette St., N.Y., has filed a registration statement with SEC (File 2-17089), proposing to offer 260,000 common shares publicly through underwriters headed by Hardy & Co.—price & terms to be specified later. There are 260,000 shares outstanding, owned 50% each by Pres. Arnold H. Kagan & exec. vp Nathan Cohen.

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

SUMMARY-INDEX OF WEEK'S NEWS

Auxiliary Services

PAY-TV HOPES & FEARS explored in week-long hearing, with FCC go-ahead still in the works (pp. 1 & 4).

AFTRA'S NEW PAY-TV SCALES, worked out with Telemeter, call for 150% of commercial network scales plus 5% slice of producer's gross for actors, plus free TV & overseas payments (p. 2).

Stations

NAB FAILS TO CALL OFF "WATCHDOG" demands by Sen. Yarborough (D-Tex.) that all stations report all equal-time beefs to his Sec. 315 investigating unit p. (3).

MAGNUSON SOOTHES BROADCASTERS with assurances that Congress wants to make things simpler—not tougher (p. 10).

Film & Tape

MCA CHALLENGES FCC TV-QUIZ RULES: Court test of Commission rules is planned as result of Hollywood hearings. Plug specialists also refuse to talk. (pp. 3 & 7).

FILM PLUGOLA BANS ANALYZED for Hollywood TV producers by lawyers in opinion on Harris-Pastore Act (p. 8).

POST-1948 PRICING MAY BE HIGH, but distributors of new-movie packages report that station buyers in a number of markets are picking them up (p. 9).

THE 3 PRICES OF FILM: Hollywood TV film-makers, have a wide choice of budgets, depending on amount of quality wanted (p. 9).

Advertising

SCIENCE FICTION ON TV is deplored by FTC's Kintner, who warns agencies that commercials citing "independent tests" must be based on fact, not fancy (p. 5).

TV & RADIO LEAD IN AUGUST with largest percentages of gain over August 1959, among major media (p. 7).

Consumer Electronics

FM STEREO DELAYS possible, as FCC receives NSRC field-test data. No system shows up superior in all respects. Report casts doubt on stereo-mono "compatibility" (pp. 15 & 18).

TV-RADIO EXPORTS & IMPORTS both down in July from June. More than 12,000 TV sets & chassis exported in July, 380,661 transistor radios imported (p. 17).

JAPANESE PRODUCTION STAYS UP, reaching \$565 million in first 1960 half—40% higher than in first 6 months last year, but leveling off from first quarter (p. 17).

LABOR NEWS: GE & IUE agree on new 3-year pact, ending 3-week strike. Westinghouse signs new contract with UE (p. 18).

FCC

FORD REVIEWS THAT NEW LAW, cautioning Washington communications lawyers that full impact of Harris-Pastore Act isn't felt yet, and many problems lie ahead (p. 12).

AGENCY "INFORMALITY" URGED by Judge Prettyman, who heads White House study of agency problems. Some regulatory procedures are "too technical," he says (p. 12).

Programming

FIRST NIELSENS OF NEW PROGRAM SEASON reveal that few newcomers have made it into top average-audience ranks, and most were helped by being adjacent to popular veterans (p. 13).

BBC'S BEACHHEAD IN U.S. PROGRAM MARKET has been scored with 15-program series of Shakespeare dramas bought by Metropolitan Bcstg. Corp. and ETV stations. More on the way (p. 13).

Other Departments

TECHNOLOGY (p. 12). **NETWORKS** (p. 14). **PERSONALS** (p. 14). **FINANCE** (p. 19).

PAY-TV HOPES & FEARS: Scarcely anyone doubted—either before or after last week's hearing—that FCC would give RKO General's Hartford Phonevision Co. a go-ahead to test pay TV on its WHCT Hartford. However, theater owners' counsel Marcus Cohn managed to achieve certain degree of success in dousing project with enough cold water of skepticism to guarantee a slower takeoff than might otherwise have been possible.

It will take 6 months or so to clear legal "due process" underbrush so that RKO & Zenith may actually move. But attorneys say that it would have taken 1-to-2 years if case had been handled conventionally by an examiner instead of FCC en banc.

Hearing was primarily a duel of Cohn vs. RKO General Pres. Thomas O'Neil & his counsel E. Theodore Pierson. O'Neil's basic position, frequently successfully maintained, was that the whole business is an experiment and that he didn't & couldn't have the answers Cohn sought. Thus, "I don't know" was the response ending many questions. (For highlights of testimony, see p. 4).

Nonetheless, Cohn managed to expose some gaps in O'Neil's knowledge of project. For example, O'Neil didn't know what Zenith's program-procurement arm, Teco, was doing to get shows for him—or even what "Teco" means (TV Entertainment Co.).

Cohn hit a headline natural when he pointed out that many top boxoffice movies today rely heavily on sexual themes—illicit, licit, homo-, hetero-, amazing, etc.—and he listed such doozies as "Suddenly Last Summer," "From the Terrace," "The Apartment," "Summer Place." O'Neil didn't know much about them but gave assurances that "dirty 4-letter words" and "pornography" wouldn't be telecast.

Cohn also made much of fact that system wouldn't offer color or wide screen, that some pictures have "controversial" themes, that there's problem of refunds for decoder & set breakdowns, that some subscribers might "bootleg" signals or charge for viewing, that subscribers would be distracted by ringing phones & doorbells, that test may violate Paramount anti-trust decree, etc.

If we read Commission's attitude right, it's this: "Mebbe so—but let's find out."

If it were solely up to FCC, we'd predict that test would be well underway by end of 1961. But Congress is the explosive imponderable. Rep. Celler (D-N.Y.), chmn. of Judiciary Committee and long-time toll-TV foe, reminded everyone of that by writing to FCC Chmn. Ford last week, urging him to pass buck to Congress. He said many Congressmen oppose tests which offer "gravest danger" of causing "total destruction of free TV."

You'll recall that Rep. Harris (D-Ark.), chmn. of Commerce Committee, once snatched ball from Commission and last year virtually dictated terms of tests—which at that time were considered so stringent that it was doubted anyone would apply (Vol. 15:13 p1). (Matter of fact, over-all tone of presentations by O'Neil and his associates last week was one of restraint, scarcely the zing of real zealots.)

Harris has indicated he's resigned to a test—but there are a lot of committees in Congress, and a lot more anti-pay-TV constituents with influence than there are powerful pro-pay-TV forces. FCC, regardless of its composition & leadership, always accords Congress considerable deference—frequently delaying decisions pending Congressional hearings. Furthermore, who has the ear of next President?



Ford vowed hearing wouldn't run beyond a week, held a night session Oct. 27 to guarantee it. He became irked at long arguments among counsel, impatient at times with "irrelevant" questions by Cohn & Commission's own counsel Louis Stephens.

Audience numbered 70-80 at start, dropped to 30-40 hard-core observers and dozen reporters.

Commissioners asked relatively few questions, leaving impression on many that they believed hearing was necessary only for legal reasons and to "make a record" for their own protection.

Theater owners never did offer witness of their own. Prospective witness Arthur L. Mayer (Vol. 16:43 p3) listened to proceedings for a while, finally told us he couldn't hang around indefinitely, left. Incidentally, he said he doesn't go along with Hollywood's sex binge, wouldn't want his granddaughter to see much of its "product." "Others go along with me," he said. "Willie Wyler, who made 'Ben-Hur,' told me he wouldn't want his grandchildren to see the picture."

AFTRA'S NEW PAY-TV SCALES: Precedent-setting pay-TV contract covering performance by AFTRA talent in taped or live pay-TV specials has been drafted by the union and International Telemeter.

Contract represents significant AFTRA victory for TV talent. Under new deal, actors will not only be paid for their work but are in for "a piece of the action" at the pay-TV box office.

Details of AFTRA-Telemeter contract: Talent will be paid 150% of minimum applicable network commercial (not sustaining) rate, with that extra 50% credited toward pay-TV reruns. Also 5% of producer's gross will go to AFTRA pool for performers for an unlimited number of years.

There's even a free-TV angle to the deal. If a Telemeter pay-TV tape production finds its way into free TV subsequently as a special, actors will be paid 100% of regular network scale. And AFTRA's current international rates will cover any foreign free-TV telecasts.

New scale will apply to several projects in the works at Telemeter. Among them: A tape of the N.Y. City Center production of Gilbert & Sullivan's "The Mikado" and "several" Broadway musicals. Telemeter has already taped, in N.Y., a production of Gian-Carlo Menotti's opera, "The Consul," under a provisional AFTRA-Telemeter agreement (Vol. 16:20 p4) which will now be replaced by the new contract. (For report on AFTRA-network negotiations, see p. 14.)

NAB FAILS TO CALL OFF 'WATCHDOG': NAB got almost nowhere last week with its outraged protests against the demands by Sen. Yarborough (D-Tex.) that all TV & radio stations submit any & all political-discrimination complaints to his equal-time investigators (Vol. 16:43 p3).

Only one small concession was won by NAB Policy Committee Chmn. Clair R. McCollough in dispute with Senate's Sec. 315 "watchdog" unit over extra-added election-year harassment of broadcasters: Stations were advised they needn't keep logs of telephoned beefs if they weren't already doing so.

Otherwise "all oral & written complaints" must be filed within 24 hours if they touch on candidates' requests for equal time or on "requests for availability of time for political spokesmen & parties," McCollough said after marching up to Capitol Hill & down again Oct. 24.

Immediate parley with Yarborough himself on "clarification" of demands on stations had been sought by McCollough. But Yarborough stayed in Texas, making campaign speeches. Accompanied by squad of available NAB staffers, McCollough met instead in Yarborough's Washington offices with majority counsel Creekmore Fath of Commerce Freedom of Communications Subcommittee.

Failure of NAB mission was reported in advisory messages to members who had been saddled with unexpected end-of-campaign paper work. "We assured Mr. Fath that the industry was most anxious to cooperate, and that he would find little, if any, evidence of industry discrimination," McCollough said.

Fact that FCC already had required equal-time reports from all licensees was pointed out to Fath at conference in Suite 460 of Old Senate Office Bldg. But "watchdog" unit's chief investigator was unimpressed by argument that Chmn. Yarborough's demands on stations constituted uncalled-for duplication. McCollough reported: "While some of this information comes within the scope of the FCC questionnaire issued last August, Mr. Fath said that he was interested in receiving this information now so that any irregularities can be corrected before Election Day."

Stations responded with alacrity to word that Yarborough's "watchdog" force hadn't retreated. Up until then, there had been little business for Fath & his tiny staff. They were soon given overtime loads of it. By last week's end—barely 2 weeks ahead of election week—they were snowed under by reports of equal-time complaints (trivial or not) from TV & radio managements.

"I've got a stack here 5 feet high," Fath told us. "The response is tremendous." He hadn't had time yet to go through all of his suddenly piled-up mail—or to decide on which reports might be worth pursuing in last-minute attempts to bring misbehaving stations in line with Sec. 315. But Fath insisted he already had seen enough to indicate that "there are some major complaints about fairness and some major complaints about availability."

More than 100 reports from stations came in Oct. 28 alone, Fath said, adding: "They range all over, and some of them present a variety of situations which nobody had anticipated." Among those baffling Fath: Case of TV sportscaster who didn't give political counsel along with scores of football games, but did wear huge campaign button to help viewers decide how to vote for President. Case of station which editorialized on campaign issues and dutifully offered series of 50 one-min. spots to local political committee for opposing views—but under conditions so rigid that locals couldn't get help from state party leaders in preparing spots.

Fath said he was working closely with FCC on "major" complaints. As for others, he was busy sending out telegrams and putting in telephone calls to stations. And he was able to report at end of week that 2 complaints had been settled easily. "Everyone seems to be anxious to clean it up," he said.

MCA TO CHALLENGE FCC IN COURT: Music Corporation of America, facing court action by FCC following the refusal of Taft Schreiber to testify at the Commission's TV-film hearing, plans to make its own court challenge of the Commission's position. A long-drawn-out court fight is in prospect.

In Washington last week counsel for the MCA vp (and Revue Studios pres.) filed a protest with FCC against conduct by examiner James D. Cunningham in the heated exchange which preceded Schreiber's walkout from the Hollywood hearing a week earlier (Vol. 16:43 p2).

Asking for a review of the circumstances of the hearing hassle, the FCC petition argued that Schreiber & MCA attorney Allen Susman acted within their rights under the 1946 Administrative Procedure Act, and that Cunningham should be told what the law means.

Moreover, petition said, FCC has no jurisdiction over TV production & agency companies, and Cunningham had no authority to demand "trade secrets" involved in series which MCA represents as packager & sales agent. The petition repeated, however, that MCA will supply information asked by Cunningham on a "confidential" basis.

In Hollywood, Susman outlined the agency's position to us in this manner: "MCA has at no time refused to furnish information to which the FCC is entitled. MCA has requested only that confidential information should be maintained in confidence by the FCC and that MCA not be deprived of the right granted to it under the federal Administrative Procedure Act to be represented & advised by counsel. In my considered judgment, MCA's position is correct."

FCC representatives found their 2-weeks-plus hearing in Hollywood productive, particularly with regard to the subject of network involvement in TV film shows. Highlights of the testimony were the disclosures of deep financial penetration by the networks into show participation, operations of the giant William Morris & MCA talent agencies, and the lack of control by station licensees over the content of filmed shows. This week's hearing featured non-talkative Hollywood plug merchants (see p. 7).

Auxiliary Services

More about

PAY-TV PLANS & PORTENTS: "Flexibility" & "experiment" were the key words in RKO General Pres. Thomas O'Neil's testimony during last week's hearing on his Hartford Phonevision Co.'s plans for a test of pay TV through WHCT (Ch. 18) Hartford. But "deception" & "uncertainty" were the labels his theater-exhibitor opponents—represented by Washington lawyer Marcus Cohn—sought to pin on him (see p. 1).

Here are the highlights of O'Neil's presentation, including newly-elicited material & recapitulating data presented in his original application to the FCC (Vol. 16:26 p2):

¶ Test would be for 3 years, Hartford only.

¶ Maximum of 50,000 decoder-equipped homes is contemplated, out of 600,000 TV homes in the service area.

¶ Loss of at least \$1 million is expected in the test.

¶ Subscribers would be charged maximum of \$10 for decoder installation.

¶ Price per program would be 25¢ to \$3.50, with movies running 75¢ to \$1.50.

¶ If each home buys \$2.50 worth of programs weekly, the system will be successful.

¶ Station would carry 40 hours of pay programs weekly, plus 30 hours of conventional free fare.

¶ Most pay programs would be feature films of "box-office" caliber.

¶ No shows now on TV would be used.

¶ Station wouldn't bid for anything that regular TV would want & could afford. The reason is "selfish": "We don't want to alienate the people of Hartford by depriving them of what they could get free."

¶ Movies would run 7-to-11 nightly and be shown twice a night, subscriber getting both for a single payment. There would be 3 changes weekly.

¶ Other pay fare would include legitimate plays, opera, ballet, sports not available on free TV, symphony, 6 hours of educational programs weekly.

¶ The only free programs WHCT would eliminate, of the type not available on other area stations, are *Harness Racing, Piano Pops & Open End*.

¶ If WHCT doesn't make a success of pay TV, it will cease operating rather than continue losses. The station was bought for pay TV only.

¶ Decoders won't handle color.

¶ Zenith says it can install 1,000 decoders weekly.

¶ Subscribers may or may not be charged up to 75¢ weekly for maintenance of the decoder. If they are so charged, decoders will be left in homes even if subscribers buy no programs.

¶ Both RKO and Zenith-affiliated Teco will seek program fare, and there is reasonable assurance that first-run movies will be available, based on RKO's discussions with major producers. Teco will supply movies to other TV organizations, such as closed-circuit operators. Teco doesn't plan program production but may decide to enter the field.

¶ Decoders will be installed anywhere the signal is strong enough. No discrimination in subscriber selection will be practiced.

¶ Decoders are being supplied by Zenith on the basis of a "direct cost" plus 12½% for "indirect costs."

¶ RKO believes that no aid & comfort would be given to its opponents if it made public the number of subscribers it obtained, revenues per program & the number of programs bought by customers each week. It wouldn't want to disclose its losses, terms with program suppliers and a breakdown between its pay-TV & its regular operations—at least initially.

¶ No special-for-TV movie fare is contemplated.

¶ Movies "probably would not be cut" for pay TV, but no "4-letter words" or "pornography" would be presented. In legitimate plays, producers would eliminate such material or the plays wouldn't be accepted. "We would observe our obligations as a licensee."

¶ "A certain amount of product" would be offered for minority groups, including opera & symphony.

¶ "First nighter" legitimate premieres would be offered live, if possible, otherwise taped or filmed.

¶ "We're not interested in TV spectaculars, such as 'The Debbie Reynolds Show.'"

¶ There are no plans for basketball, golf, tennis or horse racing.

¶ If "controversial" movies or plays are presented, "I'd have to consult my counsel" before deciding whether material with a conflicting view must be offered.

¶ "We wouldn't even want to look at" any movies not cleared by "the Hays Office."

¶ The station is not an NAB member.

¶ If the decoder broke down, the subscriber would be given his money back. If the set broke down, there would be case-by-case "negotiations with the subscriber" to determine whether refund for a program would be made.

¶ RKO would be willing to employ an independent

research outfit, after consulting with FCC, to make a "before & after" survey—although it could not pledge "unlimited" funds for the purpose.

¶ WHCT free-TV promotional spots for pay-TV programs wouldn't be logged "commercial" unless FCC says they should be.

¶ TV opera isn't as good as regular opera.

NAB's offering, through TV vp Charles Tower, was fairly brief and not particularly exciting, principally because this kind of hearing prohibits wide-ranging presentations of opinion, argument, predictions, etc. Tower asserted that if pay TV reduces the supply of programs & talent to free TV, audience & revenues will drop. If the drop is 15-20% in prime time, he said, there would be "a very measurable impact."

FCC counsel Louis Stephens said Tower's testimony was "of limited value." Chmn. Ford said that the Commission heard the testimony and would give it whatever weight it thought it should have.

Zenith Pres. Joseph Wright, onetime asst. gen. counsel of FTC and secy. of former Sen. Wheeler (D-Mont.), testified that Zenith has invested about \$10 million in pay TV, hopes to get it back and make some profit. "We're going to find out within a fairly short time whether this is something the public really wants," he said. It could turn out that "we made a mistake," he added.

Zenith promoter Ted Leitzell was billed as a villain by the opposition. Anti-Phonevision exhibits produced by Cohn included copies of Zenith-inspired brochure, *Hartford Times* ad and column in newspaper bylined by Wright (but ghosted by Leitzell) which promised many pay-TV goodies at negligible cost to viewers. Stephens got a promise from Wright that hereafter all Zenith-written promotion for Hartford Phonevision will be submitted to RKO General for check on "suitability" before it's released. He later got similar assurances from Teco Pres. Pieter van Beek.

Van Beek, who gets 60% of his salary from Zenith, listed contacts he had made with movie & legitimate theater producers, said they were quite interested but that no definite agreements could be made on availability of program material until the pay test was authorized. He said Teco would make programs available to wired pay-TV systems as well as to broadcast systems. He acknowledged that it would make a profit from 2 sources: Sale of programs and revenues from pay-TV franchisers.

Show producer Leland Hayward, consultant to Teco, said he would run these movies on pay TV: "Psycho," "The Apartment" & Ben-Hur." He wouldn't carry "Elmer Gantry," he said—because it's "too dull."

There was a big legal hassle over whether to introduce the Teco-Hayward contract into the record, making it public. Chmn. Ford spent his whole lunch period Oct. 28 in the library, boning up, preparing to rule—but Cohn finally offered the contract with the key terms clipped out, and it went into the record.

Hayward will get "X" dollars plus a choice of one of 3 investment opportunities: A chance to buy 12½% of a projected Teco subsidiary, a Phonevision franchise for a city no larger than "Y" in size, or "some other" pay-TV investment that may arise. His job is to recommend a program schedule and methods of effectuating it.

CATV-microwave application to FCC by CATV operator Mid-Kansas Inc. has been protested by WIBW-TV Topeka on grounds that its program property rights would be infringed by competition in Junction City, Manhattan, "and possibly other locations."

Advertising

SCIENCE FICTION ON TV: Commercials which start out with such bang-bang boasts as "science proves—" or "leading doctors say—" are causing increasing pain at FTC, Chmn. Earl W. Kintner complained last week.

It's high time that sponsors & advertising agency copywriters get a grip on themselves and refrain from flights of science fancy on TV, he told a N.Y. meeting of the Assn. of Consulting Chemists & Chemical Engineers. If they don't, Kintner warned, they're going to find themselves in FTC trouble.

TV claims that "independent tests prove" something or other about a product are being checked with more & more care by skeptical FTC staffers who ask these questions, Kintner said:

"(1) Has the experiment been properly designed?

"(2) Has the experiment been performed correctly?

"(3) Have a significant number of tests been conducted?

"(4) Have the test results been recorded accurately? Are the results internally consistent & coherent?

"(5) Do the test results warrant the conclusion drawn?

"(6) Can the conclusion be expressed in a meaningful, accurate way to consumers who lack scientific training?"

Kintner didn't blame testing labs for all the misrepresentations which he said have been made after an advertiser has been given reports on products. "It has been our experience that the advertising agency often enters the picture at this point," he said. "Members of the agency staff often participate in the statement of conclusions and, in some instances, the agency has simply asked the scientist for his test results, and then proceeded to state the conclusions without consultation."

Some TV demonstrations have "'proved' facts that are demonstrably false," Kintner said, giving some citations:

"For instance, stomach acid will not burn a large gaping hole with charred edges in a cloth napkin.

"Other demonstrations show, in an atmosphere of hushed breathlessness, facts which are true but which are totally irrelevant to the claim of efficacy made for the advertised product.

"A demonstration that a product will remove a residue deposited on a surface does not support a claim of efficacy if a flick of a dry cloth or a swipe of a finger will also remove the residue."

Kintner said that it's "unfortunately" true that "the words 'science' & 'scientists' and pictures of laboratory garb immediately engender a suspension of disbelief" among many TV viewers.

Over-commercialization threatens the TV-radio industry, and stations should "drastically revise their broadcast schedules" to avoid the danger. So warned Young & Rubicam vp William E. Matthews at an Assn. of Broadcast Executives meeting in Dallas Oct. 26. Matthews, dir. of the agency's media relations & planning operations, said "triple spotting at station breaks has become quadruple, and with closing & opening commercials a sequence of 5 or 6 announcements are fired at the audience without explanation or apology." The popular habit of doubling-up shorter announcements, he said, creates "a confused competition for attention, destroying the value of all." FCC rulings and industry codes (such as NAB's) are "evaded all too frequently," he charged.

Sees Sad Future for Newspapers: Carl E. Lindstrom, former exec. editor of the Hartford (Conn.) *Times*, and professor of journalism at U. of Mich., takes a dim view of the press in *The Fading American Newspaper* (288 pp., \$3.95), published a few days ago by Doubleday. Says he: "Electronic & film transmission of news, even new reproduction methods, are leaving the press behind."

Why? "Most of the ills & failures of modern journalism can be attributed to the fading consciousness of the newspaper function to supply news . . . At a time when newspapers are trying more than ever to please everybody, they are losing acceptance. Publishers do not want to hear that population figures are rising at a much greater rate than circulation."

"The newspaper press," asserts Lindstrom, "has all the attributes of the dinosaur. It is obsolescent in an era when decay is frighteningly quick. It is much too costly and too big for what it does; it eats too much in manpower; it works too little; it is unspeakably ineffectual, laboring at top speed to produce news hours behind electronic journalism."

Broadcasters will find interest in Lindstrom's admonition that "the concern of the newspaper should be more than just to report the styles, manners, tastes, deportment and caprices of mankind. Its function is to help establish real criteria of taste & style; to establish manners; to encourage & keep alive the civic conscience; to create a climate favorable to cultural life. The common man is to be respected, but editors should not accept him as their leader when it is he who needs leadership."

Still another point of interest to all media in Lindstrom's book: "By comparison with other industries, the amount of research done by the newspaper industry is negligible. For an industry that grosses more than \$4 billion a year, such neglect of the principles of self-preservation is to court disaster."

* * *

Newspaper ads have "deteriorated" in terms of punch & impact in ad copy, possibly because ad agencies are more concerned with "glamorous" ad media, namely "the golden girl of TV or the full-color gatefold in magazines." This charge was made by Kenyon & Eckhardt exec. committee Chmn. Edwin Cox Oct. 27 to executives gathered in N.Y. for the 2nd Annual Seminar on National Newspaper Advertising, staged by the bureau of advertising of ANPA, with ANA and 4A assistance. Another comment of interest at the meeting—MacManus, John & Adams Pres. Ernest A. Jones, discussing surveys which show reading as a "diminishing art": "What happens to publishing & advertising if generalized reading becomes as esoteric as bird-watching or the ballet?"

Ad People: Randolph T. McKelvey named senior vp, Young & Rubicam. Miguel H. Martinez former mgr. of Y&R office in Caracas, Venezuela, named vp & mgr., Mexico City office . . . Jack Cantwell, ex-Compton, named Sullivan, Stauffer, Colwell & Bayles vp . . . George L. Vales, ex-NBC, named Leon Burnett program producer . . . Jeanette LeBrecht named vp-chief media buyer, Grant Advertising.

William E. McKeachie retires at the end of this year as pres. of McCann-Marschalk, after 31 years with parent McCann-Erickson Inc.; McCann-Marschalk Chmn. Stuart D. Watson also will serve as pres. . . . Jack K. Carver, ex-Doherty, Clifford, Steers & Shenfield, named associate media dir., Lennen & Newell.

How the Magazines Are Doing: Single copy sales of the 169 major magazines dropped 0.9% in the first 6 months of this year as against the first half of last year, reveals the latest *Gallagher Report*. Subscription sales of these publications, however, rose 6.7%—giving the field a total circulation increase of 3.8%. (This compares with last year's increase of 4.2%.)

Single copy sales are now 34.6% of all magazine circulation, down from the 45.8% of 10 years ago—a significant point for those who consider single-copy circulation more desirable than subscription, which lends itself more readily to high-pressure promotion (cut rates, agents, etc.).

Cut-rate subscriptions mounted to the point where they now represent 97.1% of all *Reader's Digest* subscriptions sold in the first 6 months of 1960; 82.6% of *Life's*; 78.6% of *Time's*; 63.8% of *Newsweek's*.

The 10 largest-circulation magazines of the country maintained their status in the first half of 1960, except that *Ladies' Home Journal* took 4th place away from *SatEve-Post* and *McCall's* took 6th from *Look*. The others: *Reader's Digest*, first; *TV Guide*, 2nd; *Life*, 3rd; *Every Woman's Family Circle*, 8th; *Better Homes & Gardens*, 9th; *Good Housekeeping*, 10th.

Product-protection hassle arose last week at ABC-TV, with Ralston Purina emerging as the victor. Ralston, sponsor of *Expedition* (Tue. 7-7:30 p.m.), learned that General Foods, a participating sponsor in *Bugs Bunny* (Tue. 7:30-8 p.m.), intended to use an opening commercial featuring Post cereals. Ralston immediately protested, pointing out that ABC's nighttime contracts call for 15-min. leeway on competing products on back-to-back shows. Ralston gave ABC 24 hours to reply; then, when ABC failed to do so, brought in its lawyers and filed a show-cause order in N.Y. Supreme Court. Result: no Post commercials within 15 minutes of *Expedition*—and a new legal precedent to backstop multi-product network advertisers.

Top 11 ad agencies placed 60% of network TV total time billings during the first half 1960, reports a survey by *Advertising Age*. Ted Bates was in first place with 11% of net TV time; J. Walter Thompson (9%) and Young & Rubicam (7%) placed 2nd & 3rd. Figure estimates, in an Oct. 24 *Advertising Age* report, showed: Bates, \$37 million gross time billings; JWT, \$29; Y&R, \$23; Dancer-Fitzgerald-Sample, \$21. CBS & ABC share the bulk of the Bates TV spending while JWT sends most of its TV business to NBC. Rest of the top 11: Benton & Bowles, \$20 million; BBDO, \$18; Leo Burnett, \$14; McCann-Erickson, \$12; Lennen & Newell, \$10; Compton, \$9; W. Esty Co. \$9.

Another client-financed pilot of MGM-TV's proposed *Father of the Bride* telefilm series is due to be made shortly. This time, the show's "angel" will be General Mills, which for approximately \$75,000 will hold rights for the 1961-62 season and have participation in rerun residuals. Cast of the newest *FOTB* pilot (it's based on a 1950 MGM feature which starred Elizabeth Taylor & Spencer Tracy) will be headed by Leon Ames. Two seasons ago, General Foods invested nearly \$100,000 in an *FOTB* pilot starring Jim Backus. General Foods didn't like it, never used it, and MGM was unable to sell a series based on it.

An estimated 550 ad-agency executives last week viewed screenings by KTTV Los Angeles of outstanding film & tape commercials. They were the top selections from more than 1,350 entries submitted at the American TV Commercials Festival & Forum in N.Y. last May.

TV-Radio Lead In August: National ad volume rose only 5% in August above the Aug.-1959 level despite solid gains by network radio (39%) & TV (19%), reports *Printers' Ink*. The broadcast-media gains were neutralized by newspapers' 9% decline & magazines' modest 2% rise, the latest index shows.

Year-to-date business slipped slightly from the preceding month's 9% lead (Vol. 16:40 p12) to 8% ahead of 1959's Jan.-Aug. business. All major media showed cumulative gains, led by magazines (13%), network TV (10%), and business papers (8%).

Network radio, buoyed by 3 consecutive & sizable gains over corresponding 1959 months, rose 1% above Jan.-Aug. 1959. This marks the first month since July 1958 that network radio has pulled ahead cumulatively.

With the exception of business papers & outdoor, all major media showed declines in Aug. from July business: network radio, down 11%; network TV & magazines, down 8%; newspapers, off 2%.

	Index		% Change from		% Cumulative Change
	Aug. 1960	Aug. 1959	1 month ago	1 year ago	
Medium	1960	1959			
General Index	236	225	- 4	+ 5	+ 8
Total Magazines	179	175	- 8	+ 2	+13
Weekly	191	194	-14	- 2	+17
Women's	144	128	+ 6	+13	+ 9
General Monthly ...	233	220	- 7	+ 6	+11
Farm	84	109	- 3	-23	- 5
Newspapers	198	218	- 2	- 9	+ 3
Network Television ..	502	422	- 8	+19	+10
Network Radio	25	18	-11	+39	+ 1
Business Papers	259	232	+ 4	+12	+ 8
Outdoor	169	151	+ 2	+12	+ 6
	1st Qtr. '60	1st Qtr. '59	4th Qtr. '59	1 year ago	
Spot TV*	762	672	+ 3	+13	+13

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-1959 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. *Spot TV data, although shown monthly, reports the first quarter's activity.

News reps: KMOS-TV Sedalia, Mo. to Gill-Perna Oct. 1 from Bob Dore • KNOP North Platte, Neb. to Gill-Perna Oct. 1 from Bob Dore • KRSD-TV Rapid City, S.D. to Jack Masla Aug. 1 from Meeker.

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WNEW-TV New York	\$3000 to \$3600	\$478 to \$600	Sept. 1
KDKA-TV Pittsburgh	2400 to 2500	600 to 650	Sept. 11
KSTP-TV St. Paul	1650 to 1800	420 to 450	Oct. 1
WBEN-TV Buffalo	1250 to 1400	250 to 325	Nov. 1
KHOU-TV Houston	1200 to 1300	300 to 350	Oct. 15
KTRK-TV Houston	1100 to 1300	300 to 350	Oct. 16
WRGB Schenectady	1250 (no change)	250 to 275	1
WFBC-TV Greenville, S.C.	650 to 750	135 to 160	Oct. 1
WDBJ-TV Roanoke	700 (no change)	190 to 200	Sept. 1
KJEO Fresno	700 (no change)	175 to 200 ²	Oct. 1
KTVR Denver	500 to 550	100 to 120	Sept. 15
KARK-TV Little Rock	500 (no change)	110 to 120	Oct. 1
KTHV Little Rock	500 (no change)	110 to 120	Oct. 1
KATV Little Rock	450 (no change)	100 to 120	Oct. 1
WJBF Augusta, Ga.	400 to 450	100 to 120	Nov. 1
KELP-TV El Paso	300 to 400	60 to 90	Oct. 1
WTOC-TV Savannah, Ga.	300 to 350	60 (no change)	Sept. 1
WINK-TV Fort Myers	165 to 200	36 to 48	Nov. 1
WICD ³ Danville, Ill.	150 to 175	25 to 39.40	Oct. 1

¹Not reported. ²Min. only, 20 sec. remains \$175. ³Formerly WDAN-TV.

Foreign

No TV representatives were named to Britain's 12-member Pilkington Committee (Vol. 16:34 p13) which has been established by the Postmaster General to chart the future of English TV & radio. The Committee, headed by industrialist Sir Harry Pilkington, will study & make recommendations on such new broadcast services as pay TV, closed-circuit, a 3rd channel.

Film & Tape

More about

PLUG SPECIALISTS WON'T TALK EITHER: Hollywood specialists in the art of the sneak plug refused last week to testify before the FCC hearing on various aspects of the TV-film industry. Their refusal, on advice of counsel, followed denial of a motion to quash their subpoenas. The FCC will seek U.S. district court action to require them to testify.

Oliver B. Schwab, representing all those who declined to testify, told hearing examiner James D. Cunningham he planned to appeal the examiner's denial of his motion. He requested a stipulation that his clients be allowed to take the stand & then refuse to testify, on his advice.

Schwab's clients were Dick Fishell of Dick Fishell and Associates, Betty Langley and Mary Rothschild. Not served because they were out of town or hadn't yet been located by the U.S. marshal: Fred Kline of the Fred Kline Agency, Carol Prince, Jimmy Cross, Donna Rappa, Stan Lawrence and Vici Raaf. Cunningham instructed FCC counsel Ashbrook Bryant to make certain that subpoenas were served on the missing persons.

Schwab based his motion for quashing the subpoenas on the grounds that (1) the information sought was confidential & beyond the scope of the FCC hearing; (2) his clients were in the public relations business, not in broadcasting; (3) ground rules of the hearing deprived his clients of counsel—which was not due process of law. (While the hearing allowed counsel to advise & consult with their clients when the latter were on the witness stand, the attorneys were not permitted to speak for them.) This, said Schwab, is not Russia, but a democracy, and a hearing should be conducted democratically. He also mentioned the cost to the taxpayers.

Reply by FCC Attorney

FCC attorney Ashbrook replied that although Schwab contended that the client lists being sought were confidential, the *Wall St. Journal* last year had carried a list of 93 Fischell clients in an article about plug specialists. Moreover, he pointed out, Adolphe Wenland had previously testified freely regarding this field.

He described Schwab as "uninformed" in having said the Administration Procedure Act requires participation by an attorney in such hearings. The procedure followed, asserted Bryant, was identical with that followed by all Government agencies & Congress, and it had been upheld in the courts.

He added that those involved were paid to insert promotional material in broadcast programs, and consequently were suitable subjects for FCC scrutiny. "The FCC doesn't have & doesn't want the right to censor, but it does want to know where the responsibility lies for decisions on all broadcast matter," he said. Sec. 317, he pointed out, requires disclosure of all plugs on shows, and FCC cannot write rules & regulations for this section without first conducting hearings to determine industry practices.

On the following day (Tue.), Cunningham denied the motion to quash, holding that: (1) the scope of non-judicial hearings is broad, and the FCC intends to obtain all facts & matter pertaining "even remotely" to promotion & publicity used in broadcasting ("on the basis of the witnesses' testimonies & documents, the FCC will be in a position to determine whether to adopt new rules or seek additional legislation"); (2) the records would be wholly de-

ficient without the requested data; and (3) "there is no doubt in my mind of the validity of the ground rules, nor has any witness been deprived of advice of counsel."

Cunningham mentioned the refusal of MCA vp Taft Schreiber to testify on the grounds that he was deprived of counsel. "Sooner or later," commented the examiner, "Schreiber will appear and his testimony made a part of the record." He also told Schwab he did not agree that the data sought was of a confidential nature.

The hearing was wrapped up with Bryant expressing his appreciation to those witnesses & companies that had voluntarily appeared and given detailed information. Such cooperation, said Bryant, "was uniform until recently"—an obvious allusion to the refusal of Schreiber (see p. 3) and the plug specialists to testify. TV film "is a highly complex operation & function in our society . . . Our hope is that this joint venture between the government & industry has resulted in a record which will be of material assistance to the FCC & Congress in their efforts to create a fair & equitable pattern for the industry," he concluded.

Cunningham said he would prepare a memorandum & opinion regarding Schreiber & MCA, proposing that the Commission institute court proceedings aimed at compliance with Commission requests that the executive testify. Despite Schreiber's refusal to give the FCC a list of packages represented by MCA, the FCC attorneys later read into the record a list of 17 MCA packages obtained from the networks. They were *The Adventures of Ozzie & Harriet*, *Take A Good Look, Leave It to Beaver*, *My 3 Sons*, all ABC-TV; *The Ed Sullivan Show*, *Bringing Up Buddy*, *Checkmate*, all CBS-TV; *Riverboat*, *Wells Fargo*, *Wagon Train*, *This Is Your Life*, *Laramie*, *Alfred Hitchcock Presents*, *Thriller*, *The Deputy*, *The Tall Man*, *Bachelor Father*, all NBC-TV.

An interested observer in the closing days of the hearing was Nicholas Zapple, communications counsel for Sen. Magnuson's (D-Wash.) Interstate & Foreign Commerce Committee. He obtained a record of the proceedings for reporting back to the Senate committee.

Production in N.Y., a touchy point with Eastern producers & TV critics since the bulk of shows moved to the coast, got another boost last week with CBS-TV ordering full scale N.Y. production of two 60-min. shows. Twenty-six 60-min. film episodes of *Defender* and an indeterminate number of 60-min. taped segments of *Diagnosis: Unknown* are scheduled as possible mid-season replacements. *Defender* will be produced by Herbert Brodtkin and Reginald Rose, based on Rose's 2-part *Studio One* drama of a few seasons ago. Producer Bob Banner is supervising *Diagnosis: Unknown*. Production dates will be set this week or next.

Ted Granik, who has been conducting a telefilm production romance unsuccessfully with the N.Y. Police Dept. for nearly 5 years, may at last be headed for a TV altar. Last week, Granik, creator of *American Forum of the Air*, announced he planned to film shortly a pilot in N.Y. titled *Green Light 27*. The projected series, evolved in a cooperation-&-advice deal with the Patrolmen's Benevolent Assn., will dramatize "the history of police precincts."

John Crosby, one of TV's best known & severest newspaper critics, just about abandoned the field last week. The N.Y. *Herald Tribune* and its syndicate announced that his 4-times-a-week column would henceforth be devoted to general subjects and not merely TV. He did promise to give further attention to TV when occasion warrants.

Film Plugola Bans Analyzed: Worried producers of TV films (and of theatrical movies which may be seen on home screens) have been advised in a 23-page legal opinion that the new Harris-Pastore Act which outlaws payola won't put them out of business.

Following up an FCC-producer conference on the implications of the law (S-1898) for Hollywood (Vol. 16:89 p6), the Washington communications law firm of Haley, Wollenberg & Bader dissected the text, reviewed the legislative history and concluded film makers may stop fretting.

In letters to the Motion Picture Assn. of America & 8 producers (with copies to FCC members as "assistance to the Commission in formulating its initial rulemaking proposals" on payola-plugola interpretations), the lawyers laid out these ground rules:

(1) The Harris-Pastore Act isn't retroactive from its Sept. 13 effective date, so that TV film producers aren't required to make disclosures of prop deals made before.

(2) In any event, the law explicitly covers only films "intended for broadcasting"—not movies produced for theatrical exhibition.

(3) "Such a film does not become 'intended for broadcasting's simply because of a possible eventuality that an attempt may be made to sell the film for broadcasting purposes years after the initial release of the film for theatrical purposes."

(4) "Congress was patently not undertaking to regulate the theatrical motion picture industry or its practices."

(5) "Any prop furnished solely for use on a TV program and not accorded any unusual or special prominence beyond the identification which is normal & appropriate . . . does not create the need for disclosure."

Recipients of the legal advice in addition to the MPAA & FCC were Allied Artists, Columbia Pictures, MGM, Paramount Pictures, 20th Century-Fox, United Artists, Walt Disney Productions and Warner Bros. Appended to the letters were copies of the House Commerce Committee's list of 27 examples of what constitutes (and what doesn't constitute) payola & plugola as forbidden by the law.

WGAW Recalls 6 Officers: Six officials of the TV-radio branch of Writers Guild of America West were ousted last week. It was the first recall in the Guild's history. The move climaxed months of internal wrangling within the Guild—its negotiating committee & most of the membership vs. 7 TV-radio board members & a minority of writers. Recalled were Pres. Kay Leonard, vp Joel Kane, Sterling Silliphant, Richard Collins, Stanley Niss and Fran Van Hartesveldt.

Sole survivor of the campaign to eject board members is Phil Leslie, who remains on the board as secy.-treas. With him are Hy Freedman, Fenton Earnshaw, David Harmon and Nate Monaster. The board members will appoint 3 more members to constitute a quorum which will then name a nominating committee. This committee will nominate candidates for 3 other board positions, to be filled at a special election.

This was the 4th & conclusive vote between the warring Guild factions. The first 2 had come over Alliance proposals to end the writers' strike against TV, and offers accepted by the board but rejected by the membership. The third came when members overwhelmingly voted that Sam Newman of the negotiating committee should be the WGAW representative on the industry fact-finding committee to determine a royalty percentage for writers, a move rejected by the TV-radio board.

POST-1948 PRICING (Cont.): Although many big-city film buyers are keeping their wallets zipped when offered premium-priced packages of post-1948 movies (Vol. 16:42 p14), the sales drives launched by feature distributors on new-movie packages are showing some tangible results.

Lopert Pictures, a United Artists offshoot which specializes in foreign films, beat several of its bigger rivals (Screen Gems, 20th Century-Fox, MGM) to the punch in scoring the season's first major sale of a post-1948 picture for network telecasting. The film is Albert Lamorisse's French-made, Oscar-winning featurette (34 mins.) "The Red Balloon." Trimmed to fit in a 30-min. format, it will be seen later this season as a one-time special on *GE Theatre* (CBS-TV), although probably not in color. According to Lopert Pictures, gen. mgr. Bob Morin signed the deal with BBDO (GE's agency) "within 24 hours after 'The Red Balloon' became available to TV." Other network-level post-1948 deals, meanwhile, remain in the talk stage.

NTA, one of the earliest starters in the current post-1948 sales derby, has scored sales on its 20th Century-Fox package in more than 30 markets so far. According to NTA's figures, the sales are being made at an average rate of more than one market per day since the package was released and at prices "about 50% above normal feature pricing." One of NTA's biggest deals involves the sale of a 180-title group to Corinthian-owned WISH-TV Indianapolis (including 61 post-1948 20th-Fox films) for approximately \$200,000.

A gimmick that has proved a surprise success in selling the package, NTA told us last week, is a 60-min. one-shot show, "Post-1948 Quiz." Based on clips from movie trailers, the show's format calls for the use of local announcer-hosts and involves home-viewer identification of stars & story-lines in the package with winners receiving merchandise prizes. Most stations purchasing NTA's 20th-Fox group, we're told, have requested the use of the special, originally air-tested on WNTA-TV N.Y.

Other distributors also report an early round of sales successes in post-1948 selling, primarily with small, hand-picked packages. UAA's 26-title post-1948 package has been bought by stations in 35 markets so far. Programs for TV Inc., currently selling a package of J. Arthur Rank British-made post-1948s, has scored sales in about 15 markets (including N.Y., Los Angeles & Detroit) for a total gross of over \$1 million.

Also past the million mark in sales is Flamingo Films' "festival package" of 30 post-1948 foreign films ("The Last Bridge," "Little World of Don Camillo," etc.) which last week was purchased by WTAE Pittsburgh, Pa. and WCAX-TV Burlington, Vt.

People (N.Y.): Jack Sobel named Screen Gems national sales mgr. . . Roslyn Karan has been named Trans-Lux coordinator of programming, promotion and merchandising for the Encyclopaedia Britannica Film Library . . . Charles N. Hill, former CBS director of *Person to Person*, has joined NBC to direct *The Nation's Future*, the new Irving Gitlin-produced series of debates on important issues, due Nov. 12 . . . Jean Hendrix, asst. to the gen. mgr. & program dir. of WSB-TV Atlanta, has received CBS Films' trophy for outstanding achievement in creative merchandising and promotion of syndicated programs . . . Gabe Sumner has been appointed United Artists publicity mgr.

THE 3 PRICES OF FILM: While \$50,000 is regarded today as the price of an average 30-min. TV film (Vol. 16:40 p20), Hollywood producers operate on a variety of budgets—as high as \$65,000 and as low as \$32,500.

What a film will cost depends on the sponsor's needs—does he want an economy series merely to be on TV, or a high-budget show to link his product with quality? It depends, too, on the market at which the producer is aiming his series. If the film maker is going into the riskier syndication field, it's likely that he'll bring it in at as low a cost as possible, to recoup his investment fast.

For the high-budget (\$65,000) half-hour series, above-the-line costs (talent, story, etc.) always range higher because the advertiser expects a name-actor star, a better-than-average producer, story and cast. A producer & his staff earn about \$2,500 on an average show, but get \$6,500 for the high-budget species. Similarly, the cast averages (about \$11,000) rises to \$18,000. (One reason: An average-budgeter is filmed in 2 days, a high-budgeter in 3.). And story costs (\$2,750) can range up to \$3,500.

At the other extreme, the low-budgeted (\$32,500) series again places the differential in the above-the-line costs—with the figures descending to \$1,500 for producer & staff; \$5,000 for cast; \$1,250 for story.

Sometimes an ambitious story line or production will send costs above even their high-budget limitations. The producing company usually makes this up by turning in subsequent films for less than budget—for, as a rule, the extra cost of an over-budget series must be met by the producer. However, in the high-budget bracket there's little tendency to cut corners. One way to do so without cutting quality is to grant ownership participation to the star, who then works for less salary.

Four Star Television has begun production on 4 segments of its 60-min ABC-TV series, *The Corruptors*. Leonard Ackerman and John Burrows co-produce. It will also pilot *The Atoner*, which will be shown on the company's *Dick Powell's Zane Grey Theater* series. Four Star has also resumed production of *The Westerner*, starring Brian Keith, following a 3-months hiatus.

Screen Actors Guild's annual election will be held Nov. 21. Three independent candidates Michael Jeffers, Michael Lally, Glenn Taylor have filed for election to the board, challenging candidates nominated by SAG's nominating committee. George Chandler is unopposed for re-election as president.

20th Century-Fox TV will produce a 60-min. pilot (adventure located in Africa) for ABC-TV. William Self is exec. producer. No title or cast as yet.

Robert Horton is back at work as co-star with Ward Bond in Revue Studio's *Wagon Train*, following his walk-out & suspension.

Producer Collier Young has video-taped the first segment of *Crime & Punishment*—at San Quentin prison, with newsman Clete Roberts interviewing inmates.

People (L.A.): Sol Baer Fielding named exec. asst. to producer Herbert Leonard on *Route 66* and *Naked City* . . . Harry Sosnik and Bud Yorkin named co-chmn. of 1960-61 Emmy awards production committee for ATAS telecast on NBC-TV next May . . . Desilu Productions has signed writers Bob Weiskopf and Bob Schiller to 3-year contracts as writer-creators.

Stations

Magnuson Soothes Broadcasters: The TV-radio industry hollers too much about federal interference before it's hurt, Senate Commerce Committee Chmn. Magnuson (D-Wash.) told the Seattle chapter of the National Academy of TV Arts & Sciences last week.

"Is govt. control destroying the American broadcasting system?" he was asked in a workshop panel discussion of industry problems at the U. of Wash. Nonsense, Magnuson answered: Congressional investigations & legislation are intended to simplify rather than compound controls.

"Don't worry," Magnuson told his openly skeptical audience of broadcasters. "What we're driving at is to reduce complexities." He added: "No Congressman or Senator that I know is interested in getting into the program field in regulation of the industry."

He was questioned sharply by other NATAS panelists about intentions of the Commerce Freedom of Communications Subcommittee in asking stations for reports on all political equal-time complaints (see p. 3). But Magnuson defended the move as "necessary." He said the "watchdog" unit needs to know how well broadcasters are complying with the Communications Act's Sec. 315, and that he'd already heard of some equal-time incidents.

But Magnuson said broadcasters generally have nothing to fear from a full-scale investigation of slow procedures of FCC & other regulatory agencies which his Committee plans to start early next year (Vol. 16:33 p3).

FCC "is the most complicated commission that ever existed" and is overdue for some streamlining, Magnuson said. He complained that it stalls too often when confronted with controversial issues, acts "emotionally," and runs to Congress for legislation instead of solving its own problems.

Backing up Magnuson on the platform were his committee's communications counsel Nicholas Zapple (see p. 7) and special TV counsel Kenneth Cox. Other panel participants included Max Bic (KTNT-TV Tacoma-Seattle), Otto Brandt (KING-TV Seattle), Lincoln W. Miller (KIRO-TV Seattle), Frank Rosenquist (KOMO-TV Seattle), Washington communications lawyer Andrew G. Haley.

FCC's 1959 clear-channel AM decision stands, the Court of Appeals ruled last week, rejecting the appeals by Clear Channel Bestg. Service & WSM Nashville. In a short decision, Judges Edgerton, Bazelon & Washington stated: "The gist of petitioners' present complaint is that the Commission's final order is inconsistent with what they claim was the original aim of the proceedings—to reduce the interference suffered by petitioners' Class I stations from the operations of Class II stations—and actually tends to increase such interference. The Commission denies this, saying that petitioners will now have a measure of protection, whereas previously they had none. We think the Commission has the better of the argument. . . . To be sure, the evidence might perhaps have justified some other solution, more favorable to the petitioners. But the interests of Class I stations were weighed by the Commission against those of other classes, and we cannot say, on the record before us, that the result reached was arbitrary, capricious, or an abuse of the Commission's discretion. The solution reached, which the Commission concluded was 'a reasonable balance' between 'permitting excessive interference & imposing prohibitive restrictions on class II stations,' was adequately based on the evidence, and within the broad powers of the Commission."

Radio's First Presidential Endorsement: "History's first radio editorial supporting a candidate for the U.S. Presidency" was claimed by radio WMCA N.Y. last week. In a pair of 10-min. editorials Oct. 26 & 27, that station's Chmn. Nathan Straus endorsed Sen. John F. Kennedy as the Presidential choice of the independent station. "This is an editorial which would have been illegal a decade ago," Straus declared, adding: "WMCA believes that its responsibility to the community includes the obligation to speak out on the most important question of the moment."

"Courageous," "disgusting" and "good job" were among listener telephone reactions. Some listeners threatened to complain to the FCC, not realizing that FCC has encouraged station editorializing.

WMCA took no chances with Sec. 315; it offered Republican candidates Nixon & Lodge equal time if they wanted it. At week's end neither had accepted the offer and WMCA told us it didn't expect they would. The editorials were also aired on WMCA-owned WBNY Buffalo, N.Y.

* * *

Radio in the 1960s will survive TV competition and expand, but stations must start improving variety & depth of their programming, broadcasters at the 4th & 5th NAB fall conferences (Vol. 16:43 p11) were told last week. Special speakers at Oct. 24-25 NAB staff seminars in Denver and Oct. 27-28 sessions in Omaha included radio station executives who put it on the line. Good stations can't be run "with a stack of 40 records, a copy of *Billboard* magazine and a newsprinter," said Thad M. Sandstrom (WIBW Topeka) in Denver. In Omaha, F. Ernest Lackey (WHOP Hopkinsville, Ky.) said: "It is my fond belief that the fast-buck operators will find the going rougher in the decade ahead as good stations tend to expand their services to the listener, while the TNT—time, news, temperature—rock-&-rollers fade from the scene." NAB staffers return to Washington for the 6th conference Nov. 14-15 at the Statler-Hilton Hotel. The 8-conference fall series will wind up in Chicago (Nov 21-22) & N.Y. (Nov. 28-29). Attendance at the conferences so far has been running 15% ahead of 1959. NAB's count of delegates at the first 5 sessions: 1,101.

KXTV Sacramento continues operation despite a strike by AFTRA & NABET, now entering its 5th week. Owner Corinthian Bestg. Co. states that the strike "is strictly an economic one." It does not contend the strike is illegal, as was erroneously reported last week in these pages. A company spokesman said: "We have lived up to the contract we inherited [from the former owners of the station]. We must be competitively geared to other stations in the area." The strike is an outgrowth of stalemated negotiations for a new contract. The official also stated that the recent resignation of former vp-station mgr. Richard P. Hogue in a "difference of opinion over management policy" had nothing to do with the terms of the station's union contracts. As far as Corinthian is concerned, the management official stated, the contract dispute is still in the hands of govt. conciliators. Violence had flared in the strike when a policeman was injured by a homemade bomb he removed from the automobile of a KXTV employe. A NABET member was questioned by police about the incident, but no charges were filed.

KFSD-TV & KFSD San Diego have been bought by United Artists for about \$7 million, through broker Howard Stark. They're UA's first broadcast acquisitions.

NEW & UPCOMING STATIONS: CBUAT (Ch. 11) Trail, B.C. begins test transmissions Nov. 1, preparing to start with full programming Nov. 15 as CBC o&o low-power satellite to CBC's CBUT (Ch. 2) Vancouver. It has a 150-watt Canadian GE transmitter and will be operated as an automatic unattended repeater. It will be included as bonus to CBUT, which has \$680 base hour. New starter brings Canadian operating total to 74 outlets.

Next U.S. starter may be WXTV (Ch. 45) Youngstown, O., which received program test authorization Oct. 21 and plans to begin programming as an independent by Nov. 15.

* * *

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

KVOG-TV (Ch. 9) Ogden, Utah received a 5-kw Gates transmitter Sept. 23 and plans to start this Nov. as an independent outlet. Owner is radio KVOG. Studio-transmitter building construction has been completed and 6-bay RCA antenna has been installed on 400-ft. Utility tower. Base hour will be \$325. Rep will be Grant Webb.

KCSD-TV (Ch. 19) Kansas City, Mo. has changed target to Dec. 15 for programming as the non-commercial outlet of School Dist. 19 there, reports J. Glenn Travis, admin. asst. to the school supt. A GE 1-kw transmitter arrived Sept. 27 for installation in City Hall and a GE antenna is being installed on stub tower on top of building. Studios in Board of Education Bldg. are 25% complete.

KCDA (Ch. 3) Douglas, Ariz. has its studio-transmitter building ready for a 250-watt Electron transmitter scheduled for arrival in December when the station plans to begin programming, according to Mike Ling, national sales mgr. of grantee Electron Corp. Rohn 100-ft. tower is scheduled to be ready in November for Alford antenna, which is due in December. Network affiliation hasn't been signed, nor has base hourly rate been set. Rep not chosen.

KIFI-TV (Ch. 8) Idaho Falls, Ida. now has FCC approval for a start with maximum 316-kw ERP. It plans Jan. 1 programming, writes James M. Brady, pres.-gen. mgr. Grantee Eastern Idaho Bestg. & Television Co. also owns radio KIFI. Work has started on transmitter house at site adjacent to KID-TV on East Butte, and it's scheduled for completion by mid-Nov. GE 28-kw transmitter & antenna are scheduled to arrive Nov. 1 when the 100-ft. tower furnished by Tower Construction Co. is also scheduled to be ready for use. Base hour will be \$275. Rep not chosen.

WIPM-TV (Ch. 3) Mayaguez, P.R. has changed target to December for operation as non-commercial outlet of P.R. Dept. of Education, writes R. Delgado Marquez, gen. mgr. of the Dept.'s other station, WIPR-TV (Ch. 6, educational) San Juan. It has a 6-kw RCA transmitter ready. Antenna won't be installed on the 202-ft. Ideco tower until Nov.

KUSD-TV (Ch. 2, educational) Vermillion, S.D. plans March 1 tests, reports Martin Busch, KUSD radio-TV-film dir., for owner State U. of S.D. It has a 250-watt Sarkes Tarzian transmitter on order and will use a 150-ft. self-supporting tower furnished by Tower Construction Co. It will abandon the closed-circuit system which has been in operation for 3 years, and these studios will be turned over for use by KUSD-TV this spring.

KTXT-TV (Ch. 5) Lubbock, Tex., planned as a non-commercial educational outlet, hasn't set a target date. Its plans are dependent upon legislative action next year, according to R. L. Goodwin, pres. of grantee Texas Technological College.

CJCH-TV (Ch. 5) Halifax, N.S. has a 5-kw Canadian GE transmitter scheduled to arrive Nov. 1-15. It plans Jan. 1 programming, writes A. D. Grayston, promotions mgr. for radio CJCH. Construction has begun on both studio building & transmitter house. Construction work on the 600-ft. Wind Turbine tower is scheduled to start Nov. 1. GE antenna is due to arrive Nov. 30. Base hour will be \$300. Reps will be Young, Paul Mulvihill (Montreal & Toronto), A. J. Messner (Winnipeg) and Scharf Best. Sales (Vancouver).

CFTO-TV (Ch. 9) Toronto has a 50-kw RCA transmitter at a site 13 mi. from downtown and plans Jan. 1 start as a French-language outlet, reports John Bassett, publisher of the *Toronto Telegram*, which holds 51% voting control. Work on guyed 815-ft. Microwave tower is half completed. It will be equipped with color telecasting facilities despite BBG ruling that the country is not ready for color. Base hourly rate will be \$1,150. Rep not chosen.

CFTM-TV (Ch. 10) Montreal, Que. has ordered a Marconi 18-kw transmitter for Dec. 1 delivery, plans to program as a French outlet by the end of January, writes station mgr. Roland Giguere for owner Tele-Metropole Corp. (Paul L'Anglais and associates). It will use a temporary 125-ft. tower, and will move next spring to a special installation providing space for all Montreal TV & FM stations. Base hour will be \$1,000. Reps will be Forjoe, Paul L'Anglais Inc., Stovin-Byles.

CJOH-TV (Ch. 13) Ottawa, Ont. has an 18-kw Marconi transmitter scheduled for Jan. delivery. It plans March 31 programming, using temporary studio, reports Pres. E. L. Bushnell. Transmitter house, now under construction, is scheduled for completion by Dec. 10. Work on permanent studios began Sept. 19, but they won't be ready until next July. The station will use a 600-ft. Microtower. Base hour will be \$475. Rep will be Stovin-Byles.

■

FCC hearing begins this week (Mon., Oct. 31) in Los Angeles on the question of who controls KRLA Pasadena — station Pres. Donald Cooke or his brother, Jack, a Canadian. (The law prohibits ownership or control of a U.S. station by non-citizens.) Donald Cooke will also be asked whether an on-the-air contest to identify the voice of disc jockey Perry Allen was constructed with intent to delude the public. The Commission will, in addition, investigate the station's programming and its application for transfer of the frequency from Pacific Best. Corp. (KXLA) to Eleven Ten Bestg. Corp., the present owner. FCC chief hearing examiner James D. Cunningham, who presided over the recent investigation of the TV-film industry (Vol. 16:42 et seq.), will run the KRLA hearings.

Political TV stew, embroiling Canada's BBG & CHEX-TV Peterborough, Ont., cooked to a boil last week amid charges of pressure & favoritism and demands for ouster of BBG Chmn. Dr. Andrew Stewart. Donald Munro, local Liberal candidate, charged that CHEX-TV first rejected film clips of both Liberal & Conservative candidates (on grounds the films infringed on Canada's Broadcasting Act), then, as the result of pressure on BBG by a top Conservative official, accepted only the Conservative Party's films for telecasting. (The Broadcasting Act states "no station shall broadcast in dramatized form any program, advertisement or announcement of a partisan political character.") Socialist CCF Party leader Haze Argue said he'd demand a Parliamentary inquiry when that body convenes Nov. 17.

Metropolitan Bestg. Corp. opens a Phila. office at 12 S. 12th St. (Walnut 5-2828), under vp Benedict Gimbel Jr.

The FCC

FORD REVIEWS THAT NEW LAW: It's too early to tell what impacts this year's Harris-Pastore anti-payola law may have on the broadcasting industry, but it's already apparent that the Communications Act amendments raise as well as resolve TV & radio problems, FCC Chmn. Ford said last week.

"We are in a transition period," he told the Federal Communications Bar Assn. in a Washington luncheon speech reciting "some of the things the Commission is doing to carry out its new responsibilities and some of the problems encountered."

Ford's section-by-section review of the omnibus statute included such points as these:

On payola & plugola: There are "a good many ramifications," including the law's application to TV film production (see p. 7), and FCC has a lot of work to do "before rules are finally adopted." Commission may come up ultimately with a Q-&-A guide.

On quiz rigging: "It would appear that an effective deterrent now exists for the rigged quiz show, and I would hope that the broadcast industry has seen the last of this kind of 'entertainment.'"

On forfeiture penalties: "It is perhaps too early to predict specific situations in which the forfeiture provisions would be invoked. Certainly, no case has come before us in the few weeks the law has been in force which seemed appropriate for the imposition of this sanction."

On mergers & payoffs: Definitions of "merger & bona fide merger" and "legitimate & prudent expenditures" raise questions which haven't yet been settled. FCC already is confronted with "somewhat difficult" problems involving agreements for mergers or payments drawn up before the law was enacted.

On less-than-3-year licenses: The Commission is "aware that a renewal for less than 3 years might subject the licensee to certain competitive disadvantages, but I am sure that this authority will be used judiciously."

On pre-grant protests: "Far-reaching changes in our procedures which [rewritten Sec. 309 of the Communications Act] brings about are not going to be accomplished painlessly, and there may even be a temporary slowing down in the handling of applications as cases of first impression under its provisions are considered."

On local license hearings: "We will be more inclined than in the past to designate such proceedings in the area served by the station in question—providing, of course, funds are available."

In short, Ford told the communications lawyers, time will tell: "In terms of specifics, there is little that can be said with certainty at this time about the impact of the new legislation—particularly about those sections which affect most closely the processes of the Commission."

Experimental station in Saugus, Cal., proposed by Telemeter to test technical aspects of coded signals, has been opposed by KEYT (Ch. 3) Santa Barbara. The proposed station would also operate on Ch. 3, and KEYT stated that it would create interference within its Grade B service area. KEYT claimed that other frequencies could be used, giving all regular stations more protection.

Shift of WRBL-TV Columbus, Ga. from Ch. 4 to Ch. 3 was authorized Oct. 27 when FCC granted program-test authorization for the station to operate on lower channel.

Agency 'Informality' Urged: One trouble with federal regulatory agencies—such as FCC—may be that they try too often to operate in a rigidly-confined judicial atmosphere. A jurist who handles Commission cases made that suggestion last week.

Court of Appeals Judge E. Barrett Prettyman, named by President Eisenhower to direct the White House Conference on Administrative Procedure, took issue with agency critics who contend that what's needed is more court-like processes. On the contrary, he said, agency work might be speeded up by more informal procedures, particularly "in certain areas." He didn't single out FCC, but pointed to agency red tape involved with such problems as evaluation of cases, statistics and reports. "These matters are not necessarily judicial problems," Prettyman said, following a meeting in his chambers with the White House Conference's organizing committee (Vol. 16:43 p6). "In certain areas the agencies are too technical."

Other agency problems cited by Prettyman: (1) Selection & powers of hearing examiners. (2) Codes of agency ethics. (3) Mixed-up legislative, judicial and regulatory procedures. (4) *Ex-parte* proceedings. (5) Delays in case adjudication.

He called on the organizing committee to come up with recommendations for an agenda for a continuing, permanent agency-lawyer setup at its next meeting Nov. 21 in Washington. The judge, who headed up a similar 1953-54 White House study of regulatory processes, said the new President's Conference should be modeled after judicial conferences organized recently in 10 federal judicial circuits.

Technology

Calling All Engineers: In light of the GOP-Democratic disagreements over the size of the crowds being drawn by their whistle-stopping candidates, we offer the following suggestion—an electronic Crowd Counter.

Although TV & radio have a host of systems for measuring the unseen audience, there's no accepted method for weighing the seen. Hence the wide disparity between estimates by Democratic sheriffs & Republican police chiefs.

Though we're not engineers, it seems to us that there must be electronic techniques adaptable to cranium counting—radar, ultrasonic, infra-red, etc. A device mounted in a helicopter, on a tall building or in a vehicle could scan the mob and come up with a quick, accurate count.

It's acknowledged that some craniums are harder, thicker and less absorptive than others—as both Democrats & Republicans charge—but we believe that the nation's engineers are sufficiently ingenious to devise a system with parameters (as they call them) to encompass reasonable excursions from the norm.

It's recognized that an accurate Nose Numberer may not be welcomed in all quarters—that some officials may prefer to continue making their own estimates for public dissemination. However, it seems reasonable that a good Mass Measurer should attain general acceptance.

Satellite communications prospects (Vol. 16:34 p1) are being explored by a British team of experts who arrived in Washington Oct. 23 for consultations with govt. agencies & private firms here.

RCA shipped a 25-kw transmitter Sept. 22 to WMVS-TV (Ch. 10 educational) Milwaukee, which is planning boost to 316 kw. RCA has also shipped 2 TV tape recorders to KDKA-TV Pittsburgh and to Radio Tupi, Brazil.

Programming

FIRST NIELSEN OF SEASON: Admen last week were busily combing through the initial full-scale report on the program behavior of the 1960-61 season—A. C. Nielsen Co.'s first national report for October. In general, after adjustments were made for the shift in Nielsen's new reporting tactics, program behavior was about the same this season as last. (Programs are now measured nationally on a base of 100% of U.S. TV homes; formerly each program's audience was measured against the percent of U.S. TV homes that could receive that program.) Westerns, dramas, suspense shows, and the rest, were doing generally what they did a year ago, and the amount of public attention to network TV programming was similar. Highspots:

1. In the "top 15" (nighttime average audience) are 12 program veterans—including a network-rerun cycle of *Father Knows Best* in 6th place—and only 3 new shows, none in top positions. The 1-2-3 leaders wear familiar faces: *Gunsmoke*; *Have Gun, Will Travel*; *Wagon Train*.

2. Of the 3 new shows which hit the rating bigtime, 2 (*Tom Ewell Show* in 5th place; *My Three Sons* in 15th) are comedies. The 3rd is a 60-min. private-eye series (*Checkmate*, 11th). Nearly all of the successful new shows appear to owe a large debt to the factor of time period occupied, particularly when serving as the lead-in or lead-out show to one of the top favorites.

3. Strong Westerns are far from dead. In its debut week (the Sept. 29 rating week), NBC's *Outlaws* pulled a surprise 18.7 AA against a 9.8 for *Witness* on CBS in the 7:30-8:30 Thu. period, and topped the average of a pair of 30-min. comedies, *Guestward Ho* with a 12.6 and a new cycle of *The Donna Reed Show* with a 19.2, on ABC-TV.

4. A good adjacency continues to be a solid rating asset. Serving as the lead-in show for *Red Skelton* (4th-rated show in the AA leaders), *The Tom Ewell Show*, a comedy newcomer in CBS' 9-9:30 p.m. slot, drew a 26.4 (for 5th-rated AA position). *Skelton* drew a 28.5. Critics were generally lukewarm toward Ewell's show, but this appeared to be more than canceled by being next to *Skelton*.

5. Similarly, the new *Pete & Gladys* show benefits by being the lead-in to *Father Knows Best* on Mon. nights, *Checkmate* is helped by preceding *Have Gun, Will Travel*, and *Flintstones* is aided by acting as the Fri.-night warmup for *77 Sunset Strip*.

6. The first Nielsen scorecard on the Nixon-Kennedy debates was also tallied. Carried by all 3 TV networks (and 4 radio networks), the Sept. 26 show reached a total TV audience—those who watched 5 mins. or longer—of slightly more than 30 million homes. The initial debate held its audience nicely; at any average moment, 59.5% of U.S. TV homes were tuned in.

Postscript to Susskind-Khrushchev on *Open End*: A. C. Nielsen Co.'s survey of the show's N.Y. audience revealed that it had twice as many viewers among "professional" (doctors, lawyers, etc.) people as among non-professionals, and the audience was 3 times as large among upper-income (above \$6,000 annually) families as among lower-income.

Broadcasts in Esperanto have been started by the Voice of America, whose overseas programs are transmitted regularly in 36 languages. The constructed international language is used by some 600,000 persons.

Bard Beachhead for BBC: An extensive new sales campaign is being launched in the U.S. this fall by BBC-TV, which is eager to drum up export sales for shows produced at its new TV center in London. Spearheading the invasion is a package of 15 taped Shakespearean programs (13 are 60 min.; 2 are 75 min.) which BBC has sold to Metropolitan Bcstg. Corp. The series, which spans an 86-year period of blood-soaked intrigue in English history, starting with Richard II, is drawn—rather like a historical soap opera—from 5 of Shakespeare's plays. It will start on WNEW-TV N.Y. and WTTG Washington in early Dec.

BBC's N.Y. office has also signed a syndication deal for the series with National ETV & Radio Center whereby some 50-odd NET outlets will telecast the series next spring. Meanwhile, the series is available from BBC for other commercial or ETV telecasting on 16 or 35-mm kinescopes or on U.S.-standard tapes.

The Shakespeare series, *An Age of Kings*, isn't the only BBC fare that will be promoted this fall in a reverse of the U.S.-to-Britain program sales trend. BBC's Ronald Waldman, who heads overseas sales operations for the govt.-controlled TV-radio network, arrived in N.Y. Oct. 26 to begin an intensive round of sales calls. Much of the sales pressure will probably center on *Inspector Maigret*, a 39-episode taped suspense series based on the Simenon novels, available to U.S. buyers next spring.

Currently, BBC has a foothold in the U.S. program market through co-production deals with NBC's CNP for *Royal Canadian Mounted Police* and with NTA for *The Third Man*. Both 30-min. film shows are in active TV syndication. BBC has also made available some of its public-affairs programs to WNTA-TV N.Y. and has a deal with NBC-TV for transatlantic newsfilm feeds via cable.

Corinthian Bcstg. Corp. Pres. C. Wrede Petersmeyer and project dir. Herman Land revealed details last week of a post-convention study in Corinthian's markets. The company, whose 5 TV outlets fielded a large team of newsmen at both conventions last July, achieved 100% sponsorship & "practically no monetary loss" in its grass-roots TV coverage of convention politicking. The station group has every intention of covering the 1964 conventions in a similar manner, said Petersmeyer. At the same meeting, Gilbert Seldes, dir., Annenberg School of Communications, U. of Pa., said: "The addition of special coverage to the big and still-necessary large-scale coverage is a vital experiment. There is, of course, a danger in fragmentation, so that you cannot see the structure. The answer is the difference between thinking big & thinking profoundly."

Many-a-slip Dept.: Philip Morris is putting considerable TV backing behind its new "Commander" cigaret brand. However, Navy buffs point out, its commercials feature the 3-star insignia of a vice admiral . . . CBS-TV's Oct. 24 Presidential entertainment special, "The Right Man," used large-space newspaper tune-in ads showing actor Paul Ford, wearing a Coolidge-type Indian war bonnet, as "the perfect candidate." At the last minute, however, Ford's 90-sec. comedy sequence was cut for time. He was never seen on the show—but his name appeared in the credits anyway . . . On CBS Radio's *World News Roundup* last week, newscaster Dallas Townsend came on at the end of the show to correct a mistake in which he had referred to the President's tour as "political." Apologized Townsend: "I referred by accident to President Eisenhower's current political tour as . . . (long pause) current tour as political. It is non-political."

Networks

Talent Summit Meeting: After 6 weeks of conferences, special meetings and frustrated efforts, AFTRA-network negotiations are beginning to resemble, more & more, the Geneva disarmament talks. The only point on which both sides have agreed conclusively: Networks will not audition school-age children during school hours. Time is running out, however, inasmuch as AFTRA's contract with the networks expires Nov. 15. The union reportedly is planning an all-out final negotiation effort on the eve of contract expiration—at a time when AFTRA believes it will be holding the bargaining advantage.

Radio success in the TV age was claimed last week by NBC Radio, as the now-in-the-black (Vol. 16:39 p9) network unwrapped these (among other) figures: Cost-per-1,000 on NBC Radio now run as little as 36¢ (for hourly newscasts) and 46¢ in the weekend *Monitor* show. Of the 10 top national radio advertisers, 8 (including Pepsi-Cola, Chevrolet, Metropolitan Life and Liggett & Myers) are NBC Radio clients. In a 4-week period, NBC Radio newscasts reach 12.5 million homes.

Local Winston Churchill documentary has been postponed by WNEW-TV N.Y. as the result of a "friendly suggestion" from competitor (& co-producer of the *Winston Churchill Memoirs* series) ABC-TV. The network's Churchill series is scheduled to debut Nov. 27. A call from ABC-TV Pres. Oliver Treyz apparently triggered a rescheduling of WNEW-TV's show to Dec. 18 from Nov. 27. Said Treyz: "It might be a little confusing for viewers."

NETWORK SALES ACTIVITY

ABC-TV

- American Bandstand, Mon.-Fri. 4-5:30 p.m., part. eff. Feb. *International Shoe* (Krupnick)
- Daytime programming, Mon.-Fri., first 2 part. eff. this month, second 2 eff. Dec. *General Mills* (BBDO)
Ex-Lax (Warwick & Legler)
Coleman (Potts-Woodbury)
Paper Novelty Mfg. (Zlowe)
- Election night coverage, Tue. Nov. 8, 9 p.m. to end, part. *Continental Oil* (Benton & Bowles)
Union Carbide (William Esty)

CBS-TV

- Money and the Next President (*CBS Reports*), Thu. Oct. 27, 8:30-9:30 p.m., full sponsorship.
Commander cigarets (Leo Burnett)
- Face the Nation, Mon. 10:30-11p.m., co-spon. eff. Nov. 14.
Shick (Benton & Bowles)
Knomark (Mogul, Williams & Saylor)
- Sun. Sports Spectacular, Sun. 2:30-4 p.m., part. eff. Jan. 8.
Liggett & Myers Tobacco (D-F-S)

NBC-TV

- Texaco Huntley-Brinkley Report, Mon.-Fri., 6:45-7 p.m., full sponsorship renewal.
Texaco (Cunningham & Walsh)
- NBC News Election coverage, Tue. Nov. 8, 9 p.m. to conclusion, 1/6 participation.
Cowles Magazines (McCann-Erickson)
- Jack Paar, Mon.-Fri. 11:15 p.m.-1a.m., part. eff. Oct. 31.
Adam Hats (Mogul, Williams & Saylor)

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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PUBLICATION OFFICE Rodnor, Po., MURroy 8-3940, TWX: Rodnor 1028

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MARTIN CODEL
Associate Publisher

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually. For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY
Published March & Sept. Published Saturdays Published in January

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Personals: John Gemma named chief of CBS-TV network operations at TV City, Hollywood; he's succeeded as operations mgr. of KNXT Los Angeles by Richard Marsh . . . W. C. (Bud) Prather promoted to technical operations dir. of NBC's WNBQ & WMAQ Chicago, succeeding Howard C. Luttgens, who retired after 34 years with NBC . . . Bob Lyte, ex-Tribune Publishing (KTNT-TV & KTNT Tacoma, *Tacoma News Tribune*) appointed ad dir. & film buyer of WLBW-TV, due to take over Miami Ch. 10 from WPST-TV pending decision by Appeals Court (Vol. 16:41 p5) . . . Phil Lewis, ex-WNTA-TV N.Y., named news dir. of KYW-TV Cleveland, succeeding Gary Franklin, resigned.

Grady Jackson (Jack) Burney Jr., research mgr. of WBTV Charlotte, N.C., elected TvB research advisory committee chmn., succeeding Melvin A. Goldberg.

Warren J. Boorom resigns as RAB's vp-member service dir. to become ad & promotion dir., Metropolitan Bcstg. Corp.; succeeded as member service dir. by Patrick Rheame . . . M. L. Plessner named ad, promotion & PR dir., KPLR-TV St. Louis . . . C. Braxton Valentine Jr., ex-Internal Revenue Service, joins Washington law firm of Weaver & Glassie.

R. E. Misener, gen. mgr. CFCF-TV Montreal, has been elected pres. Central Canada Broadcasters Association, succeeding S. C. Ritchie, CKLW Windsor, Ont. John Moore, CHLO St. Thomas, and Wm. McGregor, CKCO-TV Kitchener, elected vps. Stuart MacKay, pres. All-Canada Radio & TV Ltd., told the conference 1,000 jobs will be open in 1961 in Canadian radio-TV broadcasting.

Purchase of "Television Magazine," monthly TV trade publication founded in 1944 by the late Frederick A. Kugel, was announced late last week by Mrs. Frederick A. Kugel and Sol Taishoff, pres. of Broadcasting Publications Inc., publishers of *Broadcasting*. According to Taishoff, *Television* will continue publication from its present N.Y. hq as a "separate corporate entity," and with "no immediate changes contemplated in personnel, format or editorial & operating policy."

Obituary

H. P. Somerville, 71, who retired 3 years ago as BMI vp, died Oct. 27 in N.Y. as a result of a fall a month ago. He is survived by his wife, a daughter and 5 grandchildren.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

NEW DELAYS POSSIBLE IN FM STEREO: There's less optimism at FCC now about possibility of posting FM stereo broadcast standards by year's end. And for the first time we're hearing suggestions that there could be a verdict of "not ready" or "more study."

National Stereophonic Radio Committee's report on its field tests of 6 proposed FM stereo systems last summer in Uniontown, Pa. was filed last week with FCC as the deadline passed for system comments. Comprehensive as it is, NSRC's 4-in. thick compendium of field-test curves & measurements—like other industry filings—leaves many important questions unanswered. The report, prepared under NSRC field-test chief, NAB engineering-dept. mgr. A. Prose Walker, points up difficulties in selection of best stereo system: No one system showed up vastly superior to the others in all respects.

Despite high priority being given by FCC to FM stereo action, Commission staffers now say only that they "hope" Commission will reach decision this year. And it's becoming clearer (particularly in light of field-test results) that the word "decision" covers much territory.

It could mean selection of a specific system, but there now seems more inclination to include these alternatives: (1) FCC could "decide not to decide"—state that it hasn't sufficient information, wants more tests or proposals. (2) It could rule that none of the proposed systems meets its definition of "compatible"—that they produce unacceptable signal on conventional monophonic FM sets.



Which systems came out best in field tests is controversial, even among field-test panel members. On the surface, on basis of detailed perusal of report, it would appear that Crosby, GE & Zenith systems demonstrated most desirable characteristics in greatest number of test measurements. But individual comments, filed by other system proponents (Calbest, EMI, Multiplex Development) in appendix to report, leave no doubt that they feel their systems didn't make best possible showings because of unexpected equipment deficiencies & breakdowns, test-equipment troubles, etc.

Although FCC just received field-test data, Commission staffers were present at all NSRC meetings and through entire field-test period. Brunt of FM stereo staff work will fall on Harold L. Kassens, chief of Commission's Aural Existing Facilities Branch, who served on NSRC in advisor & observer capacity. It's said by panel members that Kassens was only person who was continually present at all of last summer's midnight-to-dawn field tests at Uniontown, Pa. Wee-small-hour work was required because originating station for field tests—Pittsburgh's KDKA-FM—could conduct experimental transmissions only in non-broadcast hours.

Along with field-test report, FCC received big batch of tape recordings made at Uniontown field tests for each of the 6 proposed stereo systems—both stereo & monophonic reception at various field strengths. One of toughest jobs for Commission will be listening to these tapes and comparing subjective judgments of quality with field-test measurements for each system. Here are some of the more knotty problems FCC will have to decide in its stereo deliberations:

(1) Can stereo broadcasting be compatible with monophonic sets? There are 10-to-14-million standard FM sets now in use. Owners of these sets must be protected when stereocasts begin—that is, they must be able to receive good quality monophonic programs from stereo broadcasts. New information, gathered mainly by Bell Telephone Labs and reported to FCC last week in report of field-test subcommittee No. 6, casts doubt on concept of adding both stereo channels together to produce a good-quality monophonic signal. Subcommittee found that quality of many stereo discs is degraded when used for monophonic programming, mainly due to phase differences between the 2 sound channels.

"The majority" of stereo discs are "acceptable for compatible stereophonic & monophonic broadcasting," said the subcommittee—but it noted that it found 8 of 32 (or 1 in 4) stereo records "afforded definitely

inferior monophonic reproduction." Whether further degradation is added to monophonic sound due to other phase shifts in the various stereo broadcasting & reception systems is up to FCC to determine. As to records themselves, subcommittee concluded that "improvements will come when the record companies take note of compatible stereo broadcasting and the need for compatible records."

(2) What are the effects of interference on stereo broadcasts? Co-channel & adjacent-channel interference and what they do to stereo signals couldn't be measured by field-test panel, which instead asked system proponents to file their own lab measurements with Commission. It's also probable that FCC engineers will have to conduct own tests in this field.

(3) Should stereo broadcasters be permitted other multiplex operations? This is important basic policy question—involving such multiplex services as functional music, storecasting, etc. Crosby system—considered by some the highest-fidelity stereo system proposed—leaves no room for these other Subsidiary Communications Authorization (SCA) services, and its adoption would require FM broadcasters to choose between stereo and other multiplex services. All 5 of the other systems tested would let broadcaster transmit stereo to FM listeners simultaneously with and in addition to regular point-to-point multiplex services.

More than 200 FM outlets are now authorized to conduct various SCA multiplex services. Therefore, there's feeling that Crosby system would have to show up markedly superior to all other systems in order to gain FCC approval as the one FM stereo system. In view of recent Bell Labs & RCA studies of "good stereo"—which showed that acceptable stereo must have separation only as high as 10 kc (Vol. 16:42 p17)—it would seem that FCC may lean away from Crosby proposal. Crosby system's ace is maintaining stereo separation across the entire audio band, while some of the other systems lose separation at 7, 8 or 10 kc.

"Crosby is a Cadillac; the others are Fords & Chevys," is the way one NSRC engineer put it to us. "They'll both get you there. Crosby will have to show up awfully, awfully superior to make the Commission decide to sacrifice SCA multiplexing for a stereo system, when it could have both."

Organized lobbying for Crosby system by hi-fi enthusiasts is beginning to show up at FCC. Commission has received about 500 letters, mainly from readers of "Hi Fi & Stereo Review," which recently ran editorial urging readers to write FCC in behalf of Crosby system. Since these letters aren't "comments" in conventional sense, best guess is that they'll be "noted & filed" by Commission.

There's some talk of a "modified Crosby system," which would permit SCA multiplexing by curtailing stereo separation at high end of audio spectrum. This, of course, is a possibility, as are other types of "hybrid" systems not specifically tested by NSRC. Commission will consider at least 2 systems not included in NSRC reports: (1) The one Philco proposed, then withdrew from NSRC consideration, but which is still on file with FCC. (2) The proposed FM stereo specifications submitted by RCA, which isn't an NSRC member.

Manufacturing & marketing questions also will enter into FCC's decision—albeit indirectly. Among these considerations: How economically can FM stereo radios for each system be manufactured? Can standard FM radios be converted easily to the various systems?

These & other imponderables begin to suggest that FCC has big, big job ahead. There's no doubt Commission intends to proceed with utmost dispatch, as soon as counter-comments are filed Nov. 7—but field-test results and the controversy they are stirring up are indicative that final decision won't be easy, and it may not be soon.

For other stereo FM comments received by FCC last week, see p. 18.

TV-RADIO PRODUCTION: EIA statistics for the week ended Oct. 21 (42nd week of 1960):

	Oct. 14-21	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV	119,634	124,587	180,048	4,748,925	5,036,889
Total radio	407,078	433,493	459,861	13,675,916	12,266,111
auto radio	145,588	156,510	135,912	5,252,191	4,557,978

Televideo Corp. of America, which operates Picture Tube Mart in Culver City, Cal., has been ordered in an initial FTC decision to stop selling rebuilt TV picture tubes without disclosing that they contain used parts. FTC said the company failed to answer a June 27 complaint charging "material facts" about its tubes weren't revealed to buyers.

Rebuilt TV picture tubes have been misrepresented as new by National Television Tube Inc., Saddle Brook, N.J., and National Tube Corp., South Norwalk, Conn., FTC charged in separate complaints against the manufacturers. The complaints said the alleged practices diverted trade unfairly from competitors in violation of the FTC Act.

TV-RADIO EXPORTS & IMPORTS: Exports of TV sets dropped in July for the 3rd consecutive month, according to official Commerce Dept. figures. Shipments of complete TV sets during the month totaled 5,335 units (vs. June's 6,653 & May's 10,526), with TV chassis exports at 6,839 (from June's 7,634, May's 577). July is the traditional "vacation month" when many U.S. TV plants shut down.

July's TV set exports were valued at \$717,574. Shipments worth \$1,000 or more went to some 30 countries—including 4 sets valued at \$1,030 to Soviet Russia. Largest shipments went to: Canada, 1,031 sets (at \$144,498); Peru, 725 (\$85,416); Venezuela, 655 (\$96,859); Costa Rica, 604 (\$74,064); Panama, 420 (\$56,579); Lebanon, 385 (\$58,804). Cuba received but 28 sets (at \$1,328)—a far cry from the rate of last year, when 28,303 sets were shipped to Cuba at a total value of more than \$3.6 million.

TV chassis exports were valued at \$360,802; went largely to 4 countries: Italy, 3,040 (\$163,524); Peru, 1,360 (\$66,228); Mexico, 1,135 (\$63,450); Canada, 1,052 (\$49,569).

Among other July electronics exports:

Home radios, 5,884 at \$191,814, of which more than half (3,476 at \$93,890) went to Canada. Home radio chassis, 2,413 at \$40,530, with 1,000 going to Viet Nam at \$26,730 and 1,000 to Mexico at \$8,600. Auto radios, 5,625 at \$111,641, including 2,526 (\$40,498) to Canada and 2,161 (\$39,576) to Mexico. Radio-phonos, 177 at \$26,618. Picture tubes, 116,805 at \$2,461,636, major customers being Argentina, Italy, Sweden, Denmark & France. Receiving tubes, 1,469,697 at \$1,151,641, major shipments going to Mexico, Brazil, Canada & Argentina. Transistors & diodes, 923,990 at \$1,527,431, principally to France, Canada, Sweden, Italy & U.K. Recorders & parts, \$1,003,429. Phonos, 1,253 at \$92,707. Phono parts, \$501,548.

TV Transmitter Exports

TV transmitting equipment exports totaled \$375,641, of which \$109,654 went to Canada. Countries which currently have no TV stations but which received transmitting equipment in July were Syria (\$82,845) and Israel (\$15,952). TV studio equipment exports totaled \$766,983, AM & FM transmitting gear \$158,972, audio broadcast equipment \$118,990.

* * *

Electronic imports generally were lower in June, too. Principal categories:

Transistor radios, 380,661 at \$3,711,430, of which 369,827 came from Japan, 10,762 from West Germany. Other portable radios, 33,878 at \$161,602, with 31,127 from Japan, 1,386 from Netherlands. Other radios, 84,355 at \$760,535, with 71,738 coming from Japan. Radio-phonos, 8,392 at \$626,795, with 4,723 (\$458,124) from Germany, 3,554 (\$162,578) from Japan. Record-players & parts, \$692,458 (from Germany, Japan & Switzerland). Phonos, 2,158 at \$60,454, from Japan (922), U.K. (801), Norway (333).

TV cameras & parts, \$155,992, all from U.K. "TV tubes & parts," \$79,472, from U.K., Switzerland & West Germany. Other TV apparatus & parts, \$180,000, largest amount (\$67,558) coming from France. Other radio apparatus & parts, \$1,316,896, including \$511,316 from Canada, \$399,459 from Japan, \$203,282 from West Germany. "Radio tubes," 2,225,270 at \$806,418, of which 1,190,022 at \$311,754 were from Japan, with other major quantities from Netherlands, U.K. & West Germany. No figures are given on imports of TV sets or transistors.

Japanese Production Stays Up: Electronic output in Japan totaled \$565 million in the first 1960 half—up 40% from the figure reported for the first 6 months of 1959—the U.S. Commerce Dept. reported.

Production in this year's 2nd quarter leveled off somewhat from first-quarter heights, which were 53% above estimates for the corresponding 1959 period (Vol. 16:34 p16). Total value of the April-June 1960 output was only \$1 million more than in the Jan.-March quarter.

Citing U.S. embassy reports from Tokyo, the electronics div. of Commerce's Business & Defense Services Administration said the first-half electronics industry expansion in Japan can be attributed partly to export increases—"but more basically" to high investments in companies there and to increases in consumer demand.

A BDSA breakdown of increases in electronic products in the first 1960 half vs. the first 1959 half gave this picture: All consumer items, 43%; TV receivers, 36%; radio receivers with 3 or more transistors, 80%; radio-phonos, 139%; receiving tubes, 63%; transistors, 48%.

* * *

Japan has stopped exporting TV & radio tubes to Canada, following consultations between the two governments about the penetration of the Dominion market by Nippon manufacturers. The report is from Finance Minister Donald M. Fleming, who says the suspension will continue through 1960, "or until such time as satisfactory quotas can be arranged." It applies to all shipments except those already in transit. Fleming adds that "consultations will continue between the two governments & the industries concerned with a view to reaching mutually satisfactory arrangements for the control of shipments to Canada on a more orderly basis in the future." During the first 7 months of this year, Japanese shipments of TV & radio tubes to Canada were more than double the year-ago volume—climbing to 2,589,000 units, vs. 2,324,000 tubes for all '59.

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Electronic wristwatch that uses a transistor, electronic circuitry and a 1.3-volt mercury cell in lieu of the conventional watch movement, was introduced by Bulova last week in a coast-to-coast closed-circuit TV press conference. The transistorized Bulova, named Accutron, has a price range of \$175-to-395 for 12 different models. The company said the tiny power cell, which retails for \$1.50, will operate the watch for more than a year. The closed-circuit TV conference, produced by TNT, originated in N.Y.'s Statler Hilton hotel and linked a press audience in 13 cities, including Toronto, Canada. The electronic press conference was the second for TNT, which says it debuted the first when introducing the Ford Falcon last year (Vol. 15:34 p20).

Emerson introduced new color console, a 19-in. TV-radio-phono combo and 2 stereo instruments as drop-ins last week. The 21-in. color set, available in mahogany or fruitwood hardwoods, lists at \$750. The one-piece 19-in. lowboy TV-radio-stereo unit, designed to fit into limited space, is priced at \$358. A new 40-watt stereo-radio combination is \$368 and a second combination features reverberation, at \$298.

First rent-all products stores of new Hertz subsidiary, Hertz Rent-All Corp. (Vol. 16:40 p15), are slated for Nov. 4 opening in Chicago. Vp-gen. mgr. Harlan Liss reports that 2 Chicago stores will be founded initially, followed by 2 others later. The Hertz subsidiary plans a nationwide chain to rent a broad range of merchandise, including TVs & radios. Rental for 17-in. portable: \$5 wkly., \$15 monthly.

FM STEREO COMMENTS: Small flurry of comments by FM stereo system proponents and others drifted down on FCC at last week's end as deadline passed for filings. Biggest document received was the NSRC field-test report (see p. 15). Highlights of other comments:

Three of the proponents whose systems were classified & tested by NSRC are known to have filed comments by deadline—although others may show up next week. GE urged the Commission to authorize its system, which it said "proved capable of providing a superior broadcasting service with simple & inexpensive additions to transmitting & receiving equipment."

In its own interpretation of NSRC field tests, GE stated that its system "produced the best stereophonic separation and was the only system that fully met minimum stereophonic requirements outlined by NSRC Panel 6 (field testing). In addition, said GE, its system "proved best in fidelity, both in monophonic & stereophonic sound," showed excellent signal-to-noise characteristics and demonstrated that "the SCA performance was the same whether the main broadcast was stereophonic or monophonic."

Zenith urged FCC to authorize stereo and to adopt the Zenith system. It stated that its system has all the capabilities for high-quality performance and is fully compatible with present monophonic services & "suitably regulated SCA services," and that transmitter requirements are "modest & practical," receivers "simple & versatile."

Multiplex Development Corp. (William Halstead) requested "serious consideration" of its field-tested system utilizing the "Phantodyne" stereo matrix system.

A few FM broadcasters were heard from. WCRB Boston favored the Multiplex Development (Halstead) system and urged its adoption in a slightly modified version. High Fidelity Bestrs. Inc., Bethesda, Md. FM CP-holder, said it will use any system FCC adopts but urged Commission to approve a system based on "quality of signal delivered to the listener."

There was some concern lest stereo subcarrier frequencies might conflict with remote transmitter control. KRCW (FM) Santa Barbara asked FCC not to permit subcarrier in the 16-28-kc range. The station said its transmitter is remotely controlled by control tones in the 17-23-kc band and use of such frequencies for stereo would deprive it and other stations of remote control. Moseley Associates, manufacturer of remote-control devices, also of Santa Barbara, entered a similar plea.

* * *

Members of NSRC's field-test panel, which last week submitted its report on tests of FM stereo systems to FCC (see p. 15): A. Prose Walker, NAB, chmn.; R. H. Beville, WWDC Washington, vice chmn.; John Carroll, *Electronics*, secy.; L. B. Arguimbau, of Bolt, Beranek & Newman; W. H. Beaubain, A. Csicsatka & R. M. Linz, GE; K. F. Becker & W. T. Wintringham, Bell Labs; W. P. Boothroyd, Philco; R. W. Burden, WRNW-FM Mt. Kisko, N.Y.; M. G. Crosby, B. C. Coffman & L. Feldman, Crosby-Teletronics; S. Decker, Magnavox; L. B. Dodds & P. B. Vanderlyn, EMI; U. Dols, Warwick; C. G. Eilers, Zenith; H. Fremont & H. N. Parker, Calbest; R. E. Furst, Harman-Kardon; A. C. Goodnow & F. J. Schaefer, Westinghouse; Ralph N. Harmon, Westinghouse Bestg. Co.; W. S. Halstead, Multiplex Services Co.; R. A. Isberg, Ampex Professional Products; F. L. Mergner & G. E. Meyer, Fisher; H. Pyle, Delco; B. F. Tyson, Sylvania; D. R. von Recklinghausen, H. H. Scott Inc.; Harold L. Kassens & J. T. Robinson, FCC (advisory).

Labor News: IUE and GE settled their differences with a new 3-year contract Oct. 22, ending the strike by 70,000 employes at 55 plants (out of a total of 240,000 at 166 plants). It had begun midnight Oct. 1 (Vol. 16:40 p15). The agreement provides an immediate 3% wage boost, eliminates the cost-of-living escalator clause desired by the union, and gives IUE 30 days in which to select one of 3 wage & benefit options proposed by GE during the pre-strike negotiations.

End of the strike did not bring complete peace to GE, however. At week's end, the company was still embroiled in a charge & countercharge tussle with Philadelphia Mayor Richardson Dilworth, each criticizing the other's views on picketing during the strike.

GE last week also reached tentative agreement on a new 3-year pact with the independent United Electrical Workers, which claims to represent 24,000 employes in 14 plants (vs. GE's claim of 10,000 in 13 plants). The new contract, subject to ratification by UE membership, is similar to the GE-IUE agreement.

Westinghouse, which settled with IUE Oct. 20 (Vol. 16:43 p18), last week signed a new 3-year agreement with UE, which represents about 8,000 employes in 7 plants. The terms were similar to those contained in Westinghouse's new 3-year pact with IUE.

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Trade Personal: Donald F. Clemens, ex-RCA, Motorola & BBDO, joins Westclox mktg. dept. as product mgr. for its new clock-radio line . . . Orphie Bridges, Arvin vp, named chmn. of new radio section of EIA Consumer Products Div. . . Morris E. Boyles, ex-engineering administration mgr., promoted to components engineering mgr., GE TV receiver dept. . . Thornton S. Adams, ex-Spiegel, appointed to new post of mktg. dir., Allied Radio.

Walter C. Davidson, former Los Angeles management consultant & adman, named product mgr. of closed-circuit TV systems, ITT industrial products div., San Fernando, Cal.; Fred Twomey, ex-vp-gen. mgr. of Air Associates Inc., named ITT mgr. of avionic products, a new post . . . James Fooskas & Charles C. Weston appointed International Resistance accounting & budget directors . . . Arthur N. Hausman named vp & research dir., Ampex Corp.

Paul Lebenbaum Jr., ex-GE, named mgr., ITT components div. Palo Alto plant . . . Paul R. Bunker named Magnecord products sales mgr., Midwestern Instruments . . . Capt. William I. Bull (USN ret.) named asst. to pres. for semiconductor operations, Hoffman Electronics.

Robert G. Swain, promoted from Eastern regional sales mgr. to new post of semiconductors product planning mgr., CBS Electronics . . . James R. Weiner, ex-Lockheed Missiles and Remington-Rand Univac, appointed to new post of engineering vp, Philco govt. & industrial group . . . Edward J. Hart appointed RCA microwave dept. mgr. . . R. V. Miraldi named plant mgr., RCA defense electronic products Cambridge, Ohio plant.

Lloyd S. Miller, AT&T Washington office dir., elected a vp . . . Joe P. Schindler named to new post of mktg. dir., Polarad Electronics . . . Chester (Chet) Jur, ex-Packard Bell, named sales mgr., Rutherford Electronics communications div. (pulse instrumentation), Culver City, Cal.

Obituary

Sophie Nack, who headed the Chicago PR firm which handled promotion & publicity for the annual Electronic Parts Distributors Show, has died in Flint, Mich., after several months illness.

Finance

Siegler Corp., parent of Olympic Radio & TV, reports a decline in sales & profits for fiscal 1961's first quarter (ended Sept. 30) compared with a year ago (see financial table). Olympic contributed to the decline, Pres. John G. Brooks noted. However, he pointed out, Olympic's 8.5% drop in TV sales for the quarter compared with a 13.7% setback for the TV industry. For the first 9 months of the calendar year, Olympic's unit sales of TV's gained 7.4% vs. an industry decline of 2.5%. Brooks said Olympic's consumer-goods dollar volume was down only 3% from a year ago. But he pointed out that TV prices had been increased from the 1959 level. TV (including color sets which Olympic began shipping during the quarter), hi-fi and other commercial electronic products produce about 50% of Siegler's sales; 25% are military products, the balance from heating & air conditioning equipment.

Magnavox, bucking an industry trend, posted higher profits as well as sales for the September quarter and the 9 months to Sept. 30 (see financial table). Pres. Frank Freimann attributed the sales rise to a 50% increase in volume registered by the government & industrial electronic div. Third-quarter sales of consumer products slipped 10% from a year ago, attributable, Freimann said, to both an "industrywide sales decline" & delays in shipments caused by a fire in a supplier's plant. October sales of consumer products "improved," he said, and the 4th-quarter picture "looks favorable." Freimann expects Magnavox's new 27-in. TVs, now being shipped to dealers, to "stimulate" 4th-quarter sales.

Magnavox has filed an SEC registration statement (File 2-17212) covering 149,184 common stock shares to be offered employees under restricted option plans.

Loral Electronics Corp., N.Y. research & development company whose business is mostly military, plans public sale of \$5 million of convertible subordinated debentures due 1980. An SEC registration statement (File 2-17244) listed underwriters as Kidder, Peabody & Co., Lehman Bros. and Model, Roland & Stone. The price & interest rate weren't specified in the SEC application.

Pioneer Electronics Corp., Los Angeles manufacturer of replacement TV picture tubes, plans a subscription offering of 217,902 common shares to holders of outstanding stock for \$1 per share on a basis of one new share for each share held. An SEC registration statement (File 2-17235) said no underwriting is involved.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Desilu Productions ...	Q	\$0.15	Nov. 25	Nov. 11
Emerson	Stk.	3%	Dec. 15	Nov. 14
Filmways	Stk.	2%	Dec. 2	Nov. 4
IBM	Q	.75	Dec. 10	Nov. 10
Internatl Resistance ..	Q	.07½	Dec. 1	Nov. 15
P. R. Mallory	Q	.35	Dec. 10	Nov. 16
P. R. Mallory	Stk.	2%	Dec. 20	Nov. 16
National Video "A" ..	Q	.22½	Nov. 21	Nov. 4
Sperry Rand	Q	.20	Dec. 31	Nov. 15
Stanley Warner	Q	.30	Nov. 25	Nov. 9
Stewart-Warner	Q	.35	Dec. 10	Nov. 18
TV Shares Managem't	SA	.20	Nov. 16	Oct. 31
TV Shares Managem't	Ex.	.10	Nov. 16	Oct. 31
Tung-Sol	Q	.35	Dec. 2	Nov. 10
Westinghouse	Q	.30	Dec. 1	Nov. 7
Whirlpool	Q	.35	Dec. 31	Dec. 9

Reports & comments available: United Artists, report, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4 • Douglas Microwave, comments, Bruno-Lenchner, Bigelow Square, Pittsburgh 19 • Stelma, review, Amos Treat & Co., 79 Wall St., N.Y. 5 • Decca Records, discussion, Hill, Darlington & Grimm, 40 Wall St., N.Y. 5 • Litton Industries, report, Cooley & Co., 100 Pearl St., Hartford 4 • Columbia Pictures, review, Purcell & Co., 50 Broadway, N.Y. 4 • NAFI Corp., prospectus, Shields & Co., 44 Wall St., N.Y. 5 • Electronics Capital Corp., report, Hayden, Stone & Co., 25 Broad St., N.Y. 4 • AT&T, prospectus, Morgan Stanley & Co., 2 Wall St., N.Y. 5 • Daystrom, prospectus, Goldman, Sachs & Co., 20 Broad St., N.Y. 5 • Electronics International Capital Ltd., prospectus, Bear, Stearns & Co., One Wall St., N.Y. 5 • Scantlin Electronics, prospectus, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 • Vogue Instrument Corp., offering circular, S. S. Samet & Co., 170 Broadway, N.Y. 38 • Electro-Science Investors, prospectus, Kidder, Peabody & Co., 17 Wall St., N.Y. 5 • Electronics Industry, profile in Oct. *Perspective*, published by Calvin Bullock, One Wall St., N.Y. 5.

Daystrom, Murray Hill, N.J. manufacturer of electronic equipment & components, is offering for public sale \$10 million of 20-year 5¼% sinking fund debentures. The debentures are due Oct. 1, 1980, are priced at 100, and are non-callable for 5 years for a lower-cost financing. The offering is through an underwriting group managed jointly by Goldman, Sacks & Co., R. W. Pressprich & Co.

Espey Mfg. & Electronics is now listed for trading on the American Stock Exchange. Symbol: ESP.

**OVER-THE-COUNTER
COMMON STOCK QUOTATIONS**

Thursday, Oct. 27, 1960

Electronics TV-Radios-Appliances Amusements

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

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates -	20½	23	Magnetics Inc. -----	8½	10
Aerovox -----	6%	7%	Maxxon (W.L.) -----	7¼	8%
Allied Radio -----	21¼	23	Meredith Pub. -----	42	45½
Astron Corp. -----	1%	2%	Metropolitan Bcstg. ---	16%	18½
Baird Atomic -----	21	23	Milgo Electronics -----	15%	17
British Industries ----	13	14%	Narda Microwave ---	4½	5¼
CGS Labs -----	9	10½	Nuclear of Chicago ---	29½	32½
Cetron -----	4	4%	Official Films -----	1%	2¼
Control Data Corp. ---	39%	42%	Pacific Automation ---	5¼	6%
Cook Elec. -----	14	15½	Pacific Mercury -----	6%	7%
Craig Systems -----	13	14%	Perkin-Elmer -----	37¼	40½
Dictaphone -----	31	34%	Phillips Lamp -----	160½	166¼
Digitronics -----	17½	9%	Pyramid Electric ---	2¼	2½
Eastern Ind. -----	10	11½	Radiation Inc. -----	17¼	19%
Eitel-McCullough ----	18	19%	Howard W. Sams ---	33½	36%
Elco Corp. -----	14½	16¼	Sanders Associates ---	24½	26%
Electro Instruments -	19½	22	Silicon Transistor ---	5½	5%
Electro Voice -----	8½	10	Soroban Engineering -	32½	35%
Electronic Associates -	24½	26%	Soundscribe -----	11	12%
Erie Resistor -----	8¼	9%	Speer Carbon -----	18	19%
Executone -----	23	26¼	Sprague Electric ---	43½	46½
Farrington Mfg. -----	25½	27%	Sterling TV -----	1%	1½
Fischer & Porter ----	14½	16¼	Taft Bcstg. -----	11¾	13%
FXR -----	36%	40%	Taylor Instrument ---	34	36%
General Devices -----	10½	11%	Technology Inst. ---	7%	9
G-L Electronics -----	7¼	8%	Tele-Broadcasters ---	5½	1-1/16
Granco Products -----	3½	4%	Telechrome -----	11	12¼
Gross Telecasting ---	18½	20%	Telecomputing -----	6	6%
Haydu -----	¾	5/16	Telemeter -----	10¼	11¼
Hewlett-Packard ----	9¼	21	Timé Inc. -----	59½	63
High Voltage Eng. ---	123	135	Tracerlab -----	9	10¼
Infrared Industries --	17	18%	United Artists -----	6%	7½
International Rectifier	18%	19%	United Control -----	19%	21¼
Interstate Engineering	19	20%	Universal Trans. ---	1	1½
Itek -----	44½	48%	Vitro -----	9%	10%
Jerrold -----	6	6%	Vocaline -----	2%	2%
Lab for Electronics --	35¼	38	Wells-Gardner -----	14%	16½
Lel Inc. -----	4%	5½	WJR Goodwill -----	8½	10
Magna Theater ---	2½	2-15/16	Wometco Ent. -----	11%	12%

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Radio	1960—year to July 31	\$ 34,821,953	—	\$1,284,204	\$1.25	—
	1959—year to July 31	29,682,110	—	1,151,741	1.13	—
America Corp.	1960—9 mo. to Sep. 30	22,980,767	—	932,227	.22 ¹	3,183,229
	1959—9 mo. to Sep. 30	20,173,268	—	(317,335) ²	—	—
AB-PT	1960—9 mo. to Sep. 30	—	\$16,173,000	7,522,000 ³⁻⁵	1.80 ⁴	4,149,737
	1959—9 mo. to Sep. 30	—	11,219,000	5,226,000 ⁵	1.22 ⁴	4,149,362
	1960—qtr. to Sep. 30	—	3,970,000	1,869,000 ⁷	.45 ⁴	4,149,737
	1959—qtr. to Sep. 30	—	2,811,000	1,340,000 ⁷	.32 ⁴	4,149,362
Arvin Industries	1960—9 mo. to Sep. 30	49,045,439	1,984,586	958,101	.84	1,132,534
	1959—9 mo. to Sep. 30	50,603,330	3,501,983	1,686,541	1.49	1,129,659
	1960—qtr. to Sep. 30	16,569,205	759,934	364,768	.32	1,132,534
	1959—qtr. to Sep. 30	18,487,559	1,232,016	591,367	.52	1,129,659
Beckman Instruments	1960—qtr. to Sep. 30	15,060,698	1,541,014	741,014	.54	1,381,023
	1959—qtr. to Sep. 30	12,638,315	1,249,516	622,516	.46	1,363,094
Capital Cities Bcstg.	1960—9 mo. to Sep. 30	5,311,362	1,106,102	566,508	.49	1,149,798
	1959—9 mo. to Sep. 30	3,478,251	142,504	134,666	.12	1,149,798
Cohu Electronics	1960—9 mo. to Sep. 30	—	—	145,230	.10	2,360,591 ⁷
	1959—9 mo. to Sep. 30	—	—	674,968	.48	2,360,591 ⁷
	1960—qtr. to Sep. 30	—	—	131,598	.09	2,360,591 ⁷
	1959—qtr. to Sep. 30	—	—	139,865	.10	2,787,027
Dynamics Corp. of America	1960—9 mo. to Sep. 30	34,926,219	2,225,130	1,222,154	.32 ¹	2,787,027
	1959—9 mo. to Sep. 30	22,153,579	1,573,790	976,964	.23 ¹	2,753,603
GT&E	1960—year to Sep. 30	1,132,000,000	—	73,288,000	1.07 ¹	67,836,000 ¹²
	1959—year to Sep. 30	1,027,000,000	—	68,597,000	1.10 ¹	61,278,000 ¹²
	1960—9 mo. to Sep. 30	830,826,000	—	53,019,000	.76 ¹	68,601,000 ¹²
	1959—9 mo. to Sep. 30	779,928,000	—	51,983,000	.82 ¹	62,201,000 ¹²
International Rectifier	1960—qtr. to Sep. 30	3,337,496	—	280,667	.12	2,405,678 ⁷
	1959—qtr. to Sep. 30	3,216,197	—	271,283	.11	2,405,678 ⁷
Ling-Temco Electronics	1960—qtr. to Sep. 30	9,369,000	—	823,000	.33	2,477,463
	1959—qtr. to Sep. 30 ⁸	40,871,000	—	716,000	.29	2,477,463
Litton Industries	1960—year to July 31	187,761,242	—	7,454,854	1.76	—
	1959—year to July 31	125,525,561	—	4,954,031	1.33	—
Magnavox Story on p. 19.	1960—9 mo. to Sep. 30	79,875,000	7,161,000	3,534,000	1.50	2,360,591 ⁷
	1959—9 mo. to Sep. 30	72,939,000	4,905,000	2,384,000	1.01	2,360,591 ⁷
	1960—qtr. to Sep. 30	28,111,000	3,353,000	1,690,000	.72 ¹¹	2,360,591 ⁷
	1959—qtr. to Sep. 30	25,661,000	2,571,000	1,244,000	.53 ¹¹	2,360,591 ⁷
Metropolitan Bcstg.	1960—39 wks. to Oct. 2	30,303,176	—	1,035,247	.61	1,699,137
	1959—39 wks. to Oct. 2	11,765,168	—	1,197,097	.77	1,549,012
	1960—13 wks. to Oct. 2	11,125,281	—	287,323	.17	1,699,137
	1959—13 wks. to Oct. 2	3,690,272	—	192,845	.12	1,549,012
MPO Videotronics	1960—9 mo. to July 31	5,487,798	—	186,936	.45	410,000
	1959 ⁹	—	—	—	—	—
Muter	1960—9 mo. to Sep. 30	8,871,207	201,472	98,726	.12 ¹³	839,523
	1959—9 mo. to Sep. 30	9,690,656	489,983	237,211	.28 ¹³	800,313
Siegler Story on p. 19.	1960—qtr. to Sep. 30	20,218,288	—	746,531	.40	1,872,466
	1959—qtr. to Sep. 30	21,189,245	—	815,616	.50	1,634,026
Standard Kollsman Industries	1960—9 mo. to Sep. 30	71,815,551	4,852,209	2,203,580	1.10 ¹⁰	2,007,243
	1959—9 mo. to Sep. 30	54,227,527	1,976,997	1,039,497	.52 ¹⁰	1,925,779
	1960—qtr. to Sep. 30	26,486,507	1,965,145	825,866	.41 ¹⁰	2,007,243
	1959—qtr. to Sep. 30	19,005,960	821,894	399,794	.20 ¹⁰	1,925,779
Stewart-Warner	1960—9 mo. to Sep. 30	82,264,260	10,016,574	4,781,574	1.45	3,297,753
	1959—9 mo. to Sep. 30	86,378,258	12,116,867	5,805,867	1.77	1,639,251
	1960—qtr. to Sep. 30	24,515,245	2,760,425	1,320,425	.40	3,297,753
	1959—qtr. to Sep. 30	29,147,639	4,257,003	2,036,003	.62	1,639,251
Thompson Ramo Wooldridge	1960—9 mo. to Sep. 30	313,962,717	14,064,545	6,858,145	2.10 ¹	3,150,825
	1959—9 mo. to Sep. 30	301,229,136	13,407,299	6,710,999	2.07 ¹	3,119,503
	1960—qtr. to Sep. 30	94,817,558	3,640,584	1,824,284	.55 ¹	3,150,825
	1959—qtr. to Sep. 30	101,691,898	3,427,190	1,784,790	.54 ¹	3,119,503
Tung-Sol	1960—39 wks. to Oct. 1	51,618,922	2,786,924	1,337,924	1.27	924,521
	1959—39 wks. to Oct. 1	53,088,119	4,470,654	2,109,654	2.10	923,142

Notes: ¹ After preferred dividends. ² After tax credit of \$310,000. ³ Record. ⁴ Based on profit from operations, and after preferred dividends. ⁵ Excludes gains of \$1,351,000 (32c) in 1960 & \$181,000 (4c) in 1959. ⁶ Excludes capital gains of \$23,000 in 1960 & \$182,000 (4c) in 1959. ⁷ Average shares outstanding Sep. 30, 1960. ⁸ Combines reports of Ling-Alter Electronics and Temco Aircraft, which were merged to form Ling-Temco (Vol. 16:22 p20). ⁹ No comparison available. ¹⁰ Based on 2,007,243 shares outstanding Sep. 30, 1960. ¹¹ Adjusted to reflect Nov.-1959 2-for-1 split. ¹² Average. ¹³ Based on 839,523 shares outstanding Sept. 30, 1960.