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WEEKLY **Television Digest**

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FCC-INDUSTRY CO-OPERATE ON ALL CHANNEL SETS, seeing eye-to-eye on quick action based on "present state of the art," industry eager to forestall public confusion (p. 1).

CROSS BELIEVED OUT, COX IN, AT FCC because of President's failure to act before term expiration. Word expected in week or 2 (p. 2).

PAY TEST ROLLS IN HARTFORD with FCC Chmn. Minow telling viewers that 3-year RKO General Phonevision trial is "the way to search for answers." Station feels it has found answer to problem of antagonizing local TV servicemen, obtaining supply of basic program material (p. 2).

TV STUDY-TO-END-STUDIES is being readied for fall publication with CBS in "angel" role. It's large-scale depth probe of public's evaluation of TV in U.S. cross-section, may do much to silence needling of TV by govt. & press (p. 3).

PILKINGTON REPORT vs. COMMERCIAL TV—harsh condemnation. Recommends BBC-TV get 3rd channel, private firms limited to supplier of ITA (p. 4).

NAB MOVES ON RESEARCH, CATV, RADIO CROWDING, in board meetings. WBC's Goldberg appointed, CATV legislation still sought, caution on FCC radio birth control expressed (p. 4).

Consumer Electronics

INDUSTRY'S NEW YEAR—new model year, that is—looks like happy one as Music Show demonstrates potential of new products promising better business (p. 7).

ALL-CHANNEL PREPARATIONS now under way in all stages of industry. First step will be easy convertibility of all models in next summer's lines. No foot-dragging seen as manufacturers push for quick FCC action (p. 7).

COLOR DEMAND could hit million-set level in '63, Watts says, warning of shortages. Manufacturers & dealers optimistic (p. 8).

FM STEREO shows up as consumer electronics' prize baby on first birthday. Concept now firmly established in consoles, with big table-model market developing (p. 9).

NEW & UNUSUAL products draw attention at Music Show—drop-down phonos, 16-in. TV, wall-mounted sets. Importers display Japanese 16-in. TV, portable FM stereo (p. 10).

FCC-INDUSTRY COOPERATE ON ALL-CHANNEL SETS: "Sympathetic . . . reasonable." That's EIA's consumer products staff dir. L. M. Sandwick characterized FCC-called Commission-industry engineering meeting on all-channel TV set plans in Washington last week.

Said FCC Chmn. Minow: "I hope we can get together and smooth the transition without long rule-making. We're prepared to be very reasonable about it."

Sandwick said that Commission is "apparently ready to go ahead on the basis of the present state of the art." (For manufacturers' reactions at EIA meeting in N.Y. last week, see p. 7). "We have nothing to gain by delay," Sandwick went on. "The market could be very unsettled by the news. If pipelines aren't cleared out—and if there's confusion—there would be a frightful dump. We're ready to cooperate fully. If this law doesn't work, I'd certainly hate to see the industry charged with its failure. We stand ready to work out plans through an all-industry conference—to help the FCC as we always have in such matters."

Attending meeting for EIA, along with Sandwick, exec. vp James Secrest, engineering dept. dir. Fred Lack and asst. Jean Caffiaux: Earl Anderson, RCA; Harris Wood, Philco; E. Lee Siegmund, Olympic; Garth

Heisig, Motorola; Monte Cohen & Fred Kitty, General Instrument. For FCC: Ralph Renton, Kenneth Cox, James Barr, Henry Geller, Julian Dixon.

Bill will be law any day—House having voted agreement with Senate amendment late June 29 and sent it to White House for signature. Senate language, with which House concurred, gives FCC power to control receiver uhf reception quality.

CROSS BELIEVED OUT, COX IN, AT FCC: FCC Comr. John Cross's term on FCC expired June 30—with no word from President Kennedy. This produced widespread assumption that he won't be reappointed and that Broadcast Bureau Chief Kenneth Cox will get job. Both are Democrats. Adding to supposition that Cox is in line is fact that customary security check of him is being made.

Cross can serve until his replacement, if any, is confirmed. Regardless of what President does, general feeling in Washington is that Administration has been most unfair to keep Cross dangling this way—that definite "yes" or "no" should have been issued before this. White House announcement is expected shortly.

Administration has been unusually close-mouthed about appointment. None of Cross's fellow commissioners seem to know more than anyone else outside White House.

PAY-TV ROLLS IN HARTFORD: "This is the way to search for answers," FCC Chmn. Newton N. Minow told Hartford, Conn. viewers June 29 in non-coded "introduction" to WHCT's Ch. 18 kickoff of first U.S. on-air pay-TV test by RKO General Phonevision. In brief filmed speech, Minow reminded audience that 3-year trial was "not being conducted by FCC" and that homes (some 300) in Phonevision panel could "expect to be studied, probed, dissected, poked and written-about." Also aiding well-promoted kickoff: Conn. Gov. John Dempsey, actor Ralph Bellamy, Mayor William Glynn, Sen. Thomas Dodd (D-Conn.).

First-night viewers were offered scrambled movie, Warner-distributed "Sunrise at Campobello" (price: \$1) and, as bonus film, Czech-produced "Mid-Summer Night's Dream" (stop-motion puppets with voices of Richard Burton and Old Vic.). Other movies in first week ("Escape from Zahrain," "One-Eyed Jacks," etc.) are recent but not brand new. Movies were obtained, said RKO vp John Pinto, "on deals comparable to those in theatrical exhibition," and future deals will be patterned on "flat fee plus percentage of the box office."

Although kick-off films were in color, as are most of upcoming attractions, telecasts are b&w. Coding equipment & transmitter "are operated at color standards," we were told in Hartford, but there are no color sets yet in home panel and no plans for immediate installation of color scanning equipment. "We're trying to establish the system & theory, and not using it to sell color TV sets, Zenith or any other make," Pinto explained, adding that "we may change our mind during the next 3 years if there's a color set boom."

Pinto sees pay-TV test (officially referred to as "subscription TV" in directive we saw to station employes) as "resembling TV's earliest days"—with interesting exception. There'll be no decoders hooked to sets in bars & taverns, no installations in public places other than hospitals and some rooms of nearby Statler-Hilton (where it can be charged on guest's bill). "Privacy is essence of the system," says Pinto. Also, although exposure in public location might perform missionary service for Phonevision, it would "dilute our ability to offer a producer or distributor a percentage of the receipts."

There are no projections yet on size of such receipts. Viewers are offered deal whereby billing of \$10 monthly will bring credit of \$3 on next month's bill. For heavy-consumption family, this will essentially negate 75¢-weekly decoder rental charge due to take effect Oct. 1. Executives of station don't anticipate \$10 billing as average, however. Said Gen. Mgr. Charles O. Wood: "We'll be fairly happy if we get \$1.50-\$2 per week per home, so we're hardly out to ruin theaters and ordinary TV." Wood was also "unworried" about displacement by pay-TV of normal spot TV revenues.

Program sources are opening to test (Vol. 2:26 p7). In addition to motion picture & sportscast deals, Pinto has scheduled summer telecast of one of TV's "lost specials"—Matty Fox's lavish Hollywood-taped production of Soviet Union's Bolshoi Ballet. Pinto wouldn't say just what it had cost to line up Bolshoi telecast, which will be fed to WHCT from N.Y. since WHCT doesn't have tape playback equipment, but said it was "reasonable."

Over \$1 million annually will be spent by RKO for programming during test, we were told—a figure not likely to be recouped from panel homes. Programming will be mostly (85%) film as against live or tape

(15%). However, RKO is more likely to become involved in "original production" of live events than in movies to create its own stockpile, and may exchange or buy taped shows from Telemeter & Teleglobe. "We want to indicate good faith to talent & theatrical unions," said Pinto, "we're not concerned only with program deals that will pay off later."

No trouble is anticipated by WHCT in 2 other areas: Vhf-uhf conversions and program listings. According to Wood, "about 90% of Hartford-area TV homes are equipped now to handle uhf reception." If vhf-only homes want to join panel, they'll be told to have converter installed by independent servicemen, then re-apply. Program listings will be in local edition of *TV Guide* (including price), "probably" in both Hartford newspapers, and will be backstopped by programs mailed to subscribers and by promotion ads.

Prior to opening show there had been usual last-minute rush, WHCT crews working right up to deadline to install decoders. To avoid possible gripe that station was infringing on local TV servicemen, WHCT Engineering Supervisor Harry Broderick told us he had meticulously instructed technicians to tell pay-TV applicants with sub-par sets and/or uhf antennas that "any repair work should be done by [your] serviceman."

Result: about half of applicants with bad sets quickly had them fixed, and re-applied. Theory behind policy, according to Pinto: "Assembly & installation of decoders is too complex to be handled by local TV servicemen, but we wanted them to feel we were generating, rather than diminishing, service business." Hartford Phonevision installations, incidentally, were not handled by local Zenith distributor either, and future repair calls will not be handled through WHCT (unlike homes in A. C. Nielsen's TV measurement sample, which get gratis repairs on TV-radio sets).

TV STUDY-TO-END-ALL-STUDIES: Occasional broad hints have been dropped by CBS-TV during payola-&-quiz scandals, FCC probes, etc. that large-scale study determining public's real evaluation of TV was in works. Study, CBS sources have teased, would silence much off-the-cuff criticism of TV by press & govt. figures.

Lid was finally lifted on study project last week by CBS. Not much was being said prior to fall publication as book, but study seemed to shape up along these lines:

(1) Who was surveyed—Checkup was made among adults in 2,498 homes representing cross-section of U.S. TV.

(2) Who made study—Directing project was Prof. Bernard Berelson, dir. of Bureau of Applied Social Research of Columbia U., and Dr. Gary Steiner of U. of Chicago. Study was "made possible by a grant from CBS," and dated back to 1955. Field work was in form of depth interviews by Elmo Roper & Assoc. and National Opinion Research Center.

(3) What was measured—Study did not set out to prove particular point but rather to explore "general evaluation" of TV by American public (or, as Stanton voiced it to FCC in Jan. 1960: ". . . a continual appraisal of audience appreciation—an index to provide an interpretive dimension to sheer nose counting"). Interviewers tried to discover how public felt about importance of TV, job broadcasters are doing, comparisons with other leisure activities, motives for watching, what was liked & not liked in general and specifically, job done by children's programs, attitudes toward commercials.

Stanton sees study as having long-range effect. In CBS newsletter to employes last week, he summed it: "I think that this study may well be a breakthrough in social research and prove to be a landmark in the study of mass communications. Certainly it will give broadcasters, social scientists, govt. leaders and the public a major new source of information on how we can further contribute to the development of TV in a democratic society."

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In another research move, CBS last week announced Dr. Joseph T. Klapper, currently in charge of communication research in GE's Behavioral Research Service, was joining CBS as dir. of social research. Klapper's new role will be to "plan, initiate & conduct studies of the effect of mass media on social behavior." There was hint that newspapers & magazines might come under fire in such studies, since Klapper will also examine "the social role of other communications media."

PILKINGTON REPORT vs. COMMERCIAL TV: Some attack on British commercial telecasting was expected from govt.-appointed Pilkington Committee—but harshness of blow delivered last week was more than anticipated. And its major recommendations will get rough treatment from bitter Conservatives who may well stave off drastic proposals of report.

After 21 months of study, group of laymen headed by glass manufacturer Sir Harry Pilkington, whose firm has been called the "British Corning Glass," urged that:

(1) New 3rd TV service be run by BBC-TV, the govt.-chartered non-commercial network. (2) Private firms be shorn of programming & selling functions and limited merely to supply programs to Independent TV Authority—the governing body appointed by Postmaster General—which would become the commercial telecaster.

Why? According to Pilkington group, too much of TV is "vapid, puerile, repetitive, cheaply sensational, sordid and unsavory." Commercial TV, committee said, was responsible for most of this—and it had driven BBC-TV quality down to lower common denominator.

But chances of Parliament buying major recommendations are considered slim. Public wants much of what it's getting. Furthermore, it isn't as if advertising & commercialism were anathema to Britain. Visitors, anticipating traditional English reserve, are startled by blatancy of country's advertising. Fact is, issue could become substantial, politically. Cabinet is said to favor giving the 2nd channel to BBC-TV but is delaying decision on emasculating commercial telecasters.

Curious aspect of situation is that a retreat from commercial operation should be recommended in Britain while most of rest of world is readily accepting the dual-system of govt. or ETV network side-by-side with free-enterprise commercial system.

British commercial interests had been hoping for a 2nd channel to complement its fabulously profitable first channel. In first quarter of this year, according to Statistical Review, TV took in \$72,340,000, up 16.5% from 1961 period—and is rapidly approaching total garnered by all print media combined, \$89,115,910 in first quarter, only .84% above year ago. TV profits have been fabulous, about \$39.2 million last year.

Among other Pilkington recommendations, mostly expected: (1) No pay TV. (2) No commercial radio. (3) BBC start a local radio service. (4) Color soon. (5) Shift to 625-line system from 405.

NAB MOVES ON RESEARCH, CATV, RADIO CROWDING: Progress on research program, favorite of Pres. Collins, highlighted NAB Board meetings in Washington last week. Westinghouse Bcstg. Pres. Donald McGannon, head of NAB research committee, was on giving end—relinquishing his topnotch research man, Mel Goldberg, who'll become NAB research dir. with N.Y. office, and donating to NAB WBC-financed study of news broadcasting now underway at Northwestern U. Medill School of Journalism.

In other actions, Joint Board: (1) Reelected by acclamation Chmn. Clair McCollough, WGAL-TV Lancaster. (2) Approved appointment by TV & Radio Boards of 3 members from each to sit in as observers at meetings of other. (3) Approved 1½-day Fall Conference format for 8 cities, Oct. 15-Nov. 20. (4) Set future Board meetings: Phoenix, Jan. 14-18; Washington, June 24-28; Sarasota, Jan. 27-31, 1964. (5) Voted survey of material for proposed national museum of broadcasting. (6) Heard staff members report on their specialties. (7) Decided to conduct another management seminar at Harvard next year, skipping this year—and held in abeyance proposal for Harvard sales management seminar pending decisions by TvB & RAB on their participation.

Before Joint Board meeting, TV Board agreed to intensify efforts to get "limited regulation" of CATV voted by Congress; elected Otto Brandt, King Bcstg., Seattle, to Board as replacement for W. D. Dub Rogers.

Studies of radio "overpopulation," NAB Radio Board warned last week, should "exercise caution to avoid suggesting solutions which might lead to over-regulation or loss of free enterprise in broadcasting." Board thus reflected fears that FCC's study may stray from engineering into economics & programming. Board also elected Willard Schroeder, WOOD Grand Rapids, chmn.; Ben Strouse, WWDC Washington, vice chmn. Rules on election of directors were changed to allow their selection on basis of market size rather than transmitter power. NAB Code Authority Dir. Robert D. Swezey lobbied for more Radio Code subscribers, noting there has been 22% increase, but much broader participation is needed. NAB public relations staff was commended, and stepped-up PR program endorsed.

CURRENT CAPSULES

It's only natural that ailing media look to highly successful TV-radio for fresh executive talent—and they've been doing so right along. Last week, however, there was particular emphasis on trend. CBS-TV Pres. James Aubrey's named jumped into news as 20th Century-Fox, suffering huge losses, sought replacement for Pres. Spyros Skouras who resigned. Similarly troubled, Curtis Publishing (*SatEvePost*, etc.) came to Matthew (Joe) Culligan, looking for chief to succeed Robert MacNeal; Culligan is ex-NBC Radio head now with McCann-Erickson. In different field, there was TWA's recent choice of new marketing vp, Thomas McFadden, ex-NBC-TV vp & national sales mgr. It's reasonable to expect stepped-up talent raiding of TV-radio because of publicity given foregoing.

Educators themselves pose one of biggest obstacles to development of ETV, FCC Comr. Lee told Catholic U. 3rd annual workshop in Washington last week. ETV aid bill and expected all-channel legislation are opening way for burst of ETV activity, he said, but: "There remains but to overcome the apathy, if not outright resentment of this medium which dwells in the breasts of many educational administrators." He ridiculed fears that growth of medium would cut into teachers' jobs, said "it is a paradox that the very teachers and school administrators who call upon our children to respond to the stimulus of technology, resist the advanced instructional techniques of mass media communications." Referring to experiments in 2,000-mc band (Vol. 2:25 p5), Lee told group federal funds probably couldn't be used for ETV activities in these frequencies, since bill limits aid to broadcast band. However, he added, 2,000-mc service is so economical, communities can probably establish it without govt. assistance.

Advertising agencies need more specific information on audience and household characteristics of TV viewers, according to a special TvB Committee on TV Research Standards & Practices. Exactly what type of data is needed, however, Committee was unable to agree. TvB groups interviewed 10 leading agencies, found that "due to differences of opinion . . . considerable further study would be required before it would become possible to specify what data are necessary to satisfy marketers." Among findings of committee, headed by Corinthian's Don L. Kearney: (1) More information is needed on local level. (2) Finer breakdowns on audience characteristics must be compiled. (3) Researchers should give precedence to problems of sample quality & stability. Report concluded that due to problems involved, for time being, additional demographic information should be handled in form of separate reports.

Industry-wide investigation of analgesic advertising has been launched by FTC which suspended 4 separate pending cases against American Home Products Corp., Bristol-Myers, Plough Inc., Sterling Drug. This indicates, in effect, that FTC suspects false claims & misrepresentations for aspirin & related products are too wide-spread for company-by-company action.

Review of newspapers by KMOX-TV St. Louis recently reported that straight news took only 9-13% of space, most of remainder advertising. Examination of June 7 editions of *St. Louis Post-Dispatch* and *Globe-Democrat* by news & public affairs mgr. Steve Fentress showed: (1) 80-page *Post Dispatch* contained a little over 7 full pages of straight news, 60 full pages of advertising. (2) 48-page *Globe-Democrat* slightly more than 6 pages of news, 30 pages of advertising. Fentress's conclusion: "On the basis of space-allocation alone, the newspapers are more advertising media than conveyors of news."

Unusual set saturation has been reached in Canada, reports TvB of Canada. Spring 1962 study by BBM counts 4.1 million TV homes watching an average of 5 hrs. 42 mins. daily. Over-all saturation is 89% of homes. Large cities have higher-than U.S. set penetration. Samples: Montreal—97%; Ottawa—98%; Quebec—99%.

Removal of 50-kw ceiling on AM clear-channel stations is provided by H. Res. 714, approved by House Commerce Committee and expected to go through House. If Senate doesn't go for similar resolution, chances are FCC will scarcely regard it as mandate to start high-power grants—up to the 750-kw sought by some. In 1938, Senate adopted resolution indicating it wanted ceiling at 50 kw, where it has remained.

Network line color tests begin at ABC-TV July 2 under supervision of Frank L. Marx, Pres. ABC Engineers. No programming is involved although ABC will have 4 color series this fall. Color-bar pattern will be fed to ABC-TV o&o's and networks twice daily (10:30 to 11 a.m.; 5-5:30 p.m.) on Mon.-Fri. schedule, won't be seen by public.

Increase to megawatt from 436 kw is sought by WKBN-TV (Ch. 27) Youngstown, pres. W. P. Williamson Jr. stating application indicates his faith in uhf's future.

Personals

J. Lewis Ames, ex-CBS-TV business affairs asst. dir., named Kudner Agency vp-secy.-treas. . . . Robert Sullivan, ex-Katz Agency, named head of new ABC-TV national station sales St. Louis office, 915 Olive St. . . . Oliver F. Babirad, ex-CBC, named CTV network program dept. production mgr. . . . Gordon Hellmann, ex-Transcontinent TV Corp. advertising, sales promotion & PR dir., named Warner Bros. TV Div. sales promotion mgr., N.Y.

Frank P. Fogarty, Meredith Bestg. exec. vp, reappointed NAB Freedom of Information Committee chmn. . . . Geoffrey Selden, ex-William Esty Co., named pres., VBS Assoc. Inc., Victor Borge's new TV production firm, N.Y. . . . Edward C. Obrist, former Conn. State Network pres., named Boston U. School of PR & Communications bestg. dir. . . . Kershaw Burbank leaves own PR firm to become educational WNDT N.Y. development dir. . . . Irving Ladimer, ex-Boston U. Assoc. Prof. of Legal Medicine, named National Better Business Bureau Food, Drug & Cosmetic Div. dir.

Frank (Scoop) Russell, ex-NBC Washington vp, feted at retirement luncheon in Washington last week (his 3rd, he said) took & gave great ribbing; affair drew, among others, Vice President Johnson, Reps. Harris & Halleck, FCC members, NBC Pres. Sarnoff, NAB Pres. Collins.

George S. Smith, partner in Washington law firm Smith, Hennessey & McDonald, resigns to become legal asst. to FCC Comr. Lee, succeeding Arthur Gladstone who has been named an examiner but stays with Lee on special N.Y. uhf project until Sept. Veteran attorney Smith served with Federal Radio Commission 1928-32. Firm becomes Hennessey & McDonald.

Hilliard Gates promoted to WKJG-TV-AM Ft. Wayne gen. mgr., succeeding Edward G. Thoms, resigned. . . . Kenneth M. Johnson, ex-CBS-TV national sales, named WKBW-TV Buffalo gen. sales mgr. . . . Charles W. Thomas, ex-WTTV Bloomington, Ind. gen. sales mgr., named WFIL-TV Philadelphia asst. gen. sales mgr. . . . Guy Griffen, ex-WMAR-TV Baltimore asst. sales mgr., named WBOC-TV-AM Salisbury, Md. asst. gen. mgr.

Robert M. Reuschle, ex-WLAC-TV Nashville gen. sales mgr., named to similar post at WFGA-TV Jacksonville. . . . Neal Van Ells, ex-WLWA Atlanta program dir., named WRCV-TV Philadelphia program mgr. . . . Bill Parry resumes as KTVU San Francisco-Oakland sports & special events dir. . . . George S. Driscoll, former WROC-TV Rochester engineering mgr., named to similar post with Ch. 13, interim operation there.

Bill Small, ex-WHAS-TV-AM Louisville news dir., named CBS Washington asst. news dir. . . . Norman Wagy, ex-radio WGAR Cleveland, named editorial dir., WJW-TV-AM-FM there. . . . Mark Hepler named KHOU-TV Houston news editor. . . . Matthew Warren, ex-WTTG Washington news dir., named public affairs dir., WMAL-TV-AM-FM there. . . . Bill Tribble promoted to WMAZ-TV-AM-FM Macon news dir.

Sprague Vonier promoted to WTMJ-TV Milwaukee sales mgr. . . . James R. Monroe, ex-Nielsen, named KGO-TV San Francisco research dir., a new post. . . . Michael M. Duffin, ex-radio KCBS San Francisco, named Petry asst. research mgr., N.Y.

David Shefrin, ex-WNBC-TV N.Y., named news dir., WABC-TV there.

Albert L. Capstaff resigns as NBC radio programs vp to take active role as pres. of Eagle Bestg. Corp. and Virgin Islands TV Cable Corp., CATV system in St. Thomas, V.I. Eagle is planning acquisition of stations in Fla. & N.Y., development of additional stations and CATV systems in eastern & southeastern U.S. Capstaff also is co-owner, with comedian Bob Hope, of Mid-Ocean Bestg. Corp., Puerto Rico.

Allocations activity by FCC: (1) Finalized reservation of Ch. 24 for ETV in E. Lansing, Mich., shifting it from Coldwater. (2) Proposed reserving Ch. 20 for ETV in Chicago, at request of WTTW. (3) Proposed shifting Ch. 22 from Cambridge to Salisbury, Md. (4) Proposed adding Ch. 53 to Riverhead, N.Y. or to ETV in Hempstead, N.Y., plus addition of either Ch. 75 or Ch. 26 to Riverhead. (5) Received petition to shift Ch. 3 from Salem to Eugene, Ore. (6) Reserved Ch. 30 Elmira, N.Y. for ETV use. (7) Shifted Ch. 23 Schenectady-Troy to Albany for ETV. (8) Invited comments by Aug. 6 on proposal to move Ch. 57 from Marietta, Ga., to Atlanta for ETV use.

FCC revoked licenses of radios WGRC Green Cove Springs, Fla., and KCPA(FM) Dallas. Frank Van Hobbs was ordered to relinquish the license of WGRC, which has been silent since Dec. 18, 1961. KCPA(FM) has been off air since Aug. 12, 1961, hasn't answered FCC queries about technical violations & financial qualifications. In other actions, Commission levied \$5,000 forfeiture against radio KOMA Oklahoma City for after-midnight operations with daytime facilities and unauthorized power.

Network TV gross time billings totaled \$194.6 million in first quarter 1962, up 11.6% from \$174.4 million in same 1961 period, TvB reports. CBS gained 14.9%, from \$65.1 to \$74.8 million; NBC 12.4% from \$61.9 to \$69.6 million; ABC 5.9%, from \$47.4 to \$50.2 million. Nighttime billings were \$132.1 million, a 10% increase from \$120.1 million a year ago; daytime billings advanced 15.1% from \$54.3 to \$62.5 million.

FCC holds up grant of Ch. 10 Tampa-St. Petersburg to WTSP-TV Inc. (Vol. 2:4 p5), sent case back to examiner for further hearings. Commission seeks to determine nature of recent programming of WTSP-TV's radio WLCY St. Petersburg and bearing that has on grantee's "character qualifications."

License revocation of KPSR(FM) Palm Springs, Cal., was recommended in initial decision by FCC Examiner Elizabeth C. Smith, for failure to have full-time licensed first-class operator, unauthorized transfers, misrepresentations to Commission.

Ten years of ETV will be observed at 5-day Fordham U. conference beginning July 16. Speakers will include NET Pres. John F. White, educational WNDT N.Y. Pres. Dr. Samuel Gould, WNDT Gen. Mgr. Richard D. Heffner, FCC Comr. Lee and Seymour N. Siegel, dir., Municipal Bestg. System.

Libel verdict of \$3.5 million, one of largest in history, was awarded to former CBS TV-radio commentator John Henry Faulk, who claimed false pro-Communist labels ruined his broadcasting career. Jury gave Faulk \$1 million in compensatory damages against Aware Inc., Vincent W. Hartnett, one of its directors, and Syracuse supermarket operator Laurence A. Johnson, who died last week, plus punitive damages of \$1,250,000 each from Aware and Hartnett.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

MUSIC SHOW—HAPPY NEW YEAR! Consumer electronics industry formally greeted the new product year at last week's big Music Show in N.Y. There was near-unanimous feeling that business would be good, and reactions of dealers to 1963-model merchandise was hearty.

To naked eye, manufacturer & distributor personnel seemed to outnumber dealers, but official show statistics indicated better dealer attendance than in 1959, last time it was held in N.Y., although lower than last year's Chicago show.

Optimism always is officially rife at a product showing—and we could find little pessimism among manufacturers there, either on or off the record. Even though lower-profit portables are garnering increasing percentage of TV market, even though phono sales are depressed from last year, despite pécadillos of stock market, manufacturers unanimously were toasting a happy & prosperous new model year with best vintage champagne.

They keyed optimism to growth of relatively new products—FM stereo, now really beginning to take off; color TV, on threshold of becoming mass-market high-end item; artful new cabinet designs; packaged stereo which for first time is beginning to approach sound quality of good audio components. All this and more attractive pricing, too.

If there's worry about heavy inventories, it's done in the privacy of executive suites—not on sales floors. We've talked with just about everybody, and we're darned if we can figure out who's got the inventory. Many agree that inventories are a mite on the ponderous side—on an industry-wide basis, that is—but their own stocks have never been in better shape. Because of this excellent individual inventory situation, we can only conclude that a mythical company has somehow gotten mixed up in the EIA statistical machinery and is consistently reporting huge inventories. (This is the same company whose sales are down 400% from last year to balance out the others' increases.)

If dealers were worried, or even curious, about industry problems, they didn't show it. Widely-publicized all-day EIA symposium on consumer electronics' future was attended mainly by manufacturer & distributor personnel, with a smattering of dealers sitting through color session. When it came to such important issues & markets as all-channel TV, ETV, FM stereo & phonos, few dealers were in evidence.

(Color, FM stereo & all-channel TV are treated in more detail in stories below. Product news on p. 10.)

INDUSTRY PREPARING NOW FOR ALL-CHANNEL: "We've been given our marching orders," said Motorola Consumer Products Pres. Edward R. Taylor. "We're going to do the job in the best manner possible. We're going to live within the dictum of the FCC, and we're not going to waste time arguing about what might have been."

This declaration before EIA's Music Show panel last week summed up attitude of large majority of set makers about all-channel set law. Even those who were strongly opposed to measure—and that includes most set makers—are now saying, in effect: "We want details as soon as possible. We want to know what FCC wants in way of tuner performance. We want to have deadline for changeover established right away so we can begin to think of freezing designs . . . so we can inform public."

So eager is industry to know what FCC will do towards establishing parameters of all-channel set regulation that EIA had preliminary meeting with FCC even before final approval of legislation by House and

signature by President (see story on p. 1.) Bill had been passed in slightly different forms by House & Senate, and agreement on Senate version is considered certain.

Some manufacturers bristled at remarks of Sen. Gale W. McGee (D-Wyo.) at EIA panel when he called on them to "roll up your sleeves now and implement, and add to, the spirit of the law." They felt he was gratuitous in explaining there's no reason to "wait until the cutoff date" to do research & development for changeover.

It's clear that nobody's waiting till cutoff date—expected to be possibly 2 years away—and that every set manufacturer is planning right now on how best to implement new law, and what to do in interim. From our conversations with manufacturers, it's also clear that there will be no industry-wide challenge of law's constitutionality—although there could conceivably be an individual test.

What set makers fear most is confusion—confusion of dealers & of consumers. That their fears are warranted was amply demonstrated by woefully poor turnout at panel sessions by dealers who in a few months will be "authorities" in explaining to public the intricacies of the all-channel bill, just as they have so recently been authorities on stereo, on multiplexing, and on what's wrong with color.

Here's what manufacturers plan in terms of readiness for all-channel law: As soon as possible (probably one year from now), every set in every line will be designed for internal conversion to all-channel reception. Public will be told not to fear, all sets are "ready for uhf" with easy home conversion. When cut-off date comes, all factory & distributor stocks can easily be converted.

Will set makers jump gun and discontinue vhf-only sets long before cutoff date? This seems unlikely in view of fact that there'll still be vhf-only stocks in stores, and that public won't suffer one whit by buying "convertible vhf" now, adding uhf as needed. How much gun-jumping set makers could actually do—even if they wanted to—is questionable. Tuner makers have tremendous challenge—increasing annual production rate from about 370,000 to 6 million.

Tuner makers, and set makers, as we've already reported (Vol. 2:32 p7), are hard at work developing new tuner designs with better performance, more tuning simplicity and lower cost factors. This much is generally assumed in industry: Presently available types of continuous uhf tuners will be acceptable to FCC, and first all-channel sets under new law probably will differ little from today's units. It's expected that FCC will specify minimum performance ratios between vhf & uhf tuners in same set, rather than establish specific figures for uhf tuner performance.

Industry wants to get going fast so it will have adequate time to plan for transition. As EIA Consumer Products Div. Chairman Olympic Pres. Morris Sobin put it at last week's symposium, TV manufacturing industry "is on the way toward putting a law into effect as soon as possible and assures consumers, Congress and the Commission full individual support."

COLOR DEMAND NEXT YEAR—1,000,000 SETS? "Market conditions today are such that one million color sets could be sold in 1963." So said RCA group exec. vp W. Walter Watts at EIA symposium during last week's Music Show in N.Y. He hinted that shortages would prevent industry from reaching this figure.

RCA's optimism—and willingness to start predicting again—reflected reports from many (but not all) manufacturers, dealers & distributors at Music Show that there's good money to be made in color now. Among manufacturing & merchandising leaders at show, our report of last week—that RCA some time next year will stop making complete color sets for its competitors (Vol. 2:26 p9)—was hot topic of corridor talk. Unanimous opinion—even of those who would be directly affected by move—was that it would boost color sales by heightening competition.

At color panel session, where RCA's private-branding activities weren't mentioned, picture of color's future was painted rainbow-bright. Watts told audience that Lancaster, Pa. color tube plant is working 3 shifts 6 days a week—"including July 4 & Labor Day"—trying to keep up with demand.

Color programming surge should be one of the most important factors in increasing set sales. NBC-TV network sales vp Don Durgin told group that his network will increase colorcasting to 2,000 hours in 1962-63 season, including about 68% of its nighttime schedule. ABC vp Alfred R. Schneider, addressing TV receiver people for first time on subject of color, reiterated that his network is starting out small by colorizing 4 pro-

grams. He revealed that 27 ABC-TV affiliates, in addition to ABC's 5 owned stations, have already elected to carry the shows in color, and predicted more would join in. CBS was invited to send spokesman to panel, but refused.

Panelists made clear that little could be expected in way of technical or price breakthroughs in next few years. Watts saw no major innovations through 1965, didn't see "much chance of a significant price reduction in the foreseeable future." Packard Bell Home Products Div. sales mgr. Theodore A. Flynn saw "nothing ready for the market within the next 2-3 years at least."

When question came up about Motorola's developmental 23-in. color tube, it was referred to Motorola Consumer Products Pres. Edward R. Taylor, in audience. Neither Taylor nor anyone else seemed to be itching for fight, and he merely reiterated that Motorola will "sit this one out," but will have 23-in. tube "and we hope to have it soon."

What does the dealer think of color? NARDA Chmn. Mort Farr, on panel, reported on results of survey of 100 leading color TV retailers, on these questions: (1) Consumer satisfaction with color—70% said excellent, 30% said good. (2) Service experience—55% excellent, 45% good. (3) Profits, in terms of percentage compared with black-&-white—62% better, 31% as good, 7% lower. (4) Growth of color sales—average of 49% for first 5 months of year, with 55% increase anticipated rest of year.

FM STEREO—INDUSTRY'S PRIZE BABY: Music Show last week celebrated first anniversary of FM stereo on marketplace. It was an auspicious birthday, since most predictions made about the new baby at last year's Music Show (Vol. 17:30 p18) have come to pass.

There are about 120 FM stereo stations now on air in 95 markets in 34 states, FCC Comr. Robert T. Bartley told panel at Music Show, and figure may exceed 300 by end of year—or nearly one-third of all FM stations. In short, broadcasters are doing their part and good quality programming is becoming more & more available.

FM stereo is becoming standard-equipment feature in most stereo phono console lines, as displayed at Music Show. Excellent quality of stereo radio reproduction on most of these instruments is far cry from last year's Music Show in Chicago, where manufacturing & broadcasting engineers made rounds of many exhibits, adjusting receivers to get something remotely resembling stereo.

Reports are in from dealer level. Public is accepting FM stereo with enthusiasm in many areas, and dealers are preparing for big year. As we predicted more than year ago, component hi fi was first area of FM-stereo colonization, followed by console phono market. Third step is just beginning to take shape—mass market in FM-stereo table models.

Pioneered by GE, Zenith & Granco, this obviously is now beginning to look like excellent market. Among new FM-stereo table models introduced in recent weeks and/or demonstrated at Music Show: Motorola's \$129.95 wood-cabinet unit; new lower-priced GE wing-speaker set; Arvin oiled walnut unit with movable speaker at \$199.95 (in addition to lower-priced 2-piece Arvin ensemble); Packard Bell wood bookshelf or table unit with tambour doors which will probably sell for around \$159.95 this fall; Olympic's 2-piece stereo table radio at \$99.95—not to mention imported sets also displayed at Music Show.

Table stereo should be big by Christmas, and, as pointed out by virtually all speakers at EIA's radio symposium last week, it's inherently a quality, high-ticket item. To quote GE's William Clemmens, "it's not sensitive on a price basis, not an impulse purchase."

There's a potential plus in FM-stereo table radio sales—phonographs, or more properly, record players. Just as FM-AM tuner used to be a plus in phono business, now phonos can be frosting on top of radio cake. When customer has purchased good FM-stereo table radio, he's bought dual amplifier & speaker system with phono jack. He's now prospect for stereo record changer, preferably in matching cabinet. How many manufacturers recognize this and are prepared to offer changers as accessories isn't yet clear. At least one firm is exploring it. Packard Bell's tambour-door stereo radio mock-up at Music Show was accompanied by matching unit with drop-down changer, which probably will list around \$99.95 extra.

Only area of FM-stereo scene where confusion is really rampant is field of outdoor antennas. Dealers don't know what to recommend. Best answer to question depends entirely on how good customer wants his

reception to be. Purists have always recommended outdoor antenna even for monophonic FM. It's more important with FM stereo—but this doesn't mean some people won't be satisfied with using TV antennas, indoor antennas, built-in antennas. FM stereo offers good opportunities to sell antennas, but many people will be perfectly happy without them, just as many viewers seem to enjoy watching poor TV pictures with indoor antennas which are inadequate to their needs.

TV-RADIO PRODUCTION: EIA statistics for week ended June 22 (25th week of 1962):

	June 16-22	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	132,763	132,617	137,655	3,170,482	2,668,569
Total radio	365,264	335,453	350,684	8,860,068	7,210,698
auto radio	135,593	122,609	110,338	3,145,527	2,290,855

NEW PRODUCTS AT NAMM: Biggest attention-getters at Music Show in N.Y. (see p. 7) were the various wall-mounted and compact stereo consoles with drop-down phonos, FM stereo table radios, GE's lightweight 16-in. Escort portable, Philco's new-design 19-in. Townhouse table model.

Aggressive importers showed that they can turn on a dime, keep close tabs on U.S. developments & trends. Two were showing mock-ups of 16-in. sets—Matsushita & Delmonico. Latter company imports products of Japan Victor, subsidiary of Matsushita. Spokesmen for both said 16-in. dummies were displayed to test dealer reaction, and that ultimate sets would probably weigh about 24 lb.

Matsushita, which now has imported about 4,000 of its 14-in. bookshelf TVs (list price \$139.95), had 2 other intriguing TV products on display—14-in. battery portable TV with AM radio (we were told that any import version for U.S. would also have FM) and huge 14-in. table model color set. No plans yet to import either one.

Delmonico, on other hand, is now bringing in about 100 color sets a month, we were told by exec. vp Herbert Kabat. Presently its only set is color-phono combo at \$595 list. New color table model was displayed, with no list price, and Delmonico hopes to have 3rd color set—a TV-radio-phono combo—in its new console series which uses highly styled American-made cabinetry.

One new TV import showed up—8-in. Commodore, designed to sell for less than \$100 (Commodore Import Corp., 507 Flushing Ave., Brooklyn). Another was promised for fall—8-in. battery-operated transistor set, Japanese-made, \$189.95 list—by Majestic International.

First battery-operated FM-stereo portable was shown by Matsushita. Two-piece set, including AM, has 10-transistor chassis in master set, 9-transistor slave unit.

Among new lines announced for first time was Westinghouse, which is promoting completely new TV chassis, rearranged & color-coded for easy servicing. Line has 16 b&w and 5 color sets, as reported last week, with "Instant On" feature in most sets. Portables list from "less than \$140" to "less than \$220." "Less-than" prices for other sets: 19-in. table models, \$190-\$270; 23-in. consoles, \$200-\$300; combos, \$400-\$750.

Olympic's new stereo & radio lines spotlight "lower-than-ever" prices—with stereo portables starting at \$59.95, stereo phono-plus-AM at \$169.95. Radio line features 2-piece FM-stereo radio with AM at \$99.95.

Symphonic re-entered TV business with deluxe 19-in.

portable designed to sell in \$179.95-\$189.95 bracket.

Ravenswood's exhibit drew heavy traffic with new concept which combines component & package stereo approaches. Company has 15 basic cabinets, any one of which can be sold with any of 4 record changers or turntables, 4 tuners, 3 power amplifier-speaker system combinations. Deluxe components are completely interchangeable as plug-ins and are merchandised on step-up basis. All but 2 of cabinets have space for 23-in. TV, which can be added for \$249.95 or \$329.95 (remote). Line includes lower-priced 500 series from \$299.95 to \$479.95 and custom series from \$499.95 to \$999.95 (without TV).

Regina Corp., ordered by FTC to cease using list prices (Vol. 2:26 p14), will take its case to Federal Circuit Court of Appeals. Pres. Lannon F. Mead & exec. vp Robert E. Cassatt, in joint statement, charged "FTC is unfairly singling out & penalizing Regina, forcing it to abolish list prices while allowing competition to continue using them." FTC's order involves Regina list prices which are higher than prices usually charged by retailers. "If this order is made law," Mead said, "it will effectively abolish list prices. How could any company possibly establish a list price for each & every trading area? And even if that could be done, the first time a retailer changed his price we would have to revise our prices to conform."

Problems of flat-screen TV are gradually being overcome, according to progress report on panel-type display devices by E. Binggeli & Ennio Fatuzzo of RCA Labs Ltd., Switzerland, in June 29 *Electronics*. Article states that ferroelectric-electroluminescent systems have been developed capable of achieving switching rates fast enough for TV, with potential contrast of 100-1 between bright & dark spots, and capable of controlling 10,000 dots (still considerably below TV resolution).

Sears Roebuck's new fall-winter catalog lists these prices: TVs start at \$114.95 for 19-in. portable, with remote-control set at \$189.95, 23-in. table models at \$154.95, consoles at \$159.95. Stereo consoles begin at \$94.95, and \$119.95 with AM-FM. Five-transistor radio is \$9.95, six-transistor sets begin at \$12.95. Table radios start at \$9.95, FM-only radios at \$19.50, AM-FM at \$28.95.

Jerrold Corp. is new name of Jerrold Electronics Corp., stockholders approving change at June 26 annual meeting. Jerrold Corp. will be parent of subsidiaries Jerrold Electronics, Harman-Kardon, Technical Appliance Corp. (Taco), Pilot Radio.

Trade Personals

John L. Utz, ex-Philco, joins Emerson Radio as special asst. to Pres. Benjamin Abrams. . . . Robert T. Vaughan named equipment operations gen. mgr., Philco's Lansdale Div., succeeding Stuart L. Parsons, resigned.

C. Vernon Phillips named GE audio products mktg. mgr., succeeding Marshall Bartlett, recently appointed TV mktg. mgr.

Robert G. Lynch, former equipment sales mgr., named mktg. vp, Sylvania Electronic Tube Div., succeeding William Spink, who left several months ago to join Perkin-Elmer.

W. Frank Wansbrough, vp-gen. mgr. of Canadian GE's appliance & TV receiver dept., elected EIA of Canada pres., succeeding RCA Victor Co. Pres. John D. Houlding.

C. Wesley Michaels appointed RCA Service Co. communications products planning & mktg. research mgr., a new post.

Lyle W. Evans named electroluminescence mgr., Sylvania Tube Div. . . . Kenneth G. Bucklin named RCA Tube Div. tube & semiconductor liaison mgr., reporting to engineering mgr. Joseph T. Cimorelli.

Anthony Dillon, ex-Sony, named Tokai Corp. of America exec. vp, hq at 500 Fifth Ave., N.Y.

Dr. Robert N. Noyce, gen. mgr. of Fairchild Semiconductor, elected a vp of parent Fairchild Camera & Instrument.

Arthur H. Tracy, Oxford Electric credit mgr., appointed EIA credit committee gen. chmn. for fiscal 1962-63, succeeding Herbert M. Evans, Tung-Sol; Fred O. Dumke (Switchcraft secy.-treas. & credit mgr.) named western vice chmn., Clayton W. Barto (Radio Condenser asst. treas. & credit mgr.), eastern vice chmn.

RCA's highest technical honors, the David Sarnoff Outstanding Achievement Awards, were presented to Ray D. Kell, RCA Labs, for contributions to TV, and Robert Lieber, RCA Missile & Surface Radar Div., for contributions to space tracking & navigational systems. Team awards went to group which worked on kilomegacycle computers and group which developed "Cermalox" type tubes.

Distributor Notes: Philco's distribution organization, Philco Distributors Inc., has purchased for undisclosed sum Watts-Newsome Co., Philco distributor in Birmingham, Ala. It will be operated as a factory branch. Watts-Newsome gen. mgr. J. D. Sullivan Jr. & sales mgr. D. S. McAllister have been re-named to those posts • Bell Sound names Canada Photo Products (68 Sheffield St., Toronto) Canadian distributor for cartridge tape recorders • Sylvania Tube Div. names Justin J. McCarthy eastern regional sales mgr., William T. Buschmann Pacific regional sales mgr., Robert H. Wheeler southeastern sales rep, Thomas E. Blackwell, Atlanta district sales mgr. • Admiral's Baltimore-Washington distributor, Legum Distributing Corp., will also cover 5 counties in Maryland & West Virginia formerly covered by Kyle Distributing, Charleston, W. Va.

Olympic Radio & TV Div.'s military activities group has been combined with Magnetic Amplifiers, another Lear-Siegler division, to form new data & controls division. Olympic Pres. Morris Sobin also will head new division.

Large increase in TV use as ad medium for TV-radio manufacturers has been noted by TvB (Television Bureau of Advertising) in first quarter of year. Gross-time billings figure at network level jumped from \$565,094 in comparable 1961 period to \$1,343,377 in 1962, gain of 137.7%, said TvB. Gain came from increased use of TV to sell TV sets, phonos, radios, etc., in first quarter by 2 manufacturers—RCA and Philco.

Color TV was cited as one of 4 major growth targets by retiring EIA of Canada Pres. J. D. Houlding. He told EIA annual meeting that color is "genuine growth product in U.S." and Canadian broadcasters & govt. must get "early start." Other major areas for growth, he said, are research & development, space technology & communications satellites, defense electronics.

"TV in Education," 28-page non-technical introduction to nature, operation, and requirements of open & closed circuit TV in educational applications, has been published by Sylvania for educators & school administrators. It's available from Sylvania Commercial Electronics, 730 Third Ave., N.Y.

GPE and Smith Kline & French Labs, Philadelphia-based pharmaceutical firm, have teamed for a joint effort in medical instrumentation field. Smith Kline-Precision Co. will be formed in Philadelphia, as an SK&F division, to make & sell medical electronic devices.

New Commerce Dept. publication, *International Commerce*, has succeeded old *Foreign Commerce Weekly*, which has been published under various titles since 1880. Price remains \$16 yr., 35¢ per copy, \$21 yr. for foreign mailing.

"Home Entertainment Retailing" is new name of *Record & Sound Retailing*. Effective with next issue, magazine will cover entire field of electronic home entertainment.

EIA-recommended standards defining dimensions of 1-in. magnetic tape coplanar cartridge available for 25¢ from EIA Engineering Dept., 11 W. 42nd St., N.Y.

Reports & comments available: Metromedia, report, Edwards & Hanly, 100 N. Franklin St., Hempstead, N.Y. • Electronic Associates, report, Shearson, Hammill & Co., 14 Wall St., N.Y. 5; review, William M. Rosenbaum & Co., 331 Madison Ave., N.Y. 17 • Reeves Soundcraft, report, John R. Boland & Co., 30 Broad St., N.Y. 4; • International Electronics, offering circular, Kesselman & Co., 79 Wall St., N.Y. 5 • Stewart-Warner, review, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • CBS, comments, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • Bell Electronic, review, Walston & Co., 550 S. Spring St., L.A.

Stock transactions of Magnavox officers & directors in May were garbled in our Vol. 2:26 p15 report. Here are correct figures: Richard A. O'Connor sold 19,800, held 185,601. Frank Freimann bought 5,000, gave 700 as gifts, held 585,084, including 189,838 held by a trustee. Warren W. Frebel bought 1,840, held 3,666. John S. Sturgeon bought 2,225, held 14,285.

Hoffman Electronics stockholders have approved a restricted stock option plan to issue up to 50,000 common shares to key employes through June 25, 1972. Pres.-Chmn. H. Leslie Hoffman told annual meeting that he expects 1962 earnings to "significantly exceed" 1961's \$647,100 profit.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Ampex	1962—year to Apr. 30	\$84,106,000 ¹	—	\$3,203,000 ²	\$0.41	7,786,457
	1961—year to Apr. 30	70,105,000	—	(3,930,000)	—	7,718,257
	1962—qtr. to Apr. 30	25,298,000	—	1,891,000	.24	7,786,457
	1961—qtr. to Apr. 30	17,032,000	—	(2,627,000)	—	7,718,257
Hallicrafters	1962—9 mo. to May 31	51,417,000 ¹	—	1,384,000 ¹	.57	2,429,000
	1961—9 mo. to May 31	44,853,000	—	1,125,000	.46	2,416,800
	1962—qtr. to May 31	15,818,000 ¹	—	542,000 ¹	.22	2,429,000
	1961—qtr. to May 31	15,194,000	—	397,000	.16	2,416,800
Heli-Coil	1962—year to Apr. 30	8,650,325	\$2,508,297	1,236,297	1.77	699,442
	1961—year to Apr. 30	7,258,132	1,836,299	904,299	1.31	690,798
Lynch Corp. (Symphonic)	1962—qtr. to Mar. 31	3,625,180	—	(234,386)	—	918,025 ³
	1961—qtr. to Mar. 31	3,915,000	—	(46,254)	—	692,772
Muntz	1962—9 mo. to May 31	8,862,321	—	783,689	.56 ⁴	1,409,982
	1961—9 mo. to May 31	7,088,992	—	483,075	.34 ⁴	1,179,876
	1962—qtr. to May 31	2,605,028	—	182,799	.13 ⁴	1,409,982
	1961—qtr. to May 31	1,890,591	—	78,139	.05 ⁴	1,179,876
Pacific Industries	1962—9 mo. to May 31	17,784,684	—	606,091	.32	1,887,239
	1961—9 mo. to May 31	12,988,921	—	1,152,586	.67	1,731,968
Tele-Broadcasters	1961—year to Dec. 31	1,178,563	—	(83,509)	—	307,451
	1960—year to Dec. 31	1,281,839	—	24,267	.04	307,451

Notes: ¹ Record. ² Includes \$470,000 gain on sales of assets & equipment leases and \$450,000 accrued against possible inventory obsolescence & other liabilities which didn't materialize. ³ Includes 204,470 shares

issued March 1962 for 54.7% ownership of Peninsular Metal Products Corp. ⁴ After Preferred dividends.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Howard W. Sams	Q	\$0.15	July 25	July 10
Terminal-Hudson Elec.	Q	.06	July 26	June 29
Wometco—A	Q	.17½	Sept. 14	Aug. 31
Wometco—B	Q	.06½	Sept. 14	Aug. 31

Mergers & acquisitions: Fairchild Camera & Instrument has purchased for cash Nuclear Corp. of America's Central Electronic Mfrs. Div., Denville, N.J. Central Electronic, maker of high power electronic tubes & associated power devices, will become a department of Fairchild's Du Mont Electronic Tube Div. Oak Mfg. has acquired Hart Mfg., Hartford, Conn., for stock & cash and also has established a new Japanese company, Noble-Oak Ltd.

Walt Disney earnings in fiscal 1962's 3rd quarter (ending June 30) are expected to drop to 40¢-50¢ a share from \$1.05 a year earlier. Treas. Lawrence Tryon said 9-month earnings, however, would rise to "around \$2 a share" from \$1.46 a share in year-ago period. Based on current shares, this would indicate profit of \$3.3 million, up from \$2.4 million. For total fiscal, ending Sept. 29, he sees earnings equal to or slightly better than fiscal-1961's \$4.4 million, sales approximating fiscal-1961's \$70 million.

RKO General's first-half earnings slipped to \$2,436,248 from \$2,664,621 in Jan.-June 1961. Consolidated first-half sales of parent General Tire & Rubber rose to record \$432,751,400 from \$374,086,216. Earnings increased to \$11,720,164 (68¢ a share) from \$11,508,190 (68¢) in 1961's first half.

Standard Kollsman has formed Kollsman Ordnance Mfg. Corp. in Elizabeth, N. J. to "centralize our increasing activities in the space field," Pres. James O. Burke told stockholders. New aerospace division will produce "sophisticated ordnance devices," he said. Burke also told stockholders that Standard Kollsman's 2nd quarter earnings will be "about" the same as year-ago's \$945,818, but sales "may be slightly lower" than 2nd-quarter 1961's \$27 million. He said "we're optimistic about sales & earnings for the remainder of 1962," noted that company expects to make one or more acquisitions before year's end.

Fairchild Camera & Instrument forecasts a 15-20% profit gain on a 15% sales rise in first half over Jan.-June 1961's \$2.3-million profit on \$44.6-million sales. "The 2nd half of the year should be better than the first half," reported Pres. John Carter. "Our target for the year in sales & earnings is a 20-25% increase over 1961," when Fairchild earned \$5.3 million on sales & rentals of \$92.3 million. Carter also noted that Fairchild is seeking acquisitions and "hopes to announce something shortly" involving cash purchase of 2 companies.

Thompson Ramo Wooldridge anticipates record sales in 1962, topping 1960's peak \$420.4 million & 1961's \$409 million. Pres. H. A. Shepard also expects earnings to exceed 1960's \$3.13 per common share & 1961's \$1.88 a share. He noted that this year's profit will be after expenditures of some 60¢ a share incurred as production costs "in getting products ready for future years." Shepard said 2nd-quarter earnings will "be very much better" than 83¢ a share earned in first quarter.

Metromedia was listed for trading on NYSE June 22. Symbol: MET.

WEEKLY **Television Digest**

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

PUBLIC AFFILIATION CONTRACTS WEIGHED BY FCC—considering argument that stations need bargaining aid, that disclosure will produce industry self-policing (p. 1).

HEW CHILDREN-TV STUDY IS POISED, veered from "juvenile delinquency" tag. Ribicoff aims to "separate fact from fancy" (p. 2).

'SUCCESSFUL' PAY-TV START in Hartford is hailed by RKO General Phonevision, which expects "no trouble" in reaching 5,000 homes by year's end (p. 2).

BRITISH GOVT. STANDS BY COMMERCIAL SYSTEM, won't accept Pilkington recommendations now, cites "practical difficulties." BBC-TV to get 2nd channel, however (p. 2).

FORD'S TIMELY ETV FOLLOW-THROUGH with \$8,257,000 for NET national & international programming, WNDT N.Y., economics course (p. 3).

'CABINET SHAKEUP' AT CBS among program executives finds vp's Lawrence White resigning, Oscar Katz dropping back to daytime boss, and Allen Courtney joining CBS as No. 2 program vp. Rating struggle with NBC is in making (p. 3).

TELSTAR POISED FOR SPACE TV TEST due July 10—running 20-40-min., in experiment including phone, facsimile, data. U.S.-Europe test due week later (p. 3).

SPACE TELECAST STUDIES by RCA scientific teams point to feasibility of direct broadcasting from satellites to community viewing centers in remote underdeveloped areas (p. 4).

FTC CLUBS COLUMBIA RECORD CLUB, charges restraint of competition, deceptive price claims. Company denies charge (p. 4).

Consumer Electronics

ALL-CHANNEL TIMETABLE SHAPING UP, FCC asking industry for U-Day changeover target and noise-sensitivity recommendations. Commission drops thought of vhf-uhf performance ratio, now plans uhf performance minimum floor (p. 7).

NON-PROFIT GROUP FORMED TO UPGRADE MARKETING. Marketing Science Institute, headed by ex-RCA marketing development vp Dr. Wendell R. Smith, begins operations with \$500,000 budget furnished by 29 member companies, including representatives of electronics, broadcasting, advertising (p. 7).

139 FM-STEREO STATIONS now on air in 38 states. Survey indicates 200 will be stereocasting this fall, possibly 300 by year's end. New list shows 76 stations as candidates to be on air in summer or fall. Broadcast equipment makers note tapering-off of stereo orders (p. 8).

TOPICS & TRENDS: Consumer spending seen continued at high level. Japanese TV set imports up 300% in first 6 months of 1962 (p. 10).

PUBLIC AFFILIATION CONTRACTS WEIGHED BY FCC: Public disclosure of all network affiliation contracts is due for FCC consideration shortly, it's understood.

Subject was dormant until year ago, when Rep. Celler's (D-N.Y.) Anti-Trust Subcommittee asked FCC to reexamine concept. In 1957, Celler published the contracts—shaking up industry. Subcommittee said contracts displayed "widespread, arbitrary, and substantial differences" and that "these differences primarily favor larger, multiple-station licensees vis-a-vis small, independent operations."

Senate Commerce Committee, in same year, also urged disclosure of contracts, stating: "It would seem to be a healthy thing for all affiliates to know how others are being treated when they sit down to negotiate a new agreement with their respective networks." FCC's Network Study Staff agreed: "The stations should have the benefit of this additional information as an aid to them in the bargaining process."

Networks have opposed disclosure on grounds that it would produce competitive disadvantages in a private relationship and that there may be anti-trust-violation dangers if each network knows others' contracts.

FCC staff reportedly doesn't accept these arguments, argues that disclosures would produce industry self-policing in an area wherein FCC's staff is too small to be effective. In addition, according to staff, disclosure might remove need for regulation to curb future affiliate-contract abuses. If Commission decides to explore disclosure concept, it will do it with rule-making procedure, giving industry opportunity to comment.

Meanwhile, CBS sought to persuade FCC to change its mind about incentive compensation plan, which Commission held in violation of rules (Vol. 2:23 p2, et seq.). Network filed petition for reconsideration, asserting: (1) FCC is engaging in rate-making process, something law forbids. (2) Plan doesn't have "inevitable effect" of restricting affiliates' choice of other networks' programs. In sample week of March 1960, CBS said, 27 stations had non-clearances of \$19,200 under old contract. Under new "incentive" contracts in March 1962 week, network asserted, same stations had non-clearances of \$19,500. Further, petition stated, ratio of non-clearances to total orders, both times, was 2.8%.

NEW CHILDREN-TV STUDY POISED: Study of children-TV relationship (Vol. 2:16 p2, 2:26 p8) by Health, Education & Welfare Dept. is officially under way—with Secy. Ribicoff's announcement of plans.

NAB Pres. Collins is now satisfied with direction study has taken—changed from proposed research into TV's possible contributions to juvenile delinquency. Said Ribicoff: "There are a great number of factors which influence the lives of children—their families, schools, communities, books, movies, and TV. Much has been said of the influence of TV, good & bad, on the behavior & lives of children. Since children spend a great deal of time in watching TV, it is our hope that we can separate fact from fancy in the variety of claims and counterclaims that surround this medium."

First step is series of conferences to: Devise ways of conducting research, recommend specific research projects on children-TV relationship, recommend projects to help TV industry develop programs.

Steering committee to plan the conferences is headed by Bernard Russell, asst. to Ribicoff, includes: Howard H. Bell, NAB (probably to be replaced by new research dir. Mel Goldberg); Hugh M. Beville, NBC; Giraud Chester, ABC; Frank Shakespeare, CBS; Dr. Ralph Garry, Boston U., Donald H. McGannon, Westinghouse Bcstg. Foundation for Character Education (Boston U.) will help finance conferences.

HARTFORD START 'SUCCESSFUL': "Enthusiastic" is best description of RKO General Phonevision executives in wake of kickoff of on-air pay-TV test in Hartford June 29. "We had 150 phone calls within an hour of first-night show, and can now count our additional applications in the hundreds," we were told in N.Y. by RKO General vp John Pinto.

Estimate of 95% of homes in panel is early figure being talked-of by RKO as percentage of Phonevision families who watched premiere-night movies bought in open theatrical market (Vol. 2:27 p2). "We won't know the real figure until tapes come in from home decoders, but we feel the figure will remain high for some time because of 'novelty value,'" admitted Pinto.

Big splash was made in Hartford by start of 3-year test. Local papers gave it yards of space, major coverage was given by N.Y. press & newsmagazines. Pinto now expects "no trouble whatever" in reaching panel-home target of 5,000 by year's end, adds that "the only difficulty will be in rate of decoder installations."

Pinto wouldn't say whether opening-night ballyhoo had opened new film sources to pay-TV test, but hinted that attitude had changed on part of one or more major hold-outs.

BRITISH GOVT. STANDS BY COMMERCIAL SYSTEM: Emasculation of British commercial TV, as recommended by Pilkington Committee (Vol. 2:27 p4), ran into stiff opposition from govt. there, as expected.

Govt. issued "White Paper" in response to Pilkington Report, stating it certainly wouldn't buy drastic proposal without much more study. However, Govt. did go along with giving BBC the next national channel, to start in 1964, and it raised hopes that commercial interests would eventually get another channel, too.

"The practical difficulties" of reorganizing commercial TV, White Paper said, "have not been fully appreciated." House of Parliament is gearing for major debate on subject.

Some of best analyses of Report have been made by N.Y. Times' Jack Gould. He noted that U.S. TV is

strongly denigrated—but that Report contains breakdown of only a single evening of TV, Dec. 13, 1960. And that dismisses 90-min. "Harvey" and 2-hour "Rashomon" with one-word description: "play." Said Gould:

"To omit week-end TV from the U.S. balance sheet was hardly a very sporting audit, especially since it was the only sample day's schedule to be printed in the entire report of 342 pages."

Conversion from 405 to 625-line system, recommended by Pilkington, is expected to take 6-7 years—and it's substantially tougher & more expensive job than vhf-to-uhf conversion, for example. Estimates of color-receiver costs are way out of line with U.S. figures—\$2,240 at start, dropping to \$700 in late 1960's.

Pilkington's thumbs-down on pay-TV is "merely the 'first round,'" shouldn't discourage toll TV proponents—according to Telemeter Pres. Louis A. Novins, just back from London. He noted that govt. originally adopted commercial TV despite recommendations against it by all except one member of a similar committee. Telemeter has been pushing pay TV in Britain with help of strong TV-movie-newspaper-financial interests.

FORD'S TIMELY ETV FOLLOW-THROUGH: Once impoverished step-child of TV, ETV is getting remarkable infusion of funds. Last week, quickly after Congress voted \$32 million for station construction, Ford Foundation slugged through with \$8,257,000—more than 25% of Congress' contribution which came only after years of tooth-pulling.

Ford gave National ETV & Radio Center \$4.7 million for program production, international program exchange, development of Educational Radio Network. Additional \$833,000 went to NET for national TV economics course for teachers in Fall 1963.

WNDR N.Y. received \$2,994,000 for equipment, studies, salaries, talent, general administration. Station starts Sept. 16, running 9 a.m.-midnight. Ford grant brings its ETV gifts to \$76.5 million in 10 years.

HUBBELL'S 'CABINET SHAKEUP': Continuing close rivalry between CBS-TV & NBC-TV at night has its reflection in shakeup of "cabinet" of program officials reporting to Senior Program vp Hubbell Robinson Jr. at CBS-TV. Since Robinson re-joined CBS (Vol. 2:11 p4), rating position of CBS vs. NBC at night has improved slightly, but NBC has not been further than 5% behind, and slips in & out of top place.

Major program battle is shaping up between NBC & CBS in daytime TV. In this arena, NBC has strong rating edge in mornings, CBS does well afternoons. Each network now plans to invade other's territory (CBS with daytime version of *To Tell The Truth*, NBC with new *Merv Griffin Show*, etc.).

Biggest CBS executive shift has been in daytime area with Lawrence White (vp-daytime programs) resigning and Oscar Katz (vp-network programs) dropping back to daytime programs vp to replace White. Shift of Allen D. Courtney from vp spot at MCA to CBS as top program vp (replacing Katz) under Robinson has its interesting aspects. Courtney is good friend of Robinson, having been program vp at NBC when Robinson was involved in Ford Specials and later Robinson's *87th Precinct* and *Thriller* series, which NBC bought.

There's another link, too. Robinson's production company has been represented by MCA and has had co-production status with MCA-owned Revue Productions. With spin-off of talent agency in works at MCA, Courtney may have welcomed security of vp spot at CBS.

Mike Dann remains vp-network programs, N.Y., and Bob Lewine remains vp-network programs, Hollywood, unscathed by shakeup.

TELSTAR READY FOR SPACE TV TEST: First TV transmission from satellite is now scheduled for about 7 p.m., July 10—from Bell System's Telstar to be launched by NASA. This is not the U.S.-Europe exchange (Vol. 2:26 p.3); that's due a week later, when satellite attains proper position, has been tested.

TV portion of July 10 transmission is expected to run 20-40 min., include tape and/or live material shot to satellite from Andover, Me. antenna, re-transmitted by satellite to Andover and Holmdel, N.J. In addition to TV, there will be transmissions of phone, facsimile newspaper, high-speed data. TV coverage of Andover activity will be pooled, CBS handling.

Telstar is to receive on 6,390 mc, send on 4,170 mc, emit 2¼ watts. It weighs 170 lb., is solar-cell &

nickel-cadmium-cell powered, has 1,064 transistors, 1,464 diodes—and a traveling-wave tube. Planned apogee is 3,500 miles, perigee 600. Bell is paying NASA \$3 million for launching & tracking.

Telstar is an "active repeater,"—receiving, amplifying & re-transmitting—as opposed to "passive repeater" such as "Echo" balloon which is simply a signal-reflective surface.

While most of scientific community visualizes communications satellites only as relays—super-tall microwave towers, in effect—some foresee direct-to-home or direct-to-community transmissions as possibility. For latest report, see below.

RCA's ALL-OUT SPACE TELECAST STUDY: At least 5 separate intensive studies have been completed by RCA scientists to show feasibility of telecasting direct from space satellites to TV receivers in underdeveloped parts of the world. Although RCA is understood to have made no official endorsement of principle of direct telecasting from space, new research follows Gen. Sarnoff's contention last year that direct spacecasting could be important weapon against ignorance & illiteracy in underprivileged countries.

RCA's research is significant in that its conclusions seem to run counter to 2 recent public pronouncements on subject—NASA-backed Stanford Research Institute study rejecting direct spacecasting as "extravagant, unnecessary and virtually impossible" (Vol. 2:14 p3) and FCC Comr. Craven's statement that satellites' only real near-future TV value is in field of relaying to & from ground-station broadcast centers (Vol. 2:25 p3).

First RCA paper on subject of direct satellite telecast was delivered last Fall by Advanced Military Systems Dir. N. I. Korman to Atomic Industrial Forum Conference, reported in these pages (Vol. 1:9 p2).

Now it's been confirmed that study has gone far beyond Korman's original research—but it's doubtful that results will be published, at least in near future. RCA studies cover entire gamut of satellite telecasting, including transmitters, receivers and the "bird" itself.

Inconsistency between RCA and NASA studies isn't as great as would appear at first glance. RCA papers don't emphasize satellite transmission to homes—but suggest, rather, that receivers would be located in community viewing centers, perhaps one to a community in such underdeveloped continents as Africa-Asia.

Special receivers have been proposed—using ultra-reliable military-specification transistors instead of tubes for service-free operation, and capable of being operated without power lines, from batteries, solar or hand operated generators. Operation would probably be in uhf frequencies on special TV standards (FM video is proposed to eliminate interference).

Time & language barriers between continents aren't significant, since these space transmitters wouldn't broadcast regular information-entertainment programs, but would beam special educational material to groups gathered in viewing centers of specific countries. RCA studies conclude that high power wouldn't be required and that system could be in operation by late 1960's.

This special education-information TV system could penetrate deepest jungles and almost inaccessible places with continual flow of TV material—areas where it would be impossible or impractical to erect and maintain ground-based transmitters. There seems to be no reason, either, why this type of specially beamed information service couldn't co-exist with regular TV relay satellites interconnecting various national networks with regular programming. Each system is designed to accomplish different purposes.

FTC CLUBS COLUMBIA RECORD CLUB: FTC's big stick has fallen on CBS Inc. and subsidiary Columbia Record Club, which are charged with monopolistic practices & suppression of competition.

Record clubs of Columbia, RCA Victor & Capitol account for 20% of all LP sales, Columbia alone about 10%, agency claims. Through exclusive distribution arrangements with 5 other record companies—Verve, Mercury, Warner Bros., Kapp & Bernard Lowe Enterprises—FTC alleges, Columbia has "foreclosed access by actual and potential mail order competitors . . . to more than 1,000 records representing more than 450 important artists." Up to Sept. 1, 1961, agency added, CBS had pressed about 6,685,000 LPs under these licensing agreements.

FTC also charged Columbia with having power to exclude over-the-counter dealers from competition

by charging club members less for records than dealers. Club members get first 6 records for total of \$1.89, next 6 for \$3.98 each, for average of \$2.14 each, exclusive of mail & handling charges, Commission pointed out. Dealers, however, are charged \$2.47 each, with specials occasionally as low as \$2.22. Company also was cited for making "deceptive pricing and savings claims" to club members.

CBS promptly denied charge, said its activities have been "fully reviewed and approved by counsel." Columbia Records Pres. Goddard Lieberman said club has "given broad exposure" to competitors' products & artists and has stimulated competitors' sales. He also denied club advertising is deceptive, said pricing practices didn't result in higher prices to dealers than members.

CURRENT CAPSULES

High hopes for relief from political equal-time provision of Communications Act will be riding with star-studded lineup of witnesses at Senate hearings beginning July 10. Communications Subcommittee headed by Sen. Pastore (D-R.I.) will consider number of pending bills to suspend, modify, or repeal Sec. 315. Witnesses: Sen. Clark (D-Pa.); William Thayer & Paul Porter, representing White House Commission on Campaign Costs; CBS Pres. Frank Stanton; NBC Chmn. Robert Sarnoff; Sen. Williams (D-N.J.); NAB Pres. Collins; Lazar Emmanuels, representing several broadcasters; Clarence Mitchell, NAACP; Peter Strauss, radio WMCA N.Y.; Norman Thomas, Socialist Party; FCC; Lar Daly, America First Party; Norman Karp, Socialist Labor Party; Lawrence Speiser, ACLU; Mayor Bernard Rogers, Dunnellen, N.J.; Richard Cheverton, Radio-TV News Directors Assn.

Stations can't extend coverage via vhf translators, FCC decided in finalization of rules effective Aug. 15. Commission's explanation of new rules: "Specifically the TV station licensee will not be permitted to operate a vhf translator within its Grade A or Grade B contour where the translator is intended to provide reception to all or part of a community located within the Grade A contour of any other TV station and the programs rebroadcast by the translator would duplicate all or part of the programs broadcast by such other TV station or stations." However, station is permitted to operate vhf translator to improve its signal within its own "principal city service contour." Foregoing restrictions don't apply to vhf translators owned by local groups or communities—only to TV station operators or organizations they support.

Free public affairs & informational programs will be offered by NBC to countries planning TV. Under 2-year "Operation: Documentaries" project, prints of NBC-TV series such as *White Paper* and *Project 20* will be made available for only mailing & print costs. First recipients: Kenya, Sierra Leone, Jamaica, Aden, Tanganyika, Gibraltar, Uganda.

Interim CP in Rochester has been granted to Ch. 13 of Rochester Inc., comprising 8 applicants. Grantee aims for Fall start. Officers: Harper Sibley Jr., chmn.; Richard Landsman, pres.; Leon Halperin, vp; Dennis Livadas, secy.; William N. Posner, treas. The applicants: Flower City, Genesee Valley, Star, Community, Heritage, Main, Federal, Citizens. Not included are Rochester Telecasters and Rochester Area Educational TV Assn., which plan to share time.

TV-radio can't touch newspapers when it comes to providing news, is theme of clever campaign by *St. Louis Globe-Democrat*. Paper, which recently got raking over by KMOX-TV (Vol. 2:27 p5), mailed 20,000 reprints of June 1 issue, with all items not on TV or radio that night tinted red. Paper also is running full-page ads extolling its virtues & civic spirit. Newspaper owns about 23% of KTVI there.

AFL-CIO has protested to FCC against radio WBRC Birmingham, which recently dropped nightly news broadcasts of Edward P. Morgan. Station claimed it merely wanted to carry baseball games instead. AFL-CIO, sponsor of Morgan, declared station's motive "is to shut off one of the few remaining sources of free and critical comment available to Birmingham citizens." Union asked Commission to investigate.

Radio WBXX N.Y. was slapped with \$10,000 forfeiture by FCC for violations including: (1) Broadcasting paid matter without announcing fact. (2) Failure to identify sponsors. (3) Broadcasting foreign language programs for time brokers without filing copies of contracts. (4) Incorrect station identifications. (5) Failure to maintain proper logs. Station has 30 days to answer.

Broadcast Promotion Assn. fall convention is scheduled Oct. 29-31 at Holiday Inn Central, Dallas.

Personals

Ward L. Quaal, WGN-TV Chicago exec. vp & gen. mgr., and KDAL-TV Duluth pres., elected pres., Broadcast Pioneers, N. Y., succeeding WKTV Utica pres. & gen. mgr. Gordon Gray . . . G. Bennett Larson, former KTVT Salt Lake City pres. & gen. mgr., named Blackburn & Co. associate, Beverly Hills.

Mike McCormick, ex-WHAS-TV Louisville, named KPLR-TV St. Louis sales mgr. . . Robert L. Nelson promoted to promotion dir., KNXT Los Angeles & CBS-TV Pacific Network, succeeding Austin Heywood, resigned . . . Bill Johns, ex-KTVT Ft. Worth, named KCOP Los Angeles news dir.

Robert E. Petrie promoted to WTMJ-TV Milwaukee program mgr. . . Gregory Heimer, ex-educational WJCT Jacksonville gen. mgr., named educational WQED & WQEX Pittsburgh operations & programming dir.

Peter A. York, ex-Amalgamated Electric Corp. marketing services mgr., elected Bureau of Broadcast Measurement exec. vp, Toronto . . . Grant Smith promoted to H-R TV midwestern TV sales mgr., Chicago . . . Robert J. Nissen, educational KQED San Francisco chief engineer, named to similar post at educational KETC St. Louis.

Charles E. Anderson & Norman R. Grusby promoted to Schwerin Research vps . . . Malcolm P. Murphy, ex-Gorham Co. research dir., named associate dir., Schwerin evaluation-sales analysis div.

Donald Quayle, ex-radio WGBH(FM) Boston asst. gen. mgr., named NET radio services dir., a new post covering NET's new radio div. made possible by Ford Foundation grant . . . E. T. Brown promoted to Sports Network's National Video Tape Productions color specialist.

Albert G. Hartigan, ex-ABC Films eastern div. mgr., named vp-gen. mgr., Video House Inc., new TV production-distribution firm (48 W. 48th St., Circle 6-2425).

Robert Pellet, ex-newspapers & PR, named project dir., N.J. Educational TV Corp.; CBS-TV's Ellis K. Dahlin and ABC-TV's Merl Worster named to engineering advisory committee.

H. Taylor Vaden, ex-WJZ-TV Baltimore advertising & sales promotion mgr., named WFIL-TV & WFIL Philadelphia advertising & promotion dir. . . Miss Dudley Harmon, ex-Smith College news dir., ex-UP, named CBS News Washington information mgr.

Lawrence L. Goldwasser, ex-Elliot, Unger & Elliot, named Tele-Video exec. vp . . . John T. Bradley promoted to H-R TV Eastern TV sales mgr., N.Y.

Obituary

David H. Booher, 52, WJXT Jacksonville gen. sales mgr., died there July 1. Prior to joining WJXT in 1948, he was vp in charge of radio WMBR Jacksonville.

Govt. control of TV & motion pictures was advocated by Msgr. Jean Bernard, International Catholic Cinema pres., in address at Fordham U. "We are dealing here with an abuse," he said, "with something unfair, with an excess on the part of a film or TV producer, and it is easily conceivable that government consider itself authorized and even obliged to apply some restraint." He warned, however, against the state monopolizing communications media for its own purposes.

New CBS daytime rate structure became formal fact to agencies & advertisers last week in letter from William H. Hylan, senior sales vp. Changes are effective Jan. 1, 1963 and are reflection of what was told to CBS-TV affiliates at recent annual meeting (Vol. 2:19 p1). "We believe our afternoon advertiser will find the new plan easy to understand," said Hylan. New rate policy, capsuled: (1) Old volume & dollar discounts (rate contiguity, weekly station-hour, annual rebate) are dropped. (2) Discounts are now "built-in" to daytime price. (3) On surface, new daytime prices look lower (51 quarter hours or less in contract year now sell for 15% of Class A hourly rate as against old price of 20%), but generally work out about same for daytime advertisers because of scrapped discounts. (4) Affiliates will be paid less by network than formerly on daytime buys (Mon.-Fri. noon-5 p.m.; Sat. 10 a.m.-1 p.m.). Revision of nighttime discounts was announced earlier this year by CBS-TV (Vol. 2:11 p3). Daytime rate structures of ABC-TV & NBC-TV are essentially unchanged, despite CBS move, and still involve old-line discount structure.

Network TV gross time billings totaled \$63,330,106 in April, up 10.6% from April, 1961's \$57,282,980. Billings for first 4 months this year were \$257,948,482, 11.3% higher than last year's \$231,719,378. ABC's Jan.-April 1962 billings totaled \$67,431,762, 6.7% higher than year ago's \$63,205,850; CBS picked up 14.6%, \$86,367,541 to \$98,981,996; NBC rose 11.4%, \$82,145,987 to \$91,534,724. Daytime billings for first 4 months this year were \$81,139,033, an increase of 14.4% over last year's \$70,924,144. Nighttime billings were up 10%, from \$160,795,234 to \$176,809,449.

"New surge in TV enthusiasm," in U.S. and abroad, may occur with advent of international TV, Time-Life Bestg. vp Sig Mickelson writes in *Spring Quarterly Review of Public Relations* (Box 114, Springfield, Va.). "Throughout most of the free world," he writes, "there is a mounting anticipation of overseas TV which promises national hospitality at the control switch. There is also general agreement that the medium is likely to both improve human understanding around the world and provide new business communication facilities that are certainly in tempo with such movements as the European Common Market and expanding export-import trade."

Ch. 71 translator in LaSalle, Ill. has been granted to Midwest TV, operator of WMBD-TV (Ch. 31) Peoria, which it will repeat, and WCIA (Ch. 3) Champaign. CP was awarded over objection of WICS (Ch. 2) Springfield, which conceded that translator wouldn't give it direct competition but maintained that WCIA & WMBD-TV would be strengthened. FCC said grant wouldn't increase WCIA & WMBD-TV dominance "significantly" and that translator would bring 3rd competitive uhf to LaSalle. Comrs. Minow & Bartley dissented.

Seven new regional editions in U.S. & Canada will be launched in September by *TV Guide*. Present single Va., Ala. & Ill. editions will be split into 2 editions each, and La.-Miss. edition will be made into 2 separate editions.

White House is still mum on appointment to FCC—hasn't reappointed Comr. Cross, hasn't nominated Broadcast Bureau Chief Kenneth Cox or anyone else. Cox is still considered due for nod, probably this week.

New Monterey, Cal. CATV system will be built for Alarm Corp., Carmel, Cal., by Entron subsidiary Systems Construction Corp.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

ALL-CHANNEL TIMETABLE SHAPING UP: With both EIA and FCC anxious to move on all-channel-receiver bill implementation, they've set up tight schedule. FCC has asked EIA to come up within week or so with a suggested "U-Day" target—date after which all sets must be all-channel. Next, EIA has called an all-industry engineering session for Aug. 7—to devise uhf tuner noise & sensitivity figures acceptable to FCC.

FCC staff plans to give its recommendations to Commission on Aug. 22. In recent FCC-industry engineering meeting, Commission was told that designs for next Spring's sets are now fixed, so that the U-Day switchover must come later.

An important change in FCC's thinking about standards has developed. Up to now, it has been planning to require no minimum uhf tuner performance; instead, it had considered a ratio between vhf & uhf tuners in same set—good vhf & uhf, poor vhf & uhf, or anything in between—figuring competition would see to it that uhf tuner was adequate. However, we're told, Commission has found that performance of some vhf sets, designed for metropolitan area usage only, is such that comparable uhf performance just wouldn't be adequate. On other end, some vhf sets are so good that their manufacturers would be forced unfairly to use uhf tuner of extraordinary capability. Hence, current FCC plan is to establish a straight minimum-performance uhf floor.

Assuming current spirit of cooperation prevails all the way through, FCC is thinking of starting rule-making in Sept., giving industry some 30 days to comment on proposals, 20 days for replies—with final rules issued by end of year. Effective date of such rules depends on what FCC accepts as "reasonable," based on industry recommendations. Commission hopes to bypass time-consuming hearings.

Another recent FCC conclusion: Uhf tuner with replaceable strips, providing several uhf channels in addition to 12 vhf, will not be acceptable. FCC considers law as mandate to require that all sets be equipped to receive all 82 channels.

NON-PROFIT GROUP FORMED TO UPGRADE MARKETING: Scientific approach to marketing, to give it precise direction & greater effectiveness at lower costs, is being sought by a newly-formed organization whose charter members include representatives of electronics, broadcasting and advertising.

Marketing Science Institute, headquartered in Philadelphia, has completed organizational phase and "our job now is to become operational," we were told last week by Pres. Dr. Wendell R. Smith, onetime (1959-62) RCA staff vp for marketing development. MSI begins life with an annual budget of more than \$500,000, furnished in equal parts by 29 underwriting companies that read like Who's Who in Business: Argus Corp. Ltd.; Armour & Co.; Bell Telephone of Pa.; Booz, Allen & Hamilton; Campbell Soup; Champion Paper; Chesebrough-Pond; CBS Inc.; Container Corp.; Dupont; Eastman Kodak; Ford Motor; GE; General Foods; Goodyear Tire; IBM; S. C. Johnson; Lever; Arthur D. Little; Monsanto Chemical; Reynolds Metal; Scott Paper; Sears Roebuck; Shell Oil; Smith Kline & French Labs; J. Walter Thompson; Time Inc.; United Air Lines; Young & Rubicam.

"There is an obvious gap to be filled in the marketing area," Dr. Smith said. "We have a need to collate, to organize, to develop, to originate an organized & integrated theory of marketing that will be developed in response to our need for norms, for diagnostic tools, that will give a sense of direction to, and make more orderly, the process of marketing problem solving. I think it is clear that applied research in engineering, manufacturing and finance is only as good or bad as the basic or fundamental research upon which

it is based. Marketing has tended to fall somewhat behind the parade because of its unsatisfied need for such a base."

MSI's findings will be made available generally, Dr. Smith said, adding: "The amazing thing is that the underwriting companies have taken this unselfish viewpoint. We're a nonprofit organization seeking a scientific foundation for marketing so that companies—all companies—can initiate their own applied research of their particular marketing problems at a higher level."

Fluidity of electronics market emphasizes need for researched marketing data, he said. "Electronic parts houses represent a very volatile market today," Dr. Smith explained. "In earlier days, the oldtime parts houses were all about the same. Today, we've splintered into numerous branches—discount houses, the operations typified by Radio Shack, the closed door companies, and so on. The things we have to find out are how this came about, how and why we are responding to these new marketing trends, and what we can expect in the future."

Similar problems beset makers & marketers of home electronic instruments. Channels of distribution are changing all the time, Dr. Smith noted. "Today, in this changing marketing world, manufacturers must operate from a sound scientific base to develop precise answers to such vital questions as marketing allocations, the amount and kind of promotional effort required to support TV, radio and phonograph products, proper use of advertising, and so on." Dr. Smith emphasized that "marketing planning is being forced on many firms, whether they like it or not, by the high cost of research & development and the relatively long pay-off period involved in entering new areas of opportunity. Never has the responsibility placed upon marketing been so great. The need to shore-up its scientific foundation is urgent."

TV-RADIO PRODUCTION: EIA statistics for week ended June 29 (26th week of 1962):

	June 23-29	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	136,463	132,763	132,326	3,300,720	2,801,136
Total radio	361,895	365,264	324,846	9,253,290	7,537,290
auto radio	136,649	135,593	93,187	3,281,806	2,381,791

139 STATIONS NOW BROADCASTING STEREO: There are now 139 stations devoting at least part of program day to stereo broadcasts. This fall, number should increase to 200—with some 300 stereocasting stations on air by year's end.

This is how FM stereo picture looks on basis of up-to-minute survey, reflecting starts & changes up to press time—close of business Fri. July 6. Latest lists of stations now on air in stereo and preparing to start by fall reveal interesting trends:

Stations on air are located in 38 states and D. C., and locations indicate that stereocasting is no longer "big-city" medium. Most major markets are included in stations already on air, although our list of 76 stations preparing for stereo by fall shows more important new markets ready to open up.

In list of stations preparing to go stereo, you'll notice network-owned FM outlet for first time—NBC's WMAQ-FM Chicago. Both ABC & CBS are studying possibilities of converting some or all of their owned FM stations to stereo. Meanwhile, non-commercial FM outlets, such as Okla. State U.'s KOSU-FM in Stillwater and N.Y. City's municipal WNYC-FM are also getting ready. And 2 cities—Chicago & Seattle—have 5 stereo stations each.

Lists were compiled from best possible sources, including—but not limited to—manufacturers of FM transmitters & stereo generators. Most transmitter manufacturers have caught up with order backlogs for stereo gear and are now able to make quick delivery.

One expert appraisal of future of FM stereo came from Gates Radio Co. sales vp Larry J. Cervone, who forecast about 300 stations stereocasting by year's end, another 300 starting next year, with about 50% of all FM stations operating in stereo by end of 1963. Some other equipment makers disagree, saying orders have dwindled and further stereo growth will come only with purchase of complete new transmitters by existing or new stations.

FM stereo is becoming international. At least 6 Canadian stations are now equipped for it, and ship-

ments are being made to Colombia, Venezuela & Saudi Arabia. U.S. FM multiplex stereo standards probably will be adopted for Europe, too. Recent meeting in Germany of a commission of CCIR (International Radio Consultative) voted to recommend U.S. standards to next plenary session of full CCIR in New Delhi next January.

Our list of 139 stations now stereocasting in U.S. and 2 in Canada shows more stations on air than FCC's own list—which is incorporated in ours. Divergence is due to time lag in reports to & from FCC.

The 2nd list, showing 76 U.S. & 4 Canadian stations which should be on air in fall, is most accurate we could compile. It's not all-inclusive—there will be others going on air not on this list—but we believe we have weeded out deadwood, and all stations on list are in bona fide preparation for stereocasting. Many have already received stereo equipment; others have it on order.

These lists should prove valuable in marketing efforts, as they show many new FM-stereo areas on air or upcoming.

STATIONS BROADCASTING IN FM STEREO

ALABAMA		INDIANA		Kettering	WKET-FM
Birmingham	WCRT-FM, WSFM	Columbus	WCSI-FM	Middletown	WPFB
		Indianapolis	WISH-FM	Portsmouth	WPAY-FM
ALASKA		IOWA		OKLAHOMA	
Anchorage	KBYR-FM	Des Moines	KDMI	Tulsa	KOCW
ARIZONA		KANSAS		OREGON	
Phoenix	KEPI, KNIX	Lawrence	KANU	Eugene	KFMY, KWFS-FM
Sun City	KTPM	KENTUCKY		Portland	KGMG, KPFM
CALIFORNIA		Lexington	WVLK-FM	Springfield (Eugene)	KEED-FM
Beverly Hills	KCBH	MARYLAND		PENNSYLVANIA	
Fresno	KCIB, KXQR	Bethesda (Washington, D. C.)	WHFS	Braddock (Pittsburgh)	WLOA-FM
Garden Grove	KGGK	Towson (Baltimore)	WAQE-FM	Johnstown	WJAC-FM
Los Angeles	KFMU, KMLA, KRHM	MASSACHUSETTS		Philadelphia	WFLN-FM, WHAT-FM, WIFI
Monterey	KHFR	Boston	WBCN	Pittsburgh	WKJF
Riverside	KDUO	Lynn	WUPY	RHODE ISLAND	
Sacramento	KSFM	Waltham	WCRB-FM	Providence	WPFM, WXCN
San Diego	KGB-FM, KLRO, KPRI	MICHIGAN		SOUTH CAROLINA	
San Francisco	KBAY-FM, KPEN, KSFZ	Detroit	WDTM, WGPR-FM, WLDM, WOMC	North Charleston	WKTM
San Jose	KSJO-FM	East Lansing	WSWM	Spartanburg	WSPA-FM
San Luis Obispo	KVEZ-FM	Grand Rapids	WJEF-FM, WOOD-FM	TENNESSEE	
Santa Barbara	KMUZ	Midland	WQDC	Nashville	WNFO-FM
Santa Maria	KEYM	MINNESOTA		Tullahoma	WJIG-FM
Ventura	KUDU-FM	Minneapolis	KWFM, WAYL	TEXAS	
Visalia	KONG-FM	MISSOURI		Austin	KTBC-FM
Walnut Creek	KWME	Joplin	KSYN	Beaumont	KHGM
COLORADO		Kansas City	KCMO-FM	Corpus Christi	KTOD-FM
Colorado Springs	KLST	St. Louis	KCFM, KSHE	Dallas	KIXL-FM
CONNECTICUT		Springfield	KTXR	Houston	KFMK, KODA-FM, KRBE
Brookfield	WGHF	NEBRASKA		Port Arthur	KFMP
Meriden	WBMI	Omaha	KQAL-FM	Wichita Falls	KNTD
DELAWARE		NEW JERSEY		VIRGINIA	
Wilmington	WJBR	Dover	WDHA-FM	Martinsville	WMVA-FM
DISTRICT OF COLUMBIA		Long Branch	WRLB	Norfolk	WTAR-FM, WYFI
Washington	WASH	NEW YORK		Richmond	WFMV
FLORIDA		Babylon, L. I.	WQMF	Roanoke	WSLS-FM
Cocoa Beach	WRKT-FM	Fresh Meadows, L. I. (N.Y.C.)	WTFM	WASHINGTON	
Coral Gables	WVCG-FM	New York	WQXR-FM	Seattle	KETO-FM, KGMJ, KISW, KLSN, KZAM
Ft. Lauderdale	WFLM	Rochester	WCMF	WEST VIRGINIA	
Miami	WAEZ	Schenectady	WGFM	Charleston	WKNA
Orlando	WHOO-FM	Syracuse	WSYR-FM	WISCONSIN	
Pensacola	WPEX-FM	NORTH CAROLINA		Milwaukee	WFMR, WMKE, WTMJ-FM
St. Petersburg	WTCX	Burlington	WBBB-FM	West Bend	WBKV-FM
Sarasota	WYAK	Greensboro	WMDE	CANADA	
GEORGIA		OHIO		Toronto	CFRB-FM, CHFI-FM
Athens	WGAU-FM	Barberton (Akron)	WDBN		
Atlanta	WKLS	Canton	WCNO		
HAWAII		Cleveland	WDGO, WNOB		
Honolulu	KAIM-FM	Columbus	WBNS-FM		
ILLINOIS		Findlay	WFN-FM		
Chicago	WEFM, WFMQ, WFMT, WKFM, WSBC-FM				
Quincy	WGEM-FM				
Rock Island	WHBF-FM				

STATIONS PREPARING FOR STEREO
(Summer or Fall)

ALABAMA		MARYLAND		PENNSYLVANIA	
Huntsville	WAHR, WNDA	Bethesda (Washington, D. C.)	WJMD	Chambersburg	WCHA-FM
ARIZONA		MASSACHUSETTS		Philadelphia	WDVR, WQAL
Tucson	KSOM	Worcester	WTAG-FM	Pittsburgh	WWSW-FM
CALIFORNIA		MICHIGAN		Warren	WRRN
Coachella	KCHV-FM	Detroit	WABX	Wilkes-Barre	WYZZ
Los Angeles	KBMS, KPOL-FM	MISSOURI		SOUTH CAROLINA	
Oceanside	KUDE-FM	St. Joseph	KUSN-FM	Beaufort	WBEU-FM
Palm Springs	KDES-FM	St. Louis	KWIX	Seneca	WSNW-FM
San Francisco	KBCO, KAFE	NEVADA		TENNESSEE	
Turlock	KHOM	Las Vegas	KORK-FM	Lebanon	WCOR-FM
Woodland	KATT	NEW JERSEY		TEXAS	
COLORADO		Atlantic City	WFPG-FM	Amarillo	KCHO
Denver	KFML-FM	Paterson	WPAT-FM	Dallas	KRLD-FM, KSFM,
Manitou Springs	KCMS-FM	Trenton	WBUD-FM	Ft. Worth	KVIL-FM
FLORIDA		NEW YORK		Houston	WBAP-FM
Cocoa Beach	WXBR	Buffalo	WYSL-FM	Midland	KQUE, KXYZ-FM
Gainesville	WRUF-FM	New York	WNYC-FM		KNFM
GEORGIA		Pachogue, L. I.	WPAC-FM	VIRGINIA	
Columbus	WRBL-FM	Riverhead	WAPC-FM	Richmond	WCOD
IDAHO		Utica	WUFM	WASHINGTON	
Boise	KBOI-FM	NORTH CAROLINA		Seattle	KGFM
ILLINOIS		Hickory	WIRC-FM	Tacoma	KLAY-FM
Chicago	WMAQ-FM	OHIO		WISCONSIN	
INDIANA		Cincinnati	WAEF-FM	Eau Claire	WIAL
Evansville	WIKY-FM	Cleveland	WDOK-FM	Green Bay	WBAY-FM
KANSAS		Cleveland Heights	WCUY	Madison	WISM-FM, WMFM
Wichita	KCMB-FM	Columbus	WMNI-FM	PUERTO RICO	
KENTUCKY		Dover	WJER-FM	Rio Piedras (San Juan)	WFID
Louisville	WLVL	Port Clinton	WRWR-FM	CANADA	
LOUISIANA		Springfield	WBLY-FM	Kamloops, B. C.	CFFM
Monroe	KMLB-FM	Toledo	WTOL-FM	Ottawa, Ont.	CFRA-FM
MAINE		OKLAHOMA		Montreal, Que.	CFCE-FM
Caribou	WFST-FM	Oklahoma City	KFNB	Quebec, Que.	CHRC-FM
		Stillwater	KOSU-FM		

TOPICS & TRENDS

"High level of spending" by consumers should continue, according to latest findings of U. of Michigan Survey Research Center. On basis of survey in late May after stock market decline had begun, Center made these conclusions: (1) Consumer is "soberly optimistic" and not afraid to buy. (2) "Fewer people indicate that they have economic worries." (3) Americans seem satisfied with assortment & prices of goods and disposed to continue spring's high level of spending. (4) Consumers feel now is "good time to buy" and outlook is more favorable than year ago for sales of major consumer goods. (5) Nevertheless, consumer is "not in an exuberant state of mind" and weakening of optimism about business is especially pronounced among consumers with incomes of \$7,500 or more.

More than 32,000 TV sets were imported from Japan in first 6 months of this year, a more than 300% increase over 9,000 in same 1961 period. Largest importers of TV, in order: Delmonico, Sony, Matsushita.

Steady increase in Japanese exports to U.S. continued in this year's first quarter, meanwhile, according to Japanese govt. figures. They show 11,039 TV sets exported during the period, up from about 5,422 in first quarter 1961. Exports of radios with 3 or more transistors doubled to 1.3 million from 620,000 in year-ago period. Tube radios rose to 376,378 from 300,527, "toy" radios to 896,108 from 744,497. Breakdown of TV exports shows 7,070 were tube-type sets, 3,967 transistorized.

NAMM's Music Show set attendance record for a N.Y. show—11,515—but figure was lower than last year's all-time high of 11,878 at Chicago. Total of 4,219 buyers was included in this year's figure, a record for any Music Show.

Trade Personals

Ellis Friedman, ex-Trav-Ler Radio exec. vp and brother of Trav-Ler pres. Joe Friedman, joins Magnavox as vp & mfg. co-ordinator.

Dan J. Cuddy named Packard Bell financial planning dir.

Herbert A. Poole, RCA Service Co. ad & sales promotion mgr., heads enlarged department which consolidates all product & service advertising activities.

Gene M. Brown and Audrey Dutoit, both formerly of Olin Mathieson, appointed Magnavox public relations dir. & publicity mgr., respectively, headquartering at 270 Park Ave., N.Y. . . . Geoffrey M. Langdon promoted to credit mgr., Philco international div., succeeding John R. Konz, resigned.

Robert G. Lynch appointed Sylvania Tube Div. mktg. vp. . . . Charles A. Sereno named mktg. vp of General Precision's GPL Div., a new post.

Alfred Strogoff appointed Adler Electronics exec. vp; Lawrence I. Marks Finance Div. vp; Charles P. Johnson Govt. Products Div. vp.

J. Cameron Gordon elected Seeburg Corp. exec. vp & sales dir.; Leonard Gross elected exec. vp in charge of operations.

Thomas E. Davis appointed Ampex sales & service mgr., succeeding John Jipp, resigned.

Obituary

Homer L. Travis, 54, Kelvinator sales vp, died July 1 at Harper Hospital, Detroit, after heart attack. Widely known in major appliance field, Travis also was pres. of National Electrical Mfrs. Assn. and had been 3-time chairman of American Home Laundry Mfrs. Assn.

Oak Mfg. will produce in Japan TV & radio tuners for U.S. market. It has formed jointly-owned company, Noble-Oak Ltd., with Teikoku Tsushin Co. Latter will own 51% of new firm, Oak 49%. Pres. Everitt A. Carter said he expects Oak's 2nd-quarter earnings to more than double to "approximately \$300,000 or more than 43¢ a share" from \$120,608 (18¢) in April-June 1961. Net sales will be "close to \$8 million"—up from \$5.8 million a year ago. Re the new Japanese firm, Carter said: "We have already leased a modern 2-year-old plant with an employment force of 250 from Teikoku Tsushin and operations will begin in 60 days, with initial tuner shipments scheduled for December." Initial tuner production is slated to reach minimum of 250,000 units annually within first year. Carter will be Noble-Oak's chmn.; pres. will be K. Kikichi, head of Teikoku Tsushin. Oak vp Charles R. Rowe has been named pres. of Oak-Japan Ltd., export-import firm formed in Tokyo to serve as Noble-Oak's marketing affiliate.

Varian Associates sales & earnings in 1962's 3rd fiscal quarter (ended July 1) will be "substantially" higher than the \$635,312 (11¢ a share) earned on sales of \$15 million in year-ago period. Pres. H. Myrl Stearns said recent stock market break "hasn't had any effect on our business at all." He still expects sales of more than \$70 million in the fiscal year ending Sept. 30—up from \$58 million in fiscal 1961. "The trend is right and I see no reason to change the estimate," he said.

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

Allied Artists. Roger W. Hurlock bought 2,100, held 32,200.

Ampex. Robert L. Pappas bought 1,000, held 1,039. Dr. F. E. Terman bought 250, held 400.

Amphenol-Borg. Richard Sarsct bought 100 in April, held 150.

Avnet Electronics. Charles L. Morse Jr. sold 1,000, held 500.

Capital Cities Bcstg. John P. McGrath bought 1,600 in April, held 39,666. Donald A. Pels bought 500, held 2,500. Lowell Thomas bought 3,200 in April, held 116,767.

CBS. Merle Jones bought 2,500 in April, held 2,612.

Motorola. Charles E. Green sold 500, held 2,020.

Paramount Pictures. Y. Frank Freeman bought 300, held 1,750.

RCA. E. W. Engstrom bought 4,000, held 10,301. R. W. Sarnoff bought 3,183, held 17,244.

Reeves Bcstg. & Development. H. L. Petersen bought 300, held 1,430.

Rollins Bcstg. J. W. Rollins bought 100, held 3,400.

Screen Gcms. William Dozier bought 200, held 1,300. Russel Karp bought 200, held 700.

Thompson Ramo Wooldridge. Ralph P. Johnson sold 100, held 11,630. Dean E. Wooldridge sold 500, held 38,643.

Trans-Lux. Jay Emanuel bought 1,000, held 17,000.

Trav-Ler Radio. Joe Friedman bought 2,000, held 299,511.

Warner Bros. Benj. Kalmenson sold 500 in April, sold 13,300 in May, held 66,200. Herman Starr sold 4,900, held 25,100. Jack L. Warner bought 4,500, held 1,129,560.

Zenith. Francis W. Crotty bought 630, held 3,165.

Distributor Notes: Olympic Radio & TV appoints Radio & TV Distributing (116 N. Hill St., South Bend, Ind.) distributor for Indiana & southern Michigan; J. E. McMurray Distributing Co. (212 Grandville Ave., S.W., Grand Rapids, Mich.) for western Michigan.

Electrical Examining Operation has been established in Patent Office, headed by career officer Norman Evans. Operation will have 6 groups: Information Storage & Retrieval (headed by Walter W. Burns Jr.); Information Transmission (Stephen W. Capelli); Electric Power (Max L. Levy); Electronic Component Systems & Devices (Bennett G. Miller); Electrical Elements (Eli J. Sax); Electrical Radiation & Instruments (Frederick M. Strader).

Four TV repair firms in Washington, D. C. area agreed to FTC consent order forbidding misrepresentation of used picture tubes or other products as new. Langley TV Inc., Belmont Electronics Inc., Belmont of Virginia Inc. & Belmont Radio & TV Service also agreed to disclose when tubes are rebuilt or contain used parts and to end claiming merchandise as guaranteed unless details of guarantee are clearly specified.

Industrial Electronic Hardware sales climbed to more than \$1.5 million in fiscal quarter ended June 30—up from \$1 million a year ago. Chmn. Bernard Offerman forecast sales of \$6.5-7 million in 1963 fiscal year, ending next March 31—compared with \$4.8 million in fiscal 1962.

Hong Kong transistor radio exports to U.S. are worrying Japanese, who plan to ask British to impose curbs. Kyodo news agency reports sets assembled in Hong Kong with cheap labor are underselling Japanese radios in U.S.

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	1962—year to May 31	\$8,673,152,000	—	\$1,332,774,000 ³	\$5.65	235,887,000
	1961—year to May 31	8,113,340,000	—	1,240,547,000	5.52	224,767,000
	1962—qtr. to May 31	2,242,430,000	—	346,857,000 ³	1.47	236,160,000
	1961—qtr. to May 31	2,083,511,000	—	316,170,000	1.37	231,346,000
Corning Glass	1962—24 wks. to June 17	118,904,523 ³	\$24,793,015	13,528,015 ³	1.98 ⁴	6,789,000
	1961—24 wks. to June 18	95,886,554	19,178,963	10,671,963	1.56 ⁴	6,775,955
Desilu Productions	1962—year to Apr. 30 ¹	14,000,000	—	600,000 ²	.60	1,155,940
	1961—year to Apr. 30	19,800,000	—	319,146	.28	1,155,940
Newark Electronics	1962—9 mo. to May 31	16,788,199	—	294,441	.36	—
	1961—9 mo. to May 31	9,727,068	—	189,177	.29	—
	1962—qtr. to May 31	6,091,761	—	109,408	.14	—
	1961—qtr. to May 31	3,035,546	—	56,565	.09	—
A. C. Nielsen	1962—9 mo. to May 31	29,575,945	—	2,124,529	1.24	1,710,000
	1961—9 mo. to May 31	26,561,467	—	1,860,179	1.09	1,710,000
Outlet Co. (WJAR-TV Providence)	1962—qtr. to Apr. 28	4,211,692	499,007	239,074	.48	491,700
	1961—qtr. to Apr. 28	4,194,314	412,206	200,386	.40	491,700
Stanley Warner	1962—39 wks. to May 26	101,422,850	3,992,588	2,267,588	1.11	2,033,924
	1961—39 wks. to May 26	99,796,652	6,160,477	3,285,477	1.62	2,026,374
	1962—13 wks. to May 26	34,051,600	1,217,603	707,603	.34	2,033,924
	1961—13 wks. to May 26	34,928,939	1,708,650	938,650	.46	2,026,374

Notes: ¹ Approximate. ² Includes about \$300,000 "extraordinary income" from sale of a TV show property. ³ Record. ⁴ After preferred

dividends.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avco	Q	\$0.17½	Aug. 20	July 27
A. C. Nielsen	Q	.15	Aug. 1	July 10
Outlet Co.	Q	.25	Aug. 1	July 20

Ling-Temco-Vought has registered with SEC a secondary offering of \$4,037,200 of outstanding 5½% subordinated convertible debentures due 1976. Debentures are being offered by Vice Chmn. James J. Ling, who, company said, expects to sell them "from time to time on the NYSE, or otherwise, at prices prevailing at the time of sale." He also plans to sell all or part of warrants expiring in 1966 to purchase an aggregate of 23,405 common shares at \$30 & \$40 a share.

20th Century-Fox's largest individual stockholder, Darryl Zanuck, has asked for special stockholders meeting within 30 days to change bylaws to permit increase in directors to 24 from 12. He also urged that no successor to resigned & retired Pres. Spyros Skouras be named prior to special meeting. Zanuck reportedly holds 110,000 of 20th Century-Fox's 2,545,845 outstanding shares of common stock.

Nation's 500 largest industrial firms increased sales in 1961 2.2% to record \$209.1 billion, but earnings continued at 1960's level—about \$11.6 billion, noted July *Fortune*. Annual analysis of U.S. corporations again rated General Motors sales leader, with \$11,395,917,000 volume. Ford was 3rd with \$6,709,392,000. GE placed 4th, with \$4,456,815,000. Only other electronics firm in top 10 was Western Electric, in 9th spot with \$2,607,310,000 sales volume.

General Instrument anticipates record sales of nearly \$100 million & "marked improvement" in profits in its 1963 fiscal year ending Feb. 28. GI, in fiscal 1962, earned \$1,043,965 on \$86.5-million sales. Chmn. M. H. Benedek noted that earnings in first fiscal quarter, ended May 31, will be under year-ago's \$663,000 (27¢ a share), but sales increased 4-5% from \$20.4 million in March-May 1961.

Wometco Enterprises earnings in 24 weeks to June 16 rose to more than 80¢ a share from 54¢ in year-earlier period. Pres. Mitchell Wolfson said sales rose to \$8,976,000 from \$6,410,000. He also said that Wometco is in the market for a 5th TV station "at a sensible price." He forecast total 1962 earnings of \$1.60 a share, up from \$1.22 in 1961.

Reports & comments available: RCA, comments, Pershing & Co., 120 Broadway, N. Y. 5 • Fairchild Camera & Instrument, discussion, L. H. Rothchild & Co., 52 Wall St., N. Y. 5 • Raytheon, report, Paine, Webber, Jackson & Curtis, 25 Broad St., N. Y. 4 • Collins Radio, comments, Cohen, Simonson & Co., 25 Broad St., N. Y. 4 • AT&T, Ford & GE, comments, Hirsch & Co., 25 Broad St., N. Y. 4.

Mergers & acquisitions: Harvey Radio has acquired for stock Federal Electronics, Binghamton, N. Y., and latter's affiliated corporation, Federal Fabricators. Federal distributes electronic components & specialty items.

Arvin Industries vp H. B. Foulke said stock market decline hasn't harmed Arvin sales, forecast 2nd-quarter gains of 10% for both sales & earnings over April-June 1961, which produced earnings of 42¢ a share on \$17.5-million sales.

New Kenya TV station will begin by Oct. 1, using Marconi equipment—studios Nairobi, transmitter Limuru.

WEEKLY **Television Digest**

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

TELSTAR—PERFORMANCE & PORTENT of AT&T-NASA TV success, including hiked U.S. prestige, boost for spacecom bill, stimulated foreign TV growth (p. 1).

CONGRESS CAUTIOUS ON SEC. 315 CHANGES, slow to accept industry arguments for complete repeal of political equal-time rules (p. 2).

STATION PROFITS SAGGED IN '61, according to annual NAB tabulation of broadcasters' finances. "Typical" TV earnings down 2.8% from 1960; radio also drops. Outlook for 1962 better (p. 3).

FCC SEEKS SMOOTH ALL-CHANNEL SWITCHOVER, issues statement designed to head off public fear of obsolescence and set-sales slowdown (p. 3).

Consumer Electronics

JUNE WAS GREAT MONTH for TV sales, preliminary estimates indicate—possibly setting record for June distributor-to-dealer sales.

Last week of month accounted for 1/3 of sales, indicating dealer acceptance of new lines (p. 7). Official May TV-radio-phonograph statistics (p. 11).

KIMCODE TUBE PRODUCTION may begin next month, using new process eliminating implosion shield. National Video understood ready to begin output; other tube manufacturers still surveying demand (p. 8).

AD BUDGETS INCREASED by many consumer electronics manufacturers, with network & spot TV getting bigger share this year (p. 9).

23-IN. TRANSISTORIZED SET FOR FOREIGN ETV to be tested by AID in 4-5 nations. Warwick to make 1,000 for \$400,000—largest such unit (p. 9).

TOPICS & TRENDS: IRE-AIEE merger approved by both groups' membership. Survey shows average hi-fi used 1 1/2 hours daily. Emerson announces table-model FM stereo radio (p. 10).

GE UP SHARPLY AT HALF: Posts record sales of \$2.3 billion as earnings jump 28% to \$120 million from year earlier; 2nd-quarter sales also at peak (p. 11).

TELSTAR—PERFORMANCE & PORTENT: Let's try to list & evaluate the satellite events:

- (1) AT&T's Telstar worked—magnificently,
- (2) U.S. was first, in a space accomplishment most of world will actually see—television. Powerful thrust to Western prestige.
- (3) AT&T risked much—and gained as much by success as it would have lost by failure.
- (4) Space communications law sought by virtually everyone but a few senators should be shoo-in—balloon of opposition pricked, theme of "govt.-industry cooperation" carrying the day.
- (5) Public will expect too much of system—hope for frequent & long telecasts.
- (6) "Gallic temperament" seems much as advertised—the excitable French just had to be first with East-West telecast, breaking agreement with European colleagues.
- (7) TV success overshadowed principal initial potential—enormous capacity for telephone & data transmission of all kinds.

(8) Growth of TV in underdeveloped countries gets powerful shot in arm—psychologic rather than economic or scientific, because such nations will neither need nor get much TV from space in foreseeable future.

(9) USIA's foreign TV program should get warmer Congressional understanding—from Item 8 above.

(10) NASA's Delta rocket is a sweet bird of space-TV's youth—slipping Telstar into near-perfect orbit.

It was truly a marvelous technical achievement. Massive AT&T stood there with its prestige on the line, essentially exposed to the world, no more certain than anyone else that first TV attempt would work. Kudos, justifiably, were sent by everyone, including President Kennedy who epitomized reaction: "Outstanding example of the way in which govt. & business can cooperate. . . . We must grasp the advantages presented to us by the communications satellite to use this medium wisely & effectively to insure greater understanding among the peoples of the world."

Through cooperation of TV networks, public could share the thrill. Press was captivated, many papers throwing weight behind legislation stressing govt.-industry space communications ownership-operation.

Striking aspect was technical quality of TV. First TV transmission July 10 was from Andover, Me. to satellite & back, tape showing fluttering U.S. flag with radome in background, accompanied by National Anthem. Resolution & contrast were down slightly from live transmissions. Next day, when France jumped gun and presented first East-to-West transmission of singer Yves Montand, et al., resolution & contrasts again were down—but British live offering shortly thereafter had almost local-live quality, amazing, considering what signal had been through. The originally-planned international exchange is still scheduled for July 23—British & other European participants still muttering such things as "Gallic oneupmanship" about French.

White House was stimulated into disclosing that FCC Chmn. Minow's asst. Tedson J. Meyers has long been working on proposal that govt. & industry start special program to foster foreign TV growth and international program exchanges. A "first" in that area is already under way, with announcement last week that State Dept.'s Agency for International Development has placed \$400,000 order for 1,000 transistorized 23-in. battery-powered sets to be tested in 4-5 countries around globe (see p. 9).

Country will settle down again to realization that regular international use of satellites for communications of any kind—phone, data, TV, radio, etc.—is years off. Nonetheless, luster of achievement remains. Seldom has a "first" in any major scientific field been so successful.

As put by FCC Comr. T. A. M. Craven—the veteran engineer whose career spans spark to space: "One of the most far-reaching advances we've witnessed in many years."

CONGRESS CAUTIOUS ON SEC. 315 CHANGES: Industry did thorough job of presenting case for repeal of political equal-time law in Senate Commerce Communications Subcommittee hearing last week—but senators seemed by no means impelled to move very far in industry's direction. Common prediction is that Congress won't do much beyond suspending Sec. 315 again for 1964 Presidential & Vice Presidential races.

Major witnesses lined up like this: For outright repeal of equal-time: Frank Stanton, CBS; Robert Sarnoff, NBC; Walter N. Thayer, Whitney Communications (Corinthian Stations); Lazar Emanuel, Golden Circle Stations; R. Peter Strauss, radio WMCA N.Y.; Gov. LeRoy Collins, NAB. For limited repeal or suspension: Leonard Goldenson, ABC; Walter N. Thayer, President's Commission on Campaign Costs; Sens. Williams (D-N.J.), Javits (R-N.Y.), Clark (D-Pa.). No definite stand: Chmn. Minow, FCC. For complete retention of equal-time: Clarence Mitchell, NAACP.

Administration favors S. J. Res. 193, introduced by Pastore, which would suspend Sec. 315 only for the 1964 Presidential & Vice Presidential races. FCC endorsed no particular measure, but Chmn. Minow urged caution. He pointed out that passage of any of proposed bills would replace present specific "equal opportunities" provision of Sec. 315 with more vague "fairness doctrine." Although doctrine has worked satisfactorily, Minow noted, volume of complaints which could be anticipated might be beyond Commission's ability to handle.

Capsules of other major testimony: Stanton, CBS: Equal-time requirement should be repealed totally, because they constitute unnecessary & potentially dangerous abridgement of broadcasters' freedom. Sarnoff, NBC: Also for outright repeal but not for elimination of provision forbidding broadcasters from censoring poli-

tical candidates. Goldenson, ABC: Suspend equal-time only for 1964 Presidential & Vice Presidential campaigns, retain for all other elections. Collins, NAB: Equal-time restrictions are "unnecessary and unwarranted." Complete repeal would allow broadcasters to do better job. Emanuel, Golden Circle: Complete elimination; "there is no justification for piecemeal inroads upon Sec. 315." Thayer, Corinthian: Outright repeal is "most desirable solution to the problem," however, as member of President's Commission on Campaign Costs, he urged "as minimum step" suspension for 1964 Presidential & Vice Presidential campaigns.

Clarence Mitchell, NAACP, asked that equal-time requirements be left unchanged. He said Negroes soon may be candidates for senator & governor in southern states, must be protected against censorship. In Miss. last Spring, he noted, 2 stations sold time to Negro candidates only after intervention from Washington.

In booklet issued last week by Center for the Study of Democratic Institutions, Santa Barbara, Cal., new approach to Presidential TV debates was advocated. Among recommendations: (1) TV networks be required to give time for at least 3, and as many as 5, joint appearances by Presidential candidates from both major parties. (2) First 2 or 3 debates should be restricted to "one or 2 overriding issues," and Vice Presidential candidates should appear on one session.

STATION PROFITS SAGGED IN '61: TV-radio stations' profit margins skidded in 1961, NAB reports in annual summary of statistics collected from all classes of broadcasters. However, station operators report 1962 upturn. For 1962, TV stations estimate 6.7% increase in revenues, based on first 4 months operations. Radio stations anticipate rise of 3.5%.

"Typical" TV station had revenue of \$941,400, up 4.1% from 1960, but profits-before-taxes were down to 12.6% from 1960's 15.4%. "Typical" radio station's revenue was about \$106,200, with before-tax earnings of 4.8%, compared with 1960's 7.6%.

Decline in TV operator's earnings was due to fact that revenues increased only 4.1%, while expenses rose 7.5%. NAB personnel & economics dept. mgr. James H. Hulbert pointed out that only stations in largest markets showed profit increases; all others were down.

"Typical" radio station's expenses fell .7% during year, but revenues were down 3.6%. Only smaller stations in largest cities didn't report drop in profits, Hulbert noted.

As in 1960, biggest share of TV station's revenue—44.8%—came from national & regional advertisers, while networks provided 27.7%, local advertisers 27.5%. Before-tax profit of \$118,600 was figured after \$822,800 expenses, pro-rated as follows: programs, 35.6%; general & administrative, 35.1%; technical, 16.4%; promotion & selling, exclusive of agency & rep commissions, 12.9%.

Radio station revenues came almost entirely from non-network advertising, 85.3% local, 14.7% regional & national. Before-tax profit of \$5,100 remained after expenses totaling \$101,000, which went for: general & administrative, 39.9%; programs, 33.0%; promotion & selling, exclusive of agency & rep commissions, 17.1%; technical, 10%.

TV figures were based on 52.7% sample of 512 stations operating for full year, including non-NAB members. Radio returns were based on 31.4% sample of 3,458 AMs, also including non-NAB members.

FCC SEEKS SMOOTH ALL-CHANNEL SWITCHOVER: FCC is genuinely trying to avoid rocking TV-set-market boat pending switchover to all-channel receiver manufacture, now that President has signed law.

Commission promptly issued public notice stating, in part: "The Commission points out that transmission standards for TV stations are not changed by this legislation, and that the new law has no effect on vhf receivers now in production or use. Furthermore, these vhf sets can be used in homes and elsewhere as long as they are workable to receive programs from vhf stations. When present vhf sets are no longer serviceable, all-channel receivers conforming with the requirements to be adopted will be on the market to replace them."

That's music to ears of L. M. Sandwick, EIA's consumer products staff expert, a shrewd merchandising veteran. Said he: "I'm certainly gratified to hear that."

(It might be useful for you to have full text of FCC's one-page statement, to answer queries. We'll get you copy—or you can ask FCC for July 11 Mimeo No. 22645.)

CURRENT CAPSULES

Ancient & convoluted NBC-RKO Philadelphia-Boston station swap, Ford-Philco's opposition to it, and Philco's efforts to wrest Philadelphia Ch. 3 (WRCV-TV) from NBC, are due for FCC consideration again this week. Sooner or later, Commission will set whole affair for hearing. Question is—how far will hearing explore? Good possibility is that testimony will go into most of charges in marathon proceeding—NBC-RCA & Ford anti-trust background, NBC & Philco plans for Ch. 3, RKO plans. Justice Dept. & Westinghouse are likely to be made parties.



Kaiser Industries is placing bets on uhf, applying last week for Ch. 52, Los Angeles (Corona) & Ch. 44, San Francisco, saying it will seek more in major markets. Applications are the first for each channel. Bcstg. Div. Mgr. Richard C. Block said new all-channel law "will help to bring the TV medium to full maturity." Kaiser plans \$1,285,394 L.A. plant on Mt. Wilson, using 1,014 kw ERP; in S.F., \$1,200,799 is budgeted for 401-kw facility. Program plans include special coverage of cities' conventions. Year's operating & revenue estimates are same for each, \$550,000 & \$500,000, respectively.



Part of CONELRAD was killed officially last week when FCC announced elimination of rules, effective immediately, which had controlled station operation for purpose of denying navigational aids to enemy. Said FCC: "Changing technological characteristics and capabilities of modern weapons made it possible to eliminate this particular phase of the CONELRAD system but to retain, and redefine, its other still useful and necessary functions, to the inclusion of the development and implementation of emergency communications systems for military and civil defense needs."



Public inspection of network affiliation contracts is proposed by FCC, as we revealed in Vol. 2:28 pl. Industry comments are due Aug. 20, replies Sept. 4. Full text of proposal isn't yet available but Commission said: "The proposal relates to network affiliation contracts and related agreements and understandings filed in that connection, but not to transcription contracts or individual broadcast station financial reports."



Tightened multiple-ownership overlap rules are proposed by FCC, industry comments due Aug. 20, replies Sept. 4. No divestment would be required of existing departures from proposal—but licensee seeking to sell stations with forbidden overlap would have to sell to separate buyers. For TV, Grade A overlap would be prohibited (and maximum facilities are presumed); for AM & FM, 1 mv/m overlap would be the limit. Class IV AMs seeking to increase power to 1 kw would be exempt, as would be educational TVs & FMs. Comrs. Hyde & Lee dissented.



"Unconstitutional" is label TelePrompTer put on Salinas, Cal. city ordinance affecting CATV—and pulled out of competition for franchise. TPT Pres. Irving Kahn wrote City Manager Thomas G. Dunne that federal govt. occupies field and that he didn't want to be an applicant "at the price of total surrender and submission to an unconstitutional attempt at regulation of the CATV industry." He predicted challenge of ordinance in courts.



KTVR and associated Denver pay-TV proponents, defending application to FCC for test of Teleglobe system, told Commission it would be "wasteful & time-consuming" to conduct hearing first, as demanded by theater owners (Vol. 2:25 p5). Pro-toll group insisted that all matters raised by theaters are dilatory devices, that opposition is like "Canute bidding the tides to desist from their natural course." Odds remain in favor of FCC grant of test without hearing.



Favoritism to Congressmen in awarding TV or radio station licenses would be barred by S-3497 introduced by Sen. Proxmire (D-Wis.). Charging that the FCC has in past "justified the award of a lucrative TV channel" partly on grounds that stockholders in station were members of Congress, he said this could turn into a "form of payola." He said 6 of the 7 present FCC members were on Commission when favoritism to Congressmen started, added "there has been no indication from them that this policy has been disavowed."

Personals

Joseph N. Curl promoted from CBS-TV daytime sales mgr. to daytime sales vp; Robert F. Jamieson ex-asst. business mgr. & dir. of station clearances, named to new post of station sales mgr.

Michael Burke advances to CBS development vp. . . . Roger Micheln, ex-WFRV Green Bay, Wis. sales mgr., appointed KWWL-TV Waterloo-Cedar Rapids, gen. mgr.

Carl Tillmanns promoted to CBS-TV eastern sales vp, Sam K. Maxwell Jr. to network sales dept. coordinator, both new posts. . . . Robert E. Lang promoted to ABC News operations & sales vp.

Howard H. Bell moves from NAB industry affairs vp to planning & development vp and asst. to Pres. Collins. He continues former duties, adds some of jobs formerly handled by ex-asst. to pres. John Perry, now a consultant. . . . Rodric M. Smith promoted to Westinghouse Bcstg. systems & procedures dir. . . .

Edward W. Wood Jr., ex-CBS Housewives Protective League gen. mgr., named Cellomatic Industrial Productions (Screen Gems) national sales mgr. . . . Phil Dean, head of own N.Y. PR firm, takes post as Bcstrs. Promotion Assn. publicity chmn.

Daniel Melnick named nighttime programming vp of ABC-TV programming dept. . . . Giraud Chester remains daytime programming vp. . . . William C. Duffy, ex-Bailey & Smart CPA firm, Chicago, named Capital Cities Bcstg. controller. . . . Thomas E. Wood promoted to mgr. of new H-R TV Philadelphia office. . . .

William J. Hendricks, ex-ABC-TV national sales Detroit office mgr., rejoins WXYZ-TV there as gen. sales mgr. . . . Ken Quaife, ex-radio WOW Omaha, promoted to WOW-TV sales mgr., succeeding Fred Ebener, resigned. . . . W. C. Blanchette promoted to KFBB-TV & KFBB Great Falls, Mont. gen. mgr. . . . James L. Hodge Jr. promoted to WLAC-TV Nashville local sales mgr.

Donald H. McGannon, Westinghouse Bcstg. pres., named to N.Y. Law School Board of Trustees. . . . H. I. Bucher, ex-ABC gen. atty. & asst. gen. counsel, named Independent TV Corp. legal & business affairs vp. . . . Charles T. Michaelian, ex-American Export Lines controller, named to similar post with Adam Young Companies.

Jack Hale promoted to WCPO-TV-AM-FM Cincinnati sales mgr. . . . Pat Polillo named WJZ-TV Baltimore news editor.

Jim Frost, ex-WBZ-TV Boston asst. promotion mgr., named WJZ-TV Baltimore advertising & sales promotion mgr. . . . Jack Medina promoted to KXTV Sacramento local sales mgr., a new post. . . . Mike Casey, ex-20th Century-Fox TV publicist, named KTLA Los Angeles publicity dir., succeeding Bob Reagan, resigned.

Roy H. Holmes, ex-Quality Music Stations gen. mgr., named QXR Network national sales mgr. & FM Spot Sales national sales mgr., N. Y. . . . Morton J. Wagner leaves own San Francisco broadcast counseling firm to become Peter Frank Organization program service divs. exec. vp & managing dir., Los Angeles.

Ralph Petti, radio KOOK Billings, Mont. gen. mgr., named gen. mgr. of parent Garryowen Bcstg. radio div. . . . Jack Gilbert, KHOL-TV Kearney, Neb. station mgr., resigns to assume operation & management of own radio KEYR Scottsbluff, Neb.

Control of KENS-TV (Ch. 5) San Antonio shifts for \$6,256,000 after FCC approval last week. Ownership in licensee Express Pub. Co. increases from 36.83% to 99.2% for Caller-Times Pub. Co., Reporter Pub. Co. Affiliated Newspapers Inc. and San Angelo Standard Inc. Stock was acquired from Frank G. Huntress Jr., Frank G. Huntress III, Katherine H. Minter, W. A. Drice and estate of George W. Brackenridge. Huntress Jr. will be employed as chmn. at \$65,000 annually for 5 years, as consultant 5 more at \$12,000 a year. Texas Star Bcstg. (Roy Hofheinz) acquires radio KENS for \$700,000, is required to dispose of stock in radio KRYS Corpus Christi.

Full ownership of WTAE (Ch. 4) Pittsburgh has been acquired by Hearst Corp., which bought 50% interest of group headed by Earl F. Reed & Irwin D. Wolf, Jr. for \$10.6 million. Of Reed-Wolf group share, 45% is owned by Bruce McConnell & Frank McKinney, former owners of WISH-TV-AM-FM Indianapolis. Hearst also owns WBAL-TV-AM-FM Baltimore & WISN-TV-AM-FM Milwaukee.

Silence about FCC vacancy persists—still no indication from White House what will be done about position opened by expiration of Comr. Cross' term June 30 (though he continues to serve until he or someone else is named). Length of silence started speculation that Broadcast Bureau Chief Kenneth Cox won't get job, either, though popular assumption had been that he was all lined up. As for Comr. Craven, who reaches retirement age of 70 in Jan., he's expected to serve until legal expiration of his term June 30, 1963—then leave for private position.

NAB Pres. Collins' name rose again in speculation about successor to departing HEW Secy. Ribicoff, who'll run for Conn. senator. But Collins said he has received no word from White House, isn't candidate for the job, is "completely involved" with presnet "interesting & challenging" work. Anything else, he said, "is speculation."

AFL-CIO charges against radio WBRC Birmingham (Vol. 2:28 p5) were denied by Mayor Arthur J. Hanes and Taft Bcstg. exec. vp Lawrence H. Rogers II. Hanes denied he pressured station to drop Edward P. Morgan broadcasts. Rogers said all ABC news shows were dropped at same time as Morgan's, noted WBRC isn't ABC affiliate, has no contract with network to keep programs.

Faulk \$3.5 million libel award (Vol. 2:27 p6) was upheld by N.Y. State Supreme Court Justice Abraham N. Geller. He rejected defense plea that amount was excessive, said jury apparently intended award, even if not collectible, to stand as warning against similar conduct in future. Defense attorneys will appeal.

Record magazine ad revenues of \$439,300,000, up 7%, were reported for 1962 first half by Publishers Information Bureau. MPA Pres. John K. Herbert said gains reflect "growing confidence" of advertisers in magazines but wouldn't offset continuing increases in costs.

Ten ABC-TV \$2,000 grants for research into effects of network's *Discovery '62* program on children have been awarded to graduate students around the country. Recipients were selected by committee of 3 U. of Wis. professors.

Deceptive picture tube claims of Olson Radio Corp., Akron, have been ordered ended by FTC. Firm must stop advertising rebuilt picture tubes as new, failing to disclose origin of imported merchandise and failing to reveal true nature of tubes.

Misleading TV advertising practices should be eliminated by making TV program & network time contracts open to public, Martin Mayer contends in July 21 *TV Guide*. Mayer, author of *Madison Avenue, U.S.A.*, says: "At present, it appears that TV may kill the magazines, not because it is necessarily superior as an entertainment or advertising medium, but because it operates under more lenient rules. . . . By requiring that all contracts for the purchase of programs and network time be made a matter of public record, the FCC might greatly reduce the negative impact of TV upon at least one of the other media."

TV no longer is "great panacea" of Madison Ave., according to new Curtis Publishing (*Sat Eve Post*, etc.) chief Matthew J. Culligan. Interviewed by *N.Y. Times* advertising columnist Peter Bart, the former NBC Radio exec. vp and Interpublic dir. said TV will continue to appeal to advertisers who want mass non-selective audiences. But magazines will become increasingly attractive to advertisers seeking specific audiences, Culligan opined. "The magazine business is suffering from a temporary sickness," the new \$130,000-a-year Curtis boss asserted, "and I think the sickness is just about over."

British TV tobacco advertising will be sharply restricted. New code put into effect by Independent TV Authority rejects cigarette advertising: (1) Stressing pleasures of cigarettes. (2) Using prominent people. (3) Using fashionable or romantic settings. Code is designed to prevent tobacco commercials from making special appeal to youth.

End to duplication of CATV systems in Salisbury, Md. came with purchase of *Baltimore Sun's* system by competitor Martin Malarkey, chmn. of General TV Inc., owner of Malarkey's Delmarva Community Antenna Corp. The 2 systems serve 6,000 subscribers. Daniels & Assoc. negotiated sale, price undisclosed.

Five special telecasts on state of U.S. economy will be presented by CBS-TV on 5 consecutive evenings in prime time Aug. 20-24. Entitled "Where Do We Go From Here?", series marks first time a TV network has scheduled 5 half-hours on succeeding nights for examination of a major problem.

New 305-mile microwave system built by RCA to carry signals of KTVK Phoenix to KOAT-TV Albuquerque is described by RCA as "most comprehensive system of its kind ever used by an individual broadcaster."

New Gadsden, Ala., CATV system, Alabama Cablevision Co., has begun providing 5 channels to city. Pres. is Walter L. Hotz, who heads parent General Radionics Corp., Stamford, Conn.

Contribution of 50¢ per pupil will be sought from schools using WNDT N.Y. school service, when telecasts start this fall. Practice is common among ETV stations.

NCTA management institute will be held Aug. 26-29 at U. of Wis., Madison, featuring speakers from business, sales promotion, financial & PR fields.

New ETV Ch. 42 CP, Mobile, has been granted to Ala. Educational TV Commission, which now operates 3 ETV stations.

Drop-in of Ch. 10, Midland, Tex., at request of KDCD-TV (Ch. 18), is proposed by FCC which would reserve Ch. 18 for ETV.

WLOX-TV (Ch. 13) Biloxi, Miss., plans Sept. 10 start, according to gen. mgr. Ray Butterfield.

Radio "overpopulation" conference planning units were named by NAB Pres. Collins last week: Engineering subcommittee: Carl E. Lee, Fetzer Bcstg., Kalamazoo, chmn.; Joseph S. Field Jr., WIRK W. Palm Beach, Fla.; Ray Johnson, KMED Medford, Ore.; Myron Jones, WJET Erie, Pa.; William S. Duttera, NBC, N.Y.; Jules Cohen & Julius Cohen, Assn. of Federal Communications Consulting Engineers, Washington. Non-engineering subcommittee: Merrill Lindsay, WSOY Decatur, Ill., chmn.; Richard E. Adams, WKOX Framingham, Mass.; John F. Box Jr., Balaban stations, St. Louis; Harper Carraine, CBS Radio N.Y.; Robert F. Hurleigh, MBS; John F. Patt, WJR Detroit; Robert R. Pauley, ABC; Lawrence Webb, SRA.

TV deserves "pat on the back" for entertaining people who don't read newspapers, says a newspaper executive. J. Warren McClure, Newspaper Advertising Executives Assn. pres. & *Burlington (Vt.) Free Press* publisher, told NAEA meeting in Montreal that 86% of U.S. households read one or more daily papers. He said remainder—mostly unemployed, part-time employed, unskilled workers or retired—are kept entertained by TV. Rest of the population, he added, is driven by TV to purchase newspapers to get full story on "the bits and pieces of TV news frequently boringly repeated over and over again. . . ."

Purchase of radio WINS N.Y. by Westinghouse for \$10 million has been approved by FCC, WBC to take WBZA Springfield, Mass. off air when transfer takes place, to keep within 7-station ceiling.

Reply comments on vhf drop-ins for 8 cities must still be filed by July 23, FCC ruled, denying petition of AFCCE for one-month extension.

Radio circuits were disrupted by July 9 high-altitude nuclear test over Johnston Island. Transmissions from Washington state, Japan, Honolulu and other Pacific areas were reported blacked out for up to 20 minutes. However, Japanese officials reported no teletype interference.

"Hit the Road, Jack," was final song broadcast by American-operated "Radio Nord," forced out of business by the Swedish govt. Station had broadcast from ship anchored just outside country's territorial waters, had been thorn in side of govt.'s radio monopoly.

World-wide newsfilm syndicate has been formed by NBC and British Commonwealth International Newsfilm Agency. NBC News will establish international newsfilm unit in N.Y. to work with BCINA, will broaden North & South American coverage.

New Sao Paulo, Brazil TV station will be equipped by Marconi, installed by Maxwell Electronica Commercial e Industrial S.A. Completion is scheduled for April 1963. Marconi will also supply & erect uhf antenna atop existing structure on Crystal Palace, London, for use in early 1963.

South Africa won't have TV for at least 18 months, may never have it. Post & Telegraph Minister Albert Hertzog told Parliament one reason is that TV advertising usually drives up prices of articles.

Greek microwave TV & phone network will be built by Standard Telephones & Cables Ltd., for Hellenic Telecommunications Organization S.A. of Athens. System will cover 500 miles, cost over \$2.8 million.

USIA TV seeks \$3,782,600 for fiscal 1963, compared with last year's \$2,042,900, just-released record of House Appropriations Subcommittee reveals. Agency requested \$23,055,800 for radio, increase of \$2,850,000 over last year.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

JUNE WAS GREAT MONTH FOR TV: June busted out all over—and may have busted some records—to supply bang-up finish for good first half-year in TV sales.

Preliminary reports indicate dealers bought about 485,000 TV sets from distributors in June—almost certainly a record in distributor TV sales for any June. Interestingly, June sales this year were higher than January's—and they were about 5% better than June 1961's record distributor sales of 462,000.

Along with rise in sales volumes in June—more than 50% above May's 311,000 sets—came decline in inventories for first time in many months. First half of year ended with total TV sales by distributors estimated at about 2,728,500, up some 10% from 2,491,600 reported in same 1961 period. Distributors' sales thus are running at better than 6.3-million rate (vs. 5.77 million for all of 1961). During first half 1962, 3,300,720 TV sets were produced, up from 2,801,136 in same 1961 period.

Most encouraging of all about June was fact that it ended with one really phenomenal week. Week ended June 29 saw distributor sales of 154,500 sets, or nearly one-third of month's total. This seems to be excellent sign for July and represents good response by distributors to manufacturers' new lines. Could it be over-enthusiasm by distributors or over-salesmanship by manufacturers at new-line showings? We think not. Distributors these days are quite inventory-conscious, and public definitely seems to be in buying mood.

Commerce Dept. reported last week that June retail sales of durable goods stores were 6% ahead of last year, although there was slight dip in trade pace from May to June.

Sales reports from individual manufacturing leaders were even more glowing than industry-wide estimates for June and first half. Here are some examples:

RCA reported best first-half home instrument sales in its history, running 54% ahead of 1961, with color TV sales up 139%, b&w up 33%, radio up 73%, phonos up 76%. RCA also said June set new record for month, with total home instrument sales volume 31% above June 1961.

Zenith, too, reported record half. In distributor unit sales to retailers, it claimed all-time first-half record sales of b&w TV, radios and stereo consoles, with color TV sales "exceeding all expectations." Zenith called its share of industry in b&w TV "greatest ever."

Motorola distributors' TV sales to dealers established 10-year record for June—more than 100% over June 1961—according to Motorola Consumer Products Pres. Edward R. Taylor, who said it was company's "best June in history from percentage-of-industry standpoint." For first half, company claimed 75.5% increase in unit TV sales. Stereo & radio sales also showed June-to-June gain. Added Taylor: "Their sizeable orders indicate [dealers'] estimation of consumer requirements for the period immediately ahead. To us, this is a very strong indication of the strength of our economy. If the consumer continues to display this kind of purchasing power, there is no question this can be one of the record years for our industry."

In phono field, Symphonic Electronic reported first-half shipments 26% ahead of last year's same period. Pres. Max Zimmer said company had 2nd biggest first half in its history and back-order position is biggest in history, contributing to "extremely optimistic forecasts" for full-year volume.

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Word of June's good business came on heels of EIA's release of official TV-radio-phono sales & production statistics for May. As anticipated (Vol. 2:25 p9), they showed distributor TV sales for month down about 11% from May 1961's strong sales.

Further analysis of figures show TV distributor sales for first 5 months were about 11% ahead of 1961's same period despite May's lag vis-à-vis May 1961. Distributor sales of radios managed to stay about 5% above May 1961's mark, making radio's cumulative 5-month score about 11% ahead of record 1961. Distributor sales of phonos in May again lagged 1961—by about 11%—and 5-month phono sales were 10% behind last year.

Production figures showed 3 specialized product categories running markedly ahead of 1961's first 5 months. Apace with increased car sales and auto industry's success in selling up from "stripped-down" to "luxury" compacts, car radio production was 41% ahead of last year. There's no doubt FM is headed for all-time record year, and FM table models showed a gain of 37% over 1961. And factory production of all-channel uhf sets was up 100% from last year.

Our tables of 5-month TV-radio-phono production & sales, with comparable 1961 data, are on p. 11.

KIMCODE READY—PRODUCTION NEXT MONTH: Entire picture tube industry is evaluating Kimble Glass Co's Kimcode process for eliminating safety shield in front of picture tube, as result of Underwriters' Labs recent listing of the technique (Vol. 2:26 p9).

Whether tube makers go ahead with it depends on whether their set-making customers want it, of course. But we do know that one tube manufacturer is planning to begin production some time next month. This manufacturer is understood to be National Video, which has displayed interest in process from start.

There's good chance others will come along. Sylvania, which hasn't yet decided, sees "no overwhelming panic to go to it," but concedes that some set manufacturers are quite interested. Sylvania says that if it should produce Kimcode-type tubes, deliveries could be made in October or earlier.

RCA is looking into Kimcode, according to Electron Tube Div. spokesman who pointed out that "the process, having recently received UL approval, requires our evaluation and exploration of specific customer interest." RCA spokesman said company hasn't sampled set-making customers with Kimcode tubes as yet. Future action, he said, "will depend on the results of our evaluation and economic factors." Can Kimcode principle be applied to color tubes? "We're not certain" said RCA "but it appears probable that the design principle could apply." However, RCA hasn't seen color tubes using Kimcode principle and is reserving judgment.

In final analysis, cost is going to be important factor. Exact costs can't be worked out without production experience, of course, but there's fairly solid agreement that Kimcode tube would cost less than bonded tube, more than non-bonded type. However, for set maker, Kimcode could be cheaper than either type, since it eliminates need for external safety glass & associated hardware. Estimates seem to indicate that Kimcode tube will cost set makers about \$2 more than regular non-bonded tube in 23-in. size, which would make it about 25¢ cheaper than bonded.

Even though Kimcode principle has received UL listing, it's expected that UL will make closer checks than usual when it tests tubes of each size by each tube maker. One of factors that makes Kimcode bulb implosion-proof is metal banding which keeps tube under 2,000-lb. tension. A critical area in production is proper tightening of these tension bands.

Some raised eyebrows were caused in trade, incidentally, by story about Kimcode in July 7 Business Week, accompanied by photo showing set with imploded picture tube alongside similar set with non-imploded Kimcode-type tube. Story indicated that both tubes were struck with force "equivalent, say, to a severe jolt from a couple of rough-housing youngsters." Kimble, however, reports that implosions in BW photos were caused by thermal strain (equivalent of repeated heating & cooling of tube) and not by blow. Kimble officials say they have no intention of starting implosion-scare campaign.

How will Corning meet threat of Kimcode, if it becomes popular? Best guess is that Corning would produce bulbs for same process, if there were enough demand. Although Kimble claims complete patent protection on Kimcode process, there seems to be nothing specially patentable in bulb itself. It's similar to regulation "heavy"-type bulb with different faceplate, tinted to compensate for lack of external glass.

Not that Corning's ardor for bonded tube has cooled off. Bonded tube has swept 23-in. market; more than 80% of 23-in. sets sold now have Corning-type bonded tubes. All major set makers except GE, Magnavox & Westinghouse use them in at least part of their 23-in. lines. Even 19-in. bonded tube has gained a powerful adherent. RCA is now using it; until this year, Sylvania stood alone in this field.

MANUFACTURERS INCREASING AD BUDGETS: It looks like good year for consumer electronics— but an extremely competitive one. TV-radio-phono manufacturers are taking cognizance of this fact of life by stepping up ad plans.

Increasing number of manufacturers intend to use TV medium, either network or spot, as indicated in roundup of representative companies in July 9 Advertising Age. Here are highlights of plans, many previously reported in these pages:

Emerson is planning biggest ad step-up in industry, announced last week its national ad & sales promotion campaign for next 12 months is budgeted at more than \$3 million, compared with its traditional ad spending of about \$500,000 a year. More than \$1 million is slated for factory-placed advertising in top magazines and more than 200 newspapers. Emerson is also considering one-quarter sponsorship of N.Y. Giants football telecasts, according to *Ad Age*.

Philco is increasing late summer & fall advertising 75% over last year, with 400% increase in its TV sponsorship budget, 250% hike in newspaper spending. Olympic is boosting 2nd-half budget 25% over last year. GE will step up print advertising, continuing also on CBS-TV with *True Theater* replacing *GE Theater*. Zenith will use NBC-TV for two 90-min. colorcasts of *World Series of Golf*. Motorola is stepping up ad budget, with particular emphasis on magazines. Magnavox "will run the heaviest ad effort in its history, primarily in magazines," will also use FM stations in selected markets. Packard Bell's budget will be raised about 40% over last year's \$1 million, concentrated mainly in newspapers. RCA's budget, which includes NBC-TV Disney show, will be hiked 40% over last year this fall.

More companies will be plugging color sets this year—in contrast to almost solitary efforts of RCA & Zenith last year. Among additional companies which have announced ad efforts on color TV sales are Admiral, GE, Magnavox & Packard Bell.

23-IN. TRANSISTORIZED SET FOR FOREIGN ETV: Intriguing contract has been captured by big private label (Sears-controlled) set maker Warwick Mfg. Co.—\$400,000 for 1,000 23-in. transistorized battery-operated sets.

Customer: State Dept.'s Agency for International Development. Purpose: Testing ETV for mass education through community viewing in newly-developing nations.

Dr. Edward Fei, AID's acting dir. of research, evaluation & planning, told us project is part of large program exploring use of telecommunications for education. Contracts for program development will also be let, he said, along with bids for rest of ETV hardware—solar & windmill power, etc.

It's up to AID-aided countries to decide for themselves, he said, whether they want to use ETV, build schools, or whatever, but AID needs to explore feasibility of TV use for communities beyond power lines. He said 4-5 countries, scattered around globe, are target. He said they couldn't be identified yet because negotiations are still under way.

Delivery is scheduled within 14 months. Set will be largest transistorized unit made in quantity (Motorola has 19-in.), takes 32 watts with 12-volt auto battery. Warwick Pres. Lawrence G. Haggerty tells us he's particularly pleased to get contract because he's impressed with objectives, "proud to be associated with it. . . . a threshold step in new fields." Set also runs on AC. Warwick has no plans for introducing it to U.S. market.

TV-RADIO PRODUCTION: EIA statistics for week ended July 6 (27th week of 1962):

	June 30-July 6	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	82,441	136,463	78,142	3,383,161	2,880,694
Total radio	270,323	361,895	181,889	9,523,613	7,726,699
auto radio	110,678	136,649	65,286	3,392,484	2,445,906



Average hi-fi set is used 1½ hours a day. So says phono needle manufacturer Jensen Industries, on basis of survey conducted through its coast-to-coast dealers. Jensen established number of hi-fi's in use at 29 million, and found that listeners in San Francisco & New York give sets heaviest use.

TOPICS & TRENDS

Institute of Electrical & Electronic Engineers will be born about Jan. 1, 1963 with 160,000 members in 80 countries. IRE members approved merger with AIEE by 7-1 margin, about same ratio as previous yes vote by AIEE members, IRE Pres. Patrick E. Haggerty announced last week. Fourteen-member committee, 7 from each organization, will now proceed with plans to implement merger.

FM-stereo table radio was introduced last week by Emerson, with \$149.95 list. Twin cabinets of walnut hardwoods house 2-piece unit, which also has AM radio, phono jack. Set has two 8-in. oval woofers, two 3½-in. speakers; the 2 pieces are connected by 10-ft. cable.

Dominion Electrohome's line of 15 TV sets, all 23-in., starts at \$199.50 for console, ranging to combo at \$899.50. Stereo console line, also 15 sets, lists at \$329.50 to \$1,495.

Trade Personals

James A. Schulke, ex-Paramount TV Productions, joins Magnavox as dir. of adv. & sales promotion, succeeding Jules Beuret, who leaves at end of July to take post with another company, as yet unannounced.

James J. Cunnane appointed Warwick Mfg. TV products sales mgr. . . . Thomas F. Whitten named mfg. operations mgr. for RCA's Victrola phonographs, radiophones, components, succeeding Jack A. Scarlett, named operations mgr. of data-processing facility at Palm Beach, Fla.

John L. Utz, ex-Philco, recently appointed assistant to Emerson Radio Pres. Benjamin Abrams (Vol. 2:27 p11), also named a vp.

William L. Strong, Packard Bell financial vp, named a dir. . . . Joseph T. West elected a Western Electric vp.

Raymond E. Long Jr., ex-Magnavox & Philco, appointed Sylvania Home Electronics national accounts mgr., headquartering in Batavia, N.Y. . . . Walter J. Kohler elected pres. of Admiral's Mexican subsidiary, Admiral de Mexico, Mexico City.

Albert L. Dolnick named Sylvania Tube Div. product mgr. for receiving tubes & new products. . . . Maurice M. Leifer appointed Motorola national dir. of dealer development, succeeding Harry Chrabot, named regional development mgr.

Ovid Riso, Philco International ad & sales promotion mgr., re-elected pres. of International Advertising Assn. of Philadelphia.

Donald E. Winters named Sylvania Home Electronics national service mgr., succeeding Thomas R. Shepherd, transferred to Electronic Systems Div. . . . Roland W. Coates named Sylvania Semiconductor Div. personnel mgr., succeeding M. R. Weaver, resigned. . . . Joseph P. Tummaro named mfg. vp, Standard Kollsman Industries.

Dr. Leonard S. Sheingold, Sylvania Electronic Systems research vp, has received exceptional civilian service citation from Air Force Secy. Zuckert after completing 12-month assignment as Air Force chief scientist.

F. D. Kelly appointed Westinghouse vp & regional dir. for Japan, succeeding G. E. Strauser, who is transferring to new managerial post in U.S. . . . W. T. Mabee appointed Philco Traffic dir.

Milton Jerrold Shapp, Jerrold Corp. chmn., "also composes music and has written the score & lyrics for a musical comedy which is a satire on business," noted July 8 *Philadelphia Bulletin* in a Sunday Magazine profile. Comedy, co-written with Mrs. Shapp, is titled "A Man of Action." Profile noted also that busy executive Shapp is co-authoring with economist Dr. Ernest Jurkat a book entitled "No Need for Recession," is serving as consultant to directors of U.S. Peace Corps, "teaches a course in problem analysis & decision-making at St. Joseph's College for a salary of \$1 a week," has just been named chmn. of Committee for Constitutional Revision of Pennsylvania, and recently was appointed to the Governor's Committee of 100 for Better Education. *Bulletin* also pointed out that Shapp "personally suggested" Peace Corps idea to Kennedy administration, "in 1960, just 2 weeks before the Presidential election."

Melvin A. Raney elected Lionel Corp. pres. & chief exec. officer, succeeding Maj. Gen. John B. Medaris (U.S. A., ret.) who becomes vice chmn. . . . Norton C. Sather named American Bosch Arma operations vp. . . . Eugene J. Tanner elected Ling-Temco-Vought controller.

Obituary

Owen D. Young, 87, retired GE chmn. & organizer and onetime chmn. of RCA, died July 11 at his winter home in St. Augustine, Fla. after an illness of several months. He joined GE in 1913, was named a vp shortly after, became chairman in 1922—a post he held until retiring in 1939. He resumed position for 3 years (1942-44) during World War II. In 1919, while GE vp, he formed RCA—at request of President Wilson—and became its first chairman. He continued in that post until 1930 when he became chmn. of RCA's executive committee. Three years later he severed all connections with RCA to comply with consent decree entered in a government anti-trust suit aimed at separating GE & RCA. In his long career, Young performed special services for six Presidents. He co-authored with Vice President Charles G. Dawes the Dawes Plan for German reparations after World War I, and originated the Young Plan for fiscal rehabilitation of Germany. He is survived by his 2nd wife, a daughter and 3 sons, one of whom, Charles J. Young, is a research engineer at RCA Labs, Princeton. FCC adopted resolution noting Young "Contributed immeasurably to the growth and development of the American communications industry."

TV-RADIO-PHONO IN MAY: Radio sales in May were higher than May 1961's mark, but both TV & phono sales lagged behind year-ago pace, according to official EIA statistics (for analysis, see p. 8). Here are 5-month tables, compiled from just-released EIA figures:

TV-RADIO DISTRIBUTOR SALES

Month	TV		Radio (excl. auto)	
	1962	1961	1962	1961
January	465,836	403,570	562,869	471,518
February	521,275	428,705	697,893	640,379
March	580,876	500,597	917,236	853,197
April	364,742	347,800	809,499	672,756
May	310,799	349,098	772,479	735,692
TOTAL	2,243,528	2,029,770	3,759,976	3,373,542

TELEVISION PRODUCTION

Month	Total		UHF	
	1962	1961	1962	1961
January	488,869	367,935	39,609	25,270
February	541,494	444,418	46,715	24,514
March	659,251	497,458	48,323	21,450
April	510,587	405,808	51,107	19,095
May	474,647	470,399	39,609	22,782
TOTAL	2,674,848	2,186,018	225,163	113,191

RADIO PRODUCTION

Month	Total		Auto Radio		FM	
	1962	1961	1962	1961	1962	1961
January	1,350,630	1,090,073	530,589	387,136	76,510	50,421
February	1,464,797	1,115,029	480,232	307,973	84,216	41,357
March	1,810,417	1,384,052	607,510	384,227	81,010	75,044
April	1,472,654	1,124,924	519,296	375,570	63,193	51,260
May	1,444,074	1,196,949	504,846	408,875	62,292	49,705
TOTAL	7,542,572	5,911,027	2,642,743	1,863,781	367,221	267,787

PHONO DISTRIBUTOR SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	48,423	171,305	219,728	74,881	211,268	286,149
February	50,563	188,857	239,420	54,097	210,365	264,462
March	60,206	236,051	299,257	59,290	231,021	290,311
April	54,615	146,577	201,192	48,532	173,585	222,117
May	65,192	130,372	195,564	55,057	164,400	219,457
TOTAL	281,999	873,162	1,155,161	291,857	990,639	1,282,496

PHONO FACTORY SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	68,545	191,014	259,559	80,366	211,383	291,749
February	52,566	202,846	255,412	50,710	204,638	255,348
March	60,991	237,492	298,483	62,396	227,469	289,865
April	45,152	137,950	183,102	53,074	152,974	206,048
May	67,610	119,682	187,292	53,887	142,450	196,337
TOTAL	294,864	888,984	1,183,848	300,433	938,914	1,239,347

Distributor Notes: Jerrold Corp. names Slate & Co. (3960 Merritt Ave., Bronx, N.Y.) N.Y.-area distributor for all consumer products of subsidiary Technical Appliance Corp. Slate will service radius of 75 miles of N.Y.C. • Delmonico International appoints Distributor Associates Inc. (headed by Irving Witz, 6700 N.E. 4th Court, Miami) radio & TV distributor for Miami area • Emerson Radio of Florida names Meyer Kirsner gen. mgr., succeeding Irving Witz who has resigned the factory branch to become Delmonico distributor • Sony Corp. names Martin J. Toohill, ex-Zenith, regional sales mgr. covering 18 midwestern states, hq in Chicago; Jerry McCann, ex-Motorola, named sales mgr., Sony Chicago office, covering Illinois.

Sony Corp. of America will open a consumer showroom at 585 Fifth Ave., N.Y. in September.

GE Up Sharply At Half: GE's earnings jumped 28% to \$120 million in 1962's opening half on a 12% sales rise to a record \$2.3 billion (see financial table). Performance in 2nd quarter was equally upbeat. Profits rose 26% to \$64 million as sales climbed 13% to record \$1.2 billion.

"Sales by all segments of the company's consumer products business continued to be strong and to be supported by a high volume of sales at the retail level," Chmn. Ralph J. Cordiner reported. He noted that "similarly, all segments of the component products business relating to consumer and products shared in the increased sales."

Net earnings for each dollar of sales in the first half increased to 5.2¢ from 4.5¢ in Jan.-June 1961. The net earnings figure in the 2nd quarter was 5.3¢ vs. 4.7¢ a year earlier. Cordiner noted that the first-half performance "continued to show a forward momentum."

There are 1,211 TV tape recorders now in use, according to RCA survey of U.S.-made video-tape machines. RCA said 861 of these are in U.S., 450 in other countries. Survey found that broadcasters operate recorders average of 6 hours daily. In its annual report, Ampex says it has sold and installed more than 1,045 Videotape recorders. Also reported by Ampex: Development of miniature Videotape recorder weighing 35 lb. and occupying less than cubic foot. It has bandwidth of 4 mc, was developed under NASA contract but presumably could have eventual broadcast applications.

Ampex expects sales in current fiscal year to increase "at least 10%" over \$84.1 million posted in fiscal 1962, ended April 28 (see financial table). Pres. William E. Roberts said "net earnings will increase at a much greater rate." In 1962 fiscal, Ampex earned \$3.2 million, compared with \$3.9-million loss in year-earlier period. Order backlog on June 17 totaled \$32,393,000. Roberts said Ampex plans to introduce more than 25 new products in current fiscal year, "bringing the product mix to the best balance ever achieved by Ampex."

TV payload for Ranger spacecraft to provide close-range pictures of moon was announced last week by Cal. Institute of Technology's Jet Propulsion Lab. Rangers 6 through 9 will carry 6 TV cameras each, to take series of slow-scan high-resolution pictures as Ranger approaches moon for rough landing. There will be 2 wide-angle and 4 narrow-angle cameras. One of the wide-angle cameras "will provide a color image." The 350-lb. TV package was designed & built by RCA.

Philco's National Distributor Council (Vol. 2:25 p9) met for first time July 9 to exchange "ideas for the improvement of consumer products, business in special markets and advertising." All-day session with 12 council members was held in Philadelphia.

Mergers & acquisitions: MCA, which recently acquired 80% of Decca Records (Vol. 2:26 p15), will dispose of its talent agency business by July 18. In 1961, agency business produced \$8.4 million of MCA's total \$82.4 million revenue • Jerrold Corp. has purchased for undisclosed number of common shares Analab Instrument Corp., Cedar Grove, N.J. maker of electronic test instruments. Acquisition is subject to approval of Analab stockholders.

Puerto Rican office of William N. Greer Assoc. Acoustical Div. has been established at Suite 14, San Juan Darlington Bldg., Box 1707. Phone 724-0458.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Ampex Story p. 11	1962—year to Apr. 28	\$ 84,106,000	\$ 5,609,000	\$ 3,203,000 ¹	\$0.41	7,786,457
	1961—year to Apr. 28	70,105,000	(9,284,000)	(3,930,000)	—	7,725,597
GE Story p. 11	1962—6 mo. to June 30	2,318,836,000 ²	249,064,000	119,977,000	1.34	89,453,687
	1961—6 mo. to June 30	2,074,425,000	187,399,000	93,478,000	1.05	88,962,498
	1962—qtr. to June 30	1,218,270,000 ²	134,895,000	64,014,000	.71	89,453,687
	1961—qtr. to June 30	1,081,803,000	102,710,000	51,002,000	.57	88,962,489
Wometco Enterprises	1962—24 wks. to June 16	8,915,101	—	916,196 ²	.83	1,006,757
	1961—24 wks. to June 16	6,813,603	—	592,010	.53	896,980
	1962—12 wks. to June 16	4,478,660	—	467,109	—	1,006,757
	1961—12 wks. to June 16	3,379,150	—	290,717	—	896,980
IBM	1962—6 mo. to June 30	931,705,051 ²	234,609,000	116,309,000 ²	4.21	27,615,522
	1961—6 mo. to June 30	811,163,397	203,659,439	100,859,439	3.67	27,515,575
	1962—qtr. to June 30	478,478,773 ²	120,494,018	60,044,018 ²	2.17	27,615,522
	1961—qtr. to June 30	422,101,019	104,482,770	52,032,770	1.89	27,515,575

Notes: ¹ After \$561,000 provision for possible renegotiation & income taxes applicable to other years; net includes \$470,000 from sales of fixed

assets & equipment. ² Record.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avnet Electronics	Q	\$0.10	Aug. 6	July 19
Avnet Electronics	Stk.	2%	Aug. 6	July 19
Ford (new)	—	.45	Sep. 1	Aug. 2
Gross Telecstg.	Q	.40	Aug. 10	July 25
Gross Telecstg.-B	Q	.07½	Aug. 10	July 25
Intl. Resistance	Q	.10	Aug. 31	Aug. 15
Litton Industries	Stk.	100%	Aug. 15	July 31
Sony Corp.	—	.17	July 16	April 30
Storer Bestg.	Q	.45	Sep. 7	Aug. 24
Storer Bestg.-B	Q	.12½	Sep. 7	Aug. 24

Merger of Bartell Bestg. and Macfadden Publications into Macfadden-Bartell Corp. (Vol. 2:9 p12), ran into snag last week when court-appointed referee, David W. Peck, recommended disapproval of merger agreement. Stockholders of both companies had approved merger in February, over opposition of minority Macfadden stockholders who last May agreed on plan enabling 2 companies to combine their assets. Agreement called for family of Bartell Bestg. Pres.-Chmn. Gerald A. Bartell to surrender 175,000 shares of Macfadden-Bartell common to company's treasury, reducing family's holdings to about 800,000 of merged company's 1,792,598 outstanding common shares. Peck recommended case proceed to trial "unless a more substantial settlement is negotiated."

Stewart-Warner's 1962 sales & earnings are expected to register marked gains over 1961, "assuming a continuation of current business activity," reported Chmn. Bennett Archambault. In first half, profits jumped 22-23% on a 12% sales rise from year-earlier's 91¢ per-share earned on \$54.1-million sales. In June quarter, earnings rose about 20% on 12% sales gain from April-June 1961's 51¢ on \$27.7-million sales. Archambault said total 1962 earnings will be substantially above 1961's \$2.06 a share and may top 1959's record \$7.9 million (\$2.40 a share).

Avnet Electronics has "initiated a policy of paying cash dividends on a regular quarterly basis and in addition of declaring extra dividends in cash or stock from time to time as financial conditions & needs of the company warrant," Pres. Lester Avnet reported. Avnet's last dividend was a 25c payment August 1961. Under new policy, Avnet will pay 10¢ cash & 2% stock dividend August 6 to holders of record July 19.

MGM will build a shopping center in Culver City, Cal. starting this summer. Project, including land, will be valued at about \$2 million. MGM will lease center to Unimart, subsidiary of Food Giant Markets Inc. Shopping center will occupy 12 acres, include department store, service station, garden supply store, supermarket, parking lot.

Reports & comments available: RCA and Fairchild Camera & Instrument, comments, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4.

Electro-Voice was listed for trading on American Stock Exchange July 11. Symbol: ELV.

CBS-TV donated \$25,000 in equipment to N.J. Educational TV Corp., first station due to start in Glen Ridge this year (Vol. 2:24 p6). NJ-ETV officials said equipment would cost \$100,000 new. It includes booms, power supplies, consoles, amplifiers, dollies, film projection equipment, monitors and synchronizing generators.

Automatically-directed TV camera, which follows movement of operator's eye, may be developed for fast-action coverage of football, etc. Device displayed at Military Electronics Convention in Washington directs fire of guns on helicopter by aiming where pilot looks.

FCC technical report, "Analysis of Field Strength Recorder Charts by Automatic Electronic Equipment," describing construction & operation of automatic electronic chart analyzer equipment, is available from Office of Chief Engineer, Rm. 2220, New Post Office Bldg., Washington 25.

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WEEKLY

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

TIGHTER TV OVERLAP RULES WEIGHED. FCC paying tribute to TV power, noting trends in newspaper ownership and broadcast editorializing (p. 1).

UHF'S SIMMERING POTPOURRI includes: Uhfers seek FCC help on set tuning, built-in antennas; Court upholds FCC Bakersfield deintermixture decision; FCC drops old help-uhf proposals as unneeded (p. 2).

STOP CASTING TV IN FAGIN ROLE, COLLINS URGES. NAB Pres. tells Institute on Crime & Delinquency that those who make TV scapegoat for juvenile delinquency delude themselves & delay search for solutions (p. 3).

TELSTAR RELAYS COLOR TV, GIRDS FOR BIG WEEK highlighted by first U.S.-Eurovision transatlantic TV exchange tonight (July 23). Telstar-studded program will be seen in 17 countries with more than 200 million viewers (p. 3).

MIAMI CH. 6 PROBLEMS BOTHER FCC. CP to Coral TV set aside. Hearing designated to examine charges Grossman tried to deceive FCC with faked letters (p. 4).

Consumer Electronics

RECTANGULAR COLOR TUBES in 19- & 25-in. sizes, 90-degree deflection, may be next. Corning underwrites development, sounds out tube industry on design considerations in move to aid planning, avoid confusion. Sample bulbs could be delivered early next year, first production possible shortly after midyear (p. 7).

WHITHER GE'S 'SALES & DISPLAY' PLAN? GE moved program into Memphis last week after "excellent response" in Salt Lake City, will determine by late fall whether to extend plan to TV-phono-appliance dealers nationally (p. 8).

KIMCODE PLANS FIRMED by 7 U.S. & Canadian tube makers, says Kimble, with production of 19- & 23-in. bulbs now under way, 16-in. to come soon. GE making samples of Lamilite tube for set makers, considering licensing inquiries from the manufacturers (p. 9).

TOPICS & TRENDS: Global transistor TV being imported by Matsuyama; imported 6-transistor sets now wholesaling as low as \$7; Reader's Digest merchandising stereo phonos door-to-door; Packard Bell & Magnavox report sales gains (p. 9).

TIGHTER TV OVERLAP RULES WEIGHED: "Diversification of control of mass media" has long been FCC watchword, as it seeks to keep station ownership in as many hands as possible. Latest move was to propose more restrictions on ownership of stations with overlapping coverage (Vol. 2:29 p4). Full text of proposal wasn't available initially, but it was published last week—and shows Commission is thinking of even tougher restrictions on TV, delivering quite a commercial on power of TV. Said Commission:

"There are persuasive arguments for applying a stricter standard of overlap in TV than in the aural services. The immense impact of TV and its growing influence as an informer and molder of public opinion is well known. The large role which overlapping TV stations may play as purveyors of news and opinion is further intensified, however, by the relatively few TV services which are available in most parts of the country. Consequently, the desirability of encouraging the greatest possible diversity of TV station ownership in a given area may be indicated. Thus, we believe that there may be advantages in prohibiting the overlap of the Grade B contours instead of the Grade A contours as between commonly owned stations. With full recognition that this standard would be more restrictive than our proposals for the other services, the Commission requests comment regarding this alternative."

Interestingly, even as Commission dwelt on concentration of newspaper ownership in fewer hands,

Milwaukee Journal bought Hearst's 125-year-old strike-afflicted *Sentinel*, leaving city with one paper owner. *Sentinel* will continue, *Journal* Pres. Irwin Maier stating that "permanent passing of a morning newspaper in Milwaukee would result in a serious loss of reader & advertiser services." Hearst's WISN-TV isn't included in sale. *Journal* owns WTMJ-TV-AM-FM.

FCC had following to say about trends in newspapers: "First, there has been a steady contraction in the availability of competing, printed daily sources of news & editorial opinion. Although daily newspaper circulation has increased approximately 50% since 1945, the number of cities with competing dailies has shown a continuing decline. According to recent figures, approximately 1,450 American cities have daily newspapers but in only 61 of these cities are there papers under competing ownership. Second, as the number of competing printed outlets has contracted, broadcasters in increasing numbers have begun to assume editorial functions traditionally restricted to printed media. It appears clear that each of these trends is to be a continuing one for the foreseeable future."

UHF'S SIMMERING POTPOURRI: Allocations & uhf figured prominently last week in several actions by FCC, courts, etc. Among them:

(1) Possible workings of all-channel-set law were discussed with FCC staff by several uhf telecasters—including Louis G. Baltimore, WBRE-TV Wilkes-Barre, Pa.; George Townsend, WWLP Springfield, Mass.; Warren Williamson, WKBN-TV Youngstown. They were concerned principally about 2 things—"dial ease" and built-in antennas. They asked whether Commission has power under law to make uhf tuning as simple as vhf—mere click, push-button, and the like. Commission staff is dubious about its authority in this area. Then, uhfers asked whether FCC can require set makers to build uhf antennas into sets. Thinking at Commission is that this may be possible.

(2) FCC authority to shift a vhf to uhf was upheld by Court of Appeals in KERO-TV Bakersfield case. Judges Bazelon, Fahy & Bastian ruled that Commission had power to delete station's Ch. 10 and require it to take a uhf channel after its current license expires Dec. 1. Station had contended it was denied evidentiary hearing required by law. But court held that station had its full innings during rule-making which deleted Ch. 10.

(3) FCC abandoned a couple pro-uhf proposals because of all-channel-set law. It had once proposed that all vhf stations be required to operate for a period on both vhf & uhf, and it proposed to set aside "pool" of uhf channels for the purpose. Said Commission last week: "Since it is expected that the all-channel receiver legislation will open up opportunities for the fuller use of uhf channels, these 2 proposals no longer have any immediate utility." Comr. Lee dissented, said operation of uhf by vhfers could provide useful service—3rd network in 2-station city, delayed viewing of programs, etc. Chmn. Minow agreed: "If an imaginative broadcaster comes up with a practical, useful idea on how to widen the public's choice through the use of uhf, we will certainly welcome it."

(4) FCC again ruled that Ch. 2 should stay in St. Louis, where it's used by KTVI, instead of being put back in Springfield, Ill. New decision was reached after case had been sent back by Court of Appeals. FCC decided that uhf is doing fairly well in Springfield with competition from only one vhf, WCIA (Ch. 3) Campaign; that addition of Ch. 2 would have "blighting effect" on uhfs; that St. Louis needs service of Ch. 2; that Terre Haute also needs Ch. 2 service made possible by keeping the channel out of Springfield. As for KTVI, Commission noted that it has been operating 5 years under temporary authority and that "it is only fair & reasonable to require it to account for its operation during that period." Station was given 4-month license and told to file renewal application by Sept. 27.

(5) Growth of uhf will be gradual, despite all-channel law, according to Corinthian Stations Pres. C. Wrede Petersmeyer. In address at Fordham U., he said economics dictate slow increase—but that "a sound base has now been laid for the long-term expansion of TV service." He also warned that station increase won't necessarily mean better programming, and he cited radio's history.

(6) Demand for uhf continues showing signs of increase, an unusual one being FCC action ordering a hearing for Austin, Tex. Ch. 24, 2 applicants vying for channel—a rare situation destined to become more commonplace. And there was Ch. 32 Chicago application filed last week by H. & E. Balaban Corp., licensee of WTVO (Ch. 39) Rockford, 50% owner of WICS (Ch. 20) Springfield, 50% of WHNB-TV (Ch. 30) Hartford.

STOP CASTING TV IN FAGIN ROLE, COLLINS URGES: People who single out TV as scapegoat for, and primary cause of, juvenile delinquency delude themselves & delay search for solutions, NAB Pres. LeRoy Collins told Ninth Annual Institute on Crime & Delinquency in Seattle last week. "Every bit of serious research available simply fails to establish a causal connection between so-called crime-&violence TV programming and delinquent behavior," he said.

TV programming has "room to improve," he agreed, but "we become diverted & misguided" if "we single out TV as being the prime culprit for the shortcomings of our society." He called for more effective use of TV & radio "in gaining a wider public understanding of the delinquency problems."

"I want to urge the broadcasting industry," Collins said, "to turn its attention to the fertile field the national juvenile delinquency problem offers for such a wide variation of programming ideas which can assist the American people in separating fact from fiction."

Collins had been a prime mover last year in efforts to get govt. to study causes of juvenile delinquency, was most chagrined when Sen. Dodd (D-Conn.) persuaded HEW Secy. Ribicoff to start investigation devoted solely to TV's possible contribution to delinquency. However, he finally got project back on track of "children-TV relationship" rather than the TV-is-guilty-before-tried status (Vol. 2:28 p2).

TELSTAR RELAYS COLOR TV, GIRDS FOR BIG WEEK: "Firsts" galore continued to rattle off busy Telstar last week as jubilant international TV fraternity generated & polished plans to make more TV history today (July 23). First U.S.-Eurovision transatlantic TV exchange will be bounced off high-flying satellite today, making available to some 200 million American & European viewers in 17 countries a Telstar-studded program of famous personalities, sights & events.

Telstar warmed up for big week by bouncing first transatlantic color TV signal from Britain to U.S. on July 16. Transmissions were still pictures, relayed from Goonhilly station in Cornwall, England & picked up at AT&T's Andover, Me. station. U.S. observers rated pictures from "excellent" to "a bit washed out." Three days later, July 19, U.S. used Telstar to transmit first color TV slides to Britain.

Later this week, on July 26, Telstar will be used to enable officials in 23 American cities to talk with leaders of 23 European cities. This will mark heavy-duty test of Telstar as a spatial telephone switchboard.

Most eye-catching of Telstar's achievements will be today's TV extravaganza.

From U.S. to Europe—Live coverage of portion of President Kennedy's news conference; concert at Mount Rushmore and live telecast of 60-foot heads of U.S. Presidents exhibited there; scenes of U.N. in N.Y., Cape Canaveral, the Canadian border, Rio Grande. U.S. transmission will start at 3 p.m., run about 15 min. on Telstar's 123rd orbit. U.S. programs will funnel to 16 countries via ground stations at Goonhilly and at Lannion, France.

From Europe to U.S.—Eurovision's program will originate from Brussels, 5.59 p.m. to 6.17 p.m., on satellite's 124th orbit. Program highlights: views of Sistine Chapel in Vatican, reindeer in Arctic Circle, Champs Elysee in Paris, other scenes of continent.

U.S. programming will be produced by news departments of the 3 networks, involve production staff of some 200. Additionally, each network has scheduled same-day programming to recap event:

ABC: 30-min. recap, 8:30-9 p.m., of highlights of both U.S. & EBU TV exchange. "Telstar News Special" will be sponsored by Procter & Gamble. Jules Bergman will narrate.

CBS: "CBS News Extra" is slated for 8-8:30 p.m., with Doug Edwards anchor man for special report. It will include principal portions of 2-way TV exchange.

NBC: Three specials, totaling 2½ hours, have been scheduled by NBC for July 23. However, special No. 1, from 2:45-3:35 p.m., & special No. 2, 5:45-6:30 p.m., will include U.S. & Eurovision TV exchanges respectively. Merrill Mueller will act as anchorman in N.Y. NBC's big special, 60-min. "Picture from Goonhilly Downs," will originate at 10 p.m. with Chet Huntley narrating.

FCC Chmn. Newton Minow was slated to guest on *Meet the Press* colorcast July 22, on eve of historic transatlantic TV exchange. Interviewers: James Reston, *N.Y. Times*; John Steel, *Time-Life*, Marya Mannes, *Reporter Magazine*; Edwin Newman, NBC News.

MIAMI CH. 6 PROBLEMS BOTHER FCC: FCC still doesn't like Miami Ch. 6 situation, last week reversed examiner, set aside CP to Coral TV Corp., ordered a hearing. It wants to examine charges that Sherwin Grossman, pres. of South Fla. Amusement Co., had sought to deceive Commission (Vol. 2:24 p6). Grossman had been charged with sending faked letters of endorsement to FCC.

He and Coral later got together, South Fla. agreeing to drop out of competition for Ch. 6 upon payment by Coral of \$65,000 for expenses and grant of option to Grossman to acquire minority interest in CP. FCC Chief Examiner Cunningham approved agreement, subject to resolution of charges.

Commission last week unanimously decided that charges are "serious." It said that a hearing may clear them up but that it can't permit Grossman to drop out now. To do so, it said, would encourage others to employ dubious tactics with expectation that they could drop out, if discovered, yet receive full compensation for expenses. Commission said Ch. 6 case differs from previous cases in which there was dropout with no charges pending or dropout with no compensation.

In another Miami case, Ch. 10, FCC is expected this week to weigh application of WPST-TV, which is seeking another crack at channel after losing it because of off-the-record "influence" pitches to former Comr. Mack. Commission is considering whether to let application be filed or return it as unacceptable.

CURRENT CAPSULES

Spurt of interest in international broadcasting (shortwave) stations is shown in applications filed recently with FCC. Last week, Mormon Church submitted bid for 250-kw station with transmitter in Deer Park, Fla., studio in Los Angeles, in name of International Educational Bcstg. Corp. Its purpose is to "promote international goodwill & understanding." Church controls KSL-TV Salt Lake City, has interests in KID-TV Idaho Falls & KBOI-TV Boise. Pres. of applicant is James B. Conkling, ex-pres. of Columbia Records; secy-treas. is Arch Madsen, pres. of KSL-TV. Chmn. is Howard J. Stoddard, chmn. of Mich. State Bank—and rest of officers & directors are also prominent businessmen. Station will be commercial but non-profit, aimed at 5 targets—Europe, North Africa, South America, Central America, Brazil. Construction is estimated at \$1,053,720, yearly operating \$300,000. Due for filing soon: Guam station, to reach Asia & Pacific islands.

Another recent applicant is Trans World Radio, seeking 250-kw setup in Puerto Rico, to be beamed to Europe, North Africa & South America. Also a religious group, non-denominational, it's headed by Dr. Paul Freed, Southern Baptist minister, son of a missionary; executive dir. is Ben Armstrong, Presbyterian minister. Trans World now operates station in Monte Carlo, broadcasts in 26 languages—using building employed by Nazi radio during World War II.

Congressional look at TV-radio news coverage and over-all operations of newspapers & wire services is being readied by Anti-trust Subcommittee of House Judiciary Committee. Inquiry & first public hearings are not expected to start until Congress adjourns. Subcommittee Chmn. Rep. Celler (D-N.Y.) said "we shall avoid like the plague any censorship . . . we just want the facts." Among TV-radio facts sought: (1) Does common ownership of newspapers & TV-radio stations result in slanted news? (2) Effects of TV-radio competition in gathering & presenting news. Witnesses to be called will include broadcasting officials and owners of news media & syndicates.

NAB & General Federation of Women's Clubs are teaming for joint communications program designed to give nation's 8 million clubwomen better understanding of nature & value of TV-radio service. GFWC will distribute NAB's upcoming Speakers' Bureau Directory to about 16,000 clubs. Directory lists some 400 TV-radio executives available to speak, without charge, on broadcasting. NAB will prepare for distribution to clubs & state federations study guides for discussion topics, assist in preparing criteria for awards to be given by clubs to local stations.

ABC's complaint about national Nielsen ratings—to Congress, FCC, et al.—is still being studied by Commission staff, which has conferred with Nielsen & ABC representatives. ABC contends that some national ABC-TV ratings are too low, in light of individual market showings.

NBC won war as well as "Battle of Newburgh" last week when FCC concluded, in letter to Newburgh, N.Y. city manager Joseph McD. Mitchell, that controversial TV program (Vol. 2:6 p5) "represented a conscientious & responsible effort to review & analyze a problem, the symptoms of which were & are highly controversial." FCC refuted Mitchell's charges that program was biased, misleading & lacking in objectivity, contended that "nowhere is there any evidence of an effort by NBC to present a documentary which would deliberately favor one side over the other."

Final chapter to CBS's "Biography of a Bookie Joint" telecast (Vol. 1:12 p6) was added by FCC last week with notification to Speaker of Mass. House of Representatives that no "basis exists for further Commission action." Speaker John F. Thompson, in Dec. 6, 1961 letter to Commission, complained program wasn't authentic, singled out Boston for unfair & distorted publicity, carried unwarranted attack on Mass. House. In rejecting claims, FCC noted, in part, "that 9 persons arrested during a raid on the key shop shown in the program were indicted for violations of Massachusetts gambling laws."

FCC stuck by denial of license renewal of radio KRLA Pasadena, turning down petition for reconsideration. Station said it will go to court. Commission unanimously repeated earlier conclusion that station made program proposals in poor faith, ran fraudulent contest, altered log to deceive Commission, was controlled by an alien. "We adhere to the views," FCC said, "that Donald Cooke is guilty of efforts to mislead the Commission."

NAB joins National Better Business Bureau to provide closer relationship on advertising standards. Citing Code Authority's "increasingly significant reliance" on BBB, Code Dir. Robert D. Swezey said N.Y. code office last year worked with Bureau on more than 150 TV copy problems. Swezey also announced appointment of Maria E. Michal, formerly Philip Morris information services mgr., as N.Y. code office claims research senior editor.

British commercial TV firms were warned to watch profits if they want to avoid govt. restrictions. Minister of Science Viscount Hailsham said last week that "if they do not in their own interest mitigate & limit their profits, the days of their empire may be numbered." Hailsham's criticism came at close of 2-day debate in House of Lords of Pilkington Report on broadcasting, resulted in \$5.6-million drop in TV company shares.

NBC-RKO Philadelphia-Boston station swap was ordered to a hearing, as indicated in these columns (Vol. 2:29 p4). Comr. Ford may serve as presiding officer; he has been asked to do so, told colleagues he'd consider it. Commission threw everything into pot—anti-trust charges, program plans, etc.—made Westinghouse Bcstg. and Justice Dept. parties.

Be advised before consenting to telecast trailers of motion picture film for local movie houses, NAB Code Authority advises stations, noting that it has ruled thumbs down on commercial for Columbia Picture's "Advise & Consent." NAB says motion picture ads for TV continue to "pose problems involving questions of good taste." "Advise & Consent" commercial that attracted Code Authority's eye has lovely Gene Tierney asking Walter Pidgeon, "Do you think I'm a bitch?" Seems that Miss Tierney heard that "any bitch with a few bucks and a big house and good care could be a social success in Washington."

FCC is still pondering what to do about radio stations "ganging up" on competitors. In some markets, several stations are grouped under a single rep who offers very substantial group-rate discounts. Both FTC & FCC are investigating complaints of competitors who label practice "unfair competition," etc.

CBS flatly denied it will resume colorcasting next fall with its 2-hour Sept. 23 special of opening concert from N.Y.'s Lincoln Center. Report apparently stemmed from sponsor Corning Glass Works' interest in color TV (see p. 8). It's known that Corning requested program be broadcast in color and at week's end had received no definite reply from CBS. However, CBS-TV affiliate relations & engineering vp William Lodge, in answer to question about report, said it is "not true."

Rules curbing CATV, sought by WBOY-TV Clarksburg, W. Va. (Vol. 1:12 p5), are expected to be turned down by FCC, probably this week. Station wanted FCC to forbid a station to permit CATV to duplicate its programming in another station's territory. Commission's thinking is that correction of abuses should come through new laws and that rules sought would put too much burden on stations.

Personals

CBS-TV Pres. James Aubrey scotched rumors he would be leaving network for presidency of 20th Century-Fox (Vol. 2:27 p5) or any other job. At network's N.Y. hq, he circulated inter-office memo last week to "make it clear that I intend to remain."

Joseph C. Drilling, WJW-TV Cleveland gen. mgr., becomes pres. of Crowell-Collier Bcstg. Aug. 13, headquartering in Los Angeles . . . Alfred N. Greenberg named CBS Radio affiliate relations field mgr. . . . Ray Stanfield appointed Peters, Griffin, Woodward eastern sales mgr.—radio, a new post.

Roy Porteous named CBS-TV central division sales vp, headquartering in Chicago . . . Ralph O. Briscoe appointed CBS TV Stations Div. asst. controller . . . J. Robert Kerns, former Storer Bcstg. vp, appointed general advisor to ABC International's associated station in Beirut, Lebanon.

Nicholas N. Kittrie, ex-counsel to Sen. Kefauver's (D-Tenn.) anti-trust & monopoly subcommittee and legal aide to Sen. Wylie (R-Wis.), joins Washington communications law firm Wilner, Bergson, Scheiner & Lessenco.

James Arthur Yergin, Westinghouse Bcstg, asst. research dir., promoted to research dir., succeeding Melvin A. Goldberg who this week becomes NAB research vp . . . Gary Ferlisi, formerly asst. to pres. of KSBW-TV Salinas, Cal., joins TV Affiliates Corp. as mgr. of new station relations dept.

Louis Hausman resigns as TIO dir. to join NBC as a general executive for policy formulation and with over-all responsibility for public information, corporate affairs and standards & practices, succeeded as TIO dir. by Roy Danish; Hausman will be nominated for election to vp at next meeting of NBC board.

David Mink appointed midwestern sales promotion & research mgr., CBS TV Stations National Sales, heading new midwestern sales promotion & research department commencing Aug. 1 in Chicago, 630 N. McClurg Court.

Jack H. Mann elected ABC Radio Network western division vp; Earl Mullin elected station relations vp.

Harold Essex, Triangle Bcstg. Corp. pres. & WSJS-TV Winston-Salem gen. mgr., appointed to Governor's Commission on ETV for N.C. . . . William Thomas Hamilton elected vp-gen. mgr., WNDU-TV-AM South Bend, Ind. . . . H. H. Berger, ex-Robert Lawrence Productions, Toronto, joins CFTO-TV as engineering dir.; J. A. Tester named research & development mgr.; Robert M. Auld appointed commercial production rep.

Dennis Horsford named Minnesota Mining & Mfg. divisional vp with temporary liaison assignment with video-tape productions in N.Y. . . . Louis Hummel named Peters, Griffin, Woodward TV sales mgr.—West, a new post, hq in Prudential Plaza, Chicago (Franklin 2-6373) . . . Howard P. Hudson, ex-Ruder & Finn, N.Y., establishes own PR firm, 300 E. 51st St. (EL 5-3475).

Sears Roebuck will enter network TV for first time with saturation buy on ABC-TV week of Aug. 20. Purchase marks first use of network TV by any dept. store or mail order house. Nature of shows wasn't announced, but it is known that ad messages will be geared to products, not institutional.

FCC's inquiry into 1961 radio broadcast of *Living Should Be Fun*, featuring nutritionist Dr. Carlton Fredricks, resulted in report that some of 50 stations carrying program failed to present opposite viewpoints on issues of public controversy and that proper sponsorship identification should have been made as required by Sec. 317. No further action is contemplated on past violations, but FCC has placed all licensees on notice "that they must exercise reasonable diligence in investigating & ascertaining the necessity for sponsorship identification to the end that they will not be misled nor ignore situations of this kind in the future." Licensees who failed to recognize applicability of fairness doctrine in broadcasting the series "failed" in their obligations to public, FCC said.

NBC is clearly opposed to broadcast of objectionable material, but any attempts to legislate such restrictions on a local basis raises "a number of very serious problems," NBC Washington attorney Howard Monderer last week told Subcommittee No. 5 of House Committee on the District of Columbia. Subcommittee held hearing on H.R. 9648 which, in part, would prohibit TV-radio broadcasting of objectionable material. "If each state, district or municipality were to pass its own laws regulating broadcasting, much of the national & regional character of the radio & TV media would be destroyed," Monderer said. "Local stations would have to apply their own diverse applicable laws to each of the programs offered to them by networks or other program suppliers, making unworkable any national system of broadcasting."

Radio provides "indispensable" group of services to public and is more vital than ever, NAB Pres. LeRoy Collins told Idaho Bcstrs. Assn. July 20. "Radio is closer to more people than any other single medium of communication," he said, adding: "NAB is now planning a research & training program by which we will explore the content & consequences of what is broadcast and will conduct a wide variety of training sessions for radio station personnel to enable people in radio to do an even better job in serving the public."

New ABC-TV rate card for daytime programming, effective Sept. 3, provides flat commercial minute daytime rate, fully commissionable, covering both time & talent. TV daytime sales vp Edward Bleier said new card provides, without penalty, for short-term campaigns, heavy flights, uneven schedules. Other features: "summer" rate expandable to 26 weeks (April thru September), addition of extra station clearances without additional charge.

Nation's top 100 advertisers increased TV's share to 56.2% in 1961 from 53.5% in 1960. Total ad spending increased \$27.8 million. TV billings climbed \$61.5 million. TvB also reported that 97 of 1961's top 100 advertisers used TV, 54 increased TV's share of their total ad budgets, 52 spent more than 50% of budget in TV. Total 1961 ad spending by top 100: \$1,723,150,999. TV's share (network & spot): \$967,972,053.

FCC granted radio WCHJ Brookhaven, Miss. short-term renewal expiring July 1, 1963, noted that licensee had operated at various times without full-time first class operator and had dragged feet in correcting violation after notification.

Speculation about NAB Pres. Collins as possible new HEW Secy. (Vol. 2:29 p5) finally ended with nomination of Cleveland Mayor Anthony Celebrezze for post to succeed Ribicoff.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

COLOR EVOLUTION—19- & 25-IN. RECTANGULAR: Far-reaching move by Corning Glass Works now makes it virtually certain industry will have rectangular color tubes by 1964—possibly a little earlier. There may be 2 sizes, and these most likely will be 19- and either 24- or 25-in., both with 90-degree deflection.

Development of rectangular color-glass bulb by Corning is now nearing completion. Major remaining job is defining exact design parameters, which will be done in cooperation with industry. First samples of new rectangular bulbs could be delivered early next year, with small quantity bulb production possible by midyear or fall. This is earliest timetable, assuming everything goes well.

Corning Glass is prime mover in attempt to make order out of threatening chaos in color tube's future. As biggest producer of picture-tube glass, Corning in past has told tube makers it would develop rectangular color-tube bulbs (of standard color "hard" glass) if they would underwrite developmental costs of \$4 million for the 2-year job. But as its faith in color's future increased, Corning decided to pay these costs out of own pocket, offer new standardized bulbs to entire industry.

There are plenty of intra-industry economic & political cross-currents involved. RCA, which recently committed itself to 90-degree 21-in. round color tube for next year, is sympathetically interested, but did not initiate move. Motorola, which has been developing 23-in. rectangular color tube with National Video (using standard black-&-white glass), has certainly been influential in Corning's decision. It may be significant that National Video has been negotiating with Corning's rival Kimble for special 23-in. bulb (of b&w-type glass) for its color tubes (although Corning has also been supplying bulbs for National's developmental color tubes).

Other influences include imminence of picture-tube manufacturers other than RCA in color field—Sylvania & Rauland (Zenith), probably others. It was necessary, Corning felt, to try to find some direction, some plan for future, in color tubes. RCA would have little difficulty in setting up for 90-degree round tube, producing it for year, then switching to rectangular. But other tube makers not now in color might wish to reconsider decision to make round color tubes—and set up for rectangular from start, if they knew far enough in advance bulbs would be available. With its own major expansion program coming up, Corning, too, must know soon what it will be producing in future.

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Here's story behind new color tube bulb proposals:

Corning has sent all tube makers blueprints of proposed designs. First ones were 19- & 24-in. rectangular, 90 degrees. The 24-in. was later revised to 25-in., presumably in order to provide bigger step-up in viewing area from 19-in. Prints were sent to open subject to discussion.

Original proposal stated samples could be delivered by July 1963, production by end of year. Response from tube manufacturers prompted Corning to say it might be able to push this ahead a little, with some production by fall of 1963. Estimates of cost were even ventured by Corning, which reckoned 25-in. bulb would cost at least \$5 more than current round one at first, eventually dropping to present cost of round bulb in heavy mass output.

Corning views move to rectangular as evolutionary step after shortening of round color tube by use of 90-degree deflection. In words of Corning TV dept. mgr. Allen W. Dawson: "We're anxious to give our customers what they want, and to give the industry plenty of opportunity for intelligent planning well in advance."

Tube industry's ideas on new color bulb proposals will be exchanged Aug. 8 at meeting of committee

of Joint Electron Device Engineering Councils (JEDEC), the EIA-NEMA group concerned with tube standardization. Meeting will be informal 2nd step toward standard rectangular color bulb design.

A bulb is not a tube—and tube manufacturers say there's still plenty of developmental work required on their part to design elements which will make possible high-quality rectangular 90-degree shadow-mask color tube. Progress of Motorola & National Video in 23-in rectangular tube—as well as Westinghouse's 22-in. rectangular shadow-mask color tube of 1956—show it can be done.

What will effect be on tube makers' plans? For most of them, too early to say. RCA is expected to stick to already announced plan to go to 90-degree round tube next year—as logical interim step toward 90-degree rectangular. Motorola & National Video will certainly be interested in new bulb, but in meantime can be expected to continue present development of rectangular color tube in 23-in. bulb of standard b&w-type glass.

Guessing game in color appears to be over. Corning's assumption of leadership, in enlightened self-interest, means that tube & set manufacturers will be able to make intelligent forward plans. It probably also means more tube manufacturers in color, more color competition—and greater color sales for future.

WHITHER GE'S 'SALES & DISPLAY' PLAN? GE moved into Memphis last week for 2nd road showing of novel "sales & display" plan for franchised TV, console phonograph & appliances dealers. Memphis results, coupled with "excellent response" in Salt Lake City, where plan originated in April, will bear heavily on decision to extend plan nationally, GE told us.

"Memphis will provide new experience because it's a different market and we have many more multi-line dealers there," GE said. "Our original planning was for tests in Salt Lake City, Memphis and possibly one other market. We have no plans beyond these 3 markets. We will have to digest our experiences and see where we go from there." Timetable for decision? "We will certainly make a determination by late fall if we haven't automatically reached a decision on the program's future before then."

GE's plan, in nutshell, "frees dealer to do what he can do best—sell." Dealer displays & takes orders on full-line TVs, console phonos, appliances. Area distributor does everything else—delivery, warehousing, service (if dealer desires). Carload discounts are eliminated under program, but volume rebates continue, single-lot prices remain unchanged, and dealer continues to control resale prices.

Program doesn't change dealer profit margin—but does "increase his profitability," GE told us. Overhead is reduced because there are no charges for warehousing, delivery, breakage, insurance and so on. "Sure, on carload lots, a dealer can save some \$600," we were told, "but what does it cost him to warehouse that merchandise, deliver it to customers, service it, and insure it? This plan frees the dealer of all these details and leaves him free to concentrate on selling. Our response in Salt Lake City was excellent—and one of the most delightful things there was the 100% participation by GE dealers." It's too early to tell about dealer participation in Memphis, but, GE noted significantly, "it doesn't have to be the same dealers."



GE will private-label for J. C. Penney Co. laundry and kitchen major appliances which will be introduced early next spring in a group of new & existing Penney stores. National chain operates 1,700 retail outlets which concentrate on soft goods & small appliances. GE's Hot Point Div. will produce the Penney-trademarked ranges, refrigerators, clothes washers, driers, garbage disposals.

7 FIRMS TO MAKE KIMCODE, SAYS KIMBLE: There's plenty evidence that Kimcode, Kimble Glass Co's process for picture tubes requiring no implosion glass, will soon be important factor in industry.

Kimble reports 7 tube makers now committed to turn out Kimcode tubes, although it doesn't state whether these plan pilot-sampling or full-production quantities. Of 10 tube makers in U.S. & Canada considering Kimcode, we were told by Kimble, "4 have definitely set up production, 3 have definite plans for fall, 2 are exploring the engineering possibilities and one is as yet non-committed."

Kimcode bulbs are now in production, "and being built against firm orders." Production now is confined to 23- & 19-in. bulbs, according to Kimble, and "16-in. will come later."

National Video has already obtained UL "yellow tag" listing for completed 23-in. Kimcode tube, goes

into production right away. It's known that one smaller TV set manufacturer has decided to switch over its entire 23-in. line to Kimcode tubes. Meanwhile, Kimble has already developed improved version of Kimcode—Kimcode "Phase 2"—which uses lighter cloth around funnel, less resin and smaller steel rim band, for further weight reduction. This version hasn't yet received UL listing.

There's no question set makers are extremely interested in Kimcode tubes. In addition to our reports last week from RCA & Sylvania tube divisions (Vol. 2:29 p8), we hear from GE CR tube dept. gen. mgr. David C. Scott that his plant has made Kimcode samples to supply to 2 set manufacturers who have requested them.

GE's own picture-tube shielding process—Lamilite, which makes use of thin layer of flexible plastic bonded to faceplate (Vol. 2:26 p9)—is also arousing industry interest. First Lamilite tube size was 16-in., as used in GE's own lightweight Escort portable. Now GE is making up samples in 19- & 23-in.

GE has had "numerous inquiries" about Lamilite process, Scott told us, and is now submitting samples to 3 set makers who requested them. It also has had inquiries from 2 competitive tube manufacturers about possible licensing agreements. GE says that if there's real interest, it will license others to produce Lamilite tubes.

In another tube-shielding development, GE is tooling up to build Corning-type bonded tubes next month—starting with small production capacity until it can gauge demand. GE has been one of hold-outs against Corning twin-panel process—and this company, like others, is wondering what effect Kimcode will have on this now widely accepted Corning bonded approach.

TOPICS & TRENDS

Another brand of Japanese-made portable TV has begun to arrive on U.S. docks in quantity. It's made by Global Mfg. Co., Tokyo, and is being imported by Masuyama International Corp., N.Y., for sale under Global trade name. Details on set weren't available at press time, but it's understood to be transistorized battery-&-AC-powered set, price unknown. Though company claims it's engaged in TV test-marketing project only, it's known that at least 500 sets have been imported so far.

During first half of 1962, about 37,000 TV sets were brought into U.S. from Japan, compared with little more than 10,000 during same period last year. Average factory price of TV sets & chassis being shipped from Japan (some of them less picture tube) is about \$58.50.

Continued price-cutting of transistor radios by smaller importers was reported last week by McGraw-Hill's *Electrical Merchandising Week* in roundup of trends at Independent Housewares Show in Chicago. Wholesale prices of \$7.60-\$7.75 for 6-transistor radios was reported as common trend, with prices as low as \$6.97 being quoted by one importer for 6-transistor sets made in Hong Kong, in lots of 50 or more. *EM Week* also reported 8-transistor radios as low as \$10 and 5-tube radios at around \$5 "for the right order." Even 4- & 5-transistor type tape recorders were down as low as \$16.

More good business reports: Packard Bell says its home entertainment equipment sales volume increased 67% for the year ended May 31 compared with the preceding 12 months, with consumer products dollar volume currently running at record \$19-\$20-million-a-year rate. Color set sales were 5 times as high as preceding year. Meanwhile, Magnavox Pres. Frank Freimann claimed his company "now has about 25% of industry sales in the stereo high fidelity radio-phonograph field." He said company's consumer products div. showed "substantial gains" in first-half 1962, with stereo & TV prospects for rest of year "most favorable."

Riding on publicity of all-channel set law, there's been increase in promotion of uhf sets in predominantly vhf areas. Two recent examples: Emerson Radio of Md. is preparing dealer co-op ad campaign on all-channel 19-in. portable at \$199.95. Mort Farr, Upper Darby, Pa., is promoting Du Mont uhf-vhf portable with newspaper ads starting, "OK, Mr. President and Mr. Minow! . . ."

Reader's Digest is experimentally merchandising stereo phonos via home demonstrations as part of its record club activities. Tests are being conducted in Chicago, Buffalo, Rochester & Syracuse by Reader's Digest Special Products. Package deal includes stereo phono with minimum of 43 stereo records for \$329. Phono with detachable legs is special model made by RCA Victor. Digest is exclusive sales agent for RCA Victor Record Clubs, having purchased assets year ago from Book-of-the-Month Club.

Capehart's new line, at lower prices, features 19-in. portables at \$139.95 & \$169.95, five 23-in. consoles at \$199.95-\$249.95, three combos at \$399.95-\$549.95. Phono line consists of 6 portables from \$19.95 to \$129.95, stereo units starting at \$69.95.

Trade Personals

Vincent F. Novak, ad & sales promotion mgr. of GE's audio product section, to move to similar post in TV receiver dept., succeeding Charles R. (Chuck) Lunney.

Dr. Jerome B. Wiesner, President Kennedy's science advisor, also approved by Senate Labor & Public Welfare Committee to be director of new Office of Science & Technology.

Thomas R. Shepherd, formerly Sylvania Home & Commercial Electronics service vp, appointed Sylvania Electronic Systems personnel mgr., central operation.

Howard Hull named Motorola merchandising mgr. for consumer products, parts & accessories, succeeding Hugh H. Engleman, who has resigned to join Bell Sound Div., Thompson Ramo Wooldridge; Wade Gaylor promoted to field mgr., parts & accessories, Motorola Consumer Products.

Marvin Kramer appointed vp-gen. mgr. of RCA Distributing Corp.'s Wichita, Kan., branch, succeeding W. J. Walsh, transferred to Kansas City Div.

Richard W. Harbison, ex-Lear, appointed pres., Lear Siegler Service Inc.

Paul D. Burks named GE rectifier products sales mgr., hq in Auburn, N.Y., succeeding J. G. Walton, appointed semiconductor sales mgr., northeast region . . . Peter Vogelgesang appointed Miratel Electronics chief engineer, Mfg. Div., succeeding Norman Ritter who continues as gen. mgr.

Obituary

Lord Nelson of Stafford, 75, English Electric Group chmn., died July 16 in his office at Stafford, England. He joined firm in 1930, is credited with developing it into one of Britain's most successful operations. Among his survivors is son Henry George who succeeded him in 1956 as English Electric's managing dir.

Distributor Notes: Emerson appoints Seattle Radio Supply (2117 Second Ave., Seattle) distributor for Du Mont home entertainment instruments in Alaska & western Washington.

Emerson has retained Mezey-Macowski Design Consultants, Montclair, N.J., to work with design dir. Jules Cinque on all Emerson products, including TVs, radios, phonos, air conditioners.

GE has denied FTC charges that it discriminates in co-op ad payments and illegally restrains retail price competition among competing appliance dealers (Vol. 2:24 p9). GE asked that complaint be dismissed.

Factory sales of TV picture tubes & receiving tubes in May increased in both units & dollars over May-1961 levels. EIA figures show May movement of 703,255 picture tubes valued at \$13,676,659—compared with 673,315 units at \$13,238,774 a year earlier. Year-to-date unit volume ran slightly ahead—3,815,355 units vs. 3,768,345—but dollar value dropped to \$73,079,850 from \$75,083,743 in Jan.-May 1961. Receiving tube unit sales increased to 30,251,000 from 29,823,000, and dollar value gained to \$25,802,000 from May-1961's \$25,308,000. Year-to-date units & dollars also were ahead of a year earlier—153,720,000 tubes at \$130,013,000 vs. 147,291,000 units at \$124,511,000 in Jan.-May 1961. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	802,061	15,625,304	29,592,000	24,789,000
February	733,670	13,944,313	27,977,000	23,841,000
March	817,839	15,580,149	34,884,000	29,743,000
April	758,539	14,253,425	31,016,000	25,838,000
May	703,255	13,676,659	30,251,000	25,802,000
Jan.-May 1962	3,815,355	\$73,079,850	153,720,000	\$130,013,000
Jan.-May 1961	3,768,345	75,083,743	147,291,000	124,511,000

Factory transistor sales in May ran true to form—up sharply in units, down in dollars compared with year-earlier month. Same up-down pattern prevailed for year to date. May sales totaled 21,217,919 units at \$24,951,738 vs. 15,128,181 at \$25,113,042 in May 1961. Jan.-May totals showed 101,249,878 units at \$123,862,873, compared with 70,783,877 units at \$130,971,403 in 1961's first 5 months. Here are EIA's figures:

	1962		1961	
	Units	Dollars	Units	Dollars
January	17,238,376	\$ 21,459,598	12,183,931	\$ 22,955,167
February	20,239,880	24,151,155	13,270,428	25,699,625
March	22,932,655	28,202,422	15,129,273	29,815,291
April	19,621,048	25,097,960	15,072,064	27,388,278
May	21,217,919	24,951,738	15,128,181	25,113,042
Totals	101,249,878	\$123,862,872	70,783,877	\$130,971,403

Long-simmering dispute between big tube rebuilder Calvideo Electronics and major picture tube producers burst into legal action last week when Calvideo filed \$8 million restraint-of-trade suit against Sylvania and 5 unnamed large picture-tube manufacturers. Filing for double damages under California state law, suit charged Sylvania and others have conspired to force Calvideo and other independent rebuilders out of business by selling picture tubes below cost in Los Angeles market.

Magnavox has moved co-op ad & credit departments from Fort Wayne to offices adjacent to production & shipping facilities at Greeneville, Tenn.

RCA's Record Half: Peak sales & profits were registered by RCA in 1962's first half as earnings soared 36% to \$24 million on 18% sales rise to \$854 million (see financial table). Net earnings in 2nd quarter zoomed 70% to \$9.5 million from \$5.6 million in April-June 1961.

NBC also "achieved the highest sales & earnings ever scored for the half year, and the prospects appear good that this upward trend will continue," noted Chmn. David Sarnoff & Pres. Elmer W. Engstrom.

"RCA will do even better in the 2nd half than in the first if the economy maintains its present level of activity," they said, adding: "Our confidence is based on the general health of the company's operation . . . and the increased profitability of all major divisions except electronic data processing" which is still operating in red, but moving "closer to the goal of profitable operations." Sales of RCA home instruments in first half set record pace, they said.

AB-PT's net operating profit in 1962's 2nd quarter climbed to record \$2.5 million from \$2.3 million in April-June 1961, but operating net for the half slipped to \$5.6 million from \$5.7 million (see financial table). Pres. Leonard H. Goldenson said Broadcasting Division set profit records in first half & 2nd quarter. He noted also that ABC is now associated with 21 TV stations in 14 foreign countries, said ABC-TV network program structure this fall "will be reinforced by new affiliated stations in major markets previously not available to ABC-TV on a regular basis." Among them: Syracuse, Rochester, Raleigh.

Screen Gems' earnings in fiscal year to July 1 "were no less than" a record \$1.35 a share, up from \$1.05 a year earlier, reported exec. vp & gen. mgr. Jerome Hyams. He said sales backlog totaled \$25 million vs. \$21.8 million 12 months ago, forecast "continued growth, but it probably will not be at the rate of the last 3 or 4 years." Hyams said Screen Gems is "currently associated" with Australian groups in seeking TV station licenses in Melbourne & Sidney.

Mergers & acquisitions: Ampex is acquiring for cash International Computer, Los Angeles, formed July 1961 by group of ex-Ampex employes to make ferrite core memories • Pentron Electronics has purchased for cash & notes Campro Products, Canton, O. maker of utility cabinets • Maremont Corp. has purchased 100,000 common shares of Gabriel Co. "with a view to eventual consolidation." Pres. Arnold H. Maremont said timing's not set but "we ultimately will make an offer to Gabriel shareholders."

Secondary, 700,000-share offering of Schlumberger Ltd., Daystrom's parent, has been slated for late July or early August. Stock, valued at some \$44.4 million at last week's market prices, is being sold for members of Schlumberger family, who own about 67% of firm's 5.3-million outstanding common shares.

Govt.'s final damage suits in electrical conspiracy case (Vol. 17:25 p21) have been filed against 8 defendants in 3 separate actions. Among defendants: Federal Pacific Electric, GE, Westinghouse. New actions make total 11 suits filed by Justice Dept. on grounds govt. was forced to pay inflated prices for heavy electrical equipment.

"Fortune" magazine's 6th annual listing of 100 largest foreign industrial firms appears in August issue. Directory of foreign firms & 500 largest U.S. industrial corporations will be available in mid-August, at 25c, from Fortune Directory, Room 20-63, Time & Life Bldg., N.Y. 20.

Magnavox Peaks at Half: Record volume and earnings were scored by Magnavox in 1962's first half (see financial table). Earnings soared 67% to \$4.3 million from \$2.5 million a year earlier as sales climbed 42% to \$88 million from \$61.8 million. In 2nd quarter, earnings rose 62% to \$1.9 million on a 50% sales gain to \$44.5 million.

Pres. Frank Freimann noted that Magnavox traditionally earns 70-75% of its profits in year's final half, said company is "on schedule" to \$200-million sales volume forecast for total year.

Travler Radio will be renamed Travler Industries Inc. (and use capital "V") if shareholders approve at Aug. 19 annual meeting. Pres. Joe Friedman, in annual report, announced record sales of \$25.1 million in 1962 fiscal year ended April 30 (see financial table), up from \$19.9 million in fiscal 1961. Earnings more than tripled to \$639,449 from \$211,078. Friedman attributed sales rise primarily to increased private-label production, which rose to 80% of total from 61.7% in fiscal 1961, forecast increase to 90-95% this year. Order backlog was at record \$10 million at close of fiscal year.

Consumers' Advisory Council has been established by President Kennedy to reflect "consumer needs & point of view." Dr. Helen G. Canoyer, dean of Cornell U.'s School of Economics, will chair 12-member Council which will meet frequently, submit annual report to President's Council of Economic Advisors. Various govt. agencies & departments have assigned persons for liaison contact with new Council. Labor Dept. has appointed Mrs. Aryness Joy Wickens its Consumer Advisor.

"Cheap Japanese transistor radios which are plentiful here" are bought by "a lot of the guys," notes GI in letter from Thailand published in July 16 *Washington Daily News*. "They work very well. We're the only army in the world where the ordinary soldier walks around with a rifle slung over one shoulder and a portable Japanese transistor radio slung over the other."

Texas Instruments has formed a Materials & Controls Div., headed by vp E. O. Vetter, "to capitalize on long-range opportunities in the materials & electrical controls fields." New division will consolidate Metals & Controls Inc. Div., based in Attleboro, Mass., and 2 Dallas facilities—Materials Research & Development Lab and Materials & Sensors Dept.

TV-appliance trade publications were urged by NARDA exec. vp Jules Steinberg to consider raising ad agency commissions from present 15% to 25% to get better ads. Comparatively low page rate for trade paper ads, Steinberg said, gives agencies little incentive to prepare better, more informative advertisements.

Special "show display" designed for use by distributors & dealers at fairs and other exhibits has been developed by Motorola. Display packs into 2 cartons, can be assembled by one man in less than 20 minutes.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Allied Radio	Q	\$0.08	Aug. 28	Aug. 14
Canadian GE	Q	.05	Sep. 10	Oct. 1
Thompson Ramo Wooldridge	Q	.35	Sep. 15	Aug. 31

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
AB-PT	1962—6 mo. to June 30	—	\$ 11,976,000	\$ 5,553,000 ¹¹	\$1.27 ¹¹	—
	1961—6 mo. to June 30	—	12,108,000	5,694,000 ¹²	1.31 ¹²	—
	1962—qtr. to June 30	—	5,534,000	2,511,000 ¹³	.57 ¹³	—
	1961—qtr. to June 30	—	4,783,000	2,269,000 ¹⁴	.52 ¹⁴	—
Capital Cities Bcstg.	1962—6 mo. to June 30	—	1,456,954	666,375	.56	1,149,798
	1961—6 mo. to June 30	—	1,007,514	462,616	.39	1,149,798
Clevite	1962—6 mo. to June 30	\$ 53,555,494 ¹	7,961,108	3,879,108	2.01 ³	1,893,033
	1961—6 mo. to June 30	46,700,745	4,977,739	2,423,739	1.24 ³	1,887,512
	1962—qtr. to June 30	27,583,000 ¹	4,122,000	2,027,000	1.05 ³	1,893,033
	1961—qtr. to June 30	24,003,000	2,602,000	1,254,000	.64 ³	1,887,512
CTS Corp.	1962—6 mo. to June 30	13,763,321	2,085,191	1,034,820	.70	1,482,003
	1961—6 mo. to June 30	9,581,479	1,493,888	745,055	.51	1,447,003
	1962—qtr. to June 30	7,000,835	1,039,773	484,806	.33	1,482,003
	1961—qtr. to June 30	5,141,619	819,247	393,812	.27	1,447,003
Desilu Productions	1962—year to Apr. 28	14,223,850	272,478	611,921 ¹⁵	.53	1,155,940
	1961—year to Apr. 28	19,845,513	643,146	319,146	.28	1,155,940
Electra-Voice	1962—qtr. to May 31	2,574,510	381	1,123 ⁷	—	497,332
	1961—qtr. to May 31	2,301,520	12,249	8,520	0.02	497,332
GE	1962—qtr. to June 30	1,218,270,000 ¹	134,895,000	64,014,000	.71	89,453,687
	1961—qtr. to June 30	1,081,803,000	102,710,000	51,002,000	.57	88,962,489
General Instrument	1962—qtr. to May 31	21,188,438 ²	—	202,050	.08	2,561,342
	1961—qtr. to May 31 ²	20,421,254	—	682,860	.27	2,488,700
Gadwill Stations	1962—6 mo. to June 30	3,863,306	—	342,900	.51	631,903
	1961—6 mo. to June 30	2,576,843	—	154,562	.23	632,143
Hazeltine	1962—6 mo. to June 30	22,105,000	1,840,000	892,000	.57	1,568,029
	1961—6 mo. to June 30	24,611,000	1,689,000	819,000	.52	1,568,029
International Resistance	1962—25 wks. to June 24	14,286,212 ¹	2,575,273	1,165,873 ¹	.81	1,434,138
	1961—25 wks. to June 24	10,946,738	2,038,268	929,468	.65	1,434,138
	1962—10 wks. to June 24	5,894,812	—	484,977	.34	1,434,138
	1961—10 wks. to June 24	4,451,188	—	362,562	.25	1,434,138
P. R. Mallory	1962—6 mo. to June 30	49,078,494	4,334,051	2,050,379	1.30 ³	1,501,941
	1961—6 mo. to June 30	41,360,943	3,863,514	1,839,973	1.16 ³	1,472,812
Magnavox Story on p. 11	1962—6 mo. to June 30	88,034,000 ¹	—	4,282,000 ¹	.59	7,313,620
	1961—6 mo. to June 30	61,792,000	—	2,554,000	.36 ³	7,121,040 ³
	1962—qtr. to June 30	44,524,000	—	1,850,000	.26	7,313,620
	1961—qtr. to June 30	29,585,000	—	1,125,000	.16 ³	7,121,040 ³
MGM	1962—40 wks. to June 7	104,718,000 ⁴	—	3,308,000	1.30	2,554,229
	1961—40 wks. to June 7	110,112,000 ⁵	—	9,442,000	3.74	2,524,829
	1962—12 wks. to June 7	—	—	755,000	.30	2,554,229
	1961—12 wks. to June 7	—	—	2,758,000	1.09	2,524,829
RCA Story on p. 11	1962—6 mo. to June 30	853,900,000 ¹	48,600,000	24,000,000 ¹	1.32	16,936,000
	1961—6 mo. to June 30	721,800,000	33,400,000	17,600,000	.97	16,557,000
	1962—qtr. to June 30	428,900,000	19,700,000	9,500,000	.51	16,936,000
	1961—qtr. to June 30	360,100,000	10,800,000	5,600,000	.29	16,557,000
Seven Arts	1962—year to Jan. 31	18,495,569 ⁶	2,055,555	1,100,555	.85	1,292,384
	1961—year to Jan. 31	—	—	(1,090,212)	—	1,153,250
Storer Bcstg.	1962—6 mo. to June 30	—	—	3,618,366 ⁹	1.48	2,438,181
	1961—6 mo. to June 30	—	—	2,032,501	.82	2,474,940
	1962—qtr. to June 30	—	—	1,466,770 ¹	.60	2,438,181
	1961—qtr. to June 30	—	—	977,083	.39	2,474,940
TraVler Radia Story on p. 11	1962—year to Apr. 30	25,065,078 ¹	1,296,449	639,449	.66	965,658
	1961—year to Apr. 30	19,928,831	437,078	211,078	.22 ¹⁰	956,435 ¹⁰
Varnada	1962—9 mo. to May 31	84,051,418 ¹	—	2,719,374 ¹	2.08	1,310,593
	1961—9 mo. to May 31	78,307,078	—	2,004,605	1.64	1,222,271
	1962—qtr. to May 31	26,970,093 ¹	—	782,531 ¹	.60	1,310,593
	1961—qtr. to May 31	24,633,780	—	626,629	.49	1,281,511
Wilcox-Gay	1961—year to Dec. 31	11,646,759	—	(858,210)	—	—
	1960—year to Dec. 31	9,495,497	—	311,740	—	—

Notes: ¹ Record. ² Restated to include Pyramid Electric acquired May 1961. ³ After preferred dividends. ⁴ Includes \$18,255,000 from TV. ⁵ Includes \$14,549,000 from TV. ⁶ Includes \$12,783,245 from TV. ⁷ After \$742 tax credit. ⁸ Adjusted to reflect 3-for-1 stock split July 1961. ⁹ Includes \$912,863 net from sale of radio WWVA Wheeling Jan. 1962.

¹⁰ Adjusted to reflect 5% stock dividend, Sept. 1961. ¹¹ Before capital loss of \$157,000 (3¢ a share). ¹² Before capital gains of \$6,149,000 (\$1.42). ¹³ Before capital loss of \$24,000. ¹⁴ Before capital gains of \$2,235,000 (51¢). ¹⁵ Includes \$340,640 gain from sale of TV film production.

WEEKLY ⁶² ¹⁰⁰ Television Digest

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

CROSS, COX, COLLINS, MEYERS—STILL SPECULATION. Guessing persists that Cox will replace Cross who'll move to another govt. job from FCC. Collins NAB renewal expected. Meyers likely to head international TV project if Administration accepts his ideas (p. 1).

THEATER-SIZE COLOR TV now practical, as TNT demonstrates excellent compatible pictures with Philips projector. Compatible Eidophor color next (p. 2).

UHF PUMP-PRIMING BY EDUCATORS pointed up by latest ETV channel reservations—12 in Fla., 6 in Ga., 9 in Ky. (p. 2).

TV-TYPE ALLOCATION FOR FM provides 3 zones, 3 classes of stations, more power, protected service ranges, minimum spacings, city-by-city channel assignments, list of priorities (p. 2).

FINAL LICENSE DENIAL IN 'SMUT' HEARING ordered by FCC. Duluth TV CP on skids for "misrepresentation." Revocation and fines ordered in other radio cases (p. 3).

TELSTAR'S 'GREATEST SHOW ON EARTH' July 23 was rousing transatlantic-TV success cheered by estimated 200 million viewers in 18 countries; less successful is Administration's communications satellite bill which ran into Senate filibuster (p. 4).

Consumer Electronics

RECTANGULAR COLOR TUBES seen appearing in sets in 1964 on basis of Corning Glass timetable. RCA, Zenith & Sylvania indicate they'll stick to plans for 90-degree round tubes first. Motorola expects to be first with rectangular-tube sets (p. 7).

UHF PUSHBUTTON TUNER to be available in year from General Instrument, which is already producing nuvistor tuner claimed to provide 4 times greater tube life, less drift (p. 8).

GE CHOOSES IRELAND over Japan for production of "competitive" parts for U.S. transistor radios. Will it start new trend? (p. 8).

JAPANESE TO PAY ROYALTIES on transistor radio circuits, as long negotiations are concluded with Regency, U.S. transistor radio pioneer (p. 9).

CROSS, COX, COLLINS, MEYERS—STILL SPECULATION: White House's strange silence on FCC appointment may someday be explained—but it isn't winning friends for Administration now. President's intentions, if he has any yet, are known to mighty few people—and they aren't talking.

Belief of those whose information & judgment have been good in such matters is generally this: Comr. John Cross, whose term expired June 30 and who remains on job until his successor is sworn in, is earmarked for good job in govt.—and Broadcast Bureau Chief Kenneth Cox will replace him. Next June, Comr. T.A.M. Craven steps out. With Cross & Craven gone, there would be no commissioner with engineering background. Traditional practice is to have at least one engineer, and it's assumed one would be named. Talk of Craven as member of proposed satellite communications board has faded.

If Cross is to remain in govt., there's speculation that he might be given job in international telecommunications matters. That's what he did at State Dept. before joining FCC. Speaking of State Dept., FCC Chmn. Minow's admin. asst. Tedson J. Meyers has submitted to President a program for using TV (and radio) to further our foreign policy objectives. Details aren't available, but it's believed State Dept. is considered logical focus of such activity. If Administration buys Meyers recommendations, it's assumed he'd go to State to run project. State Dept. spokesman expects favorable action in 10 days.

NAB Pres. LeRoy Collins' 3-year contract runs until Jan. 1964, provides for review by end of this year. It's understood that Collins and review committee, headed by NAB Chmn. Clair McCollough, give every evidence of getting together on contract renewal.

COLOR THEATER-TV NOW PRACTICAL: Demonstration last week by Theatre Network TV of Philips color-TV projector makes it rainbow-clear that there's now satisfactory method of projecting compatible color broadcasts on theater-size screen.

The 3-barrel Dutch-made TV projector uses conventional Schmidt optical system, is "ultimate," said TNT, in TV projection with cathode-ray tubes. As demonstrated at TNT's Woodside, N.Y. technical center, it showed excellent color reproduction & rendition, with adequate brightness on 108-sq.-ft. screen. TNT says it can be used with screen size up to 200 sq. ft., as contrasted to about 54 sq. ft. for previous compatible color projectors.

TNT has 15 Philips projectors, expects to get more from North American Philips, and has announced new TNT Colorvision network, now ready to provide regular closed-circuit color for business & sales meetings, etc. TNT says it now can offer color in 51 cities—including new Philips and older RCA projectors.

Even Philips system isn't last word in color projection, however. Also last week, TNT demonstrated Eidophor system with compatible color to military officials. Experimental Eidophor compatible color system is basically 3 separate units, one for each color—and therefore is prohibitively expensive for commercial use now, despite Eidophor's unparalleled brightness advantages (Vol. 1:14 p3).

Previous Eidophor color demonstrations have used field-sequential color with revolving disc. However, GE is also working on version of compatible color "Light Valve" projector, made under Eidophor patents.

TNT obviously feels there's no need to wait for Eidophor color before offering large-screen color to its business clients. Quality of pictures shown last week gives substance to this view.

UHF PUMP-PRIMING BY EDUCATORS: Explosive growth due for ETV was emphasized by manner in which FCC acted last week in reserving uhf channels at educators' request. In one package, it set aside 27 channels in Fla., Ga. & Ky.—which again invites attention to fact educators can now put their money where their mouths have been.

Minimum of \$64 million will be poured into telecasting equipment alone—half each from federal & non-federal funds. Where such channel reservations were frequently vague "insurance" plans of educators, they now often forecast serious intentions.

As we indicated recently, commercial interests will ride this wave, too—bonanza in telecasting equipment sales, hiked market for vhf-uhf sets, improved prospects of uhf receiver circulation (Vol. 2:22 pl).

Fla. gets these additional ETV channels: Boca Raton 45; Bradenton 28, Cocoa 14, Ft. Myers 16, Ft. Pierce 31, Lake City 33, Leesburg 26, Madison 21, Marianna 17, New Smyrna Beach 18, Ocala 15, Palatka 17.

In Ga., these are newly reserved: Ashburn 23, Cochran 15, Dawson 25, Pelham 14, Warm Springs 66, Wrens 20.

Ky. has these new channels—and reportedly is set to move quickly: Ashland 78, Bowling Green 17, Covington 54, Hazard 19, Madisonville 26, Morehead 36, Murray 33, Pikeville 14, Somerset 29. Also last week, FCC proposed a new vhf ETV, in Hatch, moving Ch. 12 from Silver City.

TV-TYPE ALLOCATION FOR FM: New FM rules were finally punched out by FCC—following TV-type allocation principles: more fixed, more "go-no-go" than AM practice. Highlights of new rules:

(1) Three zones (instead of present 2) are established: Zone I (Northeast), I-A (southern Cal., south of 40 degrees), II (rest of U.S.).

(2) Three classes of commercial stations (instead of present 2): Class A, used in all zones, has 3-kw & 300-ft. max., 100-watt min. (instead of present 1-kw & 250-ft. max.). Class B, used in Zones I & I-A, has 50-kw & 500-ft. max., 5-kw min. (instead of present 20-kw & 500-ft. max.). Class C, used in Zone II, has 100-kw & 2,000-ft. max., 10-kw min. (vs. present non-specific ceiling limited by interference considerations).

(3) Specific protected service ranges & minimum co-channel spacings: Class A, 15 mi. service, 65 mi. minimum spacing. Class B, 40 & 150 mi., respectively. Class C, 65 & 180 mi., respectively.

(4) City-by-city channel assignments will be proposed—probably end of Sept. or later. FCC mind isn't yet decided about educational stations—whether to have power ceilings, minimum separations, city-by-city assignments, etc. However, highest 3 EFM channels must meet minimum spacings re lowest 3 commercial channels.

(5) General assignment policy: 10-15 channels 1,000,000 & over; 6-10 in 250,000-1,000,000; 4-6 in 100,000-250,000; 2-4, 50,000-100,000; 1-2, under 50,000.

(6) Priorities for channel assignments come in following order: (a) Take care of existing stations. (b) Give an area first FM service. (c) Give each community at least one FM. (d) Give at least 2 FM signals to as many people as possible. (e) Give 2 stations to all communities able to support them. (f) Provide substitute for inadequate AM service. (g) "Assign channels to communities on the basis of their size, location & number of outside services available."

Existing stations stay put even if they don't comply with new standards. However, FCC won't grant them exceptions to new rules to improve their facilities.

Applications will be processed under new rules starting Aug. 8. Decision itself is effective Sept. 10. Proposal to adopt city-by-city channel assignments is subject to comments until Aug. 31, replies Sept. 17.

FINAL LICENSE DENIAL IN 'SMUT' HEARING: In famed "obscenity case"—radio WDKD Kings-tree, S.C.—FCC threw book at licensee E. G. Robinson Jr., ordered renewal denied (Vol. 1:14 p2).

Commission rested decision on several feet, not only "obscenity" issue which is traditionally tough to sustain in court tests. FCC relied most on finding that Robinson lied to Commission in stating he didn't know disc jockey Charlie Walker was emitting off-color material. Secondly, Commission said, if Robinson didn't know what Walker was broadcasting, he had shucked his responsibilities as a licensee.

Commission language on obscenity angle is worth noting. It takes notice of WDKD's claim that under Constitution & law the courts, not FCC, are arbiters of what is obscene. Commission said Walker material was "coarse, vulgar, suggestive, and susceptible of indecent, double meaning," which is different from law's reference to "obscene" or "indecent."

At any rate, FCC said, under WDKD's argument: "A station could present, for 75% or 80% of its broadcast day, entertainment which consisted of records interspersed with [smut] and would nevertheless be of no concern of the Commission . . . The Commission even though charged to issue licenses only when it is in the public interest, would be powerless to prevent this perversion or misuse of a valuable national resource."

FCC went to great lengths to disclaim censorship: "The Commission cannot substitute its taste for that of the broadcaster or his public . . . it cannot set itself up as a national arbiter of taste. Such wholly improper action by the Commission would be disastrous to our system of broadcasting and would not be tolerated by the courts or by the Congress . . . Our whole history establishes [that] we have acted with great circumspection in this sensitive area, and that where the drastic action of denial of renewal has been used, it has been because the situation itself was a drastic or flagrant one. In the circumstances, we think that the greater danger to broadcasting would be our failure to protect the public interest." In addition, Commission held that WDKD was "frequently saturated" with commercials—said that alone is enough to rate a short-term renewal.

Commission reported it disagreed with Examiner Donahue, who termed case a close one and wished he could have recommended a fine & probation instead of taking away license but that rules precluded this. Donahue also said that Robinson should be made "an example" to industry; FCC disagreed on that, too, saying facts in case merit denial—period.

Commission gave Robinson until Sept. 25 to close up shop. Anticipating complaints that Kings-tree will lose its only station, FCC said it can move fast to grant a replacement. Robinson will appeal to courts.

Commission was in disciplinary mood last week, taking these additional actions:

(1) Started revocation proceedings against WCLM(FM) Chicago for 9 reasons, including use of storecasting for commercials & horseracing results, leasing service to local news service without telling FCC, improper logging, program misrepresentation, time brokerage, etc.

(2) Ordered \$5,000 fine imposed on radio KERP El Paso for failing to disclose sponsors.

(3) Ordered total of \$6,500 fines for commonly-owned radio WCHI Chillicothe, WCHO Washington Court House & WKOV Wellston, all Ohio, for "willful" and "repeated" violations of rules—receiving 9 warnings about over-modulation, several about failure to employ first-class and full-time operators.

(4) Took first step toward deleting CP for WHYZ-TV (Ch. 10) Duluth, denying modification of CP for willful misrepresentation and unauthorized transfer of control.

There were no dissents in any of foregoing—though Comr. Cross decided not to vote in Kingstree case, was listed as not participating.

TELSTAR'S 'GREATEST SHOW ON EARTH': Largest TV audience in history saw memorable first live transatlantic TV exchange July 23 (Vol. 2:30 p3) and rave notices are still pouring in. Feat went off without serious technical hitch, and estimated 200 million viewers in 18 countries were held speechless by kaleidoscopic glimpses of people, places & things up to 7,000 miles away.

Anything but speechless was Senate last week, where Administration's satellite communications bill ran into filibuster by Sen. Morse (D-Ore.). At least another dozen Senators stand with Morse in opposition to what they describe as a "giveaway" bill and may stall Senate action until after November elections. As we went to press, Morse had finished 5½ hour talkathon. He contends satellite bill should be subject for public discussion in fall campaigns.

Global TV "within 3 years" was forecast by FCC Chmn. Newton Minow on TV interview following Telstar's July 23 achievement—which he described as "one of the most triumphant days in the history of communications . . . and a great triumph of the human spirit." Re satellite communications bill, he also told ABC-TV audience: "Private ownership of communications under govt. regulations has served us very well through American history, and we are hopeful that as we move into space our traditional philosophy will continue to work equally as well."

Telstar's stellar performance may reduce number of planned experiments. Dr. Loren Mitchell, head of Bell Labs' satellite study system, said last week that Telstar is functioning so well that only one additional experiment is now planned to clear way for worldwide communications via orbiting satellites. He said another Telstar launching is slated for October. Other Telstar developments last week:

(1) ABC announced plans to bid for live TV coverage of major European events. Exec. vp Tom Moore said network would make bids to Eurovision Network for glimpses of Christmas Eve midnight mass from Vatican, May Day celebration from Moscow, Festival of Lights from Oslo, Queen Elizabeth's birthday celebration from England.

(2) Holder of ancillary rights to Patterson-Liston heavyweight championship fight (Chicago, Sept. 25) said they plan to negotiate to bounce match live off Telstar to European viewers.

(3) First live news telecasts from Europe bounced in from Telstar July 24. Each network shared 20-min. span with 5-min. overseas presentation. ABC-TV led off, followed by CBS-TV & NBC-TV. Networks' overseas correspondents generated live-from-Europe spot reports & films of such events as train wreck in France, work on extension of Berlin Wall, Parisian fashions, Geneva disarmament talks.

(4) Pope John commented that Telstar's launching "marked a new stage of peaceful progress," said it had "helped strengthen brotherhood among peoples."

(5) Speculation also grew last week that AT&T may be less than elated over Telstar's rousing TV success. Transatlantic telecast did much for AT&T's image, but also may have focused too much attention on satellite's TV-carrying capabilities—regarded by AT&T as only fringe benefit of over-all communications objective of costly satellite program.

CURRENT CAPSULES

Reply comments on vhf short-spaced drop-ins and deintermixture arrived at FCC per schedule, per expectations. Virtually all comments—some regretfully—acknowledged that all-channel-set law killed deintermixture. Vhf drop-in comments followed conventional whose-ox-gored pattern. Prospective applicants were gung-ho for drop-ins to increase competitive service; existing operators warned of service loss through increased interference. As in past, heaviest filings were by ABC and AMST—former for drop-ins, latter against.



FCC proposes new class of service to promote ETV. Use of channels in 1990-2110 mc or 2500-2690 mc band would enable central transmitter to serve scattered local schools or other reception points where transmissions would be converted for viewing on conventional TV screens, Commission said. "It is estimated," FCC noted, "that a single-channel system serving about 25 separate schools in a community would cost from 1/5 to 1/3 of the cost of a moderately powered TV broadcasting station doing the same job." Tests conducted for FCC by Adler Electronics indicate "feasibility" of system, Commission said. Comments are due by Sept. 17. Comrs. Bartley & Craven dissented.



MCA has agreed to dissolve its talent agency & to refrain from influencing its clients in choice of new agents. Justice Dept. announced July 23 that MCA will "immediately" end its talent contracts, close its foreign talent agency operation "within 90 days." Attorney General Kennedy said agreement with MCA was contained in interlocutory order of U.S. District Court in Los Angeles and "achieves one of the principal objectives of the civil anti-trust suit filed against MCA July 13 without the necessity of extended litigation on this issue." Original suit is still pending. Among issues is allegation that MCA's acquisition of Decca Records & subsidiary Universal Pictures restricts competition.



Third station in Grand Rapids is in the mill—"interim" CP granted to combination of competing applicants, pending FCC's final choice of winner after comparative hearing. Four applicants form grantee, Channel 13 Grand Rapids Inc.: Grand, West Mich., MKO, Peninsular. Major TV hasn't joined. Officers: William C. Dempsey, pres.; James R. Searer, John D. Locks & Mary Jane Morris, vp's; Joseph A. Renihan, secy.-treas. Presidency will rotate every 4 months.



FCC denied petition for rule making that would deny license to TV station that permits distribution via wire of any of its network programs by a CATV system in the broadcast area of another station carrying same program (Vol. 2:30 p5). Petition was filed by WBOY-TV Clarksburg, W.Va. FCC noted its concern with "problem posed" and "the very real danger that operations of CATV systems may force the local TV station or stations off the air." Petition was denied, however, for various factors, including (1) pending H.R. 6840 & S.1044 would give FCC authority over CATV, and (2) belief that "rule placing responsibility on the licensee for the retransmission of its programs by such systems imposes a burdensome obligation . . ."

CBC has "loaned" Malaya one of its division engineers to assist in establishment of TV system. Malaya's first station, at Kuala Lumpur, is expected to begin telecasting by end of 1963. CBC's engineer, George H. Jones, Toronto, is on loan to External Aid Office for about 2 months.

Integrated Communication Systems Inc., 18 E. 49th St., N.Y. (Plaza 2-3434) is new firm which reports it's "developing a specialty in communication endeavors with an emphasis on sales representation in creative media projects." Sales vp is Len Sait, ex-WNTA-TV.

WEAU-TV Eau Claire, Wis. renames Hollingbery rep.

Miami-to-Bimini ETV experiment has demonstrated that TV-taught students on British island learn markedly faster than those taught conventionally. Lessons telecast to Miami schools by Dade County Board of Education also were received by Bimini, 60 miles off Florida coast. TV students showed 40% gain in elementary Spanish over non-TV students, 22% achievement gain in elementary science. Experiment sponsored by Dade County Board of Education was one of first ventures in international ETV.

WSTV-TV Steubenville, O. appoints Peters, Griffin, Woodward rep.

Personals

Darryl F. Zanuck elected 20th Century-Fox pres., succeeding resigned Spyros S. Skouras, elected chmn., replacing Samuel I. Rosenman. Zanuck's election finally quashed rumors that CBS-TV Pres. James Aubrey was in line for post (Vol. 2:30 p8).

Robert F. Hurleigh re-elected MBS pres.; Philip D'Antoni named vp-gen. sales mgr., elected a dir. Also elected to board: Stephen J. McCormick, radio news & Washington operations vp; Donald E. Garretson, chief accountant of parent Minnesota Mining & Mfg. John J. Verstraete Jr., 3M communications dir., elected chmn. of newly formed MBS exec. committee.

John M. Otter promoted to NBC-TV Network national sales dir., succeeding Thomas B. McFadden, resigned; succeeded as special program sales dir. by Sam K. Maxwell Jr., ex-CBS-TV . . . Daniel Sklar, formerly ZIV-UA, appointed dir., CBS-TV business affairs, Hollywood.

Aubrey W. Groskopf named to CBS-TV dir. of commitments, talent & properties, new post.

Douglas Streff named ABC-TV Central Div. asst. daytime sales mgr. . . . Morris W. Butler appointed WLWC Columbus, O. special broadcast services dir., succeeding Bud Gillis who joined Ohio ETV Network Commission as exec. secy.

Frank E. Mullen, former NBC exec. vp-gen. mgr., named pres., AP Management Corp. . . . Ralph S. Hatcher, national mgr., ABC-TV station relations dept., resigns Aug. 1 to become owner & operator of radio WJBS DeLand, Fla.

Dennis Scuse named head of BBC's U.S. hq staff in N.Y., succeeding Derek Russell who becomes BBC's Canadian rep. . . . Bill Sheehan appointed ABC News London correspondent, succeeding Yale Newman who will be assigned to U.S. duties.

Rodric M. Smith appointed Westinghouse Bestg. systems & procedures dir., a new post . . . Robert A. Frase named technical dir. of WMCT Memphis; Landon Covington chief plant engineer . . . Ray Stanfield named Peters, Griffin, Woodward eastern sales mgr.-radio, a new post.

Edward Codel, Katz Agency vp, elected pres., Station Reps Assn. for 1962-63. Other elections: Adam Young, Adam Young Companies pres., vp; Robert Dore, Bob Dore Associates pres., secy.; Daren F. McGavren, Daren F. McGavren Co. pres., treas.; Lloyd Griffin, Peters, Griffin, Woodward TV pres., elected to board for 2-year term.

Charles L. Getz Jr., ex-KYW-TV Cleveland, and Norman Wain, formerly radio WDOK Cleveland, form Wain & Getz Assoc. in that city for advertising & PR . . . Robert W. Schellenberg advances to WJXT Jacksonville gen. sales mgr. . . . Russell G. Gast promoted to WOW-TV Omaha midwest sales mgr.

Michael S. Kievman, ex-Ziv-UA, joins Warner Bros. TV as central div. district sales mgr., hq in Cincinnati . . . James J. Badaracco promoted to RCA Service Co. ETV receiver & distribution systems sales mgr., N.Y.

Obituary

Thomas S. Sullivan, 37, associate of Washington law firm, Dow, Lohnes & Albertson, accidentally killed himself July 25 while cleaning gun in his Fairfax, Va. home. Ex-asst. U.S. attorney in Washington, he had also served at SEC.

TV-newspaper cooperation can sell more ads & help retailers move more goods, TvB local sales vp Howard P. Abrams told Rockford, Ill. business executives group. Noting growing trend of fashion shows on TV, he said TvB is "prepared to work with any newspaper which would like to work with a TvB member to help local retailers sell more fashion goods." He said that audiences reached by TV fashion shows "were not obtained by TV alone—they were created in part by other media as well."

FCC has returned as "unacceptable for filing" application by WPST-TV for Ch. 10 Miami. Commission noted it had previously concluded that applicant lacked "the qualifications to operate the station sought," pointed out that less than year has elapsed since FCC lifted station's license for off-record contacts with ex-Comr. Mack. Comr. Lee dissented; Comr. Craven not participating.

Conforming with U.S.-Mexican agreement, FCC has added following channel assignments: Ariz.—Nogales, Ch. 11; Prescott, Ch. 7. Cal.—El Centro, Ch. 7 & 9. N. M.—Silver City-Truth or Consequences, Ch. 6. Tex.—Brady, Ch. 13; Boquillas, Ch. 8; Del Rio, Ch. 10; Ft. Stockton, Ch. 5; Marfa, Ch. 3; Presidio, Ch. 7; San Angelo, Ch. 6; Sonora, Ch. 11.

Mileage cuts, rules waived, were granted by FCC last week to: (1) WKBT (Ch. 8) La Crosse, moving 29 mi. to spot near Galesville; (2) KVKM-TV (Ch. 9) Monahans, Tex., moving 28 mi. toward Odessa-Midland; (3) WVUA-TV (Ch. 12) New Orleans, moving from Socola to Chalmette; (4) WTEV (Ch. 6) New Bedford, moving to location near Tiverton, R.I.

Ga. Assn. of Bestrs. 27th annual summer meeting at Jekyll Island, Ga., Aug. 5-7, will feature speeches by NAB Pres. Collins, House Commerce Committee Chmn. Harris (D-Ark.), FTC Food & Drug Advertising Div. Chief Charles Sweeny, Zenith Sales Corp. PR Dir. Ted Leitzell. GAB has invited presidents of all state broadcasting associations.

Recent book on TV, including discussion of govt. role, is paperback *TV In America* by Meyer Weinberg, historian & social scientist, teacher at Wright Junior College, Chicago (Ballantine Books, 101 Fifth Ave., N.Y., 312pp., 75¢).

TV spot food billings totaled \$51,879,000 in first quarter 1962, up 9.4% from \$47,427,000 a year ago, TvB reports. Network billings increased 7.9% during period, from \$32,365,903 to \$34,933,184.

NAB Pres. LeRoy Collins will be keynote speaker at Oct. 28-30 Broadcasters' Promotion convention at Holiday Inn Central, Dallas.

Program & commercial film "integrater," to eliminate delays & blackouts in cuing, has been developed by NBC, is now used in its N.Y. & Chicago projectors.

Motorola has introduced new closed-circuit TV equipment line embracing 3 transistorized cameras & "glare-proof" monitor.

Closed-circuit equipment prices will be raised average of 5% by Dage Div. of Thompson Ramo Wooldridge, covering cameras, monitors, controls & power supplies.

Deft touch is shown by radio WMT Cedar Rapids, in humorous booklet commemorating 40th anniversary. Station reports it also has serious history for stockholders.

FCC approved sale of KTRE-TV & KTRE Lufkin, Texas to Forest Capital Communications Corp. for \$750,000. Comr. Bartley dissented.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

INDUSTRY VIEWS ON RECTANGULAR COLOR: Although rectangular color bulbs—possibly in 2 sizes—are scheduled to become available from Corning next year (Vol. 2:30 p7), the companies most immediately concerned aren't making any outward changes in their near-term planning. There's tremendous interest, however, and great desire for more information.

Corning has said it hopes to have first sample bulbs of "hard glass" (the type used in present color tubes) as soon as early next year, with some production possible by midyear. Most tube makers take conservative approach, predict that sets using tubes made from these new-type bulbs probably wouldn't be available until some time in 1964—meaning "1965" models.

Most directly affected by Corning's move are RCA, currently only U.S. manufacturer of color tubes; Sylvania and Rauland (Zenith), both of which plan to start color-tube production next year, and Motorola & National Video, now developing 23-in. rectangular color tube using b&w glass. All of these companies, while keenly interested in new move, say they're going ahead with previously announced plans. RCA will produce 21-in. round 90-degree tube next year. Rauland & Sylvania will also go to round tubes before rectangular. Waiting for availability of rectangular bulbs and development of new tube elements, life testing, etc., would delay their entry into color at least a year. Motorola thinks it can have its rectangular color tube & set substantially before tube using Corning bulb is ready.

Everyone is concerned with possible costs of Corning's rectangular color bulb. Corning has indicated that rectangular bulb in large size (24- or 25-in.) may cost from \$5 to as high as \$10 more than current round bulbs at start, presumably coming down to about same as current bulbs after development costs are largely recovered. Some manufacturers think new tube elements (gun for 90-degree rectangular tube, new shadow mask and phosphor screen) as well as labor, will cost more than same components of round tube, too.

There's varying reaction to Corning's proposal for smaller (probably 19-in.) color tube (as well as bigger one). Is there market for it? Will color follow black-&-white in trending toward 19-in.? Nobody knows for sure. Some manufacturers see possibility of eventually saving enough on 19-in. set to make possible \$100 price differential at retail. If 25-in. rectangular set could some day sell for \$500, wouldn't 19-in. be attractive buy at \$400?

Manufacturers are also intrigued by possibility of brighter color pictures which 19-in. tube may make possible. One tube maker gave off-the-cuff estimate that small screen size may make possible 50% increase in brightness with same drive voltage. Here's rundown of views of 4 major companies most closely affected:

RCA sticks to its previously stated view that what sells color is not depth or shape but what's on face of tube. Excellence of present color picture, in RCA's opinion, is due largely to long experience in production of same tube, with gradual improvements all along line. Present color is probably only major TV product which has been produced consistently for more than 5 years without complete redesign.

RCA will produce 90-degree round 21-in. tube beginning next year, expects this tube to be industry standard for at least full year—longer, if price of rectangular tube is substantially higher. Incidentally, RCA hopes that 90-degree round tube will end up costing about same as today's 70-degree round one.

Sylvania, too, will be going ahead with round color tubes next year, right on schedule, but is already working on engineering development of rectangular ones. "We can't lose another year—we'll go ahead with what's available." So said Max Krawitz, mgr. of color tube manufacturing. He, too, pointed out possibilities of higher costs, long development period for rectangular tube, and indicated that Sylvania's color tube production facilities would be in operation on schedule.

Zenith's Rauland Corp. isn't changing immediate plans either. "We're presently setting up to make color tubes at the start of next year," we were told by vp-gen. mgr. W. E. Phillips. Corning move will "have no effect whatever on our program." He said Rauland could make either 70- or 90-degree 21-in. round tubes. He pointed out that rectangular color tubes present "no insurmountable problem" and that Rauland developed & tooled 21-in. rectangular color tubes 6 years ago. While approving of evolutionary development of rectangular tube, he said he felt there'd be at least one more year for round tube as only color display device.

Motorola Consumer Products Pres. Edward R. Taylor saw Corning's move as "encouraging," because it meant "we're getting support in our attempt to develop a better-looking and more salable color set." Development will have "no effect" on Motorola-National Video development of 21-in rectangular color tube, he said. If sets with Corning rectangular bulbs won't be ready before 1965 models, he predicted "we'll be ready ahead of that." He declined to give further details on Motorola's color timetable.

It's evident that tube & set makers are hungry for more information before making definite pronouncements about rectangular color tubes. It will be long time coming. First, bulb design must be agreed upon, then sample bulbs delivered, then real development of tube, life tests, cost studies, etc. However, no one pretends to be disinterested, and rectangular tube is well on way.

UHF PUSHBUTTON TUNER DUE IN YEAR: Stepped-up uhf tuner development, in anticipation of effective date of all-channel law, is becoming apparent on several fronts. General Instrument, for example, has already shown set manufacturers design for pushbutton uhf tuning.

New simplified tuning device could be in production within year, General Instrument Chmn. Monte Cohen told us last week. It uses mechanical-type pushbuttons (like auto radio), has proven to have good stability & repeatability. Big problem, of course, is cost, and how much set manufacturers feel they can add to price of set to provide simple uhf tuning.

New continuous uhf tuner has already gone into production at General Instrument. Using nuvistor oscillator tube, it's smaller than previous models—but big advantage is said to be tube life, claimed to be up to 4 times longer than previous models. It also is reported to be more drift-free. New tuner is now available to set manufacturers.

Best hope for improvement in sensitivity & noise figures of uhf tuners, Cohen believes, is in use of solid-state devices. Although tuner makers are working in this field, according to Cohen, it's "not a near-term development." He sees trend to simplified tuning—through pushbuttons and other devices—as first major change in uhf tuners.

Oak Mfg. announced its re-entry in uhf tuner market last week, as predicted in Vol. 2:23 p7. Oak also will move into consumer field for first time. Pres. E. A. Carter said Oak is ready to produce uhf tuners comparable to those now on market and also has in final design stage a compact tuner & a converter. "Converter sales will mark Oak's first entry into the consumer products field," Carter said, "and units will retail initially in the \$30 to \$35 range."

GE GOES TO IRELAND—NEW TREND? There's interesting story behind announcement last week by GE radio receiver dept. that it will establish plant in Ireland to make components for some of its radios.

Announced reason for move was to "remain competitive with the increasing Japanese radio competition." It's understood that components to be made are miniature parts for pocket radios. One of these parts is now being imported by GE from Japan; other is made in U.S.

Interestingly, GE surveyed entire world for plant location before deciding on Shannon. Among locations rejected, presumably because of higher costs, were Puerto Rico, Israel, Africa—and Japan itself. New subsidiary, to be known as E.I. Co. Ltd., is slated for completion next January, with production to start in March. Mgr. will be William N. Maddox, now mfg. mgr. of GE radio receiver dept. in Utica.

Parts made in GE's Irish plant will all be shipped to U.S. and used only in U.S.-made radios, according to GE spokesman, who disclaimed any European Common Market ambitions in connection with new plant, officially described as "small."

GE will have interesting electronic neighbor in Shannon—Japan's Sony Corp., now making radios there for sale in Europe.

JAPANESE TO PAY RADIO ROYALTIES: Settlement of long-standing negotiations was reached last week, as Japanese radio manufacturers conceded ownership of basic transistor radio circuit patents by Regency Inc., Indianapolis.

Agreement between EIA of Japan and Regency provides for payment of undisclosed lump sum to Regency, followed by royalties on per-set basis for all future transistor radios using Regency circuit which are exported to U.S. EIAJ & Regency agreed not to reveal financial details of settlement, but it was believed to provide for lump sum of \$40,000 for units already shipped to U.S. and 3¢ per radio for future shipments. Agreement was signed by 22 Japanese radio producers.

Regency was first company to market transistorized radio receiver back in 1954 (Vol. 10:43 p11), had market all to self for nearly 2 years. Patent applies to certain printed circuit designs. For some time now, major Japanese radio manufacturers have avoided Regency circuits, but now are expected to return to them as it's understood that even with royalties such circuits are cheaper than those now being used.

U.S. manufacturers aren't involved, since Regency assigned its domestic patent rights to Texas Instruments, which administers licensing program for American set makers. Regency (formerly I.D.E.A. Inc.), now principally in communication radio & component business, no longer makes entertainment-type transistor radios.

TV-RADIO PRODUCTION: EIA statistics for week ended July 20 (29th week of 1962):

	July 14-20	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	94,133	66,949	111,100	3,544,243	3,081,862
Total radio	295,773	268,524	305,206	10,087,910	8,274,962
auto radio	116,182	117,629	78,949	3,626,295	2,589,867

Trade Personals

Brig. Gen. David Sarnoff, RCA chairman, was reported in good condition at week's end in N.Y.'s Roosevelt Hospital following surgery July 25 for removal of gallstones.

Matthew D. Burns, Sylvania senior vp, retires Aug. 1 after 41 years with company & predecessor firms. He joined Sylvania as industrial engineer in 1921, became vp & Electronic Tube Div. gen. mgr. in 1955, was elected senior vp in 1958.

David Packard, Hewlett-Packard pres., elected a National Airlines dir. . . . J. O. Charshafian, ex-Curtiss-Wright Corp., elected pres., PRL Electronics, Rahway, N.J. manufacturer of electronic power supplies & electro-mechanical devices.

Hodge C. Morgan, ex-Bendix Radio, named to new post of communication products mktg. mgr., RCA Service Co.

Dwayne M. Berner elected Regency Electronics pres., succeeding Edward C. Tudor, named chmn.

Karl W. Bizjak appointed GE receiving tube district sales mgr., Palo Alto, Cal., replacing E. N. Phillips, resigned; succeeded by Carlton E. Chase as Los Angeles district sales mgr.

Dr. Barlane R. Eichbaum, ex-Ford Aeronutronic Div., joins Philco Scientific Lab staff, Blue Bell, Pa. . . . Dr. Kenneth A. Macdonald named chief chemist of Sylvania's Williamsport, Pa. microwave plant.

William A. Harrison elected Allied Radio treas. . . . A. Randall Walthers named mktg. mgr., International Resistance's Frontier Electronics Div., Cleveland.

Irving Rossman, former Pentron Electronics pres., joins Universal Audio as pres. after acquiring "substantial equity" in Hollywood maker of broadcast & recording equipment, succeeding Milton Putnam who continues as vp & also as pres. of affiliate United Recording.

Obituary

Alvin Gallen, 42, GE Credit Corp. chief attorney, died July 23 while enroute to White Plains (N.Y.) Hospital. He had been on GE's legal staff for 10 years, was named to Credit Corp. post in 1957.

Andrew H. Phelps, 73, retired Westinghouse purchases & traffic vp, died July 24 in Allegheny General Hospital, Pittsburgh. He joined Westinghouse in 1937, was elected vp in 1942, retired 1953. He was chmn. of National Metal Products Co. at his death.

U.S. tariff policy has had effect of "increasingly importing" foreign labor in face of "a continuing & unresolved high unemployment problem at home," Sprague Electric Chmn. Robert C. Sprague last week told Senate Finance Committee holding hearings on proposed trade expansion act. Representing EIA as chmn. of its Electronic Imports Committee, Sprague emphasized that imports of highly manufactured goods have risen sharply over recent years while U.S. exports of such products have deteriorated. "It is obvious that our competitive position is declining very steeply both at home & abroad in highly competitive manufactures," he said. Prime cause, he noted, is difference in wage rates. He noted that Japanese wage rates are 1/3 or less than U.S. rates, but Japanese electronics shipments to U.S. have soared from \$250,000 to \$120 million between 1955 & 1961.

Hitachi will enter U.S. TV field with 16-in. set, to be shown this week in N.Y. by International Importers, Chicago. It won't be only 16-in. Japanese-made set to be offered in U.S. Both Delmonico and Matsushita showed them at Music Show in N.Y. last month (Vol. 2:27 p10) and there are hints that both firms will be offering them soon in U.S. Meanwhile, only 16-in. set currently on U.S. market—GE's Escort portable—got promotional kickoff in N.Y. with full-page newspaper ads by Macy's, at \$164.95.

GE will pay govt. \$7,470,000 to settle 11 damage suits arising out of electrical price-fixing conspiracy (Vol. 17:25 p21). Justice Dept. said settlement was largest ever reached under anti-trust laws' provisions for damage suits against companies convicted of price fixing. Attorney General Robert F. Kennedy said govt. is seeking to negotiate "satisfactory" settlements with 18 other firms involved in conspiracy.

There's gold in FM stereo antennas. Maybe that's why Motorola is calling its new antenna line "Golden Wand." Company introduced line of outdoor FM antennas (\$11.95 & \$32.50) & accessories as necessary requisite for good quality stereo reception, pointing out that normal range of good FM stereo reception is 20-30% less than monaural FM.

Home electronics exhibitors at Syria's 9th Damascus International Trade Fair, Aug. 25-Sept. 20, include Admiral International, V-M Corp., Webcor, Westinghouse International. U.S. Pavilion will feature exhibits of 65 firms, emphasize "better living for all" theme.

Bogen-Presto Div. of Lear Siegler has been renamed Bogen Communications Div. "to reflect more closely orientation of the broad range of sound products produced." New division will retain established trade names, including Bogen, Challenger, Presto, Pagemaster.

RCA Sales Corp. will award 12 scholarships to 1962 Institute of Management sponsored by National Appliance & Radio-TV Dealers Assn. Selected RCA dealers will attend NARDA school Aug. 6-10 at American U., Washington.

Webcor Chmn. Titus Haffa will build \$20-million shopping center on 30-acre tract near Aurora, Ill., 40 miles w. of Chicago. In addition to department store & supermarket, center will include hi-fi equipment, music & appliance shops among numerous other retail stores.

Japan has cut to 6 months from 2 years waiting period required for foreigners before withdrawing invested capital. Move, effective Aug. 1, aims to attract greater foreign capital investment in Japanese industry.

New phono record idea is TeleRecord Inc., Los Angeles firm which is promoting "records by wire," patterned after Florists Telegraph Delivery. Group is aiming at 2,500 record dealer members this year.

"New Dimension in Sound—FM Stereo" will be theme of N.Y. High Fidelity Music Show Oct. 2-6. One of highlights will be Ford Motor Co.'s "concert hall on wheels"—car with special music system including reverberation.

GE broadens its builder line of home entertainment products with addition of transistorized built-in AM radio system for homes, apartments, trailers & motels. It operates from standard doorbell transformer.

Magnavox has cut prices on 3 shirt-pocket radios, from \$19.95 to \$16.95, from \$21.95 to \$17.95, from \$24.95 to \$22.95.

Dominion Electrohome expects 1962 earnings to jump 40% over 1961 on 25% sales rise to record \$20 million. Pres. Carl A. Pollock, in half-year report to stockholders, said Jan.-June TV sales were up 37% over year earlier, stereo ahead 46%, portable phonos 28%. He noted "very satisfactory improvement of TV & stereo sales in the U.S.," said U.S. dealers gave products "enthusiastic reception" at recent Music Show in N.Y. Pollock informed stockholders that Electrohome is now incorporated in U.S., has American hq in Chicago, operates warehouses there & in N.Y. "These steps will improve the efficiency of the whole American operation," he said. "A good sales & service structure is being built there."

Webcor has formed division to coordinate & expand national distribution of new stereo components line for radio & electronics fields. George Harder appointed division mgr., succeeded as national accounts mgr. by Gene Martin. New components line, to be introduced later this year, will be sold through sales reps. Mktg. vp James McLaughlin said Components Div. sales effort will be supported by Webcor's national organization of distributors in hi-fi, radio parts and commercial sound fields.

Mergers & acquisitions: Foto-Video Electronics, Cedar Grove, N.J. maker of closed-circuit TV systems, TV test instruments, other electronic equipment, has been acquired by Diamond Power Specialty Corp. and will be transferred to latter's Lancaster, O. hq. Foto-Video Pres. Albert J. Baracket has been appointed chief engineer of Diamond Power's electronic dept. which will absorb Foto-Video's lab & production operations.

Lear Siegler's first dividend declarations include quarterly payment of 10¢, payable Sept. 4 to stock of record Aug. 10, and a 3% stock dividend payable Sept. 17 to stock of record Aug. 10. Prior to merger, Lear and Siegler each paid 10¢ quarterly dividends.

Westinghouse overcharged Navy more than \$1 million on reactor components, U.S. General Accounting Office charged last week. Matter has been referred to Justice Dept. "for appropriate action," GAC said. Westinghouse denied charges, said "price bid was fair & reasonable."

Siemens & Halske, leading German electrical equipment manufacturer, has borrowed \$25 million at 5¼% from U.S. banks. Some \$20 million of loan, due 1977, will go to finance operations in Western Hemisphere.

Magnavox has increased quarterly dividend 5¢ to 17½¢ a common share, payable Sept. 15 to holders of record Aug. 24.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Lear Siegler	Q	\$0.10	Sep. 4	Aug. 10
Lear Siegler	Stk.	3%	Sep. 17	Aug. 10
Magnavox	Q	.17½	Sep. 15	Aug. 24
P. R. Mallory	Q	.35	Sep. 10	Aug. 10
National Video-A	Q	.12½	Aug. 27	Aug. 10
Stanley Warner	Q	.30	Aug. 24	Aug. 10
Stewart-Warner	Q	.35	Sep. 12	Aug. 17
Stewart-Warner	Stk.	5%	Sep. 12	Aug. 17
TV-Electronics Fund	—	.03	Aug. 31	Aug. 3
Texas Instruments	—	.20	Sep. 14	Aug. 14
Tung-Sol	Q	.17½	Sep. 1	Aug. 10
Warner Bros.	Q	.12½	Nov. 5	Oct. 11
Westinghouse	Q	.30	Sep. 1	Aug. 6

Zenith At Zenith: Record sales & earnings were racked up by Zenith in 1962's first half & June quarter (see financial table). Jan.-June profits jumped 30% to \$7 million on 25% sales gain to \$146 million. June-quarter earnings rose to \$2.3 million from \$1.9 million, sales climbed to \$64.5 million from \$52.7 million.

Unit factory shipments of b&w TVs rose to record levels during first half, as did distributor sales to dealers, Chmn. Hugh Robertson & Pres. Joseph S. Wright reported, resulting in Zenith "attaining an all-time high percentage of industry sales." Combined factory & distributor TV inventories were up over a year ago, but down 21% from year earlier "as a ratio to June sales." Increase in sales of console & combination TVs accounted for 30% of distributors' unit sales gain during period.

Zenith noted that first-half unit factory shipments & distributor sales of radios set records, and factory unit shipments of stereo phonos were "at an all-time high." Company also noted it is "pleased with the acceptance & sale of its new color TV receivers."

Westinghouse Earnings Soar: Westinghouse's earnings in both first half & June quarter showed marked gains over a year earlier (see financial table). Although 2nd-quarter sales increased only 2.5%, earnings jumped 31% to \$13.7 million. For first half, earnings improved 30.4% to \$25.5 million from \$19.6 million in Jan.-June 1961, sales rose 4% to \$957 million from \$920.4 million.

Pres. Mark W. Cresap Jr. & Chmn. Gwilym A. Price attributed improved performance to increased sales in consumer, construction, defense & space markets.

Thompson Ramo Wooldridge earnings in 1962's first half more than tripled to \$6.4 million from \$2 million in Jan.-June 1961 (see financial table). Sales climbed to \$231.6 million from \$200.9 million. All product divisions contributed to gain. Electronic products & services volume soared 44%. Chmn. J. D. Wright & Pres. H. A. Shepard said "we are forecasting a new record high for sales this year and are reasonably confident that earnings will exceed the 1959-60 level." They made forecast "mindful of the economic storm clouds that have been appearing and which could affect the nation's business climate & our consumer markets in the months ahead."

GT&E Rings Up Record Half: GT&E's first-half earnings rose 13% to record \$38.4 million on 11% sales rise to \$649.3 million, also a record (see financial table). Chmn. Donald C. Power reported substantial gains in Sylvania sales in first half & June quarter, said Jan.-June earnings nearly doubled Sylvania's year-ago profit.

Manufacturing sales during first half also established record, rose 12% from year earlier to \$369.2 million. Manufacturing net income jumped 14% to \$13 million.

"Based upon the current economic outlook," Power said, "there is every indication that the upward trend in sales, revenues and net income will continue for the balance of the year."

Motorola set sales records in first half & 2nd quarter (see financial table). Half-year sales rose 24% to \$160 million, earnings climbed 86% to \$1.41 per share June-quarter sales were up 21% to \$82.6 million, earnings up 43% to \$3.2 million. "We anticipate record sales & good earnings in the 3rd quarter," reported Pres. Robert W. Galvin, adding: "We still anticipate a fine market for Motorola radio, TV & stereo products throughout the year. We expect to further increase our percentage of industry TV sales in the 3rd quarter as we have each quarter this year."

National Video sales & earnings slipped in year to May 31 despite 2% gain in unit sales of cathode ray tubes (see financial table). Sales totaled \$18.4 million vs. \$18.5 million in fiscal 1961. Profits dipped to \$934,281 from \$1.3 million. Pres. Asher J. Cole attributed slippage to rising costs & increasing price competition, and to closing of South American markets for TV tubes. Unsatisfactory credit conditions, coupled with political unrest in South America, "caused a virtual cessation of shipments to this formerly profitable area in the latter half of National Video's fiscal year," he said.

Bankrupt are Crosby-Teletronics & subsidiary Crosby Electronics, Federal Court Judge Joseph C. Zavatt ruled in Brooklyn last week. Decision followed finding that Crosby-Teletronics Chapter X reorganization plan (Vol. 2:22 p12) was not feasible. M. Rudolph Preuss (250 Fulton Ave., Hempstead, L.I.) was appointed bankruptcy trustee by Referee William J. Rudin, Mineola, N.Y., who adjourned hearing to Aug. 27.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Electronics	1962—6 mo. to June 30	\$ 4,603,307	—	\$ (354,451)	—	1,177,842
	1961—6 mo. to June 30	10,572,471	—	65,025	\$0.06	1,177,708
	1962—qtr. to June 30	1,950,510	—	3,771	—	1,177,842
	1961—qtr. to June 30	3,132,913	—	43,403	.03	1,177,708
Amphenol-Borg Electronics	1962—6 mo. to June 30	43,334,571	\$ 2,139,273	1,015,273	.75	1,388,677
	1961—6 mo. to June 30	34,641,054	944,970	463,470	.33	1,388,081
	1962—qtr. to June 30	23,313,144	—	602,889	.43	1,388,677
	1961—qtr. to June 30	19,413,497	—	404,200	.29	1,388,081

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Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Arvin Industries	1962—6 mo. to June 30	40,126,064	2,121,058	1,009,461	.85	1,186,270
	1961—6 mo. to June 30	31,213,652	843,329	416,616	.35	1,137,609
	1962—qtr. to June 30	21,293,817	1,147,455	534,953	.45	1,186,270
	1961—qtr. to June 30	17,568,067	925,182	464,569	.39	1,137,609
Dynamics Corp. of America	1962—6 mo. to June 30	37,782,572 ²	—	1,752,354 ²	.52 ¹	3,014,695
	1961—6 mo. to June 30	22,226,614	—	881,840	.23 ¹	2,787,027
Electronic Associates	1962—year to June 30	20,819,000	—	1,385,898	.73	759,675
	1961—year to June 30	16,092,000	—	819,641	.42	722,665
Electronic Communications	1962—9 mo. to June 30	25,813,042	870,263	450,263	.60 ¹	719,089
	1961—9 mo. to June 30	14,011,525	238,735	144,735	.21 ¹	614,510
Fairchild Camera & Instrument	1962—6 mo. to June 30	49,500,000 ²	—	2,844,000 ² ⁸	1.13	2,526,083
	1961—6 mo. to June 30	44,570,000	—	2,299,000 ⁴	.91	2,486,950
	1962—qtr. to June 30	25,600,000 ²	—	1,492,000 ² ⁵	.59	2,526,083
	1961—qtr. to June 30	23,900,000	—	1,422,000 ⁵	.56	2,486,083
Gabriel	1962—6 mo. to June 30	16,788,085	1,453,370	693,762	.95 ¹	729,913
	1961—6 mo. to June 30	15,459,250	591,461	345,142	.50 ¹	678,238
	1962—qtr. to June 30	9,258,257	1,035,640	471,027	.65 ¹	729,913
	1961—qtr. to June 30	8,736,013	374,859	204,189	.30 ¹	678,238
General Bronze	1962—6 mo. to June 30	8,071,763	13,695	13,695	.03	391,820
	1961—6 mo. to June 30	9,567,702	(819,738)	(393,738) ⁶	—	391,820
GT&E Story on p. 11	1962—6 mo. to June 30	649,338,000 ²	—	38,387,000 ²	.52 ¹	73,846,000
	1961—6 mo. to June 30	585,119,000	—	33,896,000	.46 ¹	73,254,000
	1962—qtr. to June 30	331,432,000 ²	—	20,225,000 ²	.27 ¹	74,142,000
	1961—qtr. to June 30	297,204,000	—	17,757,000	.24 ¹	73,177,000
Metromedia	1962—26 wks. to July 1	26,206,832	4,222,923	1,021,655 ²	.60	1,707,557
	1961—26 wks. to July 2	23,397,580	3,039,433	446,587	.26	1,707,057
	1962—13 wks. to July 1	13,936,518	2,810,019	882,923 ²	.52	1,707,557
	1961—13 wks. to July 2	12,337,991	1,933,557	434,253	.25	1,707,057
Motorola Story on p. 11	1962—6 mo. to June 30	159,649,347 ²	12,123,551	5,685,976	1.41	4,028,672
	1961—6 mo. to June 30	128,722,224	6,426,661	3,062,529	.76	4,028,672
	1962—qtr. to June 30	82,632,185 ²	6,974,897	3,230,032 ²	.80 ⁹	4,028,672
	1961—qtr. to June 30	68,303,487	4,727,640	2,259,552	.56	4,028,672
National Video Story on p. 11	1962—year to May 31	18,433,163	—	934,281	.76	1,223,334
	1961—year to May 31	18,506,977	—	1,270,159	1.03 ⁷	1,223,334 ⁷
Oak Mfg.	1962—6 mo. to June 30	15,769,956 ²	1,263,018	620,568	.95	655,824
	1961—6 mo. to June 30	11,009,138	332,520	187,520	.28	655,794
	1962—qtr. to June 30	8,354,154 ²	693,555	344,555	.53	655,824
	1961—qtr. to June 30	5,826,208	223,108	120,608	.18	655,794
Reeves Soundcraft	1962—6 mo. to June 30	4,022,700	—	11,800	—	3,235,515
	1961—6 mo. to June 30	3,209,800	—	(273,700) ¹⁰	—	3,231,390
Stewart-Warner	1962—6 mo. to June 30	60,598,598	7,732,976	3,812,976 ²	1.15	3,321,421
	1961—6 mo. to June 30	54,141,851	6,340,732	3,032,732	.91	3,322,733
	1962—qtr. to June 30	31,171,420	—	2,069,319	.63	3,321,421
	1961—qtr. to June 30	27,796,755	—	1,686,310	.51	3,322,733
Thompson Ramo Wooldridge Story on p. 11	1962—6 mo. to June 30	231,589,854	13,330,666	6,114,666	1.85 ¹	3,391,926
	1961—6 mo. to June 30	200,879,678	5,713,917	2,071,337 ⁹	.60 ¹	3,292,168
	1962—qtr. to June 30	119,919,624	7,415,900	3,536,500	1.02 ¹	3,391,926
	1961—qtr. to June 30	104,143,974	2,704,980	581,300 ⁸	.15 ¹	3,292,168
Transcontinent TV	1962—6 mo. to June 30	7,879,380	1,978,940	872,940 ³	.49	1,795,772
	1961—6 mo. to June 30	7,849,204	1,456,992	646,192	.37	1,795,772
	1962—qtr. to June 30	4,139,243	1,075,256	477,256 ²	.27	1,795,772
	1961—qtr. to June 30	4,039,677	842,019	374,639	.21	1,795,772
Tung-Sol	1962—26 wks. to June 30	35,567,514	1,534,635	713,635	.65 ¹	926,826
	1961—26 wks. to June 30	31,395,690	1,247,457	641,457	.58 ¹	925,858
Warner Bros.	1962—9 mo. to June 2	59,590,000	10,969,000	5,569,000	1.15	4,830,052
	1961—9 mo. to June 2	63,574,000	9,583,000	4,983,000	1.10	4,830,052
Westinghouse Story on p. 11	1962—6 mo. to June 30	956,971,000	45,814,000	25,514,000	.09	35,622,369
	1961—6 mo. to June 30	320,381,000	34,661,000	19,561,000	.1	34,843,536
	1962—qtr. to June 30	496,504,000	24,636,000	13,736,000	.09	35,622,369
	1961—qtr. to June 30	484,277,000	19,693,000	10,493,000	.09	34,843,536
Zenith Story on p. 11	1962—6 mo. to June 30	145,996,770 ²	15,034,574	6,982,609 ²	.77	9,033,177
	1961—6 mo. to June 30	116,698,673	11,899,831	5,339,244	.60 ¹¹	8,989,197 ¹¹
	1962—qtr. to June 30	64,476,007 ²	—	2,253,815 ²	.25	9,033,177
	1961—qtr. to June 30	52,732,808	—	1,947,214	.22 ¹¹	8,989,197 ¹¹

Notes: ¹ After preferred dividends. ² Record. ³ Includes special \$450,000 credit representing partial use of loss carry-over from merger of Allen Du Mont Labs. ⁴ Includes Du Mont Labs carry-over of \$225,000. ⁵ Includes Du Mont Labs carry-over of \$315,000. ⁶ After \$426,000 tax credit. ⁷ Adjusted to reflect 2-for-1 stock split Sept. 1961. ⁸ After de-

ducting \$1,456,320 for inventory adjustment. ⁹ Does not include net gain of \$1 million (25¢ a share) on sale of Motorola Finance Corp. (Vol. 2:25 p10). ¹⁰ Before \$1,170,400 net gain on sale of investments. ¹¹ Adjusted to reflect 3-for-1 stock split Nov. 1961.