

WEEKLY **Television Digest**

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SET MAKERS NET BIG 9-MONTH GAINS: 6 of 12 companies set sales records, 4 post peak profits; combined sales of 8 volume producers jump to \$850.1 million from \$700.9 million in Jan.-Sept. 1961, earnings rise to \$31.5 million from \$24.2 million (p. 8).

CONSUMER ELECTRONICS expansion by \$200 million to new record predicted by EIA Pres. Horne. EIA takes action on hi-fi definition, uhf educational drive, FM stereo monitoring (p. 8).

CUSTOMS WHACKS IMPORTERS with scale of minimum valuations for Japanese radios; wide implications here & in Japan (p. 10).

RCA SEES RECORD '62: Pres. Elmer W. Engstrom says sales will top 1961's peak \$1.5 billion, profits will exceed 1955's record \$47.5 million. NBC will set new earnings record this year (p. 12).

SCREEN GEM'S RECORD QUARTER: Profits climb to peak \$467,717 from \$341,735 in July-Sept. 1961 (p. 12).

'WEED-OUT' TIME AT NETWORKS: Like football coaches during half-time, program executives at all 3 networks last week busied themselves revising attack strategy and picking fresh substitutes for balance of season's rating ball game. Many changes were triggered by appearance of season's third National Nielsen—a report considered significant since it helps greatly to establish basic trends.

Two networks were announcing changes to coincide with important affiliate meetings. Top echelon of ABC-TV met with affiliate mgrs. in trio of regional meetings (N.Y., San Francisco, Chicago) last week, NBC-TV brass readied pep-rally speeches for Dec. 4-5 N.Y. meeting of its affiliates, CBS affiliates board meets Dec. 4-6 with network affiliates in Palm Springs.

Although CBS-TV still leads in nationwide Niensens, CBS is not content to rest on rating laurels and is scheduling almost as many mid-season changes as NBC & ABC. CBS's score in latest National Nielsen (for 2 weeks ended Nov. 11): 6 out of top 10 programs, and week-long average national audience level of 19.7 against NBC's 17.9, ABC's 14.1. However, program switches on other networks, Nielsen trends in 30 multi-network competitive markets which showed gains for NBC and ABC, helped keep CBS on its toes.

Here are key switches as well as key reasons-why in the mid-season program revisions, network-by-network:

◦ ABC Changes: Roy Rogers-Dale Evans Show (Sat. 7:30-8:30 p.m.), a sort of western vaudeville series, has yet to rope a rating, will be yanked Dec. 22. In its place, moving from similar time period on Fri. is *The Gallant Men*, Warner Bros. entry in current crop of WW II-revisited shows. Although latter show has not sparked strong ratings, or even full-network clearance, ABC hopes switch will do trick, is even returning Sun. 6:30-7:30 p.m. hour to stations as added lure.

Into vacated Fri. slot will go pair of reruns which ABC considers strong attractions for family (i.e., strong sprinkling of teen-agers in audience) viewing: *Winston Churchill-Valiant Years* and new crop of "selected episodes" from *Father Knows Best*, a series on which ABC holds network rerun rights. ABC is also yanking Warner-produced *Cheyenne* (Mon. 7:30-8:30 p.m.), but apparently hasn't lost its taste for horse opera; replacement, eff. Jan. 7, is *The Dakotas*, also from Warner Bros.

◦ CBS Changes: CBS has been blessed with some of season's new-show hits (*Beverly Hillbillies*, *The Lucy Show*) and plagued with some new series which have never gotten into rating orbit because of strong competition on NBC-ABC. Main CBS strategy, therefore, is matter of juggling shows into new time periods, with reluctant use of cancellation ax.

Sole clear-cut cancellation on CBS, at moment, is the Lever-Toni-sponsored *New Loretta Young Show*, apparently regarded as old-hat by viewers in Mon. 10-10:30 p.m. period. Eff. March 18, Loretta bows to *Password*, which will then bring number of Mon.-night "game shows" on CBS to total of 4, plus 3 situation comedies. *Fair Exchange*, transatlantic Desilu-produced situation comedy with a cute premise, is scheduled for yanking Dec. 28 from Fri. 9:30-10:30 p.m. slot, but is due to return next March in 30-min. format.

Friday slot on CBS across from ABC's durable *77 Sunset Strip*, vacated by *Fair Exchange*, will be filled by hour-long *Alfred Hitchcock Show* as part of CBS's grand program-rescue design. Chief reason for this move is that it opens Thu. 10-11 p.m. slot occupied by *Hitchcock*, enabling CBS to schedule *The Nurses* (Thu. 9-10 p.m.) an hour later—thus removing the soap-operaish hospital show from necessity of competing, for first half-hour, against NBC's high-rated *Dr. Kildare* (Thu. 8:30-9:30 p.m.). Fair-to-middling rating pattern so far on *Nurses* has shown distinct audience jump when *Kildare* goes off. Into Thu. 9-10 p.m. slot will go new hour-long *Twilight Zone*.

◦ NBC Changes: Most drastic shakeup in mid-season switches is due to occur at NBC-TV, which has decided that major strategy change is needed to battle game-&-comedy lineup on Mon. nights on CBS, and western-&-hospital lineup on ABC. Out are going pair of hour-long film shows in late Jan. which have dubious distinction of being among lowest-rated network evening series: *It's A Man's World* (Mon. 7:30-8:30 p.m.) and *Saints & Sinners*, a warmed-over version of "The Front Page" (Mon. 8:30-9:30 p.m.).

Into vacated 2-hour block will go new-to-TV feature movie package, programmed much as NBC's *Saturday Night At The Movies* is handled, eff. Feb. 4. Source of the movies is 20th Century-Fox. All the films are post-1957, most in color; titles include "Boy On A Dolphin," "The Enemy Below," and "Heaven Knows, Mr. Allison." Participation price is less than \$25,000 per spot—a network bargain.

How will changes pay off? CBS is confident that it will hold lead, strengthened by judicious shuffles. NBC likes to point to rating edge in recent election coverage, growing strength for shows like *Eleventh Hour* and *Du Pont Show of the Week*. ABC, too, feels it has "trend strength" in shows like *Wagon Train*, *Combat*, *Dickens-Fenster* and *McHale's Navy*. In short, 2nd half of season's ball game is likely to be as hotly contested as opening periods.

COLLINS & TOBACCO—CHAPTER II: Outcome of Collins-tobacco controversy is quite unpredictable at the moment. NAB president's personal view that broadcasters should not run cigaret commercials "aimed at youth," because of "a serious hazard to health" (Vol. 2:48 pl), has brought him both antagonism & support from NAB membership.

ABC & NBC stated flatly that they disagree with Collins, while CBS said merely that matter is best handled by Code Board, which meets Dec. 11. Anti-Collins forces have seized on episode to urge non-renewal of Collins' contract, which has a year to run but must be renegotiated by end of this year. NAB Chmn. Clair McCollough, asked if there's any substantial move to unseat Collins, said: "Not that I know of." He said issue will be considered by Code Board and by NAB Board, latter meeting mid-Jan.

Basic issue is whether Collins should take personal positions on matters directly affecting TV-radio, without consulting NAB leaders. Rumors of NAB resignations proved false last week; one Code subscriber resigned, but it had indicated withdrawal plans before tobacco fracas.

One leading NAB member summed up situation in what is probably pretty good consensus of membership: "I can't imagine anyone would be so dumb as to demand his resignation. You've got to be against sin—against kids smoking, kids drinking, and so forth. Collins is entitled to his personal opinion. We have free speech. But the issue is who makes major policy and how to implement it. If you think that tobacco commercials are wrong, there's an easy way to go about it. You go to the tobacco people and they'll change it in a minute. They're glad to talk about it. That's what we did about beer commercials—and it worked out fine. I don't think the industry should get into a big public controversy about it."

There was speculation that Collins had inkling of report coming soon from special committee appointed by Surgeon General Luther Terry—that its conclusions would be bad for smoking. However: (1) Committee had first meeting few days ago, and Terry said initial report won't come for 6 months, final report about a year. (2) Public Health Service is already on record with warning on smoking.

Another top broadcaster concluded: "Collins was really sounding like a broadcaster lately. Why did he have to go and do that? The man certainly isn't timid. That's wonderful. But why didn't he check with the industry first?"

Collins' comment last week: "I haven't changed my views. I plan to recommend Code changes to the Code Board. Has anyone mentioned CBS's splendid documentary "The Teen Age Smoker"? It furnished substantial documentation which underlies my views. No one has indicated to me that he wants me out of the job. In fact, we have received a great many commendations—many of them from broadcasters."

PLUMMER NEW FCC STAFF STRAW BOSS: One of more controversial recommendations regarding FCC organization, proffered by management team of Booz, Allen & Hamilton (Vol. 2:18 p3), was establishment of an "Executive Director." But Commission apparently shares not at all the concern of some that man in slot will become an all-powerful policy maker.

It resolved situation in least controversial way, by unanimously voting job to one of most respected staff members—Curtis B. Plummer, chief of Safety & Special Radio Services Bureau—and by making him "directly responsible to the Commission under the supervision of the Chairman." BA&H had recommended he be "located in the personal Office of the Chairman." FCC gave Plummer 3 duties:

(1) "To provide sustained administrative leadership & coordination of staff activities in carrying out the policies of the Commission, through over-all supervision & coordination, but not control, of such staff activities . . .

(2) "To review with the Commission and with the heads of the several bureaus & offices, the program & procedures of the Commission and to make recommendations . . .

(3) "To assist the Chairman in carrying out the administrative & executive responsibilities delegated to the Chairman as the administrative head of the Agency . . ."

FCC officials say, informally, that job is virtually 100% what BA&H recommended, noting that consultants' report said that Executive Director "should not create or determine policy, but he should insure that Commission policies are carried out faithfully & efficiently."

Fact is, of course, that position is bound to have some impact on policy—if merely through timing & scheduling of work. But commissioners are understandably wary about impingements on their prerogatives, will keep close tabs.

No staff member has had broader high-level experience at FCC than Plummer. An engineer, he joined FCC in 1940 as radio inspector in Boston. He became chief TV engineer in 1945, chief engineer of Commission in 1950, chief of Broadcast Bureau in 1955, before heading Safety & Special Bureau. He's 50—and a Republican.

FCC also abolished its Office of Administration, named its head, Executive Officer Robert W. Cox, Asst. Executive Director, placed his staff under Plummer.

Another FCC appointment was designation of William Ray as chief of Complaints & Compliance Div., succeeding John Harrington (now Asst. Gen. Counsel). Ray joined FCC in Sept. 1961 after 26 years as top-notch NBC newsman in Chicago, 2 as owner of radio KASI Ames, Ia.

With Comr. Craven expected to leave post before long, his legal asst. Robert Koteen was assigned to general counsel's office in administrative laws & treaties div., his engineering cast. Fred Heister to new space communications office.

Probabilities are that Craven will leave when he reaches retirement age of 70 Jan. 31—taking top space-consulting job with govt.—succeeded as commissioner by Broadcast Bureau Chief Kenneth Cox.

WAVY-TV SALE BLOCKED; FCC ASSAILS 'PROMISES': "This should end blue-sky promises in comparative hearings." That's comment of high-level FCC staff member, following Commission's action last week, ordering a hearing on application of WAVY-TV (Ch. 10) Portsmouth, Va. to Gannett Co. Hearing will explore, FCC said, promises made by WAVY-TV principals, during original comparative hearing, about their plans to participate in operation of station.

Commission asserted that testimony of many WAVY-TV principals, regarding their plans for spending substantial time (15-20 hours weekly) on station problems, was of "critical importance" in decision giving them Ch. 10. Now, FCC said, it looks as if few of promises were carried out. Then, Commission laid it on:

"The Commission has long held that a licensee cannot act improperly in the broadcast field and, when challenged, simply sell his station at a profit or without a loss; if this were permitted, such a licensee would have little reason to obey the Act, the Commission rules or policies, or serve the public interest, since the worst that would happen to him is that he might have to sell his station. We believe that this principle, while not directly in point, is applicable here. We do not believe it to be in the public interest to permit a licensee to sell his station (particularly at a profit), when there is a serious question as to whether the licensee failed to carry out integration [of ownership & management] representations, with apparent serious consequences on fulfillment of programming representations. To permit such an assignment, with the knowledge or serious possibility that important representations made in the comparative hearing were not kept, would subvert the integrity of our comparative hearing process. Representations made to us in that process are not to be put forth as a part of 'gamesmanship' or for tactical advantage: They must be seriously advanced and seriously regarded in actual operation."

Attack on WAVY-TV sale had been led by Beachview Bcstg., WAVY-TV's original Ch. 10 opponent. However, Beachview recently told FCC it was ready to quit fight—upon payment by WAVY-TV of \$98,750 for expenses—but Commission flatly turned down the deal, called it "wholly improper."

To drive home its point in WAVY-TV case, FCC in separate action started rule-making, applicable to everyone, designed to make stations keep Commission better informed of changes. It proposed amending Sec. 1.304 of rules "to make clear that the applicant is responsible for the continuing accuracy and completeness of his material representations to the Commission and that this requirement applies not just to the application but also to any matter of decisional significance in any Commission proceeding involving the application."

'PAGEANT' MAY SPUR PAY-TV-TYPE SYSTEMS: Brilliant success of Nov. 29 closed-circuit "American Pageant of the Arts" telecast—most publicized & elaborate event of its kind—may well have long-range impact on theater TV, pay TV, CATV. Purpose of affair was to kick off fund-raising campaign for \$30-million National Cultural Center in Washington.

Some 350,000 viewers, including many of nation's civic, business & cultural leaders, witnessed some 2½ hours of performances by nation's best, and you can expect them to be receptive to more & more pay-TV-type approaches.

In addition to big screens in auditoriums, ballrooms, etc., in some 65 cities, there were 22 CATV systems, plus pay TV in Hartford & Toronto. It was a technical tour de force for Nate Halpern's Theater Network TV, an artistic triumph for producer Robert Saudek. Only complaints were "too long" and, in Washington's massive Armory (attended by President & Mrs. Kennedy), "can't hear." Next day, Halpern said that nationwide reports were "excellent."

NAB decided to fight FCC's Omaha local-live hearing (Vol. 2:48 p4) by participating—rather than by attempting court block. NAB counsel met with Omaha station principals and their counsel last week, decided on plan. It's expected NAB staff will advise station witnesses. Said NAB Pres. Collins: "It should be made clear that the objections relate to the nature of the proceedings. I am confident that the hearing will demonstrate that the Omaha stations have done an outstanding job of service to the public in their community." FCC made important change in Omaha procedure, compared with Chicago case—by giving station witnesses considerable legal protection—counsel at their side, having right to advise and to object to questions but not to examine or cross-examine. In dissent to FCC action ordering Omaha hearing, Comr. Hyde said: "I know of no reason why Omahans should require the assistance of the Commission in seeing that what they look at and hear is what they need. On the other hand, I think there are many reasons why the Commission should not interfere in the operation of competitive services or in the process of democratic choice. There may be reasons at times to be impatient with the process; however, as opposed to the results which could reasonably be expected under the controls of paternalism, it conduces to vitality & independence of expression."

ABC-TV's Nixon "obituary" on Howard K. Smith program (Vol. 2:48 p2) brought comment from House Commerce Committee member Avery (R-Kan.), who defended broadcasting's freedom from govt. censorship but urged public to "express their displeasure and understandable indignation" to ABC-TV & affiliates. He attacked Smith for editorializing in news presentations, said show was "simply another way of portraying his contempt for Richard Nixon and conservatives generally." Network's management will now have to "weigh its public responsibility against such program policy," Avery concluded.

ETV & telecommunications are probable prospects for Senate Communications Subcommittee hearings early next session. Group wants to check on progress of HEW's ETV program, presently dormant due to lack of appropriations, also will call on FCC and Telecommunications Dir. Irvin Stewart for recommendations for formulating orderly communications policy. Plans were reported in Senate Commerce Committee report of activities during 87th Congress, available from Govt. Printing Office, Washington 25.

Direct TV satellite broadcasts could begin before 1970 if development begins soon on satellite transmitter, team of RCA engineers reported at recent American Rocket Society meeting (Vol. 2:28 p4). Group said transmitter is only major component of such a system not now under development. Lack of air or water for cooling of transmitters' high-powered tubes makes necessary the development of new technique—possible radiation cooling—study group reported.

Average TV station wages rose 7%, radio stations 4%, over past 2 years, NAB reports. Nationwide TV average this fall ranged from \$76 for floorman to \$276 for sales mgr.; radio average ran from \$69 for traffic mgr. to \$174 for sales mgr. NAB Broadcast Management Dept. Mgr. James H. Hulbert said largest increase during period was for TV news directors, whose salaries rose 11.3% to \$167 weekly.

Double-pronged attack on bans on broadcast coverage of govt. proceedings came from NAB last week. Pres. Collins told Me. Bcstrs. Assn. that freedom to hear & see, as well as to speak & write, comprises "right of communication" which must be protected. Asserting that blocks to broadcasting exist at all levels of govt., he said that whenever right of equal access is denied, people's right of communication is more seriously impaired. Speaking on Westinghouse Bcstrs' *Focal Point Forum* in Boston, he called microphone & camera "the extended eyes & ears of the public," said where the people have right to go, broadcaster should be allowed to go in their place. NAB Planning & Development vp Howard H. Bell urged Miami Beach meeting of judges to throw their weight into battle against Canon 35. He told panel at National Assn. of Municipal Judges convention that ban on broadcasters in courtrooms is outdated & discriminatory, deprives public of its right to know.

Narrowing of cultural gap between fine arts and mass entertainment is due in part to TV and radio, CBS Pres. Frank Stanton indicated in "Great Issues" lecture at Dartmouth College Nov. 26. He pointed out that new techniques of mass communications—paper-back books, long-play records, etc.—had brought great art, great writings, great music, within reach of mass audience. TV can take credit, he said, for boom in national popularity of N.Y. Philharmonic, and he doubted that "awareness of the Philharmonic extended much beyond the Hudson 50 years ago." He countered argument that TV provides so much escapist fare that people are reading better books, cited a library boom in classics, histories, commentaries because of TV dramas & documentaries. He also promised that "this whole question of how tastes are created & developed" will get considerable CBS "research attention."

Less secrecy by federal regulatory agencies could be boon to govt. & public, according to a U.S. Administrative Conference committee. Group contended agencies could speed up their work by releasing some of information they gather during investigations. Committee said much data is "routinely classified as confidential," although disclosure would bring "overall gain to the administrative process." Conference is an advisory "watchdog" group of govt. & industry lawyers and others, seeking methods of streamlining federal agencies.

Disclosure of Congressional holdings in private firms would be required under proposal by Sen. Case (R-N.J.). He criticized "double standard" of ethics which allows Congressmen to own interest in businesses which can be affected by legislative action, while requiring cabinet officers & others to divest themselves of possible conflict-of-interest holdings.

FCC let stand \$4,000 forfeiture against WCUY(FM) Cleveland Heights, O. (Vol. 2:26 p7). Pointing out that it had already reduced fine from \$8,000, Commission denied station's application for further reduction. Station was charged with testing new transmitter without notification and broadcasting on new frequency without authorization.

Existing stations will be exempt from part of new FM rules (Vol. 2:31 p2), FCC announced. Commission said new limitations on antenna height & power will apply only to new stations or changes in present facilities, because "tremendous losses in existing service which would result would outweigh the possible gains."

Personals

James L. Middlebrooks, ex-broadcast consulting engineer and former King Bestg. engineering & planning dir., rejoins ABC as engineering facilities dir. . . . Hank Davis promoted to Storer Programs Inc. national marketing mgr.

Henry Grossman, ex-NTA vp, appointed ABC-TV national film & video recording services dir. . . . Bruce McLeod promoted to CTV TV station relations mgr., a new post.

Donald L. Chapin, Taft Bestg. sales vp, elected to TvB board . . . Don B. Curran, ex-ABC-TV o-&o stations advertising & publicity mgr., named gen. mgr., radio KGO San Francisco.

Gloria Coe, confidential asst. to FCC Chmn. Minow, marries N.Y. attorney Paul Klein Dec. 30, will live in N.Y.; she'll be succeeded by Dorothy Counts, secy. in Minow's office.

Joseph Goodfellow, WRC-TV-AM-FM Washington vp & gen. mgr., elected Md.-D.C. Bcstrs. Assn. pres. . . . James C. Hanrahan, WEWS Cleveland gen. mgr., elected Ohio Bcstrs. Assn. pres. . . . Henri Audet, CKTM-TV Three Rivers, Que., re-elected French-language Bcstrs. Assn. pres.

George C. Huntington promoted to exec. vp, Jack O'Mara, Jacob A. Evans, William B. Colvin & William B. MacRae elected vps, of TvB . . . Leo M. Brody, ex-T.V. Stations Inc., appointed TV Affiliates Corp. station relations mgr.

Francis H. Conway, ex-WDAU-TV & radio WGBI Scranton, Pa. gen. sales mgr., named to similar post with WTEV Providence, R.I. . . . Eric S. Bremner promoted to asst. to vp, King Bestg. Co. broadcast div., Seattle.

David L. Morris, ex-Monsanto Chemical product promotion supervisor, appointed KMOX-TV St. Louis sales service mgr. . . . Jack Jacobson promoted to KGUN-TV Tucson production mgr.

Allan Wallace, ex-Video Tape Productions, appointed Video Tape Unlimited sales vp, N.Y. . . . John F. Wade, ex-Avery-Knodel, named WFIL-TV-AM-FM Philadelphia research dir., Lou Frankel appointed publicity dir.

Obituary

Roy S. Durstine, 75, a founder of BBDO and pres. of Roy S. Durstine Inc. agency, died in N.Y. Nov. 28. A 1908 Princeton graduate, he was PR dir. for Theodore Roosevelt's Bull Moose Party Presidential campaign in 1912. He was American Assn. of Advertising Agencies pres. 1925-26, received first annual Radio Advertising Award in 1936. His widow, a son, 2 daughters, survive.

U.S. broadcasters who beamed VOA messages to Cuba during emergency come to Washington Dec. 4 to receive thanks in person from President Kennedy & USIA Dir. Murrow.

American Legion's Americanism Award has been presented to Crosley's WLWI Indianapolis, only TV station ever to receive the award.

Mort Bassett & Co., radio-TV reps, opens new office, 400 N. Michigan Ave., Chicago, with John Erickson & John Shelton.

"TV's 'honest eye' may be deceptive," *Washington Post* TV Editor Lawrence Laurent opines in recent column. He questions contention of *Meet the Press* moderator Lawrence Spivak that TV camera unfailingly reveals true character of a person. Prime example of fallacy of this argument, Laurent notes, was Charles Van Doren, of quiz show scandal notoriety. Conceding that TV will be big factor in future political campaigns, he says it will be found that medium is "only one index" to true character or ability of a candidate.

Telstar called it quits last week, as it communications unit ceased functioning, apparently for good. Bell engineers first reported trouble 2 weeks ago in turning satellite's receiver & transmitter, which handles TV, on and off. Last week, system stopped working completely. Unless Telstar unexpectedly comes back to life, transatlantic telecasts will be out until RCA's Relay is launched this month (Vol. 2:42 p4). A second Telstar may be launched next spring, Bell said.

FCC reversed 1954 decision allowing WSPA-TV (Ch. 7) Spartanburg, S.C. to move transmitter from Hogback Mt. to Paris Mt. In supplemental decision, Commission supported protest by WAIM-TV Anderson, S.C., and agreed with examiner's earlier supplemental decision that WSPA-TV failed to justify move to Paris Mt.—"which would result in the curtailment of service from that originally proposed." Station is operating from Paris Mt. under FCC authority until Dec. 10.

FCC denied WTEN Albany's petition to relocate 31 miles southeast of present site. Noting that move would put transmitter less than required 170 miles from co-channel WJAR-TV Providence, Commission refused to waive rules despite WTEN's contention that it would protect WJAR-TV's signal. FCC said public interest wouldn't be served because WTEN would lose about 43,192 viewers in making move.

N.Y. statewide ETV network has been proposed to Board of Regents in special study calling for 10-year, \$15-million program to establish stations in 27 areas, build microwave facilities. Study made by Glenn Starlin, consultant on TV in higher education, also recommended development of closed-circuit systems on state university campuses and some other colleges. He suggested state grant \$2,270,500 initially in 1963-64 fiscal year.

Pay TV & communications satellites are featured in Fall *Journal of Broadcasting*, FCC General Counsel Max Paglin outlining satellite regulatory and international problems. James A. Brinton & Richard F. Carter discuss effects of pay TV in changing TV industry's image. *Journal* is available for \$6 per year from Assn. for Professional Bestg. Education, U. of Southern Cal., University Park, Los Angeles 7.

TV-radio role in Miss. riots has been investigated by FCC. Commission is readying report on actions of 25 stations in dozen Miss. communities, after receiving complaints that broadcasters helped flame riots. FCC said 3 types of complaint were examined: (1) Stations used to incite riots. (2) Unbalanced reporting by stations. (3) Illegal use of walkie-talkies by some rioters.

NBC's controversial program on Berlin tunnel (Vol. 2:43 p5, 44 p6) will be telecast 8:30-10 p.m. Dec. 10. Originally scheduled for Oct. 31, show was postponed because of "critical international situation."

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

RCA SHELVES 90-DEGREE COLOR TUBE: TV set & tube manufacturers were thrown into turmoil at week's end by totally unexpected announcement from RCA Tube Div. that deliveries of 90-degree round color tubes will be held up for "approximately 9 to 15 months."

Telegram to RCA's set manufacturing customers Fri. afternoon (Nov. 30) informed them that delay is "due to technical difficulties encountered during pilot production." Official RCA statement said introduction was postponed because "it is now recognized that the goals of reliability established for the 90-degree tube have not been fully realized." Announcement said RCA will continue to produce current 70-degree tube.

RCA telegram caught set makers with their tooling down. New short tube was to have started flowing from RCA plants during first quarter, in time for mid-year set introductions. Every manufacturer had been designing chassis & cabinets for new short color tube. Now they'll have to use older designs to accommodate present 70-degree tube, which was to have been discontinued.

RCA's competitors & picture-tube business were stunned. National Video, Sylvania & Rauland had announced they would start color production next year, in 90-degree round version. Had they run into same problems as RCA? How would decision affect their plans? Could they possibly go it alone with 90-degree design which is giving RCA so much trouble? Or would they start production with old 70-degree version? Or postpone start of color tube output? Initial reactions at National Video & Sylvania were non-committal, and Rauland officials were unavailable.

Even if no "technical difficulties" with 90-degree round tube are encountered by RCA's competitors, there's some question whether they can economically produce this tube type now, in view of fact that their orders for 90-degree bulbs—at least during first year—would be in relatively low quantity, thereby vastly increasing costs.

There was speculation in industry last Fri. whether 90-degree round tube would ever be produced. Corning told tube makers last summer that it hoped to have sample quantities of 25- & 19-in. rectangular color bulbs early next year, production quantities a year later if wanted. Does this make it more desirable to drop 90-degree round and concentrate on developing rectangular tube? Or will far more severe problems crop up in rectangular tube designing? It's long, hard road from bulb to tube, particularly in color. (RCA's statement concluded: "Our efforts are being intensified to solve these technical problems in order to achieve our goal of a 90-degree tube which will provide the TV industry with the same high standards of quality as the present 70-degree tube.") There were no immediate answers, and there will be none for some time.

What went wrong to cause such a lengthy postponement at final stages of development program which started 2 years ago? One source indicated problems were in color registration & convergence at outer edges of wide-angle tube's screen. It's known that final decision was made last Wed. night or Thu. morning after re-evaluation which one source close to RCA termed "most agonizing."

There's one silver lining—if you belong to the camp which thinks that tube shortage will be bottleneck in color TV next year: With discontinuance of pilot production & tooling up for 90-degree, more of RCA's tube capacity is now released to make greater quantities of color tubes.

EIA SEES EXPANDING CONSUMER FIELD: EIA Pres. Charles F. Horne predicted last week that 1963 consumer electronics sales will set new record at factory level, exceeding 1962's record by \$200 million. Consumer product members of EIA, meanwhile, at group's winter meeting in San Francisco, made plans to aid this expansion in fields of uhf, FM stereo & hi fi.

Horne said factory sales of entire electronics industry should hit a walloping \$15.1 billion next year, and gave these year-by-year comparisons of 4 major industry segments:

	1961	1962	1963
Consumer	\$2.1 billion	\$2.3 billion	\$2.5 billion
Industrial	2.2 billion	2.4 billion	2.7 billion
Military	7.0 billion	7.6 billion	9.0 billion
Replacement8 billion	.8 billion	.9 billion
TOTAL	\$12.1 billion	\$13.1 billion	\$15.1 billion

Among EIA's actions touching on consumer field:

Definition of "high fidelity" was approved by phono manufacturers and will be submitted to FTC in January. Designed to apply to packaged phonos, it would become effective with 1965 lines, if accepted by FTC. Definition wasn't made public, but it's understood to qualify as high fidelity all phonos with frequency response of 100-8,000 cycles or better and music power rating of 5 watts or more. Vote favoring definition was 17-3, and it's believed that some objections were aimed at minimum power ratings by manufacturers who claimed that power has little bearing on fidelity.

Go-ahead for voluntary program of set manufacturer monitoring of FM stereo stations to assist FCC in checking adherence to its standards was given by consumer products div. & broadcast equipment section. Details must be worked out & submitted to FCC.

EIA's radio section heard plea for support of FM stereo stations by set manufacturers—in terms of sponsorship & promotional assistance—by Gary Gielow & James Gabbert, co-owners of San Francisco's KPEN-FM, who pointed out that more than 70% of FM stereo stations are operating in red.

Public relations campaign aimed primarily at consumer & dealer understanding of uhf, but also geared to entire consumer electronics field, will be studied by task force consisting of Olympic's Morris Sobin, chmn. of EIA consumer products div., Philco's Armin Allen, Motorola's Edward R. Taylor & unnamed representative of private-label manufacturers. EIA consumer products staff dir. L. M. Sandwick announced that he has completed full study of all present & past uhf telecasters, CP-holders & applicants, to be made available to members after printing.

Consumer products div. will oppose filing by EIA's land mobile communications section with FCC—first time one EIA group has fought another before govt. body. Issue is petition by latter group to have Ch. 14 & 15 deleted from uhf TV band and assigned to mobile communications. Commented consumer products Chmn. Sobin: "TV has a long-range need for all channels assigned to it."

SET MAKERS NET BIG 9-MONTH GAINS: TV-radio manufacturers barreled into 1962's final quarter at record-making pace, propelled by impressive 9-month sales & profit gains over 1961's corresponding Jan.-Sept. period. With big holiday buying season dead ahead, and reports of booming Oct. & Nov. sales coming in, peak sales and/or profits obviously loom for majority of set makers.

Our analysis of 12 TV-radio set manufacturers produced this salubrious capsule of 9-month performance: (1) Six set sales records. (2) Four had peak profits. (3) Only one of 12—Andrea Radio—failed to increase sales over year-earlier period. Andrea, however, did improve earnings. (4) All but one—Admiral—netted profit gains. Admiral had impressive sales gain, but declined in profits largely because of "unprecedented investment in expanded color TV facilities" (Vol. 2:48 p11).

Eight manufacturers who concentrate on home electronic products—Admiral, Andrea, Arvin, Magnavox, Motorola, Muntz TV, Wells-Gardner, Zenith—produced combined 9-month sales of \$850,102,381—up more than \$149 million from \$700,856,397 in 1961's Jan.-Sept. period. Their profits rose by more than \$7 million to \$31,485,111 from \$24,237,380. Motorola, Magnavox & Zenith scored record sales. Magnavox & Zenith also had record profits.

Equally impressive were sales & profit gains of 4 giant multi-product companies in which TV-radio products account for only a portion of over-all volume. Combined 9-month sales of GE, GT&E (Sylvania), RCA & Westinghouse boomed to \$7,147,172,000 from \$6,408,006,000. Their combined profits soared to \$313,200,000 from \$251,683,000. GE, GT&E & RCA had record sales. GT&E & RCA also had record earnings.

Sizable sales gains were registered by 11 of 12 companies that improved over Jan.-Sept. 1961. Magnavox shot ahead 53% to record \$136.5 million from \$89.3 million. Zenith jumped 21% to record \$227 million from \$187.8 million. Motorola gained 18% to record \$244.7 million from \$207.7 million. RCA increased 16% to record \$1.266 billion from \$1.090 billion. GE gained 11% to record \$3.483 billion from \$3.138 billion. GT&E moved up 9% to record \$970.8 million from \$792.3 million. Admiral declined in earnings but boosted sales by more than \$10 million to \$146.6 million from \$135.9 million. Only sales decline was posted by Andrea—to \$3.9 million from \$4.6 million.

Muntz TV, which operates on fiscal year, closed its 1962 year Aug. 31 with record sales & sharp jump in profits (Vol. 2:44 p10). For comparative purposes, Pres. Wallace Kiel furnished us with special 9-month, Jan.-Sept. figures. They show 25.9% sales jump to \$8.9 million from \$7.8 million in Jan.-Sept. 1961. Earnings rocketed 133.6% to \$706,320 from \$302,389.

Profit gains of 11 companies that topped year-earlier earnings also were impressive. Westinghouse was up 60% to \$40.1 million from \$25 million. Magnavox boomed 58% ahead to record \$6.9 million from \$4.3 million. RCA gained 44% to record \$34.3 million from \$23.8 million. Motorola rose 42% to \$9.1 million from \$6.4 million. Zenith was up 17% to record \$11.6 million from \$9.9 million. GE rose 19% to \$179.5 million from \$151 million. GT&E climbed 14% to record \$59.3 million from \$51.9 million. Wells-Gardner rose sharply to \$722,000 from \$487,000. Only profit decliner, Admiral, dropped to \$548,216 from \$1.4 million. Andrea, despite sales slip, pushed profits to \$216,010 from \$199,782.

With only a few major TV-radio manufacturers still to be heard from—Emerson, TraVler, Pacific Mercury, Packard Bell—here's 9-month performance of 8 volume producers, compared with 1961's first 3 quarters:

	Sales		Earnings	
	1962	1961	1962	1961
Admiral	\$146,566,985	\$135,877,427	\$ 548,216	\$ 1,390,664
Andrea Radio	3,851,920	4,623,972	216,010	199,782
Arvin	63,541,704	50,858,262	1,747,813	1,180,930
Magnavox	136,500,000	89,293,000	6,856,000	4,333,000
Motorola	244,700,845	207,703,769	9,098,080	6,416,892
Muntz TV	8,911,395	7,770,564	706,320	302,389
Wells-Gardner	19,024,000	16,945,000	722,000	487,000
Zenith	227,005,532	187,784,403	11,590,672	9,926,723
TOTALS	\$850,102,381	\$700,856,397	\$31,485,111	\$24,237,380

Here's 9-month performance of 4 multi-product giants:

GE	\$3,483,153,000	\$3,138,046,000	\$179,495,000	\$150,994,000
GT&E (Sylvania)	970,770,000	792,348,000	59,276,000	51,877,000
RCA	1,265,500,000	1,090,100,000	34,300,000	23,800,000
Westinghouse	1,427,749,000	1,387,512,000	40,129,000	25,012,000
TOTALS	\$7,147,172,000	\$6,408,006,000	\$313,200,000	\$251,683,000

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 23 (47th week of 1962):

	Nov. 17-23	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	109,260	117,781	133,303	5,931,753	5,597,533
Total radio	358,880	431,255	381,856	17,416,781	15,528,648
auto radio	180,686	185,107	139,078	6,395,028	4,909,658

CUSTOMS WHACKS IMPORTERS: Importers of low-priced Japanese radios were clobbered last week by U.S. Customs Dept. ruling which establishes minimum valuations for duty purposes. Although values were set for all types of Japanese radios (through 10-transistor units) and other electronic equipment, it apparently is minimum valuations on 6-transistor radios which will hurt most, perhaps to point of bankrupting some smaller importers—since new valuations are understood to be retroactive to April 1961.

Customs obviously suspects hanky-panky such as double-billing by radio importers. Its minimum valuations on 6-transistor radios, based on Japanese quality rating scale: Class A radios, \$7.30; Class B, \$6.80; Class C, \$6.30. Class C radios currently are coming in from Japan with FOB billing of \$4.50-\$5.50. The 12½% duty had been computed at this price. Now Customs will bill duty—retroactively—on \$6.30 minimum.

Move is a delayed answer to Japanese govt.'s discontinuance in April 1961 of "check prices"—minimum prices at which radios could be sold for export. If Customs ruling sticks, it could be big boon for transistor radio industry in Hong Kong & Okinawa, whose products so far appear unaffected by ruling, since these areas never had check prices in first place.

Some of larger brand-name importers appeared happy with ruling, since they specialize in more profitable, higher-priced radios. Although Japanese govt. & some U.S. importers probably will try to persuade Customs to rescind or modify action, best appraisal is that next move is up to Japan. It could re-establish check prices or take other action to reassure U.S. govt. that it is policing integrity of prices on which duties are levied.



Characteristics of 10 TV receivers, as determined by FCC Labs, are reported in Report L-6201, available from Chief Engineer's office. Commission had asked manufacturers to give samples of best-performing sets. Its said purpose was to get idea of what public might hope for "at some future time." Sets were received from Du Mont, Emerson, GE, Motorola, Philco, RCA, Sylvania, Westinghouse, Zenith, one private label. Tabulations cover noise, selectivity, image ratio, intermodulation interference, oscillator drift, oscillator radiation, sweep circuit interference, VSWR.

EIA is trying to woo parts manufacturers who are now members of smaller trade groups. At last week's winter meeting in San Francisco, EIA board approved plan to develop new division for "distributor-oriented manufacturers"—those who sell primarily through parts jobbers. EIA estimates there are 200 such firms. Board also approved split up of tube & semiconductor div. into 2 divisions—reflecting increasing divergence of interests between makers of tubes & semiconductors.

Excellent roundup of consumer electronics industry in Far East is featured in Nov 26 *Electrical Merchandising Week*; written by consumer electronics editor Don Rubin (whose Japanese name is "Swift Dragon"), it's based on his observations & interviews during recent trip to Japan & Hong Kong. Reprints available from McGraw-Hill.

Cartridge tape recorder will be introduced next June by Webcor, stockholders were told last week in Chicago. However, unlike Minnesota Mining's cartridge recorder (Vol. 2:46 p9), this one will be designed for personal use, battery-operated, and not primarily for music reproduction, according to Webcor officials. Webcor Div. Sales Mgr. George Simkowski predicted that within year "75% of our volume will be realized in tape recorder products," including console instruments with tape recorders. He said company's Montgomery Ward contract has already resulted in \$250,000 worth of sales, and that Webcor will soon have complete hi-fi component line. Company has operated at break-even point for first 5 months of fiscal year, stockholders were told.

Kimcode tubes are in pilot production by Sylvania, according to company's cautious announcement. Tubes now being made are in 23-in. size and "19- & 16-in. tubes will become available in the near future." Sylvania has been identified as one of 3 tube makers (others: GE, National Video) supplying Curtis Mathes with Kimcode tubes. No other set manufacturers are known to have decided on the new tube type. Sylvania also announced last week pilot production of 2 low-drive 19-in. tubes, in 114- & 92-degree deflection, offering alternatives of brighter pictures or lower video drive.

Good business (continued): Motorola reports 10% increase in Oct. business over Oct. 1961, and projects Nov. business 25% ahead of last year. Motorola Consumer Products Inc. Pres. Edward R. Taylor praised industry for refraining from "widespread liquidation" in face of relatively slow business in first 3 weeks of Oct., forecast "very strong" business rest of year. Packard Bell reports 48% increase in Oct. consumer product sales, correcting error in its statement of last week (Vol. 2:48 p9). Arvin radio sales are running 30% ahead of year ago, phonos 50% ahead.

Chicago will be scene of most distributor conventions and new-set showings. Admiral was first to hold convention, showing wares to distributors at plant Nov. 30. Among others, Philco will meet distributors in Chicago this month; Zenith, Dec. 3-4, Drake Hotel; Motorola, Dec. 7, Edgewater Beach Hotel; RCA, Dec. 13, Edgewater Beach. Magnavox will be showing as usual at next month's International Home Furnishings Market, Merchandise Mart.

Heavy advertising for Minnesota Mining's \$450 cartridge tape recorder (Vol. 2:46 p9) has broken in St. Louis test market, with 4-page ad in Nov. 25 roto section of *Post-Dispatch* and 4-page inserts in St. Louis county circulation of *Saturday Evening Post* Nov. 24. Famous-Barr & Aeolian Co. stores are carrying the recorder. AM & FM stereo radio spots will also be used.

Motorola's TV unit sales climbed 10% in Oct. from year-ago month & are expected to jump 25% in Nov. from Nov. 1961. Consumer Products Pres. Edward R. Taylor said stereo sales followed similar pattern. He said Oct.'s TV volume was 2nd highest Oct. in Motorola history, compared 10% gain with "1.7% increase over Oct. 1961" by "industry as a whole." Noting sales spurt in Oct.'s final week, Taylor said "now it looks like sales for the rest of the year should be at very strong levels."

Canadian TV set sales rose 21.5% in first quarter 1962 to 127,138, TvB of Canada reports. Only 6%—7,885 sets—were imports. Radio sales dropped 11.9% in quarter.

Mergers & acquisitions: Studebaker stockholders approved acquisition of Minneapolis appliance maker Franklin Mfg. (Vol. 2:42 p7) and \$40-million sale (\$29 million cash, 1,333,333 Studebaker common shares) became effective Nov. 16 • ITT plans to acquire for \$17.8 million in common & preferred stock "substantially all the assets" of General Controls Co., Glendale, Cal. maker of automatic control devices. General Control would operate as subsidiary of ITT's U.S. Commercial Group and give ITT "a broad base of electro-mechanical devices on which to build for worldwide position," Pres. Harold S. Geneen said • Corning Glass has acquired "a substantial minority interest" in Signetics Corp., closely-held Sunnyvale, Cal. manufacturer of electronic circuits • Maremont Corp. will ask stockholders at special Nov. 28 meeting for authority to increase its holdings of Gabriel shares. Maremont now holds 50.8% or 373,518 of Gabriel's 734,991 outstanding common shares. Ownership of at least 80% is needed to permit consolidation of the 2 companies, Maremont official said • Emerson sold its Emertron subsidiary to Litton Industries (Vol. 2:47 p11) for estimated \$7,961,000 in stock & debentures. Subject to approval of Emertron stockholders at Nov. 30 meeting, Litton will acquire Emertron's assets for \$3.2 million of subordinated convertible debentures, 79,000 common shares, 1,975 shares representing a 2½% stock dividend payable Dec. 17. Transfer date is scheduled for Dec. 3. Emertron will retain \$1 million cash, which will be distributed to stockholders. Emertron is 86% owned by Emerson • Avnet Electronics has completed purchase of substantially all assets of Hamilton Electro, Los Angeles distributor of electronic components & devices (Vol. 2:39 p11) • Packard Bell Electronics & Marquardt Corp. have terminated their merger discussions (Vol. 2:43 p12) because "a mutual exchange of information indicates that our respective operations could not be joined in the manner we had hoped," Packard Bell Pres. Robert S. Bell & Marquardt Pres. Roy E. Marquardt reported • Beckman Instruments plans to acquire Vector Mfg., Southampton, Pa. manufacturer of telemetry components, for stock valued at more than \$7 million. Merger is subject to approval of Vector stockholders.

Appliance sales, "in defiance of seasonal trends, promise to wind up a strong year with an extra-strong finish," noted Nov. 29 *Wall St. Journal*, adding: "Survey of appliance makers & retailers across the country show their appliance sales currently running anywhere from 5% to 20% ahead of a year ago, with the average up about 10%. If these gains continue, as most sellers now think they will, full-year volume could be the industry's best since record 1956." Appliance sales traditionally "start to decline or at least level off at this time," *Journal* noted, but "this year, to the surprise of both manufacturers & retailers, quite the opposite is happening."

Philco has started \$500,000 modernization program at its Watsonstown, Pa. TV-radio-phono cabinet plant. Renovation is slated for completion by late spring. Watsonstown plant also builds cabinets on contract for other manufacturers.

International Electrohome, U.S. company formed by Canada's Dominion Electrohome Ltd., will open N.Y. office & showroom at One Park Ave. Dec. 3. Charles W. Gavin has been named sales mgr. Warehouse will be opened in Jersey City, N.J.

Trade Personals

George Haggerty, Univac, elected to EIA board, representing industrial electronics div.; J. A. (Shine) Milling, Howard W. Sams & Co., named by EIA parts div. as representative on board of Electronics Parts Show, succeeding John Thompson, formerly of Raytheon, now with ITT.

Charles E. Beck, Philco pres., appointed expansion program chmn. of Junior Achievement of Delaware Valley Inc., will head fund-raising campaign to establish additional Junior Achievement Centers for instruction of high school students in fundamentals of American business system.

James L. Myers, 72, Clevite chmn. & one of 4 founders 43 years ago of predecessor Cleveland Graphite Bronze Co., plans to retire, will not stand for re-election as a dir. at annual meeting in April.

George W. Dick, former RCA division vp, appointed C-E-I-R exec. vp.

Donald O. Corvey named RCA Electron Tube Div. purchasing agent, succeeding Thomas J. Scanlon who will handle special assignments for vp-gen. mgr. D. Y. Smith; William C. Dove succeeds Corvey as kinescope operations purchasing mgr.

John J. Graham, ITT vp, appointed area gen. mgr.-North America, which embraces ITT's U.S. Commercial Group & U.S. Defense Group. Former RCA executive will be responsible for ITT's consolidated U.S. & Canadian manufacturing, marketing, research & service operations.

Jack Dubler, Churchill Stereo pres., also appointed chmn. of newly formed exec. committee.

William L. Houlihan named pres. of P. R. Mallory's Radio Materials Co. Div., succeeding Richard D. Bourgerie, resigned; Robert M. Merritt appointed division exec. vp.

John J. Bohrer elected International Resistance vp; Robert J. Reigel appointed northeast regional mgr.

Jack Rigsby, ex-RCA, joins Allen B. Du Mont Labs as southeast regional mgr., a new post; Jerry McCarthy named northeast regional mgr.

Milton Selkowitz, former national sales mgr. of defunct CBS Electronics' Columbia Phonograph Dept., appointed Sealy Mattress gen. mgr. . . . Robert Moffat, Webcor exec. vp, elected a dir.

Citizens radio service rules will be tightened by FCC. Commission reported that number of licensees has risen from 40,000 to about 350,000 since creation of new Class D category in 1958, said operating violations have become so widespread "as to threaten the continued usefulness of the service." Comments are invited until Jan. 5, 1963, reply comments until Jan. 31. Proposal is Public Notice 62-1174, available from Commission.

Aid for electronics industry management is offered in 2 new publications: *A Study of the Problems of Small Electronics Manufacturing Companies in Southern California*, prepared by San Diego State College under Small Business Administration grant, is available from the school for \$3.75. Summary of study *Management Problems in the Electronics Industry* can be obtained free from any SBA office.

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
Hallicrafters	1962—year to Aug. 31	\$ 66,741,111	\$ 4,123,061	\$ 1,993,061 ¹	\$0.82	2,437,500
	1961—year to Aug. 31	59,475,078	3,524,328	1,699,428	.70	2,240,700
Harvey Radio	1962—9 mo. to Oct. 31	5,275,938	—	261,173	.34	770,000
	1961—9 mo. to Oct. 31	3,129,366	—	154,013	.20	770,000
Lab for Electronics	1962—6 mo. to Oct. 26	22,992,000	—	82,000	.06	1,298,087
	1961—6 mo. to Oct. 26	29,678,000	—	408,000 ²	.31 ²	1,298,087
Lafayette Radio Electronics	1962—qtr. to Sept. 30	6,381,124	—	179,161	.17	1,061,675
	1961—qtr. to Sept. 30	5,034,818	—	150,657	.14	1,045,750
Paramount Pictures	1962—9 mo. to Sept. 30	—	—	594,000	.36	1,681,681
	1961—9 mo. to Sept. 30	—	—	5,310,000 ³	3.15	1,684,481
	1962—qtr. to Sept. 30	—	—	(1,107,000)	—	1,681,681
	1961—qtr. to Sept. 30	—	—	890,000 ⁴	.53	1,684,481
Reeves Bcstg. & Development	1962—9 mo. to Sept. 30	3,508,300	72,100	24,100	.02	1,408,893
	1961 ⁵	—	—	—	—	—
Rollins Bcstg. Story below	1962—6 mo. to Oct. 31	3,948,919 ¹	683,842	323,200 ¹	.34	956,783
	1961—6 mo. to Oct. 31	2,999,289	511,317	258,006	.27	954,851
Screen Gems Story below	1962—qtr. to Sept. 29	—	—	467,717 ¹	.18	2,538,400
	1961—qtr. to Sept. 29	—	—	341,735	.13	2,538,400

Notes: ¹ Record. ² Before special tax credit of \$108,000 (9¢ a share).
³ Before investment profit of \$980,000 (58¢ a share). ⁴ Before investment

profit of \$558,000 (33¢). ⁵ Comparison unavailable.

RCA Sees Record 62: RCA will score record sales & profits this year and, "at the moment, we don't see anything on the horizon that could disturb our continued progress into 1963," reported Pres. Elmer W. Engstrom. Previous sales high was 1961's \$1.5 billion. Top profit was 1955's \$47.5 million. He said 1962-over-1961 profit gain would be sharper than sales increase, noted that "all of our groups of businesses have performed better this year than last year." NBC also will top its record 1961 earnings, he said.

Color set sales this year are more than double those of 1961, Dr. Engstrom reported. RCA's color profits produced by sets, tubes, equipment and service, are "nearly 5 times greater" this year than last, he estimated. Demand for color sets, he said, continues to outrun manufacturers' ability to produce.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
American Bosch Arma	—	\$0.50	Dec. 31	Dec. 10
Amphenol-Borg Elect	Q	.20	Dec. 28	Dec. 14
Axe Science & Elect	—	.10	Dec. 21	Nov. 30
Bendix	Q	.60	Dec. 28	Dec. 7
Rollins Bcstg.	Q	.10	Jan. 25	Dec. 26
Wells-Gardner	Q	.30	Dec. 15	Dec. 7
Wells-Gardner	Ex.	.30	Dec. 15	Dec. 7
Zenith	Q	.25	Dec. 28	Dec. 7
Zenith	Ex.	.35	Dec. 28	Dec. 7

Packard Bell Electronics has revised upward its Oct. consumer products sales (Vol. 2:48 p9), now reports volume shot ahead of Oct. 1961 by 48% instead of 18% initially reported.

Screen Gems' Record Quarter: Screen Gems continued fiscal-1962's record ways (Vol. 2:48 p11) with peak earnings in fiscal-1963's opening quarter ended Sept. 29 (see financial table). Net income climbed to \$467,717 from \$341,735 in July-Sept. 1961. Finance committee chmn. & first vp Leo Jaffee forecast fiscal-1963 profit record, said earnings in upcoming 3 quarters should "continue the same pattern" of year-to-year growth posted in first quarter.

Salary & stock ownership of Screen Gems officers as reported in proxy notice for Nov. 27 annual meeting: Pres. A. Schneider, \$52,000 & 9,571 shares; Jaffee, \$30,083 & 2,033; Exec. vp & Gen. Mgr. Jerome Hyams, \$52,000 & 5,640; vp William Dozier, \$54,960 & 1,750; vp John H. Mitchell, \$55,000; vp Harry Ackerman, \$70,200; vp William Sackheim, \$57,200. Schneider & Jaffee, pres. & exec. vp respectively of Columbia Pictures, which owns 89% of Screen Gems, serve both organizations. Under their employment contracts, Columbia is reimbursed by Screen Gems "to the extent of 1/3 of each weekly salary." Their respective \$52,000 & \$30,083 SG salaries represent reimbursements to Columbia during 1962 fiscal year ended June 30, 1962. All salaries noted are for 1962 fiscal year. Stock holdings are as of Sept. 30, 1962.

Rollins Bcstg.'s record first-half sales & earnings (see financial table) resulted from improved performance by company's 3 major operations—TV, radio & outdoor advertising—Pres. O. Wayne Rollins told group of security analysts in N.Y. last week. He said rate increases had been instituted by firm's 3 TV & 7 radio outlets, and that company's new radio KDAY Los Angeles is already producing a "pre-depreciation profit."

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WEEKLY **Television Digest**

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

IN THIS ISSUE: List of 200 FM stations now broadcasting stereophonically, and 66 stations equipped to begin stereocasting.

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FCC PROGRAM POLICY—and its letter-writers' interpretation—to be hashed over this week; staff's zealously may be toned down (p. 1).

FCC'S NEW-LAW DESIRES congealed, giving top priority to CATV control, regulation of common carrier charges to other carriers, direct regulation of networks (p. 2).

PROSPECTS FOR GREATER NETWORK CONTROLS, offered by FCC staff, not strong. A few have a chance when Commission's New Frontier cast is strengthened (p. 2).

SLIM CHANCE OF SHORT-SPACE VHF PLAN visualized as AFCCE hears Bureau of Standards' Kirby argue that reduction of spacings to 100 miles can more than double number of stations. Ch. 14-15 argument at peak (p. 3).

CBS VETOES COLOR PLUNGE on basis of new survey indicating little demand from advertisers or public (p. 4).

UHF CP-HOLDERS MUST BUILD—OR ELSE. FCC warns that no extensions will be granted for reasons of low uhf-set circulation or limited revenue potential (p. 4).

UHF TEST RESULTS as viewed by receiver engineers: Results about as predicted, show uhf can work well; no quarrel with FCC's methodology (p. 4).

40% OF RADIO STATIONS HAD 1961 LOSSES as industry before-tax profits totaled \$29.4 million, lowest since 1939, final FCC AM-FM figures show (p. 5).

AFFILIATE MEETINGS of 3 networks have pep-rally atmosphere in face of general strong business outlook for TV. Each cites strengths, paints optimistic picture (p. 6).

Consumer Electronics

COLOR TUBE TIMETABLE may see elimination of 90-degree round step, going directly to rectangular in 1964 or 1965, some industryites think, pondering effects of RCA's cancellation of new tube (p. 9).

1962 COLOR SALES will top 400,000, RCA's Watts says flatly; indicates RCA's color tube capacity will be 'flexible' next year in anticipation of demand for up to million tubes (p. 10).

SYMPHONIC TO IMPORT TV in 16-, 19- & 23-in. sizes, becoming 2nd U.S. TV manufacturer to turn to Japan for sets (p. 10).

COMPONENTS MAKERS SET FAST 9-MONTH PACE: 22 representative components & tube firms boost Jan.-Sept. sales by \$128.8 million to \$1.203 billion from \$1.075 billion in 1961's first 3 quarters; aggregate profits rise to \$40.6 million from \$29.8 million (p. 11).

200 STEREO STATIONS now on air, according to special survey. Year's end will see close to 250 FM stations in stereo field. Stereo stations and 66 upcoming operations listed (p. 12).

MOTOROLA TV SALES up 50% in 1962, Taylor tells distributors, predicting continued good business in 1963, but warning of possible price increases (p. 14).

FCC PROGRAM POLICY—AND LETTER WRITERS: Most unusual dispute peaked & subsided at FCC last week. It revolved around extent of staff's powers to inquire into station program plans.

Comr. Ford has for many months expressed concern, even irritation, with the kinds of inquiries Broadcast Bureau has been mailing, under Chief Kenneth Cox's direction. Matters came to head in Nov. 28 Commission meeting, when staff reported there were many questions pending regarding some 100 California stations—and recommended renewal deferrals. Ford asked to see what kinds of questions staff was sending stations, and staff is due to bring them up this week. Dec. 3 *Broadcasting* magazine went into mat-

ter in great detail, reported that commissioners appear to believe that staff is seeking, by letter-pressure, to force certain kinds of programming on stations—notably regular discussion of local issues in prime time.

Here's what it's all about: In July 1961, FCC delegated to staff a certain amount of authority in station renewal & transfer matters. Ford was in Seattle making speech at the time—never became fully aware, until last week, that extent of delegation was greater than he thought. It's understood that he now believes he has long been unfair to Cox, that he considers Cox's efforts were conscientious effort to carry out instructions.

No one at FCC denies, however, that some letters did go beyond FCC instructions—and this is attributed to inadequate supervision of letter writers.

Problem is further explained at FCC thus: Commission has adopted a program policy statement, but there's no real machinery for implementing it. That awaits revision of application forms.

What will be considered this week is "clarification" of Commission's instruction to staff, likely toning down its zealously somewhat.

FCC'S NEW-LAW DESIRES: Legislative proposals submitted to FCC by staff, as reported in these pages (Vol. 2:45 pl), have been weighed by Commission, adopted much as proposed. Priority is in this order:

- (1) CATV control. Commission considers growth of CATV serious threat to development of local TV stations, says that systems can't serve outlying areas and that some people can't afford to pay.
- (2) Regulation over common carrier charges and terms of service to other carriers. Commission believes there's gap in law that permits discrimination by one carrier against another.
- (3) Direct regulation of networks—a revision of last year's proposal is in works.
- (4) Give FCC jurisdiction over painting & lighting of abandoned towers.
- (5) Control of manufacture, sale & shipment of devices which may radiate excessively. Commission believes present authority—to specify radiation limits—is ineffective way of getting at unwanted radiations.
- (6) Reinstatement of "AVCO-like" transfer rule, to give FCC power to consider whether persons other than proposed transferees should have crack at buying station.
- (7) Change "party intervention" rules to require that persons wishing to join a hearing must do so within 30 days after hearing issues are published.
- (8) Soften blow against those who build stations prematurely through misunderstanding of FCC rules—by letting Commission excuse them.
- (9) Amend Sec. 402(h) of Act to permit FCC, in considering cases reversed & remanded by courts, to reopen record for new evidence or new parties.

PROSPECTS FOR GREATER NETWORK CONTROLS: Tightened controls on networks—with aim of increasing competition—have been recommended to FCC by its Office of Network Study, headed by Ashbrook Bryant. Prospects of some of the proposals are nil, but a few might have some chance—particularly after FCC's New Frontier majority increases early next year with replacement of Comr. Craven, presumably by Broadcast Bureau Chief Kenneth Cox. The recommendations:

- (1) Create a broadcasters' trade association with power to enforce rules, under FCC supervision. All stations would have to join, and association would have virtual life-&-death authority. It would be patterned on National Assn. of Securities Dealers, which operates under supervision of SEC. This has no chance of FCC endorsement, though Chmn. Minow, for one, would go for such arrangement for commercials, but not for programs.
- (2) Get direct regulation of networks. FCC continues to ask for this, may well be granted it by Congress.
- (3) Get networks out of program syndication. FCC will give this some thought, could move that direction.

(4) Allow no more than 50% network ownership of prime-time entertainment programs. Commission may give this some thought, probably not much.

(5) Try to get networks to scale rates to circulation, to get sponsor support of low-rated minority-appeal programs. Not much chance.

An important aspect of foregoing is how they get involved with option time. If FCC abolishes option time, it's not likely to press for legislation giving direct regulation over networks. If it decides to allow option time, it would be inclined to seek direct regulation on theory that more regulation would be justified because networks would be protected from competition to some degree.

No quick FCC action on recommendations is anticipated. Look for months of digesting & debating.

SLIM CHANCE OF SHORT-SPACE VHF PLAN: Mighty skeptical audience listened to Bureau of Standards' Robert Kirby last week, as he outlined short-spaced vhf plan for entire nation. Meeting of Assn. of Federal Communications Consulting Engineers in Washington, heavily attended by FCC contingent including commissioners, heard Kirby assert that re-do of whole vhf scheme—using co-channel spacing of 100 miles (vs. today's 170-mile minimum)—would yield 1,303 stations vs. today's allocation of 535.

With FCC & Congress committed to fostering uhf and preserving rural vhf coverage, engineers' consensus is that Kirby's proposal is "a nice exercise" but little more. Some observers believe, however, that a few vhf drop-ins, plus improvement of existing stations' coverage, may eventually come from use of cross-polarization, precision offset, and receiver DAs, as recommended by Kirby. But radical reworking of vhf allocation isn't in cards in visible future.

Kirby's thesis, similar to that advanced by Bureau of Standards' Kenneth Norton years ago, is that present use of vhf just isn't efficient. Among figures he cited: present plan gives 289 markets at least one station, whereas new plan could give at least one to 400; 2 stations, 128 markets with present plan, 280 with new; 3 stations, 68 vs. 221; 4 stations, 35 vs. 166; 5 stations, 10 vs. 135; 6, 3 vs. 102. Kirby would also reduce N.Y. & L.A. from 7 to 6 stations each; that alone would generate enough litigation to block plan for about 5 years.

Kirby suggests testing plan, which also recommends increase to 1,000 kw for vhf, by putting co-channel stations in such cities as Denver (Ch. 5, 100 miles from Cheyenne & Pueblo Ch. 5 stations) or Peoria (Ch. 4, 100 miles from Chicago & St. Louis). Suggestion of Peoria brought large chuckle from audience which was thinking of the pain & strain that went into deleting a vhf from Peoria, making it all-uhf.

One of most provocative questions came from Robert Weston, engineering asst. to uhf enthusiast Comr. Lee: "What happens to uhf?" Kirby: "I don't know." (Copies of proposed city-by-city allocation plan are available from Kirby, Central Radio Propagation Lab, Boulder, Colo.—or we'll get you copy.)

Assault on uhf's Ch. 14 & 15 by mobile radio users seeking spectrum space (Vol. 2:43 p4) reached peak last week as hundreds of such users urged Commission to give them the space, while NAB, EIA's Consumer Products Div. and uhf stations filed opposition. Said NAB: "With uhf facing its most severe test and poised on the brink of possible success, it seems to us that it would be contrary to sound reasoning to strip it of 2 of its most desirable channels . . . a crippling blow." NAB suggested land-mobile users could best be served by common carriers or coordinated systems. EIA's Consumer Products Div. pointed to hardship which would be sustained by Ch. 14 & 15 stations and public using their signals, also noted "will of Congress" which seeks to foster uhf growth through all-channel-set law. Said EIA's L. M. Sandwick, after hearing Kirby: "Boy! After what we've gone through with the all-channel law, now they want to change everything again. It's beyond me."

Little support for proposal can be found at FCC. For example, it's understood that FCC chief engineer's office advised Commission: "Even if [shift of Ch. 14 & 15] could be accommodated, it wouldn't meet the long-term requirements of the land-mobile services, both common carrier & private, in this order of the spectrum. In order to make provision for the continued expansion of the most essential radio services in the limited spectrum, more efficient methods of modulation & information theory techniques will have to be studied."

STUDY BY CBS VETOES COLOR PLUNGE: New survey of color TV has convinced CBS there's little demand from advertisers or public—and it is "postponing any major and regular schedule of color programming." Details of study, it was learned, were presented last week to CBS-TV Affiliates Advisory Board meeting in Palm Springs, Cal. by vp William B. Lodge.

CBS recently made specific offer of color "for only a nominal surcharge" of 4% to 17 of its advertisers who sponsor 12 hours of programming, he revealed, and received only 2 takers. Only Ford and Chemstrand, sponsors of Feb. 17 *Tour of Monaco*, accepted.

Lodge claimed most of NBC's color sponsors aren't interested enough to put color commercials on color programs. He said monitoring of NBC color programming Oct. 21-27 showed only 16% of commercials in color programs were in color. Other points made by Lodge:

(1) CBS projection of figures from utility companies indicates 350,00 color sets were sold in 1962.

(2) Recent Television Digest survey was cited to show manufacturers think about 550,000 color sets will be sold next year (Vol. 2:46 p7).

(3) CBS has spent more than \$13 million since 1950 on color facilities & operations, and a major color schedule during last 6-7 years could have cost it \$20-40 million more.

(4) "We will continue to update our technical facilities, keeping them ready to originate color programs on short notice."

"We believe that we should not plow large sums of money into color TV at this time," added Lodge. "To sacrifice the interest of the 98% of America's viewers who currently can receive only black-&-white TV for the 2% who own color sets would, in our judgment, clearly violate our responsibilities."

UHF CP-HOLDERS MUST BUILD—OR ELSE: No channel-squatting from here on, FCC warned uhf CP-holders & applicants last week. Commission has given such ultimatums before, but they usually fuzed away in time. But FCC sounds right tough about it—now.

Commission announced that it's delighted to see increased interest in uhf, but that it's aware of tendency of applicants to grab channels and sit on them until prospects of operating success are reasonable.

From now on, FCC said, all CP-holders, old & new, won't get extension of time to build—except for reasons beyond grantees' control. Such reasons, it said, do not include: (1) Too few uhf sets. (2) Limited revenue potential of market.

Chmn. Minow dissented emphatically, said new policy will encourage uhf construction only by big outfits capable of sustaining losses for long time. He said FCC should ask for industry suggestions on how to handle problem of hastening uhf success.

RECEIVER ENGINEERS' VIEW OF UHF TEST: "This confirms what we knew all along." That's summation of responses of top TV set manufacturing engineers to FCC's report on receiver performance in its N.Y. uhf test.

Unlike their broadcast engineering brethren, by & large they're not taking sides on FCC's methodology & approach (Vol. 2:47 p2, 48 p3). Several we contacted declined to comment on grounds they hadn't had time to read report—they were too busy recently preparing for new-receiver introductions. Most of the engineers are old-time veterans of uhf wars; nearly all participated in drafting FCC's all-channel set standards.

Most outspoken is Emerson Radio Exec. vp Dorman D. Israel. "The job was very well put together," he said. "The outcome was exactly as we predicted, and what TASO's report indicated—that uhf works well if you put enough into it. Of course, uhf doesn't travel as far, but that's no problem—we just need more stations." As to objections raised that too many of FCC's test locations were close to transmitter, etc., Israel said: "The FCC did exactly what it said it was going to do in advance; it followed its outline exactly. Those people who are complaining should have objected before the project began.

"It's proper that FCC should have had more close-in test locations. The worst reception areas are close-in. I'm sure that the signal at 34th & Madison is worse than in Greenwich, Conn. The nice thing about uhf is that you can fill in holes with translators. I'm very much in favor of uhf and always have been. It's a shame we didn't start with an all-uhf allocation. We'd just need more stations, but there's room for them. The entrenched interests would lose something in the interest of getting more for the public."

A GE TV receiver engineer commented that FCC's results "looked a lot better than we expected." Commission's test findings, he said, "don't coincide with the field tests we've been conducting in the N.Y. area on a limited basis."

Admiral vp-engineering dir. William L. Dunn called test "valuable, but not entirely conclusive." However, he said, "in all, it indicates uhf is not going to be too much of a problem. We think it would be well-advised to have additional tests ranging beyond 25 miles. In large measure, it is encouraging and shows no reason to oppose expansion of uhf."

Test "showed about what would be expected," commented Zenith engineering vp J. E. Brown. Stressing limited nature of test, he said "it shows uhf works within the range they tested it; nothing beyond."

This view was seconded by Olympic chief engineer E. Lee Siegmund. "It seems to show what we knew already," he told us, but commented: "The results might have been much different if a higher channel were used and the test had been made in different terrain."

It's not unnatural that receiver industry engineers look upon uhf test report less critically and with less emotion than broadcast people. For them, the die is cast, and there's nothing to do about it but make uhf receivers—stations or no.

40% OF RADIO STATIONS HAD 1961 LOSSES: Highest percentage of AMs & FMs since FCC began collecting financial data in 1937—40%—reported losses in 1961, while radio industry as a whole had lowest profits since 1939, \$29.4 million, according to annual AM-FM financial report issued last week by Commission.

Of 3,469 stations operating for full year, 1,372 reported losses. More than half were in red \$10,000 or less, but 55 dropped \$100,000 or more. Despite large number of outlets annually reporting deficits, only 36 have left air since 1955. FCC Research & Education Div. Chief Hy Goldin said there probably is no single major reason for apparent inconsistency. He noted that many stations suffer losses for only single year, also that owners often hold unprofitable outlets because of potential resale value.

Bright spot in picture was network radio, which ended up with \$206,000 profit, after dropping \$3 million in 1960 and \$4.5 million in 1959. Profits before taxes of non-network-owned stations skidded 38% to \$31.8 million from 1960's \$51.3 million.

FM stations had revenues of \$10 million, compared with 1960's \$9.4 million. FMs operated by AM licensees had FM revenues of \$2.9 million, down \$700,000 from 1960. Independent FMs reported \$7.1 million revenue, up \$1.3 million from 1960; expenses rose \$1.5 million, however, resulting in 1961 loss of \$2.6 million vs. \$2.4 million a year earlier. (Copies of report, containing 14 tables with great variety of income-expense breakdowns, are available from Commission—or we'll be glad to get you copy).

Even as FCC was releasing downbeat figures, NAB radio "overpopulation" committee was meeting in Washington. Its aim remains: tighten engineering standards to restrict proliferation of stations—and steer absolutely clear of using economic criteria which might get FCC into stations' business affairs.

Miami Ch. 7 agreement, under which Sunbeam TV Corp. will purchase physical assets of WCKT from Biscayne TV Corp. for \$3.4 million, has been approved by FCC. Biscayne also agreed to drop pending suit in Court of Appeals. Biscayne has been ordered to cease operations on Ch. 7 by Jan. 4, 1963, and Sunbeam gets 4-month license.

FCC granted Purdue U. temporary authority for 2 ground-based translators on Ch. 79 & 83 to carry its airborne ETV programs to Chicago. New stations will supply 4 million formerly unable to pick up signals.

New ABC-TV trademark debuted last week. Symbol, consisting of "abc" in circle, was created by designer Paul Rand, will be in full use on network by Jan. 1.

BACKSTAGE AT AFFILIATE MEETINGS: Most network affiliates never had it so good; despite customary criticisms, despite sharp rating duels among season's new shows, despite growing competitive strength of local independent stations armed with off-network shows & feature films, business is booming at both network & spot levels.

Thus, gatherings of affiliates or affiliate boards in past fortnight by all 3 networks tended to be hail-fellow, back-slapping pep rallies which reflected optimism & strength. At each of network-affiliate sessions—a 3-city series of meetings by ABC-TV, a Palm Springs huddle of key affiliate brass with CBS-TV officials and full-scale conclave of NBC TV & radio affiliates in N.Y.—network executives had good news for station management.

Most elaborate session was NBC's, at N.Y.'s chrome-plated Americana. Highlights: RCA's new communications satellite was ballyhooed to stations as means "to share great moments in history of other nations." NBC pointed to "largest & most experienced news staff in broadcasting," with twice as many foreign correspondents as 5 years ago, as factor in NBC's strong position in news/actuality programming wherein "87% of NBC's prime-time actuality programming was sponsored."

NBC put strong merchandising emphasis on its color pioneering, stressing that color content of this season's NBC evening schedule is "71% more than just 2 seasons ago . . . supplemented by daytime schedule of 2½ hours of color each day." ABC was twitted publicly by NBC before affiliates for fact that ABC "is asking affiliates to pay color connection charge, some \$450 per station per month," and CBS was chided for present color status wherein "neither its affiliates, its advertisers nor its audiences have the opportunity to enjoy the impact of color."

Rating strength of NBC in news-type shows, revamps of NBC schedule to meet competition of CBS-ABC (Vol. 2:49 p1), advances in TV engineering and election of new officers (see *Personals*) also highlighted NBC's session.

In speech which fairly well caught the upbeat spirit of NBC meeting, Chmn. Robert Sarnoff took a polite swing at TV critics, professional & amateur, by pointing to improvements in children's shows, fewer westerns & crime shows, gains in news programming, better TV "balance." Without mentioning FCC, Sarnoff noted that "as we get better, those who act in judgment expect more & more of us." He warned against a "double standard" wherein TV had growing freedom to cover controversial issues, but faced official restraints & pressures on entertainment shows.

ABC's tri-city meetings placed nearly all their emphasis on long-range plans for new ABC-TV shows which will be on view in 1963-64 season, including new Jerry Lewis show which will be first weekly 2-hour TV event. ABC's growing public-affairs & news activities headed by Jim Hagerty—which still run 3rd in competitive-event ratings (such as election coverage) among networks, but which are gaining strength—were also showcased for affiliates. There was little talk about color TV, current industry controversies or changes in affiliate compensation patterns, insiders told us.

CBS 3-day session at Palm Springs gathered directors of affiliates assn. under outgoing Chmn. Tom Chauncey (KOOL-TV Phoenix) for regular fall meeting. Network

program chief Hubbell Robinson Jr. reviewed program successes of season (*Beverly Hillbillies*, etc.), and explained reasons for current changes. Robinson also gave sneak previews of pilots of next season's shows.

Sales chief William Hylan pointed to healthy sales curve, now standing at some \$226 million in billings for first 9 months, and predicted that network might well score one of its best years. Engineering-affiliate relations boss Bill Lodge told affiliate brass that CBS color policy hadn't changed, and wouldn't until set saturation had reached level considered "worthwhile" by network to make major color plunge.

Viewers-per-set variations show up markedly in ARB's network top-10 rankings for Oct. 14-27 period. For example, *Beverly Hillbillies* ranked 5th in number of homes—but first in total viewers. Here's ranking by total homes (in thousands): 1, *Bob Hope*, NBC, 19,637; 2, *Bonanza*, NBC, 18,621; 3, *Ben Casey*, ABC, 18,309; 4, *Red Skelton*, CBS, 17,810; 5, *Beverly Hillbillies*, CBS, 16,562; 6, *Lucille Ball*, CBS, 16,469; 7, *Dr. Kildare*, NBC, 15,627; 8, *World Series*, NBC, 15,388; 9, *Danny Thomas*, CBS, 15,346; 10, *Ed Sullivan*, CBS, 15,221. Ranking by total viewers: 1, *Beverly Hillbillies*, CBS, 43,227; 2, *Bonanza*, NBC, 43,015; 3, *Red Skelton*, CBS, 41,854; 4, *Bob Hope*, NBC, 40,059; 5, *Lucille Ball*, CBS, 37,220; 6, *Ben Casey*, ABC, 35,153; 7, *Jackie Gleason*, CBS, 34,269; 8, *Walt Disney*, NBC, 34,090; 9, *Dr. Kildare*, NBC, 33,598; 10, *Ed Sullivan*, CBS, 33,486.

Increased billings were registered for all major network TV product classifications in first 9 months of 1962, TvB reports. Food advertising rose 6.4% over same 1961 period—\$94,498,837 to \$100,536,706; toiletries 20.9%, \$89,282,651 to \$107,985,397; automotive 8.1%, \$31,932,955 to \$34,513,683; household equipment 17.1%, \$20,346,928 to \$23,833,742; smoking materials 3.6%, \$62,883,103 to \$65,148,504; soaps 9.3%, \$59,346,545 to \$64,889,857. Toiletries took over top spot in billings; Proctor & Gamble was leading network advertiser, with 9-month billings of \$39,573,853; Anacin was top brand advertiser, with \$8,042,171.

ABC-TV's first color special will be Bing Crosby-Mary Martin Christmas show, 10-11 p.m. Dec. 24. Taped in Hollywood, it will be colorcast by network's 5 o-&o's and 50-plus other affiliates equipped to carry color. Meanwhile, Sports Network is inaugurating new series of live weekly colorcasts from leading racetracks, starting 4:30-5 p.m. Sat. Dec. 8 from Florida's Tropical Park. Among stations carrying show in color will be WNEW-TV N.Y., which will be presenting color for first time since it was purchased by present owners from Du Mont Bestg. Co.

Half-speed TV tape recorder conversion kits, to permit TV tape recording & playback at 7½ inches per second instead of conventional 15 ips, are now being shipped by RCA. First kits have been shipped to NBC, Anaheim (Cal.) public school system, and S.C. ETV network. Announced earlier this year, new narrow recording head cuts width of transverse track to 5 from 10 mils. RCA says new speed can also be used for color recording with "no discernible difference in color quality."

International "Emmy" for foreign productions has been created by Academy of TV Arts & Sciences, will be presented along with U.S. Emmies, to recipient picked by panel of past Emmy winners.

Personals

A. Louis Read, WDSU-TV New Orleans exec. vp & gen. mgr., elected NBC-TV Network Affiliates board of delegates chmn., succeeding Jack Harris, KPRC-TV Houston; Lyell Bremser, radio KFAB Omaha, elected NBC Radio Network Affiliates exec. committee chmn.

T. B. Baker, Jr., WLAC-TV Nashville, elected chmn. of CBS-TV Network Affiliates Advisory Board, succeeding Tom Chauncey, KOOL-TV Phoenix. Replacing Baker as secy. is Thomas S. Murphy, Capital City Bcstg. Board passed resolution commending CBS-TV Pres. James T. Aubrey, Jr. and associates for "outstanding" record during past year.

Elmer W. Lower, NBC News gen. mgr., elected a vp.

Robert Taft Jr. (R-O.), Congressman-elect, resigns as a dir. & secy. of Taft Bcstg., Cincinnati, succeeded as secy. by ex-Taft, Stettinius & Hollister attorney Charles S. Mechem Jr.; Roger B. Read, Taft administrative vp, elected a dir., replacing late David G. Taft.

Louis F. Sanman promoted to ABC-TV live production & facilities mgr., Hollywood, a new post . . . Francis R. Montalbano, ex-ABC legal dept., named Desilu Productions legal affairs dir. . . James H. Gardner, ex-radio WBEN Buffalo, named WHEC-TV Rochester sales mgr.

Douglas Lovelace, AP regional membership executive, Louisville, named special N.Y. broadcasting membership executive; Frank Stearns transfers to Los Angeles as Southern Cal.-Ariz. regional membership executive, succeeding Fred Beaton, resigned; Ralph Allgood succeeds Stearns in Washington.

Joe W. MacConkey, KTVH Wichita news & special events executive dir., becomes exec. secy. to Sen. James B. Pearson (R-Kan.).

Sylvan Taplinger & Norman Gladney form new TV-radio advertising firm, Taplinger, Gladney Co. Inc., 415 Madison Ave., N.Y.

John H. Louis, ex-Ziv-UA midwestern spot sales mgr., appointed Official Films eastern sales mgr. . . Donald E. Lowstuter promoted to MBS research dir.

Symon B. Cowles, ex-Metropolitan Bcstg. TV advertising & promotion dir., named to similar post with ABC-TV o-&o stations, succeeding Don B. Curran, promoted to radio KGO San Francisco gen. mgr.

Cecil M. Sansbury, WHP-TV-AM-FM Harrisburg gen. mgr., also elected a dir. and named exec. vp of WHP Inc. . . Herb Hobler promoted to Videotape Center production operations dir.

Franklin G. Bouwsma appointed Delta College, University, Mich., community affairs dir. & special asst. to pres.; William J. Ballard promoted to director of TV.

E. Mitchell Shulman, ex-World Radio Labs chief design engineer, new transmitting & receiving equipment, appointed KETV Omaha public service & promotion mgr., succeeding Robert F. Coats, resigned.

Harry W. Reith, radio WKST New Castle, Pa., gen. mgr., named to similar post with WKST-TV Youngstown, succeeding Philip J. Richtscheidt, who resigns as WKST-TV vp & gen. mgr. and plans to dispose of holdings in parent Communications Industries Corp.

Frank McMann, ex-Mogul, Williams & Saylor project dir., named RAB research dir.

Worldwide alliance of writers for TV, radio, movies & other media is moving toward reality. From first joint meeting in N.Y. recently of Writers Guild of America and British Screen Writers Guild (which represents TV writers in U.K.) came word, via WGA Natl. Chmn. David Davidson, that "affiliation is a fact" between 2 organizations. Affiliation with similar writers groups in Europe, Far East, Commonwealth countries is in works. Initial step toward implementing alliance during 3-day, closed-door meeting was decision to: (1) Establish "no scab" policy where, in event of strike in either country, producers will be unable to seek material from foreign writers. (2) Seek international system of residuals for TV writers on export programs. Cracked British TV-movie writer Leigh Vance, vice chmn. of British SWG, at luncheon meeting Nov. 12: "The difference is less between the British and N.Y. writer delegations than between Hollywood and N.Y."

Britain's Royal College of Art has set up special dept. of TV & film, whose "reader" (professor) is Peter Newington, a graduate and first producer of BBC's *Monitor*; staff will include senior tutor and technical instructor, with 16 students enrolled for 3-year diploma course. If dept. thrives & expands, says *London Telegraph*, Newington may become "first professor of TV in the country." Also announced in London was \$14 million endowment of TV-news-publishing foundation by Roy Thomson, Canadian-born publishing & TV-radio tycoon—apparently a counterpart of Annenberg and Newhouse schools at Penn and Syracuse, respectively.

TV for Liberia is scheduled for mid-1963, according to *International Commerce*. Commercial & educational service will be begun by Overseas Rediffusion, operators of Liberian Bcstg. Service. The publication also reports growing market for electronic products, TV sets excluded, in Denmark. Big demand is for sophisticated communications devices; country has 30 computers on order, is expected to need additional 300 in next decade.

New Canadian theatrical distribution company has been established by Seven Arts Productions Ltd., which recently acquired assets of Trans-Canada Distribution Enterprises. Reg Wilson, ex-MGM, has been named theatrical sales mgr., Irving Seigle, ex-United Artists, will be theatrical sales representative.

Intertel has added 7 countries to its international TV series. Japan, Sweden, Finland, Switzerland, Luxembourg, New Zealand & Austria will air the bi-monthly, hour documentaries, bringing estimated total viewers to 100 million. In U.S., programs are carried by the 62 NET ETV stations, Westinghouse Bcstg. and many other commercial stations.

Israel may not get TV station offered as gift by Rothschild Fund (Vol. 2:46 p7). Although govt. had accepted offer, Israeli parliament voted for full debate on introduction of TV into country before final agreement is concluded. Station was to have been ETV, to help cope with shortage of teachers.

Transatlantic telecast via new "Relay" satellite, due for launching Dec. 13, is scheduled by combined TV networks Dec. 19, under direction of NBC's Robert Northshield. American scenes will be telecast in 17 EBU countries, then transmissions will be reversed immediately for east-to-west telecast.

Congo Republic's first TV station has started in Brazzaville, operating 2 hours daily.

GE license renewals of Schenectady stations—in light of anti-trust convictions in electrical equipment field—are up for FCC consideration this week. Broadcast Bureau recommends grant, on basis of good broadcast record and station management's non-involvement in anti-trust matter. General Counsel still wants a hearing, stating that GE case differs from Westinghouse (which has been granted renewals) in seriousness of anti-trust violations, broadcast record and organizational structure.

Underestimation of audiences probably is one reason why TV hasn't improved more in last year, according to FCC Chmn. Minow. Appearing on *Youth Wants to Know*, he said TV has shown some improvement since he labeled it a "vast wasteland," but "still has a long way to go." He said he suspects broadcasters think the public isn't "terribly bright," when in fact a constant rise in the level of education & information, partially due to TV's influence, has produced increasingly intelligent audiences.

Ten-channel CATV system will be built in Globe-Miami, Ariz. by Antennavision Inc., Phoenix. Present 5-channel system will be replaced with \$250,000 transistorized all-band equipment, first section expected to be in operation within 2-3 months. Antennavision Gila County operations mgr. William Reynolds said finished system will provide Globe-Miami subscribers with more good channels than are available in any other U.S. town—a claim likely to be disputed by other system operators, some of which assert they distribute more channels.

Alfred I. duPont TV-radio award nominations will be accepted until Dec. 31—\$1,000 awards to a large and a small TV-radio station for outstanding public interest programming and to a TV-radio commentator for news gathering & interpretation. Entries to: Alfred I. duPont Awards Foundation, c/o Prof. O. W. Riegel, Lee Memorial Journalism Foundation, Washington & Lee U., Lexington, Va.

New consumer-liaison post has been set up in FTC to foster closer contact between Commission & consumer groups. Gale P. Gotschall, asst. to the dir., Bureau of Deceptive Practices, also will be Consumer Relations Representative. He'll also be liaison with President's Consumer Advisory Council.

Off-air uhf KVDO-TV (Ch. 22) Corpus Christi should get Ch. 3, according to initial decision by FCC Examiner Forest L. McClenning, who would deny Nueces Telecasting. He favored KVDO-TV because of broadcast experience & record, ownership-management integration, mass-media diversification.

FCC's political broadcasting questionnaires (Vol. 2:46 p7) are being sent to all licensees, and Commission announced that staff representatives will be available Dec. 11 at 10 a.m. in Rm. 7134, New Post Office Bldg., Washington, to help licensees answer questions.

Awards & luncheon speakers subcommittees have been named for NAB 1963 Broadcast Engineering Conference March 31-April 3 in Chicago. George Bartlett, NAB engineering mgr., is chmn. of awards subcommittee; Leslie S. Learned, MBS, heads speakers subcommittee.

NBC-TV has contracted for 2 Eidophor TV projection units for use in programming, Theatre Network TV announced last week.

Use of closed-circuit ETV in classrooms is examined in new booklet by Conrac, available from sales dept., 19217 E. Foothill Blvd., Glendora, Cal.

Broadcasters must expect criticism because it's impossible to please everybody, NAB Code Dir. Robert Swezey told Radio-TV Executives Club of Canada in Toronto last week. He said attacks on industry, even when unjustified, can serve useful purpose of keeping broadcasters alert. Criticism of TV & radio for failure to turn out higher-quality product than other media is unrealistic, he contended, especially in view of volume of material required. Swezey added that while broadcasters should heed complaints, they have obligation to defend themselves "vigorously & articulately" against unwarranted attacks.

President Kennedy last week personally thanked executives of 10 radio stations which beamed programs to Cuba during recent crisis (Vol. 2:44 p1): WSB Atlanta, WWL New Orleans, WCKY Cincinnati, WKWF Key West, WCKR, WGBS & WMIE Miami, KAAV Little Rock, WRUL N.Y., KGEI San Carlos, Cal. Though stations haven't asked to be reimbursed for lost business and costs, govt. spokesman said they'd be compensated to some extent.

TV will ride with astronaut Leroy Cooper on 18-orbit Mercury flight scheduled for next April. Pictures will be flashed to scientists on ground at slow scan speed, probably shown on commercial TV later. This will be first U.S. manned space flight to carry TV; Russians used on-board transmitters in last 2 shots.

FCC has asked networks whether information they provided during Chicago local-live inquiry is typical of operations of their other o-&o's. Commission requested reply by Dec. 17 stating whether operations are similar, and if not, how they differ in each community.

FCC has assigned Ch. 67 to Independence and Ch. 70 to Ottawa, Kan. Cities had been deprived of their only channels by Nov. 8 Commission action.

Purchase of 50% of KCTV San Angelo, Tex., by present 50% owners Edward H. & Houston H. Harte, for \$226,000, has been approved by FCC (Vol. 2:47 p6).

Transcontinent TV Corp. names Doremus & Co., N.Y., financial PR consultants.

Pre-Publication Orders for Factbook No. 33

Orders are now being taken for the 1962-63 *Television Factbook*, mailing expected to take place late December, early January. Beginning with this upcoming issue, based on last year's greatly expanded format, the book will be published once a year only—not Spring and Fall as in past years. The new *Television Factbook* will again provide station area coverage at a glance—contour maps of all commercial stations as filed with the FCC, showing Grade A & Grade B coverage. On the same page for the station will be published American Research Bureau's: (1) Total net weekly circulation. (2) County-by-county total households, TV households and percentages of TV-set penetration. These figures, presented in tabular form, will also be shown graphically in tone on each map. In addition, extensive space will be devoted to the other regular features that have made this comprehensive book since 1945 the industry's leading marketing and reference work. Pre-publication copy price is \$12.50; 5 or more, \$10.50. Regular price after publication, \$15.00; 5 or more \$12.50. To take advantage of pre-publication savings, write: Dept. 12, Television Digest, 911-13th St., N.W., Washington 5, D. C.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

RCA'S DECISION—AND FUTURE OF COLOR: RCA's abrupt decision to send 90-degree color tube back to labs for "9 to 15 months" (Vol. 2:49 p7) raises question of future timetable for color receiver development—evolution of new sizes & shapes. After discussions with many people in industry—both in engineering & administration—it's possible to see pattern emerging.

First of all—there's quite a bit of admiration for RCA from competitors for its refusal to be pushed into inferior product. Eating crow is difficult for anyone, and RCA waited till last possible moment before deciding to call it off because of "technical difficulties" & reliability problems.

Color engineers with other companies confirm that RCA wasn't making alibis—that there are indeed serious problems in developing wide-deflection color tubes. But they indicate these problems aren't insurmountable.

Other picture-tube manufacturers planning to begin color tube production this year (National Video, Sylvania, Rauland) vary from vague to uncommunicative about their plans in light of RCA announcement. But no matter how good their research, these companies are still fledglings in color-TV production compared with RCA—and best guess is that no one will have 90-degree round color tube next year. It may not even be far afield to guess that there were some sighs of relief last week among its tube-making competitors when RCA dropped the bomb.

Will there ever be a 90-degree round tube? Last week there was growing belief that final answer would be negative. Sample 25-inch 90-degree rectangular color bulbs are due from Corning within about 3 months, and logical assumption is that there'll be crash program to develop this as next color size—for 1964 or 1965. Work done on 90-degree round tube is applicable to 90-degree rectangular. Engineering opinion is that receiver circuitry should be simpler for 90-degree rectangular than for 90-degree round, although tube development will be more difficult.

Capsule history of recent color tube size & shape developments may shed some light on where color goes from here: It started in June 1961 when Motorola's Ed Taylor showed distributors developmental model of color set with 23-in. rectangular 90-degree tube and said his company would offer color when it could present such a set. Working with National Video, it developed samples and went to work on program aimed at eventual production of rectangular tube. Under barrage of Motorola statements, RCA announced last April that it would produce shorter tube, but in 21-in. round size. Then, in following July, Corning announced it would offer 25- & 19-in. rectangular 90-degree color bulbs in hopes of clearing the air as to color's future shape.

Corning's design subsequently received informal engineering acceptance by Joint Electron Devices Engineering Council. Meantime, it was becoming obvious that it wasn't going to be simple matter for National Video to produce 23-in. rectangular color bulbs. Thus, as matters stood, there were 4 new sizes & shapes on horizon—RCA's 90-degree round, Motorola-National Video's 23-in. rectangular, Corning's 2 rectangular bulbs.

National Video is still working on 23-in. rectangular color tubes as well as round types. Motorola's Ed Taylor said last week that RCA's announcement "doesn't change our plans—we're still looking at everything else available—and we will be in the market next year with a color TV receiver of our own design & engineering." The announcement's "real significance," said Taylor, "is that it decreases by one the number of alternatives open to us in 1963."

Unforeseen developments could come up, of course—but as of this date, future of color tube sizes appears to look like this: Round 70-degree 21-in. tubes of present type throughout 1963 and well into 1964,

at least (with possible smattering of very high-priced 23-in. rectangular tubes on basis of token production); 25-in. (and possibly 19-in.) rectangular tubes coming in by 1965 to become the "new standard" in color, and remaining the standard as long as the 3-gun shadow-mask principle is used in color display devices.

1962 COLOR SALES—'MORE THAN 400,000': RCA, which is traditionally reticent about giving figures on color TV sales, now says the industry will sell "in excess of 400,000" color sets this year.

The words are those of W. Walter (Wally) Watts, RCA's colorful group exec. vp, whose authority covers Home Instruments, Electron Tube, Semiconductor & Materials and Sales Corp. Divisions. As for next year, Watts was more positive than ever that industry "could sell 750,000 to 1 million." The "could" means "if there's no shortage of color picture tubes." This year's production of picture tubes probably will total more than 450,000.

Despite shelving of 90-degree round color tube (see p. 9), there's still substantial logistical problem in planning 1963 color tube production, Watts explained. For first time since color's boom began, RCA expects to have competition in color tube business—presumably from National Video, Rauland & Sylvania. But it has no firm knowledge when this competition will begin, or how many tubes these companies will make—or, indeed, what type color tubes they will produce.

"We have appropriated more than \$10 million to expand capacity at our Lancaster, Pa. & Marion, Ind. tube plants," he told us. "We could conceivably support the entire industry's requirements for 750,000-1 million color tubes, but we don't know what others will do and we don't want to be in a position of over-capacity. So at this date we're trying to plan a program which can support this over-all industry requirement. If other tube sources don't open up when expected, we'll still have some latitude, in night shifts & weekends. We hope to be in a flexible position to make maximum use of our facilities."

Like other TV-radio-phono manufacturers, RCA is cheered by high level of business, which shows no sign of slackening, and which Watts predicted would continue at least through first quarter of 1963. As to industry-wide inventories, he said they should now be eyed "cautiously," adding: "It depends on the outlook for the next few months. If you think there's going to be a depression, you're in a helluva fix. But we think business will be good, and industry inventories aren't excessive. Of course, we're in a good inventory position ourselves; we adjust our production weekly to sales & inventories."

On the hot current issue of black-&-white picture-tube design (Vol. 2:48 p8), Watts predicted "the future of Kimcode will be settled on the economic battlefield." Noting that its UL listing indicates it meets safety requirements, he expressed doubt that the customer cares what kind of tube he's looking at. Although Kimcode promises cost savings, he said ultimate success of process will be determined in part by what happens to price structure of competitive processes.

Watts and others in RCA's team are radiating confidence, optimism these days. Their long-predicted color boom is here and contributing strongly to company earnings. Other company operations are increasing their profitability, and company appears headed for best of its 43 years. Even semiconductor operations have turned profit corner—no mean accomplishment in today's highly competitive marketplace.

We tossed in a final question, one touching on sore spot of recent past: Where does RCA stand in industry TV sales ranking? Question failed to produce the ire of former days. Watts & associates disclaimed knowledge of who occupies No. 1 spot in TV unit sales, but Watts shot back: "I'm willing to bet \$25,000 here & now that we're selling a greater dollar volume of TV merchandise than anybody else in the business—and that's what counts."

SYMPHONIC TO IMPORT TV LINE: Another American manufacturer—Symphonic Electronic Corp.—is going to Japan for a substantial part of its TV line. First shipment is in transit, due to arrive this month.

Nippon Electric Corp. will manufacture sets to Symphonic's specifications—including 16-in. leader with antenna & carrying handle and 19-in. portable, with step-ups in both sizes. NEC will also make series of 23-in. chassis to be integrated into domestically-made Symphonic radio-phono combos and console cabinets. Symphonic currently is manufacturing 19-in. portables domestically, and these will be retained in line.

A large factor in phono business, Symphonic is expected to sell its TVs under own and private-brand names. "Of particular interest," said Symphonic Pres. Max J. Zimmer, "is the fact that we are enabled to sell TV products to our private-label phono accounts at highly competitive prices." Symphonic also is "investigating transistor battery-operated TV portables, which, at this time are in prototype stage," according to Zimmer. It was understood that current prototype is 8-in. model.

Symphonic thus becomes 2nd American manufacturer to simultaneously manufacture & import TVs. Olympic was first, and is importing 19-in. portables & table models manufactured by Nippon Columbia.

At just about same time as Symphonic's announcement, imports of Japanese sets reached big landmark. The year's 100,000th Japanese TV arrived on the dock.

COMPONENTS MAKERS SET FAST 9-MONTH PACE: Clearly headed for banner year, components & tube manufacturers moved into 1962's final quarter with sales & earnings markedly ahead of a year earlier. Combined 9-month sales of 22 representative companies shot \$128.8 million ahead of Jan.-Sept. 1961. Their aggregate earnings were up \$10.8 million.

Reflecting industry's accelerating pickup, 20 firms were ahead \$59 million in sales & \$2.9 million in profits at first-quarter's end; 19 were up nearly \$90 million in sales, \$7.4 million in earnings at the half.

Many of 22 companies we analyzed for 9-month performance are major factors in military production of components & tubes. Some also produce other than tube & component products. However, these companies are representative of TV-radio components industry and are bellwethers of sales & profit trends. We analyzed Amphenol-Borg Electronics, CTS Corp., Clevite, Dynamics Corp. of America, Erie Resistor, Gabriel, General Bronze, Globe-Union, Indiana General, International Resistance, Littelfuse, P. R. Mallory, Muter, National Union Electric, Oak Mfg., Oxford Electric, Sangamo Electric, Sonotone, Standard Kollsman, Texas Instruments, Thompson Ramo Wooldridge, Tung-Sol.

Combined 9-month sales of these firms climbed to \$1,203,843,916 from \$1,075,080,522 in Jan.-Sept. 1961—a whopping \$128.8 million gain. Their profits jumped \$10.8 million to \$40,642,947 from \$29,804,711. Profit figures are after deducting Sangamo's 9-month 1962 loss of \$447,000 & combined \$827,053 loss in 1961's first 3 quarters suffered by General Bronze (\$678,651) & Sonotone (\$146,402).

Record sales & earnings were posted by Dynamics Corp. of America & International Resistance. Only 2 of 22 failed to boost sales over 1961's first 9 months. Profit gains were registered by 18 of 22. Sangamo was only company in red, and its \$447,000 loss was after a \$1,030,000 write-off of non-recurring charges. General Bronze & Sonotone rebounded smartly into the black from their Jan.-Sept. 1961 losses.

Most of 18 firms that boosted earnings did it impressively. Thompson Ramo Wooldridge, for example, soared to \$9.1 million from \$3.8 million. Erie Resistor jumped to \$816,000 from \$290,000. Clevite gained more than \$1.2 million to \$4.7 million from \$3.4 million. Dynamics Corp. of America rose from \$1.2 million to record \$2.7 million. Oak Mfg. more than doubled earnings to \$641,606 from \$305,877. International Resistance climbed to record \$2.1 million from \$1.5 million. Gabriel more than doubled to \$940,419 from \$450,368. Globe-Union was up more than a half-million dollars to \$1.7 million from \$1.2 million. Indiana General improved to \$1.6 million from \$1.1 million.

Sales gains also were solid. Thompson Ramo Wooldridge jumped nearly \$41 million to \$342.2 million from \$301.3 million. Dynamics Corp. of America soared to record \$55.1 million from \$32.9 million. International Resistance gained more than \$5.5 million to record \$23.9 million from \$18.2 million. CTS Corp. gained more than \$5.3 million to \$20.7 million from \$15.3 million. Other impressive gains: Amphenol-Borg—\$65.9 million from \$53.2 million. P. R. Mallory—\$74 million from \$63.1 million. Clevite—\$75.8 million from \$67.8 million. Oak Mfg.—\$22.4 million from \$16.6 million. Globe-Union—\$48.8 million from \$42.9 million. Indiana General—\$20 million from \$15.8 million.

Only one company—Standard Kollsman—slipped in both sales & profits. Sonotone also lagged in sales, but reversed Jan.-Sept. 1961's \$148,402 loss with \$253,406 profit. Other 3 profit decliners boosted sales—Texas Instruments to \$175.5 million from \$172 million, Tung-Sol \$49.6 million from \$47.6 million, Sangamo \$36.2 million from \$35.6 million.

Here's 1962-vs.-1961 9-month performance of 22 representative components & tube manufacturers:

	Sales		Earnings	
	1962	1961	1962	1961
Amphenol-Borg Electronics	\$ 65,914,230	\$ 53,153,796	\$ 1,593,164	\$ 892,133
CTS Corp.	20,652,463	15,332,138	1,595,070	1,296,250
Clevite	75,839,150	67,777,288	4,721,006	3,431,971
Dynamics Corp. of America	55,125,873	32,948,496	2,712,060	1,162,851
Erie Resistor	20,656,000	17,500,000	816,000	290,000
Gabriel	23,895,303	22,942,153	940,419	450,368
General Bronze	13,788,303	13,749,498	28,554	(678,651)
Globe-Union	48,768,783	42,941,563	1,733,095	1,202,520
Indiana General	19,937,207	15,799,749	1,605,529	1,120,250
International Resistance	23,853,000	18,200,000	2,100,000	1,522,000
Littelfuse	4,759,335	3,801,665	237,879	130,612
P. R. Mallory	73,957,409	63,116,688	3,192,401	2,801,008
Muter	11,934,232	10,047,200	197,161	111,119
National Union Electric	28,317,939	25,815,094	857,621	481,307
Oak Mfg.	22,373,367	16,617,689	641,606	305,877
Oxford Electric	6,970,312	6,253,245	71,661	59,007
Sangamo Electric	36,165,000	35,571,000	(447,000)	1,171,000
Sonotone	15,981,000	16,396,000	253,406	(148,402)
Standard Kollsman	67,656,430	76,262,873	2,138,899	2,435,515
Texas Instruments	175,461,000	171,937,000	5,832,000	7,063,000
Thompson Ramo Wooldridge ...	342,197,271	301,334,313	9,108,902	3,794,356
Tung-Sol	49,640,309	47,583,074	713,514	910,620
TOTALS	\$1,203,843,916	\$1,075,080,522	\$40,642,947	\$29,804,711

200 FM STATIONS NOW STEREOCASTING: Number of U.S. FM stations broadcasting in stereo hit 200 last week. It's likely that total will go close to widely-predicted 250 by year's end. However, broadcast equipment manufacturers say new orders for stereo equipment were relatively scanty, and there are indications that perhaps only another 200 at most will start stereo operations during 1963.

Our own list of stereo stations, compiled from FCC notifications, canvass of broadcast equipment makers and other sources, shows exactly 200 on air. Second list, of stations reported to have received equipment necessary to begin stereocasting, shows at least 66 more could start just about any time.

Transmitting equipment manufacturers agreed that buying of FM stereo generating equipment has slowed down to "routine" pace—slower than most of them had anticipated. There was general feeling that receiver manufacturers hadn't promoted stereo enough, or given enough support to stations.

Here are some sample comments from transmitter makers: "We had expected a pickup in interest in the fall based on anticipated acceleration in promotion by receiver manufacturers, but it didn't come." (Gates Radio sales vp Larry Cervone.) "On-air stations are reluctant to buy stereo equipment, and many of them are waiting until they need a whole new transmitter." (Standard Electronics customer relations mgr. Joseph M. Noll.) "We've seen some pickup, but more new FM stations are buying transmitters without stereo than with. Stereo broadcasting is like a drink of whiskey—it only brings temporary warmth. When you're the first in your community, it helps you, but soon your competition has it, too." (General Electronic Labs bcst. sales mgr. Sal Fulchino.)

Our new lists show some interesting trends. Chicago now has 6 FM stereo stations, San Francisco, Detroit & Seattle 5 each. Network-owned FMs are beginning to go stereo. NBC's WMAQ-FM was first to start stereocasting, and now CBS is equipping its o&o stations in Los Angeles, San Francisco & St. Louis for stereocasting. Several educational FMs are on air in stereo or about to begin—including U. of Kansas's KANU, Boston's educational WGBH, Okla. State's KOSU-FM Stillwater, U. of Wisconsin's WHA-FM Madison.

In addition to the U.S. stations below, several Canadian stations are now stereocasting or preparing to start. These include CKVL-FM & CFCF-FM Montreal, CFRB-FM & CHFI-FM Toronto, CFFM Kamloops, CFRA-FM Ottawa, CKY-FM Winnipeg, CHRC-FM Quebec & CHQM-FM Vancouver.

Here are our new up-to-date lists of stations now stereocasting and stations equipped to start:

STATIONS BROADCASTING IN FM STEREO

ALABAMA
 Birmingham WCRT-FM, WSFM
 Huntsville WNDA

ALASKA
 Anchorage KBYR-FM

ARIZONA
 Phoenix KEPI, KNIX
 Sun City KTPM

CALIFORNIA
 Beverly Hills KCBH
 Coachella KCHQ
 Fresno KCIB, KXQR
 Garden Grove KGGK
 Los Angeles KFMU, KMLA, KPOL-FM, KRHM
 Monterey KHFR
 Riverside KDUO
 Sacramento KHIQ, KSFM
 San Diego KFMX, KGB-FM, KLRO, KPRI
 San Francisco KBAY-FM, KBCO, KMPX, KPEN, KSFR
 San Jose KSJO-FM
 San Luis Obispo KVEC-FM
 Santa Barbara KMUZ
 Santa Maria KEYM
 Turlock KHOM
 Ventura KUDU-FM
 Visalia KONG-FM
 Walnut Creek KWME

COLORADO
 Colorado Springs KLST
 Denver KLIR-FM

CONNECTICUT
 Brookfield WGHF
 Hartford WTIC-FM
 Meriden WBMI

DELAWARE
 Wilmington WJBR

DISTRICT OF COLUMBIA
 Washington WASH

FLORIDA
 Cocoa Beach WRKT-FM
 Coral Gables WVCG-FM
 Ft. Lauderdale WFLM
 Miami WAEZ, WWPB
 Orlando WHOO-FM
 Pensacola WPEX-FM
 St. Petersburg WTCX
 Sarasota WYAK

GEORGIA
 Athens WGAU-FM
 Atlanta WKLS, WSB-FM
 Gainesville WDUN-FM

HAWAII
 Honolulu KAIM-FM

ILLINOIS
 Chicago WEFM, WFMQ, WFMT, WKFM, WMAQ-FM, WSBC-FM
 Joliet WJOL-FM
 Quincy WGEM-FM
 Rock Island WHBF-FM

INDIANA
 Columbus WCSI-FM
 Indianapolis WISH-FM
 Terre Haute WVTS

IOWA
 Cedar Rapids KHAK-FM
 Des Moines KDMI
 Waterloo KXEL-FM

KANSAS
 Lawrence KANU

KENTUCKY
 Lexington WVLK-FM

LOUISIANA
 Monroe KMLB-FM
 New Orleans WWMT

MARYLAND
 Bethesda (Washington, D. C.) WHFS, WJMD
 Towson (Baltimore) WAQE-FM

MASSACHUSETTS
 Boston WBCN, WGBH
 Lynn WUPY
 Waltham WCRB-FM

MICHIGAN
 Bay City WNEM-FM
 Detroit WABX, WDTM, WGPR-FM, WLDM, WOMC
 East Lansing WSWM
 Flint WGMZ
 Grand Rapids WJEF-FM, WOOD-FM
 Midland WQDC
 Mt. Pleasant WCEN-FM

MINNESOTA
 Minneapolis KRSI-FM, KWFM, WAYL

MISSOURI
 Joplin KSYN
 Kansas City KCMO-FM, KMBC-FM
 St. Louis KCFM, KSHE
 Springfield KTXR

NEBRASKA
 Omaha KQAL-FM

NEVADA
 Las Vegas KORK-FM

NEW HAMPSHIRE
 Mt. Washington WMTW-FM

NEW JERSEY
 Dover WDHA-FM
 Long Branch WRLB
 Trenton WBUD-FM

NEW MEXICO
 Albuquerque KHFM

NEW YORK
 Babylon, L. I. WQMF
 Buffalo WDCX
 Fresh Meadows, L. I. (N.Y.C.) WTFM
 Garden City WLIR
 New York WQXR-FM
 Pachogue, L. I. WPAC-FM
 Riverhead, L. I. WAPC-FM
 Rochester WCMF
 Schenectady WGMF
 Syracuse WSYR-FM
 Utica WUFM

NORTH CAROLINA
 Burlington WBBB-FM
 Charlotte WBT-FM
 Greensboro WMDE, WQMG

OHIO
 Barberton (Akron) WDBN
 Canton WCNO
 Cleveland WDGO, WNOB

Columbus WBNS-FM
 Findlay WFIN-FM
 Kettering WKET-FM
 Mansfield WVNO-FM
 Middletown WPFB
 Port Clinton WRWR
 Portsmouth WPAY-FM

OKLAHOMA
 Oklahoma City KFNB
 Stillwater KOSU-FM
 Tulsa KOCW, KRAV

OREGON
 Eugene KFMJ, KWFS-FM
 Portland KGMG, KPFB
 Springfield (Eugene) KEED-FM

PENNSYLVANIA
 Braddock (Pittsburgh) WLOA-FM
 Chambersburg WCHA-FM
 Johnstown WJAC-FM
 Philadelphia WFLN-FM, WHAT-FM, WIFI, WQAL
 Pittsburgh WKJF

RHODE ISLAND
 Providence WPFM, WXCN

SOUTH CAROLINA
 Beaufort WBEU-FM
 North Charleston WKTW
 Spartanburg WSPA-FM

TENNESSEE
 Kingsport WKPT-FM
 Nashville WNFO-FM, WSIX-FM
 Tullahoma WJIG-FM

TEXAS
 Amarillo KCHO
 Austin KTBC-FM
 Beaumont KHGM
 Corpus Christi KTOD-FM
 Dallas KIXL-FM, KVIL-FM
 Ft. Worth WBAP-FM
 Gainesville WGAF-FM
 Houston KFMK, KODA-FM, KRBE, KXYZ-FM
 Port Arthur KFMP
 San Antonio KEEZ
 Wichita Falls KNTD

UTAH
 Salt Lake City KSL-FM

VIRGINIA
 Martinsville WMVA-FM
 Norfolk WTAR-FM, WYFI
 Richmond WFMV
 Roanoke WSLF-FM

WASHINGTON
 Seattle KETO-FM, KGMJ, KISW, KLSN, KZAM
 Tacoma KLAY-FM

WEST VIRGINIA
 Charleston WKNA
 Martinsburg WEMP-FM

WISCONSIN
 Madison WISM-FM, WMFM
 Milwaukee WFMR, WMKE, WTMJ-FM
 West Bend WBKV-FM

PUERTO RICO
 Rio Piedras WFID

STATIONS EQUIPPED FOR STEREO

(Due to begin stereocasting soon)

Huntsville	ALABAMA	WAHR	Cedar Rapids	IOWA	WMT-FM	Columbus	WMNI-FM
						Dover	WJER-FM
						Springfield	WBLV-FM
Tucson	ARIZONA	KSOM	Wichita	KANSAS	KCMB-FM	Toledo	WTOL-FM
	CALIFORNIA		Louisville	KENTUCKY	WLVL	Hanover	WHVR-FM
Los Angeles	KBMS, KNX-FM		Prestonsburg		WDOC-FM	Philadelphia	WDVR
Oceanside	KUDE-FM					Pittsburgh	WWSW-FM
Palm Springs	KDES-FM		Caribou	MAINE	WFST-FM	Warren	WRRN
San Bernardino	KRCS					Wilkes-Barre	WYZZ
San Francisco	KAFF, KCBS-FM			MASSACHUSETTS			
Santa Barbara	KDB-FM		Worcester		WTAG-FM		
Woodland	KATT						
	COLORADO		Lansing	MICHIGAN	WMRT-FM	Seneca	WSNW-FM
Denver	KFML-FM						
Manitou Springs	KCMS-FM					Lebanon	WCOR-FM
	CONNECTICUT		St. Joseph	MISSOURI	KUSN-FM		
Hartford	WCCC-FM		St. Louis		KADI, KMOX-FM, KWIX		
	FLORIDA		Las Vegas	NEVADA	KLUC-FM	Dallas	KRLD-FM, KSFM
Cocoa Beach	WXBR					Gainesville	KGAF-FM
Gainesville	WRUF-FM					Houston	KQUE
Miami	WMIE-FM					Lubbock	KBFM
						Midland	KNFM
	GEORGIA		Atlantic City	NEW JERSEY	WFG-FM		
Columbus	WRBL-FM		Paterson		WPAT-FM	Richmond	WCOD
			Trenton		WTTM-FM		
	HAWAII		Buffalo	NEW YORK	WADB, WYSL-FM	Seattle	KGFM
Honolulu	KPOI-FM		New York		WNYC-FM		
	IDAHO		Hickory	NORTH CAROLINA	WIRC-FM	Eau Claire	WIAL
Boise	KBOI-FM					Green Bay	WBAY-FM
						Madison	WHA-FM
	INDIANA		Cincinnati	OHIO	WAEF-FM		
Evansville	WIKY-FM		Cleveland		WDOK-FM	Isabella	WISA-FM
			Cleveland Heights		WCUY		

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 30 (48th week of 1962):

	Nov. 24-30	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	98,551	109,260	114,724	6,030,304	5,715,365
Total radio	412,185	358,880	393,981	17,828,966	15,930,123
auto radio	196,427	180,686	141,748	6,591,455	5,050,659

MOTOROLA TV SALES UP 50%: A confident Motorola management team faced distributor meeting in Chicago at week's end, pointing with pride to 50% increase in TV sales, claiming No. 1 position in all but cheapest stereo merchandise, and predicting continued good business next year, although with possible price increases.

Motorola Consumer Products Pres. Edward R. Taylor said company increased its share of TV market more than any other year during 1962. Consumer Products Marketing vp S. R. (Ted) Herkes said Motorola's 50% TV unit sales increase over 1961 compared with industry increase of 9.1%.

Taylor claims Motorola "now stands clearly the No. 1 purveyor" of stereo priced at \$79.95 & higher. For next year, he predicted industry sales of 6.3-6.4 million b&w TVs, 550,000 color sets. He said he expects economy to "continue on a high plateau," approximately at same level in first 3-6 months of 1963 as in last half of 1962. He warned, however, that "the cost of components and other

parts have risen sharply, and industry leaders will have to consider price increases in the year to come."

Motorola announced new auto radio line, starting with all-transistor set at \$29.95 and featuring precedent-setting 2-year warranty covering parts, labor & re-installation.

There were 10 TV drop-ins—23-in. sets at \$169.95-\$199.95, 19-in. table models at \$159.95-\$189.95 and 19-in. portables at \$139.88 & \$149.95.

Case of the "Zenith" tradename has been settled in consent decree filed in Chicago Federal Court. Duluth appliance manufacturer Marshall-Wells Co. will cancel its "Zenith" trademark in consideration of payment of \$550,000 by Zenith Radio Corp. Decree terminates \$5-million suit filed in 1958 by Zenith, and counterclaim by Marshall-Wells that Zenith was using trade name illegally.

Armour Research Foundation of Ill. Institute of Technology, nation's 3rd largest private scientific research institution, changes its name June 1 to IIT Research Institute. Armour is one of prime developers of magnetic tape recording in U.S., and holds basic patents in field.

Trade Personals

Thaddeus L. Dmochowski, ex-RCA, named pres. of ITT Information Systems Div. . . . William M. Duke, ITT Federal Labs pres., also named pres. of ITT Intelcom, a new subsidiary; Albert E. Cookson appointed vp-gen. mgr.

Sidney M. Robards promoted to RCA staff vp, news & information.

Charles E. Shalvoy appointed Philco International Div. controller, succeeding E. G. Lagercrantz, named banking, credit & exchange dept. mgr.

Charles E. Belzer Jr., ex-Sylvania, named Warwick Mfg. product sales mgr., succeeding Fred Kopesky, resigned.

E. Bruce McEvoy appointed asst. to Sylvania Tube Div. mktg. vp Robert G. Lynch, succeeded as distributor sales mgr. by William T. Buschmann . . . George T. Scharfenberger elected a Litton Industries senior vp.

Joseph P. Nolan, former RCA PR executive who joined Chase Manhattan Bank early this year as PR dir., appointed a vp.

Glen A. Burdick, a Sylvania Tube Div. senior engineer, awarded patent for "image display device" pertaining to fabrication of color TV screen; Henry J. Zwald, senior technician, awarded patent for mechanism for feeding eyelets or similar parts on stem leads.

Gary Buhrow named special mkt. sales mgr., GE Auto Products, a new post.

Obituary

David Wald, 71, pres. of United Scientific Labs' DeWald Radio Div., died Dec. 5 in N.Y. An industry pioneer, he also founded Radio, TV, Electronics & Allied Industries Div. of Federation of Jewish Philanthropies.



EIA's proposed definition of "high fidelity" (Vol. 2:49 p8) will be turned over to FTC Jan. 9, according to consumer products staff dir. L. M. Sandwick. "We'll turn over all letters and critiques, both for & against the definition," Sandwick told us. We're just trying to come up with a minimum definition; there's no attempt to freeze the state of the art. The definition may well change as the art improves." Hi-fi is defined as applicable to any instrument with relatively constant response of 100-8,000 cycles and power output of at least 5 watts. Some objections, mainly by component hi-fi manufacturers, argued that standards were too low; others said they were too high, possibly removing hi-fi label from any instrument selling for under \$150. There were also objections that standard disregards phono pickup & speaker characteristics. Consumer products div. approved it by 17-3 vote.

"Most comprehensive merchandising program ever developed" by Westinghouse TV-radio div. will be announced to dealers next month. Ad & promotion mgr. Russell W. Johnson said plan is "new concept" geared to seasonal patterns. Program will include special product packages, local advertising, point-of-sale materials. First-quarter plans include "winter clearance" push, a new 23-in. TV, 6 new radio & phono products. Models to be dropped in throughout year will be brand new, according to TV-stereo product mgr. J. J. Eagan, "and each will have an entire merchandising program built around it."

Distributor Notes: Olympic Radio & TV appoints William D. Goldberg, ex-Admiral, gen. mgr. of Olympic Appliances Inc., Glendale, N.Y., succeeding David Rubinger, resigned (Vol. 2:47 p10) • Philco Distributors' Washington, D. C. office has been expanded to embrace Baltimore area, replacing Piedmont Distributors. Washington office will cover 7 Md. & 8 W.Va. counties • Viscount Electronics appoints Paul Fishman Associates sales rep for Viscount radios in Ind. & Ky. • Olympic Radio & TV appoints Dore Schwab pres. of Olympic of Northern Cal., San Francisco • Emerson's Du Mont Div. appoints H. Joseph Sarlin regional sales mgr. for Conn., headquartering in Hartford • David Brody resigns as James M. Otter Co. sales vp; Richard Dale named key accounts rep by the Philco distributor, succeeding Joseph Lagore, resigned • Jack Cherry, onetime Philco vp, resigns as mgr. of Philco's Boston branch • Viscount Electronics appoints Les A. Morrow Co. as rep for Viscount radios in Ohio, West Virginia & western Pennsylvania • Olympic Radio & TV names Steel City Wholesalers (John W. Hamilton pres. & gen. mgr.), Birmingham, Ala., distributor for northern & central Alabama; Leif Svance appointed district rep for southern Wisconsin • Phillips Audio Sales appoints Auerbach Sales Chicago area rep for its imported Kuba radio-phonos • Sylvania will hold regional distributor meetings in Denver Dec. 11 & Washington, D. C. Dec. 14.

What is a "new" picture tube? This question will get FTC airing when Westinghouse contests FTC charge that it misrepresented "TV tubes containing used parts" as "new & fresh from the factory." Westinghouse denied charges, pointing out that all parts inside its replacement tubes are new, and that tubes are labeled to indicate that envelope is re-used.

Solid-state molecular circuits are now being offered in production quantities by Westinghouse, which is advertising them at \$14.70-\$19.50 each in lots of 1,000. Circuits offered include RF amplifier, IF amplifier, 2 audio amplifiers, video amplifier, oscillator-mixer, nand gates, R-S flip-flop.

Electronic traffic aids could increase capacity of existing roads, according to Bureau of Public Roads research & development dir. Robert F. Baker. He told Miami Beach meeting of American Assn. of State Highway Officials' Committee on Electronics that almost "unlimited potential" exists in this field of electronics for private industry.

Zenith Pres. Joseph S. Wright expects industry's first-half 1963 TV sales to top Jan.-June 1962 by 3%. Guesting on First National Bank of Chicago's Annual Outlook Panel, Wright also predicted similar rise for radios & phonos.

"Closed Circuit Guide for Business & Industry" is new booklet now available from Blonder-Tongue, 9 Alling St., Newark 2, N.J.

Sylvania's regional marketing meetings to announce plans and show new models will be held Dec. 11 in Denver, Dec. 14 in Washington.

Zenith has increased its quarterly dividend to 25¢ from 20¢ & declared an extra 35¢ payment. Both are payable Dec. 28 to holders of record Dec. 7.

Blonder-Tongue expands into line of professional electronic instruments & test equipment. First product is transistor field strength meter.

Olympic 16-in. Japanese-made portable is in initial-delivery stage, at list price of \$119.95.

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
Hawley Products	1962—9 mo. to Sept. 30	\$ 5,477,930	—	\$ 282,551	\$1.08	238,450
	1961—9 mo. to Sept. 30	4,263,106	—	65,843	.25	238,450
Litton Industries	1962—qtr. to Oct. 31	127,000,000	—	5,200,000	.52	4,833,857
	1961—qtr. to Oct. 31	73,385,000	—	3,436,000	.35	4,368,273
Lynch Corp. (Symphonic)	1962—9 mo. to Sept. 30	21,628,179	\$ 354,111	97,129	.11	918,025
	1961—9 mo. to Sept. 30	16,554,909	775,968	361,635	.48	692,772
	1962—qtr. to Sept. 30	10,658,750	314,337	223,062	.23	918,025
	1961—qtr. to Sept. 30	7,669,604	482,132	360,233	.48	692,772
Stanley Warner	1962—year to Aug. 25	136,150,525	4,818,532	2,853,532	1.40	2,033,924
	1961—year to Aug. 25	134,720,744	7,981,873	4,301,873	2.12	2,026,574
Technicolor	1962—9 mo. to Sept. 29	42,689,527	—	433,850	.16	2,640,478
	1961—9 mo. to Sept. 29	40,460,178	—	1,438,945 ¹	.55	2,598,218
	1962—qtr. to Sept. 29	15,079,972	—	(394,757) ²	—	2,640,478
	1961—qtr. to Sept. 29	14,418,552	—	33,945 ¹	.01	2,598,218
Times-Mirror	1962—40 wks. to Oct. 7	108,492,592	—	4,106,128	.95	4,300,492
	1961—40 wks. to Oct. 7	93,352,567	—	3,610,729	.84	4,282,534
	1962—12 wks. to Oct. 7	33,610,888	—	1,799,129	.41	4,300,492
	1961—12 wks. to Oct. 7	29,738,533	—	1,211,526	.28	4,282,534
Transitron Electronic	1962—13 wks. to Sept. 29	5,450,623	—	(691,674) ³	—	7,503,368
	1961—13 wks. to Sept. 29	8,487,715	—	204,653	.03	7,503,368
United Artists	1962—9 mo. to Sept. 30	91,502,000 ⁴	—	3,103,000 ⁴	1.78	1,741,473
	1961—9 mo. to Sept. 30	85,310,000	—	3,014,000	1.73	1,729,373
	1962—qtr. to Sept. 30	33,636,000	—	1,210,000	.68	1,741,473
	1961—qtr. to Sept. 30	33,884,000	—	1,336,000	.72	1,729,373

Notes: ¹ After \$604,000 inventory write-downs & additional reserves against doubtful accounts. ² Before non-recurring income of \$517,000

(20¢ a share) from British affiliates. ³ After \$730,000 tax credit. ⁴ Record.

Reports & comments: GT&E, reviews, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5; Dean Witter & Co., 14 Wall St., N.Y. 5 • Fairchild Camera & Instrument, comment, Orvis Brothers & Co., 15 Broad St., N.Y. 5 • Schlumberger, review, L. F. Rothschild & Co., 120 Broadway, N.Y. 5; analysis, Loewi & Co., 225 E. Mason St., Milwaukee 2 • Westinghouse, review, J. C. Wheat & Co., 1001 E. Main St., Richmond 19 • Hallicrafters & Loral Electronics, comments, Purcell & Co., 50 Broadway, N.Y. 4 • International Resistance, study, W. E. Hutton & Co., 14 Wall St., N.Y. 5 • RCA, report, Shields & Co., 44 Wall St., N.Y. 5 • "Consumer Electronics—Progress & Promise," discussion, Thomas & McKinnon, 11 Wall St., N.Y. 5 • Westinghouse, comment, Edward D. Jones & Co., 300 N. 4th St., St. Louis 2; report, Courts & Co., 11 Marietta St. N.W., Atlanta 1 • Electronic Specialty, report, Stanley Heller & Co., 30 Pine St., N.Y. 5 • Giannini Scientific, analysis, Kidder, Peabody & Co., 17 Wall St., N.Y. 5 • Westinghouse, review, A. M. Kidder & Co., One Wall St., N.Y. 5 • Clevite, analysis, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5 • RCA, discussion, Orvis Brothers & Co., 15 Broad St., N.Y. 5 • CBS, discussion, Abraham & Co., 120 Broadway, N.Y. 5 • Lafayette Radio Electronics, memo, Purcell & Co., 50 Broadway, N.Y. 4 • Avco, comment, E. F. Hutton & Co., 61 Broadway, N.Y. 6 • Toshiba, report, N.Y. Hanseatic Corp., 120 Broadway, N.Y. 5 • RCA, report, Edwards & Hanley, 100 N. Franklin St., Hempstead, N.Y. • GT&E, analysis, A. C. Allyn & Co., 122 S. La Salle St., Chicago 3 • Giannini Scientific, report, Draper, Sears & Co., 50 Congress St., Boston 2.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Clarostat	Stk.	3%	Dec. 28	Dec. 17
Consol. Elec. Indus.	Q	\$0.25	Jan. 4	Dec. 14
Corning Glass	Q	.37½	Dec. 26	Dec. 14
Corning Glass	Ex.	.50	Dec. 26	Dec. 14
Decca Records	Q	.30	Dec. 28	Dec. 17
Heli-Coil	Q	.20	Dec. 21	Dec. 14
Newark Electronics-A	Q	.06¼	Dec. 31	Dec. 14
RCA	Q	.25	Jan. 28	Dec. 17
RCA	Stk.	2%	Feb. 4	Dec. 17
Times-Mirror	Q	.12½	Dec. 21	Dec. 7
Times-Mirror	Stk.	2%	Jan. 18	Dec. 21
Trans-Lux	Q	.15	Dec. 28	Dec. 14
United Artists	Q	.40	Dec. 28	Dec. 14
Universal Pictures	Q	.25	Dec. 27	Dec. 14
Universal Pictures	Ex.	.25	Dec. 27	Dec. 14

Kansas City Southern Industries will purchase approximately 40% of TV Shares Management Corp.'s outstanding 1,018,500 shares, subject to reaffirmation of contracts between latter & TV-Electronics Fund. TV Shares is latter's investment manager & principal underwriter. Fund stockholders will meet Jan. 17. Kansas City Southern Industries was formed by Kansas City Southern Railway to permit diversification outside railroad industry.

Emertron stockholders have approved company's sale to Litton Industries for approximately \$8 million in stock & debentures (Vol. 2:49 p11).

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WEEKLY **Television Digest**

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

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Broadcast

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FCC THINKING—MINOW, HENRY, BARTLEY give current views on major topics in interviews, speeches (p. 2).

CODE BOARD CIGARET DECISION—STUDY it and report to TV Board in Jan. No violent debate. Meeting with ANA covers "man-in-white" commercials, "clutter," etc. (p. 3).

N.Y. NEWSPAPER BLACKOUT sparks increase of up to 30% in news & feature schedules of N.Y. TV-radio outlets. Newspapers make star columnists available in burst of cooperation. There's little ad boom for TV-radio, however (p. 4).

UHF's SPARK NEW TRADE ASSN.—'ACT'— with Thad Brown as full-time Washington vp-exec. dir. Putnam heads group stimulated by all-channel-set law (p. 4).

'RELAY' POWER FAILS, DIMS TV POTENTIAL—scientists uncertain about possibilities of correction (p. 5).

DEALER-CONSUMER FM STEREO EDUCATION urged by EIA's AM/FM Broadcast Equipment Section (p. 6).

LEAKY REPORT ON FTC—TEAPOT TEMPEST: Supposedly confidential report criticizing FTC procedures raises commissioner's hackles (p. 7).

Consumer Electronics

CONSUMER DEMAND BOOMS EUROPEAN ELECTRONICS: Chase Manhattan Bank report finds total European TV production ahead of U.S., total consumer electronics output on par with ours, Common Market electronics production growing 15-25% yearly (p. 8).

KIMCODE OFF GROUND as tube makers report orders are firming; GE to use it throughout 1964 big-screen set line—others to convert either partially or fully. Tube price increase seen definite next month (p. 9).

NEW SETS shown to distributors include first \$495 color TVs by Admiral & Zenith; RCA, Sylvania & Symphonic also unveil new merchandise (p. 10).

REVIEWS & FORECASTS: Summaries of 1962 and outlook for 1963 as digested from industry leaders' year-end statements (p. 10).

JAPANESE ELECTRONICS BUSINESS is good, too, specially prepared table showing 8 major firms improved sales & earnings in 6-month period to Sept. (p. 11).

POWER SHIFT WITH COX' FCC APPOINTMENT: Watch FCC very, very closely from now on. New Frontier is solidly in saddle. With President Kennedy finally announcing intention of putting Broadcast Bureau Chief Kenneth Cox in for Comr. Craven, when latter retires Jan. 31 to become FCC space consultant, there's a Minow-led majority ready to move.

The 3 Kennedy appointees—Minow, Henry & Cox—think much alike, in terms of asserting Commission's authority over industry. In addition, they'll often pick up vote of fellow Democrat Bartley, frequently get help from Republicans Lee & Ford. Looks as if Comr. Hyde often will be lonesome champion of laissez-faire policy which prevailed during Eisenhower administration.

Cox appointment is not "all bad," in opinion of some conservative industry people. Their view: (1) Cox knows industry & FCC, and he's a known quantity—preferable to appointment of some random wild-eyed newcomer who might have been picked. (2) As a commissioner, he's in some ways less influential than he has been as Broadcast Bureau Chief, through whose hands all TV-radio work funnels.

President's announcement said Cox appointment was to fill out Craven's term, which ends next July 1. However, Cox & just about everyone else assumes he'll get full 7-year term thereafter. "I hope,"

said Cox, "that I'll get it—unless I do something like shooting somebody." (He entered hospital for minor operation last week, will be away from desk until first of year.)

Cox's impact on Commission should be felt immediately when he assumes office, but there's one important area he can't vote in—adjudicatory matters he has handled, such as comparative TV hearings, revocations, renewals. But he's completely free to vote on such major policy matters as network & CATV regulation.

Speculation about "names" now reverts to staff appointments. As Cox's replacement, talk has been concentrating on his asst. chiefs—James Barr & James Juntilla—but it's understood that neither will get it. For Chief of Renewal & Transfer Div., acting chief Sylvia Kessler is most mentioned. Irving Brownstein, asst. chief of Safety & Special Bureau, is expected to be stepped up to chief, succeeding new FCC Executive Director Curtis Plummer (Vol. 2:50 p3).

Cox is a Seattle lawyer, 46, protege of Sen. Magnuson (D-Wash.), chmn. of Commerce Committee. He got feet wet in TV-radio as 1956-57 special counsel for Magnuson in Committee hearings on networks, CATV, etc. He's been with FCC since April 10, 1961, has always been tabbed for commissionership. He was to get vacancy now filled by Comr. Henry, but he got caught in political cross-fire between Magnuson & Ark. Congressional delegation which wanted Comr. Cross reappointed. Some political speculators now venture that Cox is being primed for eventual candidacy for Senator or Representative.

Administration dug diligently for ways & means of treating Craven fairly—came up with the formula. As consultant to FCC, his salary, including retirement pay, is expected to be same \$20,000 he has been getting. And, of course, he remains govt.'s "senior statesman" on space communications. (He's tickled by phrase "his career spans spark to space.") Kennedy's announcement said it's "gratifying to know that we will continue to have the benefit of your years of experience & wise counsel in this highly complex field. . . . The fact that you are willing to undertake this added assignment after concluding over 36 years of distinguished federal service is indeed a tribute to your devotion to duty."

FCC THINKING—MINOW, HENRY, BARTLEY: Biggest things on FCC Chmn. Minow's mind currently: (1) Space communications. (2) Uhf development. (3) Improvement of FCC's "incredible" procedures.

In recent interview, he told us that "space communications is our biggest job," expressed pleasure that Comr. Craven agreed to serve as space consultant to FCC and as a top U.S. representative in Geneva conferences next Oct., after being succeeded by Broadcast Bureau Chief Kenneth Cox next Jan.

Growth of uhf is particularly important to Minow, and he thinks his colleagues are missing a promotional bet. When he dissented in Commission's announcement that uhf CP-holders must build quickly or lose grants (Vol. 2:50 p4), he urged that FCC seek uhf-stimulating ideas from public & industry. Here's one of his own:

Let vhf operators own uhf in same city—but specify that they must duplicate "X%" of vhf programs on uhf, at a later hour, and that "Y%" must be non-duplicated programming. "The waste in TV programming is appalling," he said. "They create a wonderful program, at great expense, and it's shown only once. I know the arguments here against the vhf-uhf combination—concentration of control—but the Commission can handle that. And I know the argument of the vhf telecaster: Why compete with myself? Who knows, they may get new advertisers, more money. I think a few would try it.

"With added facilities coming up, the industry should be reexamining itself. We're going to see a 4th network. The minority audiences will be served. Now is the chance for experimentation."

With more & more TV outlets, Minow said, Commission could be less & less involved with programming. With plethora of radio stations, he added, he's not nearly as concerned with its programming as with TV's. In field of commercials, he said he'd go for a code enforced by a trade association with teeth—of type recommended by Commission's network study staff (Vol. 2:50 p2)—but he doesn't cotton to such an association for programming.

As for FCC's cumbersome legal proceedings, Minow plumps for a "Communications Court" to handle adjudicatory matters. Such Court, he said, could really move cases.

Minow remains hot about "loud commercials." Sen. Case (R-N.J.) last week released letter from Minow which credited Case for stimulating his interest in subject and which said he'll ask Commission to propose volume-limiting rule. Case also cited H. H. Scott study which concluded that most TV commercials are louder than program material.

• • • • •

Comr. Henry's maiden speech, to Federal Communications Bar Assn., amplified our initial interview (Vol. 2:46 p1). After speech, lawyers sized him up as intelligent, determined—and too inclined to view things as black-&-white. "Youth," said one attorney. Among points Henry made:

(1) FCC's job is to help industry and to work for "moral & intellectual improvement of the public, as well as its economic well-being."

(2) FCC must "assiduously" protect groups which don't present their positions effectively to Commission—consumer, customer, listener.

(3) Local-live hearings, such as Omaha session at which he'll preside, are "very effective tool" for determining broadcasters' performance.

(4) CATV should be regulated by FCC.

(5) Networks must be kept "healthy & vigorous." Option time is a "key question, for on it depends a network's ability to exist as such, whether it is called option time" or something else.

(6) "TV programs today exhibit a discouraging degree of sameness, particularly in prime time. . . . Networks must satisfy the majority, but only part of the time; and they must accurately determine what the majority really wants, not what it accepts merely because nothing else is offered." Excess govt. control would "create an atmosphere of sterility & fear" and he'd advocate abolishment of FCC before helping produce such atmosphere.

(7) "There are no 'paper' promises" by applicants. "There are only statements . . . which are intended to be followed fully, and on which the Commission may confidently rely."

(8) Any station alleging "economic injury" by potential competitor should be willing to take risks to prove it, "should put its money where its mouth is."

(9) Broadcasters should police own industry on over-commercialization but results will be "a long time a-coming."

(10) FM stations should be assigned through an allocation table.

(11) In editorializing, station should be "accurate" & "thorough."

Comr. Bartley, in speech before Southern Cal. Bcstrs. Assn., appeared to like several recommendations of FCC network study staff (Vol. 2:50 p2). A "national code authority composed of all licensees . . . could bring their collective influence to bear" on all program producers. "Here then," he said, "would be the authority, now lacking, for if effective self-regulation fails, our experience tells us that statutory regulation fills the void."

Bartley also was sympathetic with proposals to limit network-owned prime-time shows and to take networks out of syndication business. "The market place for programs," he said, "must be kept open to competition. It must not fall into the hands of a few and thus restrict the licensee's selection."

CODE BOARD CIGARET DECISION—STUDY: The Great Collins-Tobacco Debate produced no furore during NAB Code Review Board's discussions last week. NAB Pres. Collins made his recommendation—undisclosed revision of Code designed to reduce cigaret ads' appeal to youth (Vol. 2:48 p1, et seq.)—and Board decided to study it, report to TV Board in Jan. 16 Phoenix meeting. (Code Board can't change Code; it can recommend changes to TV Board.)

Session was described as "cordial," and several participants said Collins's presentation was "excellent, whether you agree with him or not." What kind of studying will be done? Talk to health authorities, cigaret makers & their trade association; round up commercial-curbing practices of Britain, Italy,

Denmark. No one expects drastic revision of cigaret-commercial practices in near future; that awaits more widely accepted evidence of cigarets' injury to health. More immediate question is what Board will say or do about Collins's opinion that he should give purely personal views on matters vitally affecting industry—and what will be done about renewal of his contract as president. He has lot of support, lot of opposition.

In other actions last week, Code Board recommend: (1) Tightening "man-in-white" medicine commercials to frown on use of professionals such as doctors & nurses—in addition to current restrictions on use of actors & actresses dressed as professionals. (2) Putting reference to editorializing in Code—advocating careful research, distinguishing editorial from other program material, etc.

Board also discussed commercial standards—principally relaxation urged by smaller-market stations—considered 9 possible changes, but couldn't agree on any recommendations. In 2nd day in Washington, Code Board met with representative of Assn. of National Advertisers, in relatively brief "exploratory" discussion of "man-in-white" issue, "clutter" of non-program material (credit "crawl," etc.), commercial length & position, monitoring.

NAB Code staff reported results of monitoring 255 stations, said compliance is almost complete, that the few discrepancies discovered were almost always corrected when pointed out to stations.

UHF's SPARK NEW TRADE ASSN.—'ACT': New trade association—Assn. for Competitive TV (ACT)—has been formed from nucleus of predominantly-uhf Committee for Competitive TV. Purpose: primarily to make most of new all-channel-set law, promote uhf generally.

CCT was loose & rather ad hoc organization, but ACT will have full-time Washington vp-exec. dir. He's veteran of early Washington TV wars: Thad Brown, one-time counsel for original TV Bcstrs. Assn. & DuMont, then top NAB TV staff man, recently practicing law in Washington.

ACT has "minimal budget" for one year, to start, and Washington staff will be Brown & his secy. Seven-man board comprises survivors of uhf wars: William Putnam, WWLP Springfield, Mass., chmn.; Fred Mueller, WEEK-TV Peoria, vice chmn.; R. W. Mack, WIMA-TV Lima, O.; David Baltimore, WBRE-TV Wilkes-Barre; John English, WSEE Erie; Lawrence Turet, WXIX Milwaukee; W. P. Williamson, WKBN-TV Youngstown.

Membership won't be limited to uhfers—but undoubtedly will be heavily uhf for some time. ETV groups are expected to be interested. No decision has been made yet regarding inviting equipment makers, attorneys, engineers, CATV, etc. Brown won't handle legal work; outside legal, engineer & public relations counsel will be retained. Initial PR work has been handled by Phil Dean organization, N.Y. Office will be rented shortly.

If plans develop as expected, you may be sure ACT will be heard from. Board members & Brown are not shrinking violets.

N.Y.'S NEWSPAPER BLACKOUT: Having undergone baptism of fire in pre-Christmas newspaper blackout in 1958 (Vol. 14:51 p14), N.Y.'s TV-radio stations had extensive blueprints ready for expansion of news & feature coverage during current strike against 7 N.Y. and 2 Long Island papers. Stations did better job than '58—but it was still stopgap.

Newspapers were better-prepared to make quick switch from printing presses to microphones and TV cameras to keep their image alive. Locked in a deadly-serious labor dispute with craft unions, N.Y.'s newspapers have largely realized their very life is at stake, and have been more than cooperative in making available star columnists—from N.Y. Times TV critic Jack Gould to WT&S City Hall reporter Woody Klein—for guest appearances.

Main air expansion has been straight news coverage. In this area, expansion was most noticeable on radio stations, largely because it's easier to crowd more news & features into long disc jockey shows than it is to shoe-horn news into tight Christmas TV program schedules.

Spot check we made of stations in N.Y. showed this pattern. Radio—average major N.Y. radio station had increased its news schedules 20-30% by week's end, including guest newspapermen. TV—Network

flagships had expanded news coverage substantially and had cream of newspaper talent; independents showed scattered pattern, with WPIX making moderate increase in news schedule but with WNEW-TV adding no less than 35 capsuled newscasts daily. Over-all TV increase, however, was about 10-15%.

There was no real ad boom among stations, even though estimated \$1 million daily in Yuletide newspaper advertising was blacked out. Radio stations reported more new Christmas spot business than did TV stations, but almost nobody was making any real profit because of added expenses of news coverage.

Sidelights to situation were plentiful. N.Y. office of TV Guide told us that there had been "obvious" circulation jump in vacuum created by disappearance of newspaper TV listings, but said there would be really spectacular growth only if strike was a long one. WNBC-TV began publishing 2-page handout "newspaper" of news highlights and gave it away to commuters at Grand Central & Penn Station at rate of more than 150,000 daily. WJRZ (formerly WNTA) took man-on-street survey to find out what newspaper readers missed most. Answer: cross-word puzzles & comic strips.

Even out-of-town stations got into the act. RKO General's WNAC Boston flew down 300 copies of *Boston Globe* to N.Y. Dec. 13, and had them distributed—compliments of WNAC—to agency account executives and timebuyers in time for morning coffee break.

'RELAY' POWER FAILS, DIMS TV POTENTIAL: Bright U.S.-Europe TV transmission plans faded as we went to press last week, when RCA's Relay satellite failed to put out enough power—after near-perfect NASA launch.

NASA said engineers were working on problem but couldn't tell whether power could be brought up. They had planned TV test on 6th orbit. One-way telemetry was only function operating.

Plans for ambitious 40-min. intercontinental Christmas spectacular Dec. 17, therefore, were knocked awry. NASA & RCA officials said no immediate backup Relay shot is planned, if orbiting Relay remains mute.

USIA meanwhile had elaborate plans to tell world about another spectacular U.S. bird, Mariner II, which made historic rendezvous with Venus Dec. 14 after 109-day journey. It planned broadcasts in 38 languages when first signals probing planet were received.

Growing World Film Market: Film distributors selling U.S. shows in foreign market can expect increase of \$10 million next year over 1962 foreign gross of some \$45 million. This was one of chief gains made by TV Program Export Assn. in past 3 years, according to Pres. John G. McCarthy, who hailed group's progress in many areas at TVPEA's annual meeting in N.Y.

"Where one barrier in a country has been reduced in its powers of curtailment," McCarthy said, "company salesmen have reported an almost immediate increase of several hundred per cent in sales of American programs."

Film revenue losses from "immediate and disastrous" currency problems in Latin America, McCarthy added, were likely to be offset by major improvements elsewhere. Sample: Japan, McCarthy indicated, may yank its current ceiling of "about \$3 million" annually for U.S. export shows, and become "as unrestricted, TV-wise, as the U.S." in buying American shows.

Govt.-news media conference on Administration's news policies during Cuban crisis has been agreed to by White House News Secy. Salinger. Meeting was requested by NAB Freedom of Information Committee on behalf of all media. No date or details have been set, but Salinger suggested conference be held outside Washington.

FCC patent policies, affecting its technical standards, are now being "carefully reexamined" by Commission, according to brief report by Senate Judiciary Subcommittee. Report, "Patent Practices of the FCC," is one of series covering govt. agencies, notes that as of Dec. 31, 1960, Commission said it's "of the opinion that its present policies have proven to be in the public interest." But footnote says: "However, a majority of the Commission as now composed believes that there is some question as to whether previous patent policies fully protected the public interest." Copies are available for 15¢ from Govt. Printing Office.

Authorization in business radio service for microwave stations to relay TV to CATV systems has been proposed by FCC. Under proposal, if CATV system is in area with local TV station, applicant would be required not to duplicate local station and would have to carry station's signal if requested to. If no local station existed, grant would be made on same conditions in regard to future stations. Comments are invited until Feb. 15, 1963, reply comments until March 1.

Nation's oldest uhf station, WSBT-TV (Ch. 22) South Bend, celebrates 10th birthday Dec. 21. Station actually was 2nd uhf to go on air, starting about 2 hours after WHTO-TV (Ch. 46) Atlantic City, which ceased operation in 1954.

Personals

Robert R. Pauley, ABC Radio pres., named chmn., 1963 National Conference of Christians & Jews radio broadcasting committee . . . FCC Comr. Henry speaks Jan. 24 at 18th annual Ga. Bcstrs. Assn.-U. of Ga. Radio-TV Institute, Athens, Jan. 22-24.

Lee P. Mehlig named Broadcast Clearing House pres., succeeding John E. Palmer, resigned . . . John E. Erickson promoted to Spot Time Sales pres., succeeding William T. Heaton, resigned; Carleton F. Loucks advances to vp.

Harvey Bennett, ex-CBS-TV, named ABC-TV Western div. program development mgr. . . Dell Simpson promoted to Adam Young Chicago radio mgr., succeeding Roger Sheldon, now St. Louis mgr.

James C. Hirsch, national sales dir., and Harvey Spiegel, research dir., elected TvB vps. . . William B. Rohn, mktg. dir., elected vp, Edward Petry & Co. . . Richard W. Grefe, ex-Radio Free Europe & DuMont Labs, named administration dir. of commercial short-wave radio WRUL.

C. Van Haaften, radio KTUC Tucson, elected Ariz. Bcstrs. Assn. pres.

Jack B. Weiner, TvB mgr. of national sales development, named public relations dir., succeeding Robert M. Grebe, appointed editor of *Sponsor Magazine*. Grebe replaces John E. McMillen who becomes consultant specializing in station editorializing.

William B. Monroe Jr., NBC Washington news dir., elected Congressional Radio-TV Correspondents Galleries exec. committee chmn., succeeding Robert H. Fleming, ABC Washington news bureau chief . . . Paul T. Reidy, former MBS, AP & UPI newsman, named WRDW-TV Augusta, Ga. news dir.

Robert J. Wormington & Jay P. Barrington promoted to mgr. of WDAF-TV & radio WDAF Kansas City, respectively.

Jeff Kamen named production coordinator of Once More Inc., Dave Garroway's new TV-radio program & commercial firm; Kamen is son of Ira Kamen, exec. vp of Teleglobe Pay TV System.

Robert W. Larsen, ex-Jerry Fairbanks Productions staff dir., appointed Alexander Film Co. producer-dir.; Donn M. Greer, TV design consultant, named art dir.

Rodney Erickson, recently-resigned Filmways Inc. pres., named Four Star TV N.Y. representative . . . Harold L. Danson promoted to Independent TV Corp. gen. sales mgr., syndication . . . Jerome McCauley, former ABC-TV sport sales dir., appointed H-R TV senior acct. exec., N.Y.

Van Kirkwood named WXYZ-TV Detroit news dir. . . . Robert C. Wisnewski promoted to WIS-TV program operations dir., a new post . . . Robert Wickhem named WKOW-TV & WKOW Madison, Wis. chief engineer.

Richard Gassaway, ex-KIMA-TV Yakima, Wash. local sales mgr., promoted to national sales mgr. of parent Cascade Bcstg., succeeded by Robert DiPietro . . . William G. Hunefeld Jr., ex-KPIX San Francisco gen. sales mgr., appointed WDAU-TV Scranton sales mgr.

Edgar R. Smith appointed WOKR Rochester local sales mgr. . . . Robert P. Irving promoted to WGN-TV & WGN Chicago industrial relations dir.

Dealer-Consumer Education For FM Stereo: EIA's AM/FM Broadcast Equipment Section, meeting in Washington last week, came up with several recommendations to improve image of FM stereo.

Committee headed by Collins Radio's A. Prose Walker issued statement declaring that although many listeners are pleased with FM stereo, some have been disappointed. Committee recommended: (1) Development of stereo monitor to assure transmission of signals meeting FCC requirements (Vol. 2:48 p10). (2) Development of informational material by EIA to help stereocasters determine quality of signals & adjust equipment when needed. (3) Urging stereo receiver manufacturers to launch program to educate dealers & public in proper installation & use of sets.

Committee called on FCC to issue notice of inquiry to equipment makers to make recommendations about types of monitoring equipment & techniques which would enable stereocasters to assure themselves about compliance with Commission standards.

Basic training TV instruction is at least as effective as regular instruction, often more so, according to Army Chief Signal Officer Maj. Gen. Earle F. Cook. He outlined progress of army's ETV program at recent address before Armed Forces Communications & Electronics Assn. luncheon in Washington. At Ft. Dix, N.J., where ETV pilot project is being tested, he said, TV is now being used for 56 of trainees' 72 classroom hours, compared with 17 hours when first tried in 1953. Master tests, given at end of training cycles, have showed scores of TV-trained companies ranging 10-26 points higher than regularly-instructed units, Gen. Cook reported.

Investigation of toy ads by FTC is a "Section 6" probe of all media, with heaviest concentration on TV. Section 6 of FTC Act empowers Commission to require manufacturers to submit certain information about their ads; in the case of TV, scripts and/or films. According to Food & Drug Advertising Div. chief Charles A. Sweeny, "dozens" of toy firms have been contacted, most of them selected after agency monitored TV commercials. FTC has scrutinized Christmas season toy ads in past, but always on case-by-case basis. Sweeny said special attention is given to TV because medium's commercials obviously have more impact on children who aren't likely to be reading magazines or newspapers.

Renewal of microwave stations to serve CATV systems, held by Mesa Microwave Inc., Texas, was recommended in initial decision by FCC Examiner Asher H. Ende. He held that Mesa has, or will have, sufficient CATV-system customers not owned by Mesa principals (Video Independent Theatres), to justify its claim to be a common carrier.

National Assn. of FM Bcstrs. fund-raising campaign to open N.Y. office and finance other activities has reached \$120,000 mark, Exec. Secy. Edward F. Kenehan reports. About 175 member stations have contributed 6 one-min. spots daily for 6 months, sold to Magnavox. NAFMB board meets Jan. 10-11 in N.Y. to plan new office.

AM overpopulation conference Jan. 7-8 (Vol. 2:48 p5) leads off with NAB, is open to anyone who wants to participate, FCC announced. Written presentations must be submitted in 15 copies at hearing. Parties planning oral presentations should write to Chief, Broadcast Bureau.

New Small Business TV Hearings Likely: Small businessmen charging that networks have squeezed them out of chance to buy choice TV time probably will get second chance to complain to Congress fairly early next session.

House Small Business Subcommittee No. 6, which held 2-day session last Dec. (Vol. 1:13 p5), has called for new round of hearings in report to full committee. New hearings are likely to be far more extensive than last year's quickie. In report, subcommittee noted that "comprehensive survey" should be made of independent & affiliated time-selling practices—including testimony by networks, stations, broadcaster assns., govt. agencies, etc. Following this, report states, subcommittee could determine whether relief for would-be small business TV advertisers can be found under existing laws, or if new legislation is needed.

Subcommittee disagreed with contentions made at last year's sessions by then-FCC Broadcast Bureau Chief Kenneth Cox that increase of uhfs from all-channel-set law eventually would make more time available to small advertisers. Even in presently intermixed markets, advertisers often prefer secondary time on a vhf to prime time on a network uhf, group contended.

New chairman, not yet chosen will head Subcommittee. Former Chmn. Alford (D-Ark.) left House in unsuccessful bid for Governor.

Long-awaited "Tunnel" documentary on NBC-TV Dec. 10 pulled sizable audience against some of CBS-TV's and ABC-TV's strongest program competition, according to barometer of special N.Y. Arbitron ratings. Locking prime-time horns with "escapist" comedy on CBS in 8:30-10 p.m. slot (Lucille Ball, Danny Thomas, Andy Griffith) and oaters on ABC (*The Rifleman*, *Stoney Burke*), NBC show, dealing with real-life escape from East Berlin, drew 23.3 rating, 35.0 share vs. average 22.6 & 34.0 on CBS, 9.7 & 15.0 on ABC. NBC termed results "sensational." Less pleasing to NBC was grumbling in West Germany after news publication *Der Stern* printed stills from film which clearly showed faces of escapees. In N.Y., NBC denied it had been source of pictures, pointed to fact that faces of those against whom East Germans could make family reprisals or "where identification was unsure" had been blacked-out in final air print of "The Tunnel."

Petition to intervene in Omaha local-live hearing starting Jan. 28 (Vol. 2:48 p1) has been filed with FCC by NAB, and prospects of favorable results are good. NAB seeks to "offer testimony and present suggestions which will point up valid objections to this type of proceeding, and at the same time should be of constructive benefit to the Commission in its evaluation of the public interest. . . . The proposed inquiry has industry-wide implications which transcend the boundaries of Omaha."

Sale of KSYD-TV (Ch. 6) Wichita Falls for \$2,350,000, by Sidney A. Grayson & associates to Paul Harron group, has been completed through broker Hamilton-Landis—subject to FCC approval. Harron heads WKTV Utica and World Bestg. System, Philadelphia radio programming service.

Annual dinner of Federal Communications Bar Assn. in Washington, usually attracting substantial covey of clients, is set for Jan. 25.

Leaky Report on FTC—Teapot Tempest: First draft of a highly-critical study of Federal Trade Commission's organization & policies heated some Commission tempers last week after it was leaked by trade press.

Document was prepared by U. of Minn. law professor Carl A. Auerbach, for Internal Organization & Procedures Committee of Administrative Conference, group established by President Kennedy to seek efficient methods of running regulatory agencies. Among more volatile recommendations in report was suggestion that FTC employ fewer lawyers, more businessmen in top jobs. Study also called for Commission to concentrate on national ads, leave smaller cases to local and state authorities.

Report burned FTC Comr. MacIntyre, who shot letters to 105 Conference members & staffers, charging Auerbach's findings gave very limited view, were based on inadequate knowledge of FTC. David Ferber, Internal Organization Committee chmn., pointed out that study was merely working paper for examination by FTC officials, that Auerbach is working on revised final report.

Since Conference goes out of business Dec. 31 unless reappointed by President, final report probably will end up in limbo anyway, Ferber noted.

ABC-TV's Nixon "obituary" Nov. 12 (Vol. 2:49 p5 et seq.) warrants no Commission action, FCC announced. In reply to some 2,000 complaints about Howard K. Smith program, Commission pointed out that it has no powers of censorship over program material, but can only demand fairness in reporting of controversial issues. "In view of the Commission's policies," FCC stated, "it is clear that the network's decision to broadcast the subject program was a matter well within its discretion."

Presidential mimic Vaughn Meader's promotion spots for radio WWDC Washington were criticized by White House last week, but station Pres. Ben Strouse had already ordered them halted. FCC Chmn. Minow reported spot-use to White House News Secy. Salinger, who called Strouse to object. Latter said he already had ordered tapes stopped, because he had doubts about their good taste.

Special broadcasts to Cuba by U.S. stations (Vol. 2:50 p8, et seq.) ended last week, Voice of America reverting to pre-crisis schedule of 8 hr., 45 min. daily. Two 50-kw govt. stations in Fla. which started during crisis will remain on air. VOA spokesman last week also denied charges by Cuban exile newscasters & commentators that their broadcasts had been censored by U.S. govt.

Excited about pay TV, *Gallagher Report* (500 5th Ave., N.Y.), newsletter covering ad media, in Dec. 10 issue states: "It's here. Public wants pay TV. Tests prove it works, can make money. . . . Will be biggest industry in communications field within 10 years." Close to magazine publishers, it reports Crowell-Collier has appointed Kenneth DeVaney to study toll TV.

West Germany now has 10 million TV sets in use, according to report from Bonn. From Moscow, Communications Minister Nikolai Psurtsev reported that 65 of 100 satellites planned by 1965 are on air, reaching 90 million.

Use of uhf translators is described in new paper, "Uhf Translators for Expanding TV Coverage," by Stanley P. Lapin, Adler Electronics—available without cost from Adler, One Lefevre Lane, New Rochelle, N.Y.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

CONSUMER DEMAND BOOMS EUROPEAN ELECTRONICS: They've struck gold in Western Europe with consumer-oriented electronics industry that's racing pell-mell to success & prosperity. That's sum-up of analysis of European electronics, by The Chase Manhattan Bank in N.Y., that has significant ramifications for U.S. counterparts. Here are some of eye-opener facts disclosed:

(1) Total European TV output now tops U.S.'s. Indicative of tremendous pent-up demand for consumer electronic products, German TV output has soared more than 50% since 1958. French production has almost doubled. "European TV saturation compares with that of the U.S. in the early '50s," Chase Manhattan reports, "and the trend is still up." Output of radios, phonographs & tape recorders also is "rising rapidly."

(2) Factory output in Common Market electronics industries since 1958 has grown 15-25% a year—"about 3 times as fast as gross national product & even faster than the booming U.S. electronics industry," report notes.

(3) Europe's production of consumer electronics is now about on par with American output. However, U.S. still holds 3-to-1 lead in total electronics production. Europe's orientation toward consumer market is clearly illustrated by 1959 electronics production analysis. Germany devoted 66% to consumer goods, Britain, 49%, France, 40%. U.S., 17%.

(4) "Exceptionally large portion of European consumer spending has gone for electronics," report points out. Example: 1.4% in Germany vs. 0.5% in this country.

(5) U.S. firms play small role in European consumer electronics, and prospects for cutting larger slice of growing pie are not bright. "The attractive consumer market is fiercely competitive and becoming more so," Chase Manhattan points out. "The large European electrical manufacturers recognized opportunity early and now are well entrenched, with efficient production and well integrated distribution networks. U.S. exports, which also face tariffs of 15-30%, are negligible. Investments in the consumer sector by U.S. firms are few."

Here's country-by-country breakdown of European electronics industries:

Germany has Europe's largest electronics industry—with estimated 1961 sales of \$1.3 billion, up from \$1.060 billion in 1960. Germany also is Europe's largest exporter. Its 1961 set saturation was 89 per 1,000 population. Two companies, Siemens & AEG, account for some 1/3 of total production.

Britain's 1961 electronics sales slipped to \$1.2 billion from \$1.3 billion. Its consumer market has highest saturation of all European countries. TV ratio, for example, is 212 sets per 1,000 population. Approximately 50% of its exports go to Commonwealth countries.

"France has relatively low saturation of consumer electronics products," Chase Manhattan says. Its 1961 electronics sales rose to some \$750 million from \$650 million in 1961. Total production is pegged to grow at 13% annual rate through 1965. TV set ratio: 43 per 1,000.

Italy has "small electronics industry which is growing rapidly with the aid of foreign investments," report notes. Electronics volume in 1961 rose to \$350 million from \$300 million. Exports are only 4.5% of total sales. TV set ratio: 48 per 1,000 population. "Consumer saturation is the Common Market's lowest."

"In Holland, the electronics industry is dominated by Philips, whose domestic plants produced more than \$200 million in electronics equipment in 1961," report continues. TV set ratio is: 70 per 1,000. Belgium's electronics industry is described as "small, tightly integrated, and export oriented." TV set ratio: 73 per 1,000.

U.S. had 8% increase in electronics sales in 1960 vs. 1959, report notes. Here are sales increases posted by European electronics industries: Italy, 87%. Netherlands, 40%. Belgium-Luxembourg, 45%. France, 27%. West Germany, 18%. Britain, 8%.

"Electronics is today the most dynamic of Europe's manufacturing industries," Chase Manhattan emphasizes. Outlook "adds up to a blend of ingredients becoming increasingly common in a world of rising incomes & rising trade: rapid market growth, fierce competition, increasing specialization, and growing importance of research and innovation." Report notes also: "Although the booming consumer business has drawn the most attention in the recent past, some parts of the industrial market are likely to lead in future growth."

Bank's "Report on Western Europe" also explores industrial & military segments of burgeoning European electronics, investigates U.S.'s important & growing role in overseas manufacturing of industrial electronic equipment & components, licensing agreements with foreign firms, and so on. Report is available on request from Economic Research Department, Chase Manhattan Bank, N.Y. 15.

KIMCODE OFF THE GROUND; ORDERS FIRM UP: Game of watchful waiting over Kimcode (Vol. 2:48 p8) seems to be over. At least one major TV manufacturer has made final decision to use Kimble Glass's new process, which requires no implosion shield, throughout its 19- & 23-in. line for mid-1963, and several others will swing at least partially to Kimcode at same time.

Planning to use Kimcode across-the-board in large-screen sets (but sticking to own Lamilite process for 16-in. & any smaller tubes) will be GE TV & radio receiver div., we've learned. And at least 2 other set makers have placed orders for 1963.

Currently, only Curtis Mathes is building sets with Kimcode tubes—in 23-in. size. It's buying tubes from the 3 tube makers which are now producing Kimcode—GE, National Video & Sylvania.

Canvass of these tube manufacturers finds all of them with tentative or firm orders for production quantities from other set makers. One tube maker says: "We'll have 3 customers next year who will be quite heavily into Kimcode for their midyear lines. And there are several others who want to put in a few." A 2nd tube maker has "one customer now [presumably Mathes], and 2 others seem extremely interested." The 3rd says 3 customers are expected to firm up orders early next year. With beginnings of swing toward Kimcode, it seems likely that other tube makers will adopt the process.

All of these tube makers could be talking about same customers, of course. But another industry source predicts that virtually every set maker will try at least a few Kimcodes in midyear lines. As we reported earlier, most 1964 sets are being designed to accommodate several approaches to implosion shielding without retooling.

A competitor of Kimcode, meanwhile, advanced to the "ready" stage at week's end. Pittsburgh Plate Glass's new 1/8-in. thick safety glass, designed for lower-cost & lighter-weight bonded tubes, received Underwriter's Labs approval in 23-in. size. Approval previously had been granted on the new thin glass shield for 16- & 19-in. sizes. Also last week, UL approved PPG-type bonded tube in 24-in. size (but using older 3/16-in. glass), making it possible to offer bonded 24-in. for first time. PPG spokesman told us there's increased interest in its bonded tube process and said greater industry use of it will result in lowering of costs.

On another picture-tube front—the price front—those increases finally appear to be firming up, as of first of year (Vol. 2:43 p7). At least 3 tube makers are understood to be taking orders for 1963 at the new prices, generally around \$1 a tube or 6% higher across-the-board. (One of attractions of Kimcode, of course, is that it's cheaper than at least some of the other processes, and this can lessen impact of price rises on set makers.)

EIA mission to Europe for management & engineering representatives of U.S. electronics firms will leave N.Y. Feb. 7, returning Feb. 17 & 23. Purpose of mission, which will be EIA's 3rd in 3 years, is to help personnel of U.S. firms keep informed of European products and of advantages of active selling in European markets.

Semiconductor-controlled washing machine will be test-marketed by Whirlpool next spring in several undisclosed markets. Whirlpool said solid-state circuitry in washing machine controls makes possible an infinite number of agitation & spin speeds and increased reliability.

REVIEWS & FORECASTS

Admiral Chmn. Ross D. Siragusa forecasts 10% increase in dollar volume next year for TV industry, with sales of 6 million black-&-white and 700,000 color sets—color making the difference in dollar volume. He said Admiral's facilities have been expanded to produce "in excess of 100,000 color sets in 1963," with picture-tube shortage as "only possible limiting factor." Despite foreign competition, he said, he expects "our domestic radio & stereo high fidelity business to maintain its expansion."

"TV & radio consumer dollar purchases will advance about 3% over 1962" next year, Andrea Radio Pres. Frank A. D. Andrea predicted last week. He further forecast that average TV set cost per unit will be lower in 1963, although unit sales will rise. "Color TV sales will continue to move ahead . . . Stereophonic radio & phonographs have more & more sales promise with improvements in design and more FM broadcasters offering stereophonic programs." Mr. Andrea, incidentally, was profiled as one of 5 famous men in recent *N.Y. Post* series called "The Road to Success."

GE will have "successful" 1962 & a "good" year for consumer products, Pres. Ralph J. Cordiner forecast. He said national economy is exhibiting "more bounce & resiliency," predicted rise in 1963 gross national product to \$570 billion from 1962's estimated \$554 billion. "The mid-summer hesitancy of businessmen & individuals to make commitments seems to be behind us somewhat," he said. "People are moving ahead with more assurance." He noted that GE in first 9 months was ahead 19% in earnings, 11% in sales (Vol. 2:42 p12), added: "With this impetus, it would be reasonable to say that 1962 would be a good year."

Sales of electronic components should pass \$1-billion mark in 1963, compared with \$900 million in 1962, largely as result of increased volume in industrial electronics, according to forecast by Pres. Ira L. Landis of Kulka Smith Electronics Corp.

Motorola Pres. Robert W. Galvin expects national economy to continue at 2nd-half 1962's high level for first 3-6 months of 1963, followed by "moderately upward momentum," with electronics industry faring "very well in terms of sales volume & accelerated tempo." He predicts sales of more than 6 million b&w sets and "increasing" color sales. Motorola's sales volume for 1962, he said, is in area of \$340 million, up nearly 15% from 1961, while profits will exceed 1961 by about 30%—and "total sales & profits in 1963 will exceed 1962." All major divisions are expected to contribute to the increase.

Record first quarter for home entertainment industry was predicted by RCA Sales Corp. marketing vp Raymond W. Saxon at distributor meeting. "RCA anticipates a definite increase in its over-all home instrument business during the initial 3 months of 1963, with color TV sales expected to run well above the peak first quarter this year," he said.

Motorola anticipates 30% profit rise this year to some \$3.3 million on 15% sales jump to record \$340 million. Motorola Consumer Products Pres. Edward R. Taylor said 4th-quarter performance is exceeding expectations (Vol. 2:50 p14),

NEW SETS—COLOR LEADERS: Admiral & Zenith last week moved into position to battle RCA all along the color front—right down to the \$495 leader. Among other drop-ins shown to distributors, they unveiled metal table models matching RCA's leader list price of \$495—and RCA premiered 7 new color sets in slimmer cabinets, including new \$495 leader. Admiral's previous color leader had officially listed at \$595, Zenith's at \$449.95.

Among other introductions were new \$139.95 portables from several manufacturers, low-priced stereo, and first "23-in. portable" from Admiral—with list of \$169.95. Here is last week's new-model rundown:

Admiral—Added 4 color sets, including 3 open-list wood veneer consoles, three 23-in. "portables" with 23,000-volt chassis, to be sold at \$169.95 with free roll-about stand; 3 new 23-in. consoles, four 23-in. combos beginning at \$299.95; six 19-in. portables, including 20,000-volt leader at \$139.95. In phonos, Admiral features new 2-gram tone arm with floating cartridge. Four console models have been added, starting with hardboard unit with AM & FM stereo at \$189.95.

RCA—The 7 new color sets bring total line to 22 sets, and range in "optional dealer price" from \$495 to \$800. Also introduced were 9 b&w sets, including portables at \$149.95 & \$159.95, open-list 23-in. metal table model and consoles from \$249.95 to \$279.95. RCA introduced its first self-contained stereo tape cartridge recorder at \$199.95, and RCA Sales Corp. marketing vp Raymond W. Saxon predicted cartridge machines "could account for nearly 20% of the regular tape recorder market next year."

Sylvania—Seven TVs include 19-in. portable at \$139.95 and 23-in. sets from \$189.95 (table model) to \$259.95, all featuring uhf conversion with \$30 kit. Three stereo portables at \$79.95-\$119.95 were unveiled, along with 3 consoles with AM & stereo FM at \$299.95-\$329.95 in veneer cabinets with new styling features.

Symphonic—Announced 2 new "Hide-Away" folding portable phonos—mono at \$49.95, stereo at \$74.95.

Liberalization of NASA's proposed patent waiver policy was urged by Motorola Pres. Robert M. Galvin last week in behalf of EIA's patent ownership committee which he heads. In testimony before NASA, he urged policy similar to that of Defense Dept. for waiving govt. ownership of patents. He asked revision of proposed regulations so that permissible waivers would be granted automatically on request; waivers would be granted for discoveries "useful" in a field of technology in which contractor has competence; inventions with "only incidental utility" to NASA but "substantial" commercial promise would be eligible for automatic waiver.

Realtone Electronics' Nov. sales jumped 35% to record \$1,240,000 from Nov.-1961's \$920,000. Pres. Ely E. Ashkenazi said major factor in gain was opening of new Los Angeles subsidiary & resultant rise in western sales.

Manufacturers' 3rd-quarter after-tax profits totaled \$4.2 billion—10% ahead of July-Sept. 1961, SEC & FTC reported. Sales rose to \$96.1 billion from \$88.8 billion in 1961's 3rd quarter.

Trade Personals

F. R. Kappel, AT&T chmn., elected 1963 chmn. of Business Council, 175-man group of business executives who advise govt. on business problems.

Herbert L. Brown, Ampex vp, named standards committee chmn., Magnetic Recording Industry Assn. Other appointments: E. O. Welker, RCA Victor Record Div. magnetic tape products mktg. mgr., finance committee chmn.; George Simkowski, Webcor sales mgr., & Daniel E. Denham, Minnesota Mining magnetic products div. gen. sales mgr., PR committee co-chmn.

Andrew F. Inglis appointed communications products operations divisional vp, RCA Bcst. & Communications Products Div. . . . John W. Leinhard, ITT Export Corp. pres., elected an asst. vp of ITT; John T. Benjamin elected ITT Export vp.

Louis Haber, Olympic treas., re-elected a director of Federal Excise Tax Council.

Wilson H. Oelkers, Lansdale Div. gen. mgr., elected a Philco vp; Harvey Williams, special asst. to Pres. Charles E. Beck, retires officially Dec. 31 (Vol. 2:47 p10) . . . Hart Perry, ITT Credit Corp. pres., elected ITT treas. . . . Kenneth C. Meinken Jr., ex-General Atronics, appointed vp of General Instrument's Automatic Mfg. Div., concentrating on sales & mktg. . . . Richard L. Colten, ex-General TV Network (closed-circuit equipment), joins Du Mont Labs as industrial TV sales mgr.

David G. Cowden appointed engineer in charge of Sylva's industrial & military cathode ray tubes.

Edward R. Bulkeley elected administration vp of Oak Mfg.'s subsidiary Hart Mfg. . . . Bernard Murphy elected Electronic Associates international operations vp, a new post.

Richard H. Griebel, former pres. of ITT Kellogg's Telecommunications Div., named pres. of Fairbanks, Morse & Co.; David I. Margolis, former ITT treas., appointed Fairbanks Whitney financial vp & treas.

Distributor Notes: Philco appoints Jack Reis gen. mgr. of Indianapolis branch, succeeding Harry F. Recker, named Boston branch gen. mgr.; Al Fehrenbach succeeds Reis as Indianapolis branch sales mgr. • Pilot Radio appoints Western Mktg. Associates (Elwood Reeves, former Magnavox vp, is principal), Los Angeles, southern Cal. rep for packaged stereo line, replacing Chalfant & Associates. Western Mktg. has resigned as Dominion Electrohome's southern Cal. rep because of conflict of interest.

Capehart line of TV & stereo will be offered to franchised member stores affiliated with Arm of Retail Merchants Inc. (ARM), buying organization which represents 450 credit jewelry & furniture stores in U.S. & Canada. Capehart currently is handled by about 100 retailers on franchise basis. ARM will offer Capehart line to its dealers principally in areas where there is no current Capehart franchise, but in some cities the line will be handled by a present franchiser as well as ARM outlets. ARM will show Capehart line at January Home Furnishings Market in Chicago.

Olympic Radio & TV has added 8-transistor AM shirt-pocket radio, "The Myrna," at open list.

Japanese Business Good, Too: Financial reports of leading Japanese TV-radio & components manufacturers show no signs yet of leveling-off of that country's electronics boom. These preliminary 6-month results of 8 major firms, compiled for us by Yamaichi Securities Co. of N.Y., indicate that every one of them enjoyed increased sales & profits for the half-year ended Sept. 1962 (all figures in millions of dollars):

	SALES		PRE-TAX EARNINGS	
	6 mos. to Sept. '62*	6 mos. to Sept. '61	6 mos. to Sept. '62*	6 mos. to Sept. '61
Fuji Communication	\$ 33.2	\$ 25.5	\$ 2.8	\$ 2.1
Fuji Electric Mfg.	86.6	67.4	5.6	5.1
Hitachi Ltd.	445.4	387.4	35.3	30.9
Nakagawa Electric	21.2	15.5	1.9	1.2
Oki Electric	29.2	22.9	2.4	1.8
Origin Electric	3.2	2.8	.3	.2
Tokyo Shibaura Elec.	320.0	261.8	26.6	23.6
Victor of Japan	35.6	26.4	2.7	2.1

* Preliminary

Nippon Electric Co., Tokyo, filed registration statements (SEC Files 2-20940 & 2-20941) for 10 million shares of common, represented by 400,000 American Depositary Shares and 160,000 Depositary Receipts. Sale will be handled by underwriters headed by First Boston Corp, at maximum of 90¢ per share. Of 240 million common shares outstanding, 15% is owned by ITT subsidiary International Standard Electric Corp.

TelePrompTer has started construction at its Cherry Hill, N.J. facility of a new building to more than double present 32,000 sq. ft. Expansion is slated for completion late Feb. Enlarged Cherry Hill facility will house Weathers Div. & corporate manufacturing, engineering, service & technical operations now at 311 W. 43rd St., N.Y. Executive offices will be retained at 50 W. 44th St., N.Y.

Reports & comments: MGM, discussion, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5 • GE, comment, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 • Toshiba, prospectus, Smith, Barney & Co., 20 Broad St., N.Y. 5 • CBS, analysis, J. R. Williston & Beane, 2 Broadway, N.Y. 6 • AT&T, review, W. E. Hutton & Co., 14 Wall St., N.Y. 5 • International Resistance, report, Blair & Co., 20 Broad St., N.Y. 5 • Westinghouse, comments, Reynolds & Co., 120 Broadway, N.Y. 5 • CBS, study, Divine & Fishman Inc., 2 Broadway, N.Y. 4.

Admiral has placed \$15 million in promissory notes, due 1963-78, with group of institutional investors. Pres. Vincent Barreca said \$3.7 million will be used to retire long term loans. Balance will become additional working capital necessitated by growing sales, stemming from "rapid growth of color TV & increased demand for home appliances," he said.

Commerce Dept. survey finds manufacturers' sales projected at record \$101.5 billion for 1963's opening quarter—up ½% from 1962's 4th-quarter sales estimate of \$101 billion. Inventories at end of March are projected at \$57.9 billion, up \$300 million from inventories anticipated at close of 1962.

Treasury Dept. plans "census" in 1963's first quarter of all U.S. companies & individuals owning 5% or more of stock of foreign corporations. Failure to file information return by March 31 is subject to \$1,000 penalty.

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
H & B American	1962—qtr. to Oct. 31	\$ 1,083,932	—	\$ 10,038	—	2,582,192
	1961—qtr. to Oct. 31	806,859	—	19,309	—	2,573,160
Macfadden-Bartell	1962—9 mo. to Sept. 30	17,104,736	—	(203,414) ¹	—	—
	1961 ²	—	—	—	—	—
Newark Electronics	1962—year to Aug. 31	22,384,646	—	258,824	\$0.32	800,000
	1961—year to Aug. 31	16,941,429	—	368,698	.47	800,000
Schlumberger (Daystrom)	1962—9 mo. to Sept. 30	191,944,000	\$ 27,617,000	16,569,000	3.11	5,333,587
	1961—9 mo. to Sept. 30	169,319,000	25,321,000	13,060,000	2.45	5,331,587
Silicon Transistor	1962—9 mo. to Sept. 30	1,957,000 ³	—	131,000 ³	.25	516,250
	1961—9 mo. to Sept. 30	1,219,000	—	45,000	.08	501,000

Notes: ¹ Before non-recurring gain of \$528,921 (26¢ a share). ² Comparison figures unavailable. ³ Record.

Officers & Directors stock transactions as reported to SEC for Oct.:

Advance Ross Electronics. Donald Tricebock bought 100 in Sept., held 747.

Allied Artists. Roger Hurlock bought 300, held 35,600.

Ampex. Edwin Gamson bought 650, held 1,050.

Amphenol-Borg Electronics. Arthur Schmitt sold 2,558, held 15,950.

Avco. Frank Larson bought 667, held 4,370. Edward Litchfield bought 300, held 1,900. Mrs. Edward Litchfield bought 300, held 800.

Capital Cities Bestg. Daniel Burke bought 300, held 300. Harmon Duncan sold 200, held 21,997.

Clevite. Scott Mueller bought 100, held 200.

Decca Records. MCA bought 9,600, held 1,297,315.

Dynamics Corp. of America. Zambry Giddens bought 3,680, held 9,080. Edward Mooney bought 100, held 200.

Esquire Radio & Electronics. Joshua Levine bought 500, held 1,300.

Gabriel. Archie Colwell sold 1,458, held 547. Frank Vogel sold 1,148, held 352.

General Bronze. Aaron Saphier bought 200, held 2,641.

Giannini Controls. Donald Putnam bought 4,000, held 12,916.

H & B American. Gilbert Rigdon bought 15,000 in June, held 25,000.

Hazeltine. Wilfred McFarland bought 100, held 844.

Hoffman Electronics. C. E. Underwood bought 5,000, held 6,100.

Indiana General. Ivan Dickey sold 200, held 4,300.

Industrial Electronic Hardware. Esther Cloud bought 200 in Sept., held 200. Arthur Stephan bought 100, held 100.

Lafayette Radio Electronics. David Lomasney bought 800 in Aug., held 8,300.

Ling-Temco-Vought. Ling Investment Co. sold 12,500, held 940. Alpha Omega Corp. bought 20,000, held 20,000.

Macfadden-Bartell. David Bartell bought 1,500 in Sept., held 319,657.

Magnavox. Frank Freimann bought 5,000, held 592,084. Stanley Sondles sold 200, held 19,515.

Metromedia. Mark Evans bought 100, held 9,750.

Movielab. Herbert Camitta bought 200, held 400.

Muntz TV. William Collen bought 1,000, held 1,000. Daniel Domin bought 19,000, held 25,500. Wallace A. Keil bought 4,000, held 20,500.

Oxford Electric. Sidney Ungar bought 1,500 in Sept., 3,100 in Oct., held 20,211.

Pacific Industries. Frederick Anderson sold 500 in Sept., held 86,390.

Paramount Pictures. Young Frank Freeman sold 500, held 1,250.

Pentron Electronics. Harold Ballonoff bought 43,759, held 107,606. R. L. Moxley sold 2,200, held 196,380.

RCA. Ernest Gorin sold 494, held 3,130.

Reeves Bestg. & Development. George Buist sold 4,524 in Sept., held 10,000. Harry Petersen bought 500, held 2,630. Premier Investment Co. bought 1,500, held 77,000.

Screen Gems. William Sackheim sold 283, held none.

Silicon Transistor. Randolph Bronson sold 1,100 in Sept., held 16,750.

Sonotone. Harry McDonald sold 200, held 8. Servel Inc. bought 668,525, held 668,525. Charles Tuttle sold 108, held 100.

Teleprompter. Irving Kahn bought 200, held 54,180.

Thompson Ramo Wooldridge. Robert Bacher bought 100, held 100. Frederick Crawford sold 206, held 31,272. Dean Wooldridge sold 500, held 34,643.

Trans-Lux. Harry Brandt bought 5,500 in Sept., held 97,696. Mrs. Harry Brandt bought 10,000 in Sept., held 23,765.

Traveler Industries. Sidney Taylor bought 500, held 968.

20th Century-Fox. Arnold Grant bought 200, held 200. Francis Levien bought 600, held 22,000.

Walt Disney. William Anderson bought 355, held 2,000.

Webcor. Dora Haffa bought 400 in Aug., held 71,323. Robert Woodward bought 100, held 405.

Zenith. Alexander Ellett bought 200, held 3,780. Leonard Truesdell bought 2,250, held 12,100.

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WEEKLY **Television Digest**

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

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CANADA CATV ASSN. FIGHTING GOVT. REGULATION MOVE: Bid by British Columbia P.U.C. to regulate systems as public utilities likely to spark test case (p. 2).

WWL-TV HIT ON 'PROMISE vs. PERFORMANCE,' getting one-year license for offering less local-live than proposed in original comparative hearing. First TV station so socked (p. 3).

BRITISH TV 'WHITE PAPER' aims squarely at lush profits, strong program control of Britain's commercial program contractors. TV Bill in Parliament seeks levy on profits, limitations on program contracts, more govt. function in sales & programming (p. 3).

FCC REVISES FINANCIAL REPORTS: New forms will require additional data on political broadcast revenues, payments to relatives, etc. (p. 5).

GERITOL, HADACOL, UNDER FTC GUN for 'false & misleading' advertising on TV & other media (p. 5).

Consumer Electronics

MERRY CHRISTMAS in trade figures: Preliminary Nov. statistics show continuing good business, with full-year TV sales expected to be best since 1955, radio best since 1948, phono best in 2 years (p. 7). Detailed 10-month figures (p. 11).

TINYVISION FIELD scanned by U.S. set makers, who request quotations & samples on small bulbs from Lancaster Glass Co.; proposed sizes range from 8- to 11-in., but no rush to produce is seen (p. 7).

CHANNEL MASTER enters TV with 8-in. transistorized set; plans full imported line by Sanyo, including large-screen units; 1962 U.S. TV imports to total about 110,000 (p. 8).

PENNEY PLANS TV EXPANSION: Private-label sales at 1,700-outlet chain's 18 pilot stores 'so far are satisfactory' and 'our next major expansion' of TV outlets will come in 1963's first half (p. 8).

GOVT. FILLING VOID WITH ELECTRONICS CENSUS: Commerce Dept. launches annual survey to gauge for first time output of huge chunk of U.S. electronics firms (p. 9).

'KIMCODE NERVES' plague industry—but only rumors are flying, not glass. New tube process remains on UL accepted list after stiff re-tests (p. 10).

FCC HOPES FOR SHORT FM FREEZE: The word "freeze" literally sends chill through industry, and FCC's announcement last week of freeze on FM application processing was no exception. Though Commission said it hopes freeze won't last for more than 6 months, you'll recall the "9-month" estimate on TV freeze in 1948—which lasted 4 years.

At any rate, FM freeze over most of country is now in effect while FCC solicits comments on new tentative table of assignments of channels to cities (copies available from FCC, Federal Register—or we'll get you one).

Commission acknowledges that there have been some carefully-reasoned objections to its proposed principles of FM allocation (TV-type, based on mileage separations instead of industry-favored "protected-contour" concept), and it admitted that industry needs to study a city-by-city allocation table in order to comment intelligently on Commission concepts.

Commission welcomes any or all comments on plan, asks that commentators not repeat what they've filed before, however.

Table of assignments isn't "saturated," FCC said. It includes the 1,200 channels already assigned to operators or CP-holders, plus 1,530 not yet granted. It said it doubts that "any reasonably conceivable shortening of separations" would give as many as 4,000 assignments—equal to number of AMs extant.

Freeze isn't imposed in areas where there are few cities, plenty of space. These include: (1) Ida., Mont., Nev., N.M., N.D., S.D., Wyo. (2) Ariz., Colo., Neb., Utah—except within 65 mi. of Phoenix, Denver, Omaha, Salt Lake City. (3) Kan. west of 98th meridian. (4) Alaska, Hawaii, Guam.

In frozen areas, no new applications will be accepted. Applications on file will be kept there. There's no freeze on educational FMs—except that top 3 EFM channels (218, 219, 220) won't be granted any closer to the lowest 3 commercial channels (221, 222, 223) than provided in proposed allocation table. Comments will be accepted until Feb. 15, replies until March 18. Following the "Sangamon" TV case, FCC said, all recommendations regarding specific channels & specific cities must be "on the record." When whole business is resolved and freeze is lifted, Commission will allow 60 days or so for filing of new applications before granting new CPs.

FCC PROBING 'NOISY COMMERCIALS': Unofficially tagged with "top priority" label, FCC last week opened inquiry into "objectionable loudness of commercials" and asked for comments by industry & the public by Jan. 28. At same time, it warned stations to "discontinue practices" which result in over-noisy commercials, whether lawful or not.

Chmn. Minow has expressed own personal annoyance in recent months at loud commercials, and Commission says it has received many complaints on subject from public and members of Congress (notably Sen. Case [R-N.J.] who has made issue sort of a personal crusade). As one Commission staffer put it, "everybody's breathing down our neck on this one and we're classifying it as 'urgent.'"

Commission & staff frankly don't know what can be done about problem, and notice of inquiry (Docket No. 14904) covers field shotgun-style. Notice itself defines its use of term "loudness" as "a subjective or psychological quality of sound experienced directly by the listener."

Notice explains that in nationwide monitoring of 816 TV, AM & FM stations, excessive overmodulation wasn't found—and therefore that sound measurements on VU meter are not answer to patrolling "excessive loudness" of commercials. Notice suggests several possible causes which aren't violations of FCC rules: (1) Commercials presented at higher modulation level than rest of program. (2) Volume more objectionable because of pauses before & after commercials. (3) Subject matter, such as "hard sell" & "fast pitch." (4) Recording techniques, such as volume compression & limiting.

Commission asks how objectionable loudness can be regulated and suggests both self-regulation & new FCC rules. But first, it notes, "some sort of device" to measure loudness is needed, and proposes "concerted industry & Commission effort" to develop one. Inquiry will cover such questions as: (1) Extent of objectionable loudness. (2) Causes. (3) Speech processing, compression & limiting. (4) Should we lower modulation percentage maximums during commercials? (5) Can modulation be automatically limited at transmitter?

Simultaneously with launching of inquiry, Commission issued public notice requesting broadcasters to "review their practices such as the use of rapid-fire delivery, volume compression and other techniques which may result in objectionable loudness of commercial material, and to discontinue practices found to result in such loudness."

CANADA CATV ASSN. FIGHTING GOVT. REGULATION MOVE: Recent ruling by govt. of British Columbia that CATV systems are public utilities probably will be made court test case.

National Community Antenna TV Assn. of Canada is undecided on exact course of action, but it's understood B.C. govt. & NCATA have informal agreement to test ruling in lower court, loser carrying it to Canadian Supreme Court.

Moves toward regulating industry at national level have been made in Ottawa, have operators equally worried. However, an NCATA spokesman told us: "If there must be regulation, we'd rather have it at the national level than attempt to deal with 10 provincial governments." Major concern of industry is that rates would be regulated. British Columbia P.U.C. already has queried each B.C. operator on his financial & administrative affairs.

WWL-TV HIT ON 'PROMISE vs. PERFORMANCE': Veteran broadcaster Loyola U., New Orleans, no less, got socked in FCC's first bob-tailed TV renewal—one year for its WWL-TV—on basis of failure to program as promised in original comparative hearing.

Commission said that station has "substantial variance" in performance vs. promise and that variance hasn't been explained "in terms of a change in the programming needs & interests of the New Orleans community." Commission also noted that station started "several local live public service programs" about the time it filed license renewal and that local-live schedule was increased further after Commission questioned performance in Sept. 16, 1961 letter.

"Thus," Commission concluded, "it is clear that your mere 'upgrading' at renewal time, whether before or after the Commission's inquiry, does not obviate the serious question arising from the substantial deviations in your record of program representations & performance." Comr. Hyde was sole dissenter. Commission rejected petition of American Federation of Musicians, which wanted WWL-TV renewal denied because station didn't use as many musicians as AFM would like.

'WHITE PAPER' FOR BRITISH TV: Govt. in Britain wants a piece of lush profits of commercial TV interests in that country, which come to nearly \$36 million for 1962. And, British govt. also wants: (1) A go-ahead, probably in 1964, of pay-TV tests. (2) Three-year limitation on program contracts. (3) Govt. sale of programs to advertisers. (4) Variety of restrictions on commercial TV to favor ETV & informational shows.

These jolts were contained in special TV Bill presented to Parliament last week. Postmaster-General Reginald Bevins intimated that govt. bite on commercial TV profits would be "substantial," and that there'd be no 2nd commercial channel until govt. had a chance to see how "White Paper" proposals functioned in practice.

What has riled govt. is that original system for British commercial TV, delegated to Independent TV Authority in 1954 for supervision, has created its own evils, as govt. sees it. Original group of 4 big program companies (ABC, Associated Rediffusion, ATV, Granada) have tight control over programming, pay modest rental for facilities, and freeze out competition, TV Bill charges.

Prompt howl went up from commercial interests. ATV Chmn. Sir Robert Renwick charged govt. with "appalling ignorance" of facts, snapped: "At this rate there will be hardly any profits at all," particularly for development of new programming, which would then be at mercy of "bureaucracy."

Pay-TV is on horizon for Britain as result of TV Bill. Before any action really develops, govt. wants to see if there'll be "significant" demand for it, how pay TV will affect BBC & commercial TV, what demand it will place on resources, etc. On-air test is unlikely; govt. favors wired-system test "for some 2-3 years." Such area tests must carry no ads, must give some time to BBC.

Chief contenders for pay TV are 5 companies, 2 of which have U.S. links—British Telemeter Home Viewing (in which Paramount has interest), Tolvision (U.S. businessmen on board of dir.), British Home Entertainment, British Relay Wireless & TV, Choiceview. U.S. Teleglobe is dickering for British tie-up. Control of pay-TV tests would be in hands of British Post Office assisted by special advisory group.

What amounts to British version of NAB Code Review Board is sought by govt., in form of Advertising Standards Authority with which ITA would consult. Tight reins would be held on all TV commercials in children's shows to avoid "harm to them physically, mentally or morally." There would also be stricter control of "stridency" in commercials, more emphasis on "natural breaks."

Some interesting figures came to light in wake of "White Paper." Commercial TV companies (there are now 15) are now grossing about \$190 million annually, according to Postmaster-General Bevins. Costs (talent fees, salaries, etc.) come to nearly \$95 million. Present ad tax on TV commercials slices off about \$22 million with more than \$70 million left before corporate income taxes.

Bevins also predicted that by 1964 there would be choice of 5 transmissions (3 programs, however) in London area. These would be: commercial & BBC services on 405 lines; duplication of both on 625-line uhf; BBC's new 2nd service on 625-line uhf with some colorcasts.

CURRENT CAPSULES

Enormous effectiveness of President Kennedy's 60-min. "summary-to-date" interview Dec. 17, carried by all 3 networks, was attested by Republicans' immediate announcement of plans to demand similar facilities to present GOP's analysis of Administration. At week's end, GOP spokesmen hadn't indicated how they'd seek time—except that it be on "fairness" doctrine. Impact of interview was heightened by informal atmosphere: President and 3 network correspondents sitting down, almost chatting—about the most vital subjects in the world. President's views came through in manner much more "intimate" than in other types of TV appearances—press conferences, debates, formal speeches. Interview was unrehearsed, had been taped day before, running about 80 min., with a network committee having authority to edit to 60 min. CBS protested arrangement, argued for no-editing.

NAB got part of a loaf, in its request to participate in FCC's Omaha local-live hearing starting Jan. 28 (Vol. 2:48 p4). Commission said NAB could offer testimony on TV needs of Omaha, which, of course, NAB isn't prepared to do. However, Commission said NAB can offer written statement, after hearing, giving "its comments on whether the testimony elicited during the inquiry was typical of TV broadcast operations in similarly situated markets, the industry-wide implications of this type of inquiry" and anything else in similar vein. Pres. Collins will appear for NAB. Comr. E. William Henry, who'll preside, published list of 86 people who want to testify; they cover the gamut of community groups—govt., business, labor, civic, etc.

One Omaha operator minced no words about his feelings. In panel before Academy of TV Arts & Sciences in Hollywood last week, WOW-TV vp Frank Fogarty stated: "Govt. is moving massively & steadily into a role of overwhelming influence over broadcast programming. Such a trend probably cannot be arrested short of program control. . . ." Appearing on same panel, FCC Chmn. Minow asserted that no station had run into trouble with FCC for broadcasting or not broadcasting any particular program, and that Commission isn't controlling or censoring programs. Minow urged that ETV stations build strong national network, using newly authorized federal funds for construction of facilities.

NBC-TV affiliation was never used as threat to Westinghouse to force sale of its Philadelphia station to NBC. So stated Charles Denny, RCA vp and former NBC vp, in testimony last week during FCC's hearing on NBC-RKO Philadelphia-Boston station swap proposal. Denny asserted that NBC had given affiliation to Westinghouse's KDKA-TV Pittsburgh long before it exchanged its Cleveland station for Philadelphia outlet. He insisted, further, that Westinghouse was no weak sister from bargaining standpoint—being larger than RCA in manufacturing field and having one of strongest multiple-owner positions in broadcasting. NBC Chmn. Robert Sarnoff & Pres. Robert Kintner are scheduled to testify Jan. 2.

Lack of network affiliation is most common reason given for failure by uhf stations which have left the air, according to survey by EIA consumer products staff dir. L. M. Sandwick. Other reasons: Poor signal propagation characteristics in comparison with vhf, lack of manufacturer cooperation in all-channel set distribution in inter-mixed areas. Of 37 stations now off the air, 6 indicated plans for resumption of service. Results of complete survey of all uhf stations, CP-holders & applicants are contained in new EIA publication, *UHF—the 1962 Survey*, available from EIA, 1721 DeSales St. N.W., Washington 6, for \$3.

Sale of WAVY-TV (Ch. 10) Portsmouth-Norfolk to Gannett for \$4.5 million has been called off, following FCC's decision to hold hearing on transaction (Vol. 2:49 p5). Commission had planned to examine failure of principals to participate in management as originally promised. Last week, FCC granted WAVY-TV's petition to dismiss sale. Commission will again consider charges against WAVY-TV when it comes up for renewal next Oct.

KBIC-TV (Ch. 22) Los Angeles has been sold for \$300,000 by John Poole to Central Broadcasting Corp. of Cal. (owned by Martha White Mills Inc. and H. C. Young Jr., Nashville). Station has been on air with equipment tests for several years but buyers estimate another \$300,000 will be needed to complete construction before Feb. 15 programming target.

CP for Ch. 47 New Brunswick, N.J., was granted to N.J. TV Bcstg. Corp., Linden, N.J., FCC conditioning grant on company's agreement to accept different channel if FCC decides to substitute. Commission also denied request by WMCA N.Y. to defer action until it considered WMCA's proposal to substitute Ch. 79 for Ch. 47 in New Brunswick.

Latest "Spot TV Advertising Cost Summary" issued by Katz Agency for first time includes prime-time 20-second rates on 3-per-week & 6-per-week basis, in addition to 1-time rate. Also new are rates for "transition" 1-min. spots on 6-per-week & 12-per-week basis.

FCC REVISES FINANCIAL REPORTS: Commission has finalized new forms for stations' annual financial reports, which become effective next Feb. 1. Revised Form 324 will continue to require information on broadcast expenses, broadcast income & tangible property owned & devoted exclusively to broadcasting.

For first time, however, licensees will be required to state: (1) Revenues from political broadcasting. (2) Payments to owners & close relatives, listed as broadcast expenses. (3) Breakdown of employment by salaries & departments for stations with 15 or more employees. (4) Revenues from FM portion of joint AM-FM operations.

FCC said criticism from most commenting parties was about burden of filing new information. Major complaints were that requirements were ambiguous, that Commission couldn't protect confidentiality of data, that it didn't have authority to require much of the information. FCC agreed with some of criticism, said new forms don't include as much additional information as originally proposed.

Seagoing communications satellite terminal has been launched by Military Sea Transport Service. Ship will be operated by army's Satellite Communications Agency (SATCOM), and used in NASA's Syncom launching planned for early 1963. Vessel is equipped with 52-foot pressurized radome enclosing 30-foot satellite communications & tracking antenna, plus other antennas & communications gear.

Communications satellite corporation stock purchase authorizations may be applied for by communications common carriers starting Jan. 2, FCC announced. Stock itself will not go on sale until incorporation is complete. Commission said there will be 20-day waiting period to allow interested parties to file comments before any applications are acted upon. Applicants will have 10 days to reply.

Two FCC CATV-microwave actions: (1) Granted Cal. microwave system to Antennavision Service Co., now that firm plans to serve an independent customer in Borrego Springs, Cal. in addition to 3 CATVs it owns. (2) Turned down petition for grant of renewal without a hearing, filed by Columbia Basic Microwave, which said it will also serve independent customers. Commission said it needs "a full evidentiary record" before it can make a grant.

"Scandalous" petition of NCTA in Carter Mt. CATV microwave case—in which FCC Broadcast Bureau Chief Kenneth Cox was attacked by NCTA (Vol. 2:47 p5)—didn't strike Court of Appeals as "scandalous." It denied FCC's petition asking that NCTA's request to participate in case be thrown out because of remarks about Cox.

FCC was upheld by Circuit Court last week in decision barring new Miami Ch. 10 application by Public Service TV (WPST-TV), which lost the channel in "influence" case. With other new applicants, WPST-TV had sought another crack at channel, now held under short-term license by WLBW-TV—but FCC had rejected the bid.

Some \$7.5 million in CATV system sales will be closed shortly by broker Daniels & Assoc., according to Pres. Bill Daniels, who said identities can't be disclosed yet.

WOAY-TV Oak Hill, W. Va. has been granted authority to identify itself as Oak Hill-Beckley.

Geritol, Hadacol Under FTC Guns: Health remedies had rugged going at Federal Trade Commission last week—2 big ones being cited for "false therapeutic claims" on TV & other media.

Complaint was issued against J. B. Williams Co. & agency Parkson Adv., both N.Y., for claims that Geritol is beneficial in treatment of tiredness, nervousness, host of related ailments. Commission charged that preparation is useful only in small minority of cases where ailments are due to lack of vitamins which Geritol contains. FTC said advertising is further misleading because it fails to point out that in most cases symptoms aren't caused by these deficiencies. In most cases, agency contended, iron deficiencies & anemia are due to bleeding from serious disease or disorder, which could be masked by use of Geritol. Alleged money-back guarantee for unsatisfied users also is deceptive, FTC charged.

In similar case, FTC issued initial decision against Hadacol Inc. (Vol. 2:33 p5) for nearly identical claims for "New Super Hadacol," which Commission alleges are also false & misleading.

Taiwan TV began Oct. 10, covering island's central cities. Station is operated by joint Chinese-Japanese firm, Taiwan TV Enterprise Co. Ltd. (40% Japanese), eventually will serve whole island. According to U.S. Commerce Dept.'s *International Commerce*, Philips Co. of Holland has begun assembly of 19 & 23-in. sets there. KPIX San Francisco donated equipment worth \$5,000 to American Jesuits working with station.

Santa Maria, Cal. Ch. 12 should be awarded to Central Coast TV, over Santa Maria Telecasting, according to initial decision by FCC Examiner Herbert Sharfman. He found Santa Maria disqualified because of proposed inadequate signal strength over city, also determined Central to be superior in local ownership, civic participation and management-ownership integration.

Movie box office receipts in 1963 should exceed 1962's estimated \$1.45 billion, continuing trend of last 4 years, Commerce Dept. predicts. Receipts in 1961 were \$1.37 billion, highest since 1949. Rising receipts have been due to higher admission prices, as number of features has declined, Dept. notes. Foreign market for U.S. films is expected to be \$215-220 million, about same as in 1962.

Free TV time was given by Du Pont to 15 N.Y. dept. & specialty stores during newspaper strike. Company & BBDO bought 9:30-10 p.m. Dec. 17-21, and 1-1:30 p.m. Dec. 18-21 on WPIX. Three stores shared each 30-min. program. There were no Du Pont commercials, and stores were free to feature any products they chose.

Sale of KGHL-TV (Ch. 8) Billings, Mont. to Crain-Snyder TV Inc. for \$745,000, by P. N. Fortin and Warren J. & Kenneth L. Hancock, has been approved by FCC. Fortin and the Hancocks hold minority interest in Crain-Snyder. Also approved was sale of radio KGHL by Crain-Snyder to George C. & Wilda G. Hatch for \$204,285.

TvB has added 8 members—4 U.S., 4 foreign; WHTN-TV Huntington, WUSN-TV Charleston, KBAK-TV Bakersfield, KTVT Dallas-Ft. Worth, NWS South Adelaide & QTV Brisbane, Australia, TWW Ltd. & Southern TV Ltd., London.

Radio KBOM Bismarck, N.D. must surrender license by Feb. 17, FCC ordered last week, making effective initial decision revoking license for unauthorized transfer, etc.

Personals

John Burgard, Brown & Williamson Tobacco vp, named ANA Broadcast Committee chmn., succeeding National Biscuit Co. Advertising & Marketing vp **Harry F. Schroeter**.

Leonard B. Goldberg promoted to ABC International TV asst. program mgr. . . **Jack Fern**, ex-KDKA-TV Pittsburgh news dir., joins NBC News, N.Y.

Edward E. Hall promoted to CBS-TV affiliate relations Western mgr., succeeding late **Bert Lown**.

James E. Greeley, Washington communications attorney, leaves Spear, Hill & Greeley to become partner in firm of Wilner & Bergson (changing name from Wilner, Bergson, Scheiner & Lessenco). **John G. Smith**, associate of Spear, Hill & Greeley, joins Wilner & Bergson as associate.

Cy Kaplan promoted to Independent TV Corp. national sales mgr. . . **Michael J. Marlow**, ex-CBS News Washington bureau, named dir. & exec. producer of Norwood Studio's new TV div., Washington.

Ned Cogswell, long-time mgr. of Oil City, Pa. CATV system, resigns to join group-CATV operation Televents Corp. as coordinator of eastern operations, with hq in Oil City.

Sally Lindo, FCC information specialist since 1939, receives award for "superior performance" from information chief **George Gillingham**, plus congratulations from Chmn. **Minow**—and \$260.

Robert J. Somerville promoted to Adam Young Inc. San Francisco radio mgr., succeeding **Dell Simpson**, recently named to similar post with Chicago office.

E. Berry Smith, ex-Marine Capital Corp., Milwaukee & former WFRV Green Bay, Wis. vp & gen. mgr., named **WLKY** Louisville gen. mgr. . . **Robert L. Maynard** promoted to **WMTW-TV** Poland Spring, Me. vp.

Julio Lucero, ex-La Prensa Hollywood correspondent, appointed **KMEX** Los Angeles news editor . . . **John Merrifield**, ex-Ford Motor PR div., appointed **WRAL-TV-AM-FM** Raleigh farm services dir. . . **F. Brady Louis** promoted to radio **WLW** Cincinnati sales mgr.

Dr. James B. Tintera, educational TV & radio veteran, appointed Wayne State U. research & development dir., Detroit duties including development of educational TV & radio programs.

In RKO General corporate realignment, **John B. Poor** is promoted to pres. of RKO General Inc., **Hathaway Watson** to pres. of newly-created RKO General Bcstg.

Arnold Alpert in early 1963 winds up tour as gen. mgr. & business consultant to *Television Digest* & *Television Factbook*, will leave to undertake other assignments.

Institutional market (schools, hospitals, etc.), customer for \$42 billion annually in goods & services, is examined in new BBDO study, *Institutional Market*—available for \$5 from **Louis Kruh**, Market Facts Div., BBDO, 383 Madison Ave., N.Y. 17.

Sale of **Metromedia's** commercial shortwave **WRUL** for \$1,771,850 (Vol. 2:43 p6) has been approved by FCC. Purchaser is International Educational Bcstg. Corp., owned principally by Mormon Church.

Don't overrate 2,000-mc ETV band, FCC engineer **McIvor Parker** cautioned recent NAEB convention in Philadelphia. He said proposed new service isn't substitute for standard ETV, merely supplement. Only saving to be realized in 2,000-mc use will be in transmission systems; studio & programming equipment will be no cheaper, he pointed out. Although new system could have important role in ETV, Parker concluded, it should not be confused with advantages of standard TV service.

Joint community-improvement effort by ETV & commercial stations will be undertaken under pilot program announced by NAB. Each station will take own approach in working on community's problem. Location of first experiment will be announced after plans are completed. Plan was drawn up at meeting of Educational Commercial Broadcaster Committee, sponsored by NAB & Joint Council on Educational Bcstg.

Spot gross time billings in 3rd quarter rose 17% to \$151,922,000, compared with \$127,644,000 in same 1961 period, according to TvB. Product classifications showing major increases included automotive, up 33.6%; confections & soft drinks, 34.6%; cosmetics & toiletries, 32.8%; household cleaners, 32.6%; household paper products, 33.1%; pet products, 31.5%; watches, jewelry & cameras, 107.9%

Entries for "Ohio State Awards," given annually for best productions in educational broadcasting, may be submitted until Feb. 16, 1963. Entries are judged in 5 categories—fine arts & humanities, natural & physical sciences, social sciences, public affairs & community problems, personal problems. Submit to Institute for Education by Radio-TV, Telecommunications Center, Ohio State U., Columbus 10.

New TV-motion picture consulting firm, Communications Management Consultants, has been formed at 9301 Wilshire Blvd., Beverly Hills, Cal. **Jack L. Copeland**, ex-Allied Artists informational films div. exec. producer, will head company, which will provide advisory services on use of TV & films in promotion, training & educational campaigns. Other partners: **Marvin Wald**, **Walter Hannemann**, **George E. Merer**.

Latin America's "largest interconnected TV network" will be installed in Venezuela by RCA, under terms of \$750,000 contract with Radio Caracas TV. Scheduled to place 97.5% of Venezuela's population within range of TV signals, circuit will connect 15 TV transmitters with 600 miles of microwave relays & 900 miles of off-air pickups.

Forfeiture of \$5,000 was levied by FCC against radio **WDOV** Dover, Del., for broadcasting commercially during Hurricane Esther Sept. 19, 1961, filing false program logs, double billing (Vol. 2:24 p5).

"Sound Citizen Sounds," new NAB promotional record album of announcements being distributed to member radio stations, covers topics such as radio advertising, local news, farm programming, each preceded by different sound effect.

Political broadcasts by ETV stations won't jeopardize their tax-exempt status, as long as they don't take sides, FCC advised NAEB.

Regular editorializing has been inaugurated by **WOW-TV** & **WOW** Omaha: twice daily on TV, 4 times daily on radio, about twice a week.

Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

MERRY CHRISTMAS IN SALES FIGURES: There's cheery year-end glow in both sales & inventory figures—as good business holds up in TV, radio & phono sales, with TV-radio stockpiles down well into safe area. While no records will be set in any major category, 1962 is certain to go down as good year in unit sales of all 3.

Preliminary Nov. and official Oct. figures indicate that year will end up almost exactly as we predicted 2 months ago (Vol. 2:43 p7): (1) Black-&-white TV, distributor-to-dealer sales of about 6.25 million, with color adding perhaps 430,000 units more, for total of nearly 6.7 million—best since 1956. (2) Radio (excluding auto), 11.8-11.9 million—by no means a record when compared with 14, 16.5 & 12 million of 1946, '47 & '48, but best since TV boom. (3) Phono, close to 4.3 million—better than 1961, but below 1957, '59 & '60.

TV-radio inventories at end of Nov. were whittled down—TV to within 3% of comparable figure last year (total manufacturer & distributor inventories), with radio within 8% of year-ago figure. At end of Oct., they had been up 14% & 20%, respectively, from 1961 level.

Unofficial figures for Nov. showed TV distributor sales at 592,000, or 9% better than Nov. 1961, while 11-month sales totaled 5,626,000, also 9% over last year. Radio sales in Nov. reversed 3-month trend of lower-than-1961 sales and bounded up to 1,292,000 units in Nov., 21% above Nov. 1961, while 11-month total was 10,181,000, or 6% ahead of last year. Oct. phono sales were best of year—609,215—fully 33% ahead of previous Oct., bringing 10-month total to 3,344,000, or 16% over same 1961 period.

Ten-month figures are presented in detail on p. 11. Full Dec. figures are unknown, but industry already has visions of sugarplums.

Note: At week's end, EIA released estimates of consumer electronics sales for 1962, indicating that dollar volume rose 10% to \$2.3 billion from \$2.087 billion in 1961. Breakdown: TV, \$950 million (up from \$832 million last year); radio, \$350 million (vs. \$343 million); phonos, \$415 million (\$335 million); all other, \$585 million (\$577 million).

U.S. SET MAKERS SCAN TINYVISION FIELD: Every major American TV manufacturer is giving some consideration to getting in tinyvision—or "personal portable"—race with Japanese set makers. Except for possibly one manufacturer, we know of none which has finalized plans. But everybody appears to be getting prepared—just in case a market seems to be developing.

The one closest to "ready" may be GE, which previously has been quoted on possibility of bringing out transistorized battery-operated set (possibly in 10-in. size) next spring (Vol. 2:45 p8).

Interest in small tubes has picked up sharply in last few months, according to Lancaster Glass Co., Lancaster, O.—specialists in glass for small cathode-ray tubes—which made bulbs for RCA's 8-in., GE's 9-in. & Admiral's 10-in. sets during brief & unsuccessful revival of small-screen sets in late 1950s.

"We've been approached by all of the set people for quotations on small tubes," we were told by Lancaster's electronic glass div. mgr. J. P. Schellhaus Jr. Company has made samples of some sizes to manufacturers' specs, he added, but as yet has no quantity orders. Bulbs could be for use in either transistorized or tube sets.

Principal set maker interest centers on bulbs of 10-in. size—which might better be called 11-in. because that's diagonal measurement of square-corner version. There's been recent pick-up of interest in 8-in. bulb with specs similar to those used by Sony in its first transistor portable (rectangular but not square

cornered), Schellhaus told us, and there has been some attention given to 9-in. square-corner. However, he said he hadn't had single request for quotation on such wee-tiny sizes as 4- & 5-in., despite widespread publicity about Sony's Micro-TV.

So far there's been no standardization in sizes or requests, according to Schellhaus, although manufacturers apparently are making sample tinyvision sets for testing & reaction. Actually, standardization may be necessity, even though it may be irksome to some set makers who want own exclusive proprietary sizes, because bulb prices would be "prohibitive" in small quantities such as 20,000-50,000. Even with large-scale production of single standardized size, it's doubtful whether prices of small tubes would be substantially less than 16- or 19-in.—although now-&-then we hear rumors that one manufacturer or another is planning \$99 small-screen set (all denied).

First step in new downward trend in tube sizes—the 16-in.—seems now to be firmly established. Zenith recently became 3rd manufacturer to introduce U.S.-made set in this size (first were GE & Philco), with unit reportedly priced at \$159.95, while Admiral & Emerson have indicated they'll have them by spring. U.S. TV manufacturers importing or planning to import 16-in. sets are Olympic and Symphonic. Several more Japanese makes—in addition to ones now on U.S. market—are due to begin appearing soon, including Hitachi, Sharp & Star-Lite.

No. U.S. manufacturer is making tubes for new tinyvision sets—to our knowledge, that is. Set makers' scrutiny of wee-screen possibilities so far seems to be in nature of preparedness. Everybody wants to be ready to meet competition—foreign or domestic—if any serious attempt is made to develop this type of market.

CHANNEL MASTER ENTERS TV SET FIELD: Channel Master Corp., the diversified TV antenna & picture-tube manufacturer which claims title of America's largest radio importer, will market first sets in a line of imported TVs shortly after New Year's Day.

First model will be 8-in. transistorized set, battery- & AC-operated, which has been in Channel Master planning for couple of years. First shipments have just arrived, but distribution will be held up until early next year. Like Channel Master's radios, its TVs are being made by Sanyo of Japan.

Eventually Channel Master plans to field a line of TVs, including conventional AC large-screen models, we were told last week by sales mgr. Sam Schlussel. He said no price had yet been established for 8-in. tinyvision set, but that it probably would have a "larger margin of profit" than Sony's similar item, because it will be handled through Channel Master's regular 2-step distribution system.

First quantity shipments of Sharp (Hayakawa) TVs also have begun to arrive on N.Y. & Los Angeles front, and major campaign can be expected next year. For full year 1962, TV imports to U.S.—all makes—are expected to total about 110,000 sets.

PENNEY PLANS TV EXPANSION: "P" brand private-label TVs are selling well at J. C. Penney's 18 test stores throughout country (Vol. 2:40 p10), we learned last week, and 1,700-outlet chain is readying another move on path to national TV retailing.

Pilot operation TV sales "so far are satisfactory," we were told, and "our next major expansion" of TV outlets "will come during the first half of 1963." Penney is maintaining tight rein on expansion details, still won't divulge identity of its supplier or reveal if Wells-Gardner is lone manufacturer of its TV sets.

Penney's hq reports "no specific calls for color here, although we're sure that the stores have had some." However, demand is weak & "we have no plans to move into the color area."

Private-label "P" TVs embrace 7 models: 17-in. portable at \$99; 19-in. portable, \$139.98; deluxe version at \$149.98; 23-in. console, \$179.98; 23-in. upright console, \$199.98; 23-in. lowboy, \$229.98; Stereo Entertainment Center, with TV, AM-FM radio, \$459. "J. C. Penney" name appears only on back of sets. Prices "are slightly higher in the West." Managers, as rule, also have leeway in adjusting prices to meet competition.

Penney has no plans to move into national service operation at this time, will continue present practice of contracting with local service organizations. Prices quoted above include delivery & installation, 90-day parts & labor warranty.

GOVT. FILLING VOID WITH ELECTRONICS CENSUS: New annual survey launched jointly by Census Bureau and Business & Defense Services Administration is expected to fill large gap in annual statistics data on electronics output.

Entitled "Selected Electronic & Associated Products," survey covers electronics systems & components which account for over 2/3 of total U.S. electronics production. Most items never have been tabulated on regular basis. Among broad categories of commodities covered are broadcast, studio & related electronic equipment, communications systems, military, scientific, medical equipment.

First forms, covering 1961 output, are now in hands of manufacturers. Final govt. compilation probably won't be completed before mid-1963. Essentially same questionnaires will be sent each year, with periodic updating of items to keep pace with new developments.

TV-RADIO PRODUCTION: EIA statistics for week ended Dec. 14 (50th week of 1962):

	Dec. 10-14	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	130,260	121,141	131,569	6,281,705	5,982,519
Total radio	388,973	380,100	407,291	18,598,039	16,748,233
auto radio	190,607	178,182	158,342	6,960,244	5,331,396

Next marketing areas for 3M-Revere's automatic tape cartridge recorder (Vol. 2:46 p9) will be determined this week following analysis of results of initial Thanksgiving-to-Christmas marketing debut in St. Louis. Of St. Louis test, Revere gen. mgr. G. W. Sandell told us: "We feel that every goal we set up is being met." He indicated the existing \$450 portable model would go into other markets, but that after first 3 months of marketing new models may be designed. Additional markets will be added throughout the year. Sandell said console phono manufacturers are showing "lively interest" in cartridge machine, and "we've been talking to a lot of people." He said 3M-Revere is willing to build mechanism for other manufacturers or license them to produce own versions.

New sets: Philco introduced new version of its 16-in. Courier lightweight portable at its distributor convention last week in Chicago, plus eight 23-in. consoles in Super 90 series and two 23-in. table models. New radios from Philco including AM & AM-FM clock radios, 2 table models and 9-transistor set. No list prices were announced. Standard Radio Corp., expanding its import line, introduced "Unitalky 10," portable citizens band set at \$169.95 a pair. Olympic will show new models Jan. 6-11 in Belmont Plaza Room, Congress Hotel, Chicago.

Color TV projection system, claimed by inventor J. H. Owen Harries to make possible color sets to sell for as little as \$200, has aroused interest of *Electronics* magazine, which has featured it in articles in 3 recent issues. System, being promoted by Harries Electronics Corp., Bermuda, uses plastic lenses & plastic "distortion corrector" with either 3 or 4 projection picture tubes. It's known that one major TV manufacturer became interested in system some time ago, but cooled off because "no working model has ever been built."

Numbers game (11th round): Symphonic's 11-month sales were 34% higher than last year, according to Pres. Max J. Zimmer. RCA's 11-month color TV sales were double last year, b&w up 10%, radio up 25%, radio-phono up 36%, says RCA Sales Corp. Marketing vp Raymond W. Saxon.

Mergers & acquisitions: Standard Kollsman subsidiary Kollsman Instrument has sold to American Rectifier the corporate name & operating assets of its Richardson-Allen subsidiary, maker of electrical rectifiers • America Corp. & group headed by Webb & Knapp Chmn. William Zeckendorf plan stock exchange involving shares of Republic Corp. Under proposal, subject to stockholder approval at special Dec. 21 meeting, Zeckendorf group will turn over their 1,082,827 shares of America common stock (1/3 of total outstanding) & pay \$3,769,139 cash and \$154,000 in notes due April 30. In exchange, America will deliver its 265,420 Republic common shares, plus its 481,864 common shares & 14,000 warrants of Universal American Corp. • Packard Bell Electronics has sold its woodworking Bellwood Div., Orange, Cal., to Angelus Industries for about \$1 million cash. PB retains accounts receivable.

Boxscore on picture tube price increases: Four picture-tube manufacturers, representing about 85% of OEM market, are sticking to announced price increases—all effective at different times (generally in Jan.) and in different amounts (but averaging 5-6%). Hikes reportedly have been firmed up by GE, National Video, RCA & Sylvania.

Sylvania will offer consumers during first quarter free Amflite bowling ball with purchase of HaloVision console TV. Devotees will pay only \$1, to defray shipping costs.

"Transistors in Your Home" is new booklet published by EIA of Japan (389 Fifth Ave., N.Y. 15), describing types of transistor radios, phonos, hi fi & TV now available on U.S. market.

Coronet Inc. has been established in Worcester, Mass., in Commerce Bldg., to make stereo phonographs & hi-fi sound systems for home, school & industrial use. Controlling stockholder is George J. Festa, treas. & gen. mgr.

RCA passed one-million mark in sales of TVs and of radios for 1962 "some weeks ago," RCA Sales Corp, marketing vp Raymond W. Saxon told recent distributor convention in Chicago.

'KIMCODE NERVES': Fanned by rumors, a case of "Kimcode nerves" has been spreading around industry on eve of adoption of Kimble Glass's new bare-faced tube by several major manufacturers (Vol. 2:51 p9).

Recent rumors stemmed from re-test of Kimcode tubes by Underwriters' Labs in Chicago. Despite tests said to be more rigorous than for standard tubes with external implosion protection, tube received clean bill of health and design approval was continued in 19- & 23-in. sizes, only ones which had been submitted to UL so far. Of course, tube must be approved as integral part of a receiver, too. And it was this kind of re-test which started the excitement.

Spot check was made by UL recently of Kimcode-equipped sets secured through normal trade channels. Reportedly one of samples failed to meet test—it's not known whether tube or mounting was at fault. Then UL requested further samples from the 3 manufacturers of Kimcode-type tubes, re-tested and continued its listing for tube. The receiver containing Kimcode tube was re-approved within 24 hours.

UL officials declined specific comment, except to say: "The design is acceptable under our component recognition program. We are still approving the design as such, mounted in a receiver. The design for particular tube sizes [19- & 23-in.] has been listed by UL, and some licensees [set makers] have also obtained recognition. Others are in the process of obtaining it."

UL has been particularly cautious in approving Kimcode tubes, because of their lack of external or bonded implosion protection. Impact tests on Kimcode tubes in receivers are being made at pressure of 15 foot-pounds, vs. 5 foot-pounds for tubes with external safety glass, according to UL.

UL, incidentally, is now working out exact limits & specifications for tests of picture tubes, in conjunction with industry. No specific limits have ever been agreed upon in past, and new standards are expected to be approved in 3-4 months.

Institute of Electrical & Electronic Engineers approves 9 staff appointments: John L. Callahan, head of technical operating committee staff; Laurence L. G. Cumming, field operations; William C. Copp, ad mgr.; Dr. Richard M. Emberson, in charge of professional technical group staff; Elwood K. (Woody) Gannett, head of editorial operations & *IEEE Proceedings* managing editor; George E. Herrmann, head of fiscal operations; Joan Kearney, administrative asst. to IEEE gen. mgr. Donald G. Fink; Charles S. Rich, publications advisor; Emily Sirjane, head of membership services.

Distributor Notes: Olympic Radio & TV will display new TV-radio-stereo line Jan. 6-11 in Belmont Plaza Room of Chicago's Congress Hotel, during Home Furnishings Show • Curt Kleintop, Eastern Light Co., Allentown, Pa., named national winner of Philco TV sales presentation contest for retail salesmen. Five regional winners: Al Sandra, Lechmere Sales Co., Cambridge, Mass.; Bob Scheinke, Miracle Mart, Muncie, Ind.; Bill Dye, Parker Astin Co., Bryan, Tex.; Hodges Riggan, Regans, Meridian, Miss.; Robert Taylor, Fan Fair Stores, Aurora, Colo.

Trade Personals

Robert F. Halligan, Hallicrafters pres., also named chief exec. officer, succeeding William J. Halligan, who continues as chmn.; Ned Underhill appointed pres. of subsidiary Radio Industries; R. W. Jorgensen elected commercial div. vp.

Paul D. Miles promoted to chief, radio spectrum div., Office of Telecommunications, Office of Emergency Planning, & named vice chmn. of Interdepartment Radio Advisory Committee.

John T. Thompson, ex-Raytheon & GE, joins ITT as vp & components mktg. mgr.

Saul Decker, ex-TV engineering mgr., promoted to engineering dir., Symphonic Electronic Corp.

Mal Parks Jr. named vp & asst. to pres., Howard W. Sams & Co.

Sol Listerneck, Olympic Radio & TV export mgr., leaves Jan. 20 for 6-week tour of new TV markets in Spain, Portugal, Greece, Iran, Thailand, Philippines, Hong Kong, South Korea.

IRE awards to be presented next March at IEEE convention: Medal of honor to John Hays Hammond, pres. of Hammond Research Corp. and RCA director & consultant, and to George Clark Southworth, consultant; Zworykin award for contributions to TV, to Philip J. Rice, Stanford Research Institute & William E. Evans, A. B. Dick Co., for development of techniques & equipment for fixing TV images on paper; Founders award, to Frederick E. Terman, Stanford U.; Morris Liebmann prize, to Ian Munro Ross, Bell Labs; Browder J. Thompson prize, to Chih-Tang Sah, Fairchild Camera; Harry Diamond prize, to Allan H. Schooley, U.S. Naval Research Lab; W. R. G. Baker prize, to Leonard Lewin, Standard Telecommunication Labs, England.

Add to last week's tally of financial reports by Japanese electronics-communications companies for 6 months ended Sept. 30 (Vol. 2:51 p11): Mitsubishi Electric, \$206,519,000 sales, \$14,939,000 pre-tax profits for '62 period, vs. \$183,147,000 sales, \$16,322,000 profits for same '61 period; Fuji Communication, \$32,417,000 sales, \$2,786,000 profits vs. \$28,914,000 & \$2,358,000. (Courtesy Yamaichi Securities.)

Cowles Magazine & Bestg. will initiate quarterly dividends of 10¢ a common share in March. Pres. Gardner Cowles said company posted "a good increase in business in 1962" & dividend increase "is justified." Cowles declared customary 15¢ semi-annual dividend, payable Dec. 24 to holders of record Dec. 14. New rate increases yearly dividend to 40¢ from 30¢.

Collins Radio has registered with SEC \$12.5 million of convertible subordinated debentures, due 1983, to be offered publicly in Jan. by Kidder, Peabody & Co., White, Weld & Co., and associates. New registration supplants now-cancelled plan to offer 557,515 shares of common stock to shareholders on a rights basis (Vol. 2:43 p12).

Reports & comments: P. R. Mallory, report, Butcher & Sherrerd, 1500 Walnut St., Phila. 2 • Westinghouse, report, Evans & Co., 300 Park Ave., N.Y. 22 • Itek, analysis, Coburn & Middlebrook Inc., 100 Trumbull St., Hartford 1, Conn.

OCT. SALES FIGURES: Distributor-to-dealer sales of TV sets were up 5%, radios down 4%, phonos up 33% in Oct., as compared with year-ago figures. Unofficial Nov. figures for TV & radio (phono figures unavailable) were even better, as reported in story on p. 7.

EIA's official monthly statistics also showed uhf TV sets & FM radios maintaining their strong lead over 1961.

Auto radio production for 11 months already had passed last year's full 12-month figure. (While no sales figures are released for car radios, they are believed to follow production very closely, since most are made on contract basis.) With good business in auto industry, this year should end up as 2nd best (to 1955) in history of car radio business.

Here are EIA's official sales & production figures, arranged in tabular form, with 1961 monthly comparisons:

TV-RADIO DISTRIBUTOR SALES

Month	Black-&White 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
June	480,510	461,974	1,040,598	997,321
July	449,528	409,561	921,089	754,950
August	518,451	465,500	848,881	897,411
September	731,100	683,302	1,255,346	1,310,156
October	611,763	583,917	1,063,014	1,105,449
TOTAL	5,034,880	4,634,024	8,888,904	8,538,829

BLACK-&WHITE TELEVISION PRODUCTION

Month	Total		CHF	
	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
June	620,653	615,118	50,283	34,641
July	336,409	383,378	28,359	23,233
August	500,693	514,674	44,862	33,946
September	731,517	694,580	70,299	41,253
October	569,966	620,815	66,059	43,198
TOTAL	5,434,086	5,014,583	485,025	289,462

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
June	1,721,873	1,626,263	629,004	518,010	92,287	88,808
July	1,134,250	1,030,399	403,946	320,128	68,037	48,114
August	1,253,753	1,385,101	427,747	451,374	98,609	69,090
September	2,196,371	2,048,698	887,104	591,493	165,433	110,174
October	1,835,914	1,796,391	695,680	576,529	149,554	95,318
TOTAL	15,684,733	13,797,879	5,665,954	4,321,315	941,141	679,291

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	296,257	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
June	91,526	183,000	274,526	47,970	170,178	218,148
July	90,175	202,125	292,300	58,514	153,550	212,064
August	115,741	301,047	416,788	93,749	225,423	319,172
September	169,933	426,080	596,013	107,698	283,688	391,386
October	183,182	426,033	609,215	133,245	324,554	457,799
TOTAL	932,556	2,411,447	3,344,003	733,033	2,148,032	2,881,065

PHONO FACTORY SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	68,545	191,014	259,559	80,336	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	187,950	233,102	53,074	152,974	206,048
May	67,610	119,882	187,292	53,887	142,450	196,337
June	104,548	278,989	383,537	61,533	197,170	258,703
July	89,699	220,694	310,393	70,681	171,331	242,012
August	109,258	332,197	441,455	106,157	242,164	348,321
September	182,703	505,651	688,354	124,142	328,045	452,187
October	194,599	494,485	689,084	151,580	350,254	501,834
TOTAL	975,671	2,721,000	3,696,671	814,526	2,227,878	3,042,404

REVIEWS & FORECASTS

Philco 'Turns Corner': Philco's consumer products div. took look backward last week at 12 months of Ford administration, concluded "we are absolutely on schedule" on rebuilding program. Larry H. Hyde, Philco vp & div. gen. mgr., revealed that first-half sales of "many" consumer products trailed year-earlier pace, but "in the middle and late summer we began to turn the corner." Outlook now is for "second-half sales figures on these products to be substantially ahead of the same 1961 periods." Consumer products sales in Oct. ran 10% ahead of Oct. 1961. Addressing distributor meeting in Chicago, Hyde also revealed:

(1) Philco has signed design contract with Ford's styling staff; group already is working on "redesign of some products which we will be introducing later and on design of some brand new products." (2) Philco will spend more than \$4 million in 1963 to modernize production facilities. (3) More than \$8 million were invested in new product programs in 1962. (4) Ad & promotion spending in 1962 was increased 75% over 1961 to more than \$14 million.

Philco "has turned the corner in sales and is expecting a substantial improvement in the market position of all of its products in 1963," Hyde said. For industry, he forecasts 1963 sales of \$6.5 million TVs, 12 million radios, 1.5 million hi-fi sets, 2.7 million portable phonos.

Sales of tubes & semiconductors in 1963 will increase "\$20 million or so" but remain at about 1962's \$1.4 billion, GE Electronic Components Div. vp-gen. mgr. L. Berkley Davis predicted. He sees dollar losses in receiving and cathode-ray tubes, believes transistors will do well to maintain 1962 dollar level. Davis forecasts 1962 sales of 10.7 million TV picture tubes (including one million for export) valued at \$221 million. Color kinescopes for OEM market are expected to total 475,000-500,000; b&w 6.2 million. Receiving tube sales in 1962 are estimated at \$295 million, may go as high as \$270 million or as low as \$230 million in 1963, depending on economy, he said. Transistor unit sales in 1962 rose 27% at 243 million, will continue rise, but at slower rate next year, to 280-310 million. "Dollar volume will do well to equal the \$289 million rung up in 1962," he said. Semiconductor rectifiers in 1963 should gain 12% to \$186 million from \$166 million in 1962.

International Resistance Pres. Walter W. Slocum anticipates 1962 electronic industry sales of about \$13 billion —up from \$10.7 billion last year. Volume will rise to \$15 billion in 1963, he predicted. Company's 1962 sales & earnings will increase by more than 25% over 1961's \$2 million earned on record sales of \$23 million.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Radio	1962—qtr. to Oct. 31	\$ 13,685,891	—	\$ 256,259	\$0.24	1,065,098
	1961—qtr. to Oct. 31	11,098,291	—	255,140	.24	1,019,739
Collins Radio	1962—qtr. to Oct. 31	55,628,317	\$ 1,131,580	704,580	.32	2,230,063
	1961—qtr. to Oct. 31	44,961,118	416,627	201,627	.09	2,212,881
Columbia Pictures	1962—13 wks. to Sept. 29	—	1,705,000	577,000	.34 ¹	1,572,291
	1961—13 wks. to Sept. 29	—	1,688,000	1,242,000	.76 ¹	1,493,895
Desilu Productions	1962—6 mo. to Oct. 27	9,089,236	666,062	361,666	.31	1,155,940
	1961—6 mo. to Oct. 28	7,405,791	130,295	130,295	.11	1,155,940
Filmways	1962—year to Aug. 31	12,829,849	(275,860)	(125,860) ²	—	568,554
	1961—year to Aug. 31	7,073,959	(288,466)	(152,966) ³	—	568,554
National General (formerly NT&T)	1962—year to Sept. 25	43,546,289	—	2,913,014 ⁴	1.03 ⁴	2,830,363
	1961—year to Sept. 25	43,849,109	—	(6,863,851) ⁵	—	2,818,063
Muntz TV	1962—qtr. to Nov. 30	3,322,000	392,381	331,235	.23 ¹	1,432,982
	1961—qtr. to Nov. 30	3,117,000	336,340 ⁶	336,340	.23 ¹	1,409,982
Packard Bell Electronics Story below.	1962—year to Sept. 30	49,683,033 ⁷	(1,411,848)	(1,427,848) ⁸	—	854,043
	1961—year to Sept. 30	31,887,807	(11,833,751)	(9,511,162) ⁹	—	839,964
TraVler Industries	1962—6 mo. to Oct. 31	13,964,000	442,000	226,000	.22	1,013,842
	1961—6 mo. to Oct. 31	12,851,000	735,000	360,000	.36 ¹²	962,845
	1962—qtr. to Oct. 31	8,750,000	282,000	143,000	.14	1,013,842
	1961—qtr. to Oct. 31	8,644,000	656,000	325,000	.32 ¹²	962,845
Warner Bros. Pictures	1962—year to Aug. 31	79,864,350	14,765,763	7,565,763	1.56	4,830,052
	1961—year to Aug. 31	83,371,306	13,709,822	7,209,822 ¹⁰	1.49 ¹¹	1,207,513

Notes: ¹ After preferred dividends. ² After \$150,000 tax credit. ³ After \$135,000 tax credit. ⁴ Includes \$637,876 (23¢ a share) in special items. ⁵ After \$7.7 million provision for possible loss on investment in & advances to NTA. ⁶ No tax provision required because of loss carry-forward. ⁷ Record. ⁸ After \$3 million provision for estimated loss on

govt. contracts. ⁹ After \$2.7 million tax credit & \$7.2 million provision for estimated loss on govt. contracts. ¹⁰ Before net of \$4.5 million (\$3.73) from sale of Associated British Picture Corp. stock. ¹¹ Adjusted to reflect Feb.-1962 4-for-1 stock split. ¹² Adjusted to reflect Sept.-1962 5% stock dividend.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avco	Q	\$0.20	Feb. 20	Jan. 25
CTS Corp.	Q	.12½	Jan. 21	Dec. 31
Clevite	Q	.35	Dec. 28	Dec. 14
Columbia Pictures	Stk.	2½¢	Feb. 15	Dec. 28
Cowles Magazines & Bestg.	SA	.15	Dec. 24	Dec. 14
ITT	Q	.25	Jan. 15	Dec. 20
Motorola	Q	.25	Jan. 15	Dec. 28
MPO Videotronics-A	Q	.10	Jan. 15	Dec. 28
Muter	Stk.	5%	Jan. 15	Dec. 31
Oxford Electric	Stk.	6%	Jan. 25	Dec. 28
Sangamo Electric	Q	.12½	Jan. 10	Dec. 21
Schlumberger	Q	.25	Mar. 1	Feb. 15

SEC will lift trading ban on common stock of Precision Microwave, in effect since last April, but will continue proceedings to determine advisability of ordering withdrawal of stock from listing on American Stock Exchange. SEC banned ASE & over-the-counter trading of Precision Microwave common earlier this year after challenging "adequacy & accuracy" of registration data filed by company. New information has since been furnished SEC & stockholders.

Avco has increased its quarterly dividend to 20¢ from 17½¢ a share on common stock. Increased rate will be paid Feb. 20 to holders of record Jan. 25.

Packard Bell Electronics lost \$1.4 million on record \$49.6 million sales in its 1962 fiscal year ended Sept. 30 (see financial table), but Consumer Products Div. reversed year-ago loss of \$400,000 with a "very respectable profit," Pres. Robert S. Bell reported. Corporate sales rose 56% from \$31.8 million in fiscal 1961, when PB lost \$9.5 million. Consumer Products Div. sales jumped 51% from \$12.5 million to about \$19 million. PB's sales in fiscal-1963's first 2 months (Oct. & Nov.) rose 22% to \$9.8 million. Earnings gained to \$426,800 from \$343,386.

National Co. foresees 1962 profits of about \$112,000 vs. 1961's loss of \$312,000 on sales rise to \$9-10 million from \$6.1 million. Chmn. Herbert C. Guterman said he is optimistic about 1963, citing a "good" backlog & anticipated rise in new business. He said strengthened Servo Dynamics subsidiary, which suffered 1962 loss, should "contribute considerably" to 1963's earnings.

Snyder Mfg., Philadelphia, posted "estimated 20% increase in total sales volume on a consolidated basis in 1962" and anticipates sales & production to jump minimum of 15-20% in 1963. Pres. Ben Snyder also reported "we have been discussing several acquisitions in the radio & TV antenna fields which may be completed in 1963."

Sangamo Electric has reduced quarterly dividend on common stock to 12½¢ a share from 18¼¢, payable Jan. 10 to holders of record Dec. 21. Pres. C. H. Lanphier said "a small 1962 net loss is anticipated" and board decided dividend reduction is prudent.

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

FORECAST ISSUE: Staff's annual predictions of major developments in telecasting and consumer electronics.

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

SHAPE OF 1963 FOR TELECASTERS—many Congressional hearings but no major new laws; FCC rough but not 'wild;' network programming not greatly changed; new syndication series scarce, feature packages small, overseas sales facing foreign competition; NAB growing stronger as buttress against govt.; TV attracting more & more FTC attention (p. 1).

1962 HIGHLIGHTS, PER MINOW. Year-end roundup stresses space communications, 'stiffening' enforcement against broadcasters (p. 5).

Ch. 14-15 HEARING SOUGHT by mobile radio makers. Weisz says there's nothing 'magic' about 82 channels for uhf (p. 5)

Consumer Electronics

COMPETITIVE, COLORFUL, record-breaking year in store for consumer electronics, with 10% increase in factory sales to more

than \$2.5 billion seen. TV sales forecast at nearly 6.8 million units, radio at 12 million, phonos at 4.5 million, with color contributing nearly 30% of TV's dollar volume, tape recorders graduating to major-product status (p. 6).

HERTZ TV RENTALS 10-15% AHEAD: Subsidiary of giant auto leasing firm grows to 18 outlets in 13 cities; franchiser conducts rental test in Shillito Dept. Stores, Cincinnati (p. 8).

16-IN. TV AT \$79.95 offered in new Spiegel catalog, featuring Japanese-made Symphonic set; pricing comes as 'complete surprise' to Symphonic (p. 9).

NEW SETS SHOWN by Zenith include attractive 16-in. portable at \$159.95, color TV leader at \$495, slim stereo; Olympic announces drop-ins (p. 9).

ALL-TIME RECORDS in sales & earnings set by RCA in 1962; Sarnoff eyes 'even higher levels' for 1963; other year-end statements (p. 10).

SOOTHSAYING FOR 1963: What will be transmitted and how will it be received next year? In our annual crystal-gazing stint, we again venture on the telecasting and consumer-electronics limbs. Basically, we think it's going to be a good year for this industry—though rough at govt. levels, particularly. But prosperous nonetheless. Because of interdependence of both branches of industry, transmission & reception—color, uhf, stereo, etc.—we suggest you also examine our consumer-electronics outlook starting on p. 6. Herewith is the shape of broadcasting in 1963, as we see major areas of interest:

Congress: Plenty of hearings, but little fundamental new legislation. On Senate side, Sen. Pastore's (D-R.I.) Communications Subcommittee is likely to start early. Hearings are expected on suspension of equal time for 1964 elections, on CATV regulation, eventually on network regulation. Sen. Dodd (D-Conn.) may revive last year's sex-&violence probe but odds are against it. More likely, he'll release report on last year's sessions, get wide publicity—little else.

Program ratings are likely to get substantial airing. Senate Commerce is impatient for FTC report which Committee asked for some 2 years ago, will conduct hearings when it's received. In House, Rep. Harris's (D-Ark.) Regulatory Agencies Subcommittee, under Chief Counsel Charles Howze, has been digging into ratings since Aug. 1961, also is expected to call hearings.

House Anti-trust Subcommittee under Rep. Celler (D-N.Y.) is ready to go with hearings on newspapers, particularly joint TV-newspaper ownership. This could be first TV-affecting hearing to get underway. House Small Business Subcommittee will resume probe of small advertisers' complaint of "no look-see" into prime TV time—but no legislation will emerge.

House Deficiencies Appropriations Subcommittee will move quickly to shake loose initial \$1.5-\$2 million (of \$32 million authorized) to start Federal grants for ETV stations construction. This deficiency appropriation is in addition to regular budget request to come.

Federal Communications Commission: FCC will be tough—but not wild. Commission majority, bolstered by Kenneth Cox, believes in more regulation, but it's not afraid to listen to industry's problems. But it'll be no picnic. Network regulation, CATV controls, program forms—are among top items on agenda—and this Commission certainly won't make life simpler for broadcasters.

Proposals to impose NAB Code's commercial restrictions are bound to rise again, may well get airing in rule-making proceeding. But final adoption is still unlikely. Licensing fees will be proposed again, but there won't be as much steam in them; very lukewarm chances of adoption. Fines, short-term licenses, hearings—all will be used more than ever for rules infractions.

FCC foes, frustrated in efforts to foil appointment of New Frontiersmen, will turn to Congress, seek laws curbing Commission power, move to constrict its movements by noose on appropriations.

Network Programming: Don't look for vast changes in network program structures in 1963. There will be some key trends at work which will cause changes in a few special areas, but general pattern will resemble that of 1962. Some specifics:

1. Entertainment programming: Pattern is fairly well set now as regards program lengths; new drama shows & anthologies (of whatever type) will almost all be hour-long or longer. NBC-TV considers its 90-min. *The Virginian* a success; ABC-TV is planning back-to-back pair of 45-min. film shows as a package; CBS-TV has blueprinted weekly hour-long historical series, etc. Situation comedies & nighttime game shows, on other hand, will almost universally be 30-min. "Medical" drama, network-level movies, westerns & private-eye shows are felt to have reached saturation limits; new 1963 network shows will strive for new adult-appeal formats.

2. Public-affairs programming: This will continue to be best-foot-forward area for all 3 networks, although profits will continue small or non-existent. Watch for ABC-TV to expand own production of such shows in 1963 in attempt to challenge NBC-TV & CBS-TV. With larger budgets for informational programming at all 3 networks, watch also for more blurring of line between what is "public service" and "entertainment" in network programming.

Non-network Programming: Trends established in 1962 will be more sharply defined in 1963 in main areas of non-network programming—syndicated shows, feature films, overseas selling. Here's how industry sources drew pattern for us:

1. Syndication: New-to-TV syndication series will be as scarce as ever; high costs of production and uncertain market for new live-action product limit flow to low-budget true-adventure shows, how-to-do-it programs, etc. There's likely to be increase in station-produced specials. Cartoon field is blossoming, with new series (nearly all in color) from King Features, Jayark, Official Films, Teledynamics, ITC & others, although cartoon pricing has risen rapidly since costs must be recouped in TV and have not been amortized in theatrical runs. Backlogs of hour-long programs with network track record will continue to move into syndication in 1963, with program fare on many an independent station (such as WPIX N.Y. or WGN-TV Chicago) bearing strong resemblance to last season's network programming.

2. Features: Day of giant feature backlog is dead. There are about 10,000 feature films now available to TV market, of which about 30% are post-1948s. Total number will remain about same in 1963, since some movies are withdrawn from TV at virtually same rate that new ones are added. New packages of features will be small (not more than about 40, as few as 2 or 3 in a group), high-priced (since demand exceeds supply), individually-priced (end-product of govt. pressure and court ruling). Feature distributors like Seven Arts,

MGM, Screen Gems, MCA, Allied Artists, 20th Century-Fox, etc. now take long-term view, are not anxious to flood market with features and are more willing to help stations & reps sell concept of spot TV film buys to major agencies & advertisers. Maximum potential gross for strong feature film in TV market today can be as much as \$300,000. Thus, in 1963, long arm of TV buying influence will extend back to production level of movies, particularly among independents and foreign producers, to insure long-term supply of TV features.

3. Foreign sales: Overseas film market is syndicated market, with networks and network-level producers having virtually same sales chances in 1963. Foreign market undergoes periodic adjustment; some areas improve, and others grow tight in face of local quotas, labor demands, etc. Japan, Australia, Canada, England, West Germany are among best markets. Latin America, France, Africa are among worst. During 1963, American film distributors will face new problem in foreign market: increased competition from other countries exporting TV programming, particularly British commercial contractors and BBC-TV which now have budgets, stars & know-how to rival U.S. producers, and who are out to expand world markets. Despite problems, 1963 is viewed as potentially "strong" year in overseas sales.

NAB: Association will grow in strength as more & more broadcasters conclude that it's best bulwark against increasing govt. demands on industry. Gov. Collins may leave as president, succeeded by "traditional" type of trade association head who moves only when he's told to. But, regardless of leadership, group will move more & more to consolidated front vis-a-vis critics. This means, among other things, continued good growth, strengthened Codes and Code enforcement, more effective liaison with advertisers & agencies.

Federal Trade Commission: Increased attention to TV advertising will be rule at FTC. As medium continues to account for bigger slice of advertising pie, Commission's deception-hunters gradually are concentrating more attention on it.

Visual portions of commercials will get more attention than ever before. Pictorial demonstrations, particularly for drugs & medicines, will get microscopic scrutiny.

Commission will re-evaluate its procedures in light of recent court ruling in Colgate Rapid Shave "sandpaper" case, will limit actions to single products, rather than attempt to "purify" entire range of products advertised by a firm. Only major piece of legislation which could affect TV probably will be temporary cease-&-desist order bill, which Chmn. Dixon still is pushing. Hearings never were completed on measure in last session, but it will be reintroduced.

TV Allocations: FCC will drop in fair number of short-spaced vhf channels, fret mightily over ways & means of getting uhf programs for new all-channel sets to receive. More & more well-heeled outfits will take plunge on uhf stations in major markets, figuring on establishing beachheads for the day when circulation is waiting and specialized programming can survive.

Educational TV: Federal aid-to-ETV law (see Congress) will make itself felt in 1963, but won't really have big impact until early 1965 or so. That's about same time all-channel law should have substantial effect on ETV development.

At least 2 new state networks—Me. & Ky.—will start in 1963, bringing total to 10. Many of the 8 operating will expand. No regionals will begin during year, but Midwest airborne TV system will continue to increase coverage. FCC will set aside 2,000-mc band for ETV, but there will be no great rush to use it.

New 1963 TV Outlets: At least 30 stations will start—25%-35% of them ETV. Of commercial starters, some 35% will be uhf. (This will compare with 1962's 37 new telecasters, of which 13 were ETV. Of the 24 commercial outlets, 10 were uhf. In 1961, 27 took to air—10 of them ETV, 7 of the 17 commercials uhf.) Depending on Congress's appropriations, ETV could take sudden leap by year's end.

Community Antenna Systems: Fierce year in Congress—FCC pushing for legislation, winning in Senate but blocked in House. Real breakthrough year in terms of big-broadcaster plunges into field—with NAB in less & less comfortable position as membership splits. Financially: fine business, but depending more & more on skilled management and plenty of capital than in "fool luck" of pioneer days.

Closed-Circuit TV: Continued slow growth is in prospect for closed-circuitcasting, with number of business & sales meetings using medium to reach all-time high, but by no means putting CCTV in classification of "big business" itself. Improved equipment—Eidophor & Light-Valve b&w projectors, Philips color gear—makes this medium more interesting to business. Outlook for boxing matches & other sports on theater TV is less encouraging, due to paucity of prime upcoming attractions, and high-prices & under-table deals often sought by boxing promoters. Use of big-screen theater TV will be studied closely as possible money-making adjunct to home pay TV.

Courts & Justice Dept: FCC will continue good batting average with law books. But look for glimmers of court decisions showing that judges believe Commission pendulum is swinging a bit too far toward opposite extreme from easy pre-quiz-scandal days.

Pay TV: More tests—both airborne & cable—and results still inconclusive. But plenty of investors will be convinced there's glorious future in field, will sink plenty of cash into ventures.

Personals

Lowell Thomas elected first pres. of Overseas Press Club Foundation. . . . Edward E. Guernsey, radio WLBZ Bangor, elected Me. Bestrs. Assn. pres. . . . Kenneth E. Layden appointed WXYZ-TV Detroit advertising-promotion mgr.

Guy Cunningham promoted to TvB creative dir. in charge of sales development, promotion & production . . . Lamont L. Thompson, ex-TvAR Chicago chief, appointed KPIX San Francisco sales mgr., succeeding Bill Hunefeld, resigned.

Richard Bate, ex-CBS News, appointed an ABC News Pentagon correspondent . . . Joseph S. Sinclair, WJAR-TV & WJAR Providence gen. mgr. & parent Outlet Co. pres., named an honorary aide to R. I. governor's military staff.

Jack M. Duffield, ex-KTTV Los Angeles N.Y. national sales office dir., named RKO General eastern TV sales mgr. . . . Gerard Molfese promoted to KHJ-TV Los Angeles national sales mgr.

Morton S. Cohn promoted to WLOS-TV-AM-FM Greenville-Asheville-Spartanburg, S.C. vp & gen. mgr. . . . Donald E. Tykeson, ex-KPTV, Portland, Ore. gen. sales mgr., appointed KEZI-TV Eugene gen. mgr. & a dir. of parent Liberty TV.

William Zimmerman promoted to WTVN-TV Columbus, O. regional sales mgr., Raymond G. Creamer to local sales mgr., Richard C. Kent to promotion & merchandising dir.

Talk of "outsider" coming in to replace Kenneth Cox as chief of FCC's Broadcast Bureau is squelched by Commission insiders who insist man will come from present staff. A new personnel chief is due to be named shortly—Delbert H. Flint, who has been deputy chief, personnel div., Office of Chief Chemical Officer, Dept. of Army. He'll work under Exec. Dir. Curtis Plummer, hold title of Chief, Manpower Utilization & Survey Div.

Obituary

Harrison K. McCann, 82, founder of H. K. McCann Co. agency & former chmn. of McCann-Erickson Inc. after merger with A. W. Erickson Co. in 1930, died in auto accident Dec. 21 in N.Y. He was a founder of American Assn. of Advertising Agencies. His wife Dorothy, 67, also killed, was former McCann-Erickson TV-radio vp.

Alice Keith, 72, National Academy of Bcstg. pres. and educational broadcasting pioneer, died of cancer Dec. 24 in Washington. She was graduate of Ind. Conservatory of Music, U. of Wis. & Columbia U., wrote first radio textbook used in schools. During her career, she directed educational activities for RCA-NBC, pioneered in development of radio workshops, wrote numerous textbooks & articles on TV, radio & music. At her suggestion, CBS started *CBS American School of the Air* series.

Reorganized ABC News Dept. announced by News vp James Hagerty. Hagerty will continue to head overall supervision & policy, but administrative functions will be handled by Administration vp Thomas Velotta, operations functions by Operations vp Robert Lang. Programs will be handled under "unit system," with producer & his staff having full responsibility for his show. Special program unit under exec. producer Robert Quinn will handle elections, conventions & specials, and "Unit 1964" headed by Hagerty will work in political field at affiliate level.

Defense of NAB Pres. Collins, for his warning about cigaret commercials directed at youth, is expressed in Dec. 27 *Washington Post* editorial which concludes: "Whatever may be the tradition of the broadcasting industry, self-criticism is a thoroughly democratic & highly useful practice. Indeed, it is the peculiar genius of the free-enterprise system. Mr. Collins has demonstrated a commendable awareness of the public interest, and he should be applauded instead of being fired for his candor."

NAB membership hit record in every category in 1962. Station Services vp William Carlisle said AM members rose to 1,851, FM to 660, TV to 396. Associate members increased to 138. Code Dir. Robert D. Swezey reported radio code subscribers rose 218 to 1,685; TV added 11 to hit 400 for first time.

Advertising Federation of America & Advertising Assn. of the West will hold 5th annual midwinter legislative conference at Statler Hilton, Washington, Feb. 6. Theme: "Advertising Speaks to the Government and Government Speaks to Advertising."

Third TV channel for Moscow is planned for 1963, Soviet news agency Tass reports. U.S.S.R. has 123 TV stations, about 250 satellites, serving 90 million people, agency said.

Ch. 14-15 Hearing Sought: Mobile radio equipment members of EIA, eager for uhf TV's Ch. 14-15, now ask FCC to give them a hearing so they can stress their spectrum hunger.

Motorola's William J. Weisz, head of the EIA section, counterattacked telecasters' defense of Ch. 14-15 (that removal of the channels from TV would be contrary to Congress's intent in passing all-channel bill) by stating:

"We doubt . . . a serious argument can be supported that Congress . . . intended to limit the authority of the Commission for determining & adjusting the changing requirements of our society on the radio spectrum. Any such intention . . . would almost certainly be directly expressed by amendment of the Communications Act itself. We further believe that it was not the intent of Congress to establish a 'magic' number of 82 TV channels, but rather its intent to foster & encourage the growth of uhf TV."

Transcript of uhf seminar, held in Washington recently under auspices of FCC, Electric Institute & EIA (Vol. 2:48 p4), is now available for 50¢ from EIA, 1721 DeSales St. N.W., Washington. It's excellent roundup on uhf fundamentals, for public, dealers, distributors, technicians.

Vote favoring retention of WLOF-TV (Ch. 9) Orlando, by Mid-Florida TV Corp., is expected from FCC this week. It's understood Commission has concluded Mid-Florida principals had no knowledge of efforts by Orlando attorney William Dial to influence former Comr. Mack's vote. Presumably, Commission will ask Court of Appeals to remand case for final vote affirming WLOF-TV grant.

TV political campaign costs may be forcing some candidates "into hock" to backers, FCC Chmn. Minow warns in Dec. 29 *TV Guide*. He contends it may be "good idea" to require stations to give time to bona-fide candidates at cost, be reimbursed by Govt. Stations would have to agree to provide such time in the "public interest" as condition of being licensed, he said.

Push for ETV appropriations in upcoming session of Congress, Joint Council on Educational Bcstg. has urged educators. JCEB Chmn. Dr. Robert C. Anderson pointed out that Congress already has authorized \$32 million in aid to ETV, said delays in appropriating funds could retard ETV development.

ETV may reach 80% of U.S. school population within 10 years, according to Dr. John Bystrom, special asst. to Health, Education & Welfare Secy. Speaking at ETV conference of Southern Regional Education Board in Atlanta, he said these pupils could get "substantial portion" of their instruction via TV within decade.

First commercial uhf grant in metropolitan N.Y.-N.J. area has been assigned to N.J. TV Bcstg. Corp. Station plans to start as Ch. 47 Newark in late 1963. Pres. Ed Cooperstein said outlet will feature N.J.-oriented programming in color and b&w 3 p.m.-7 a.m., 7 days a week. Station plans to operate on 24-hr. schedule later.

Announcement of "loud commercials" study by FCC (Vol. 2:52 p2) has increased flow of commendatory letters on subject to Chmn. Minow to rate of 50-75 daily.

Grant of Ch. 12, Wilmington to educational WHYY Inc., Philadelphia, is final—no opposition to examiner's recommendation coming from competitor Rollins Bcstg.

1962 Highlights, Per Minow: Enactment of satellite communications law was most important communications event of 1962, according to FCC Chmn. Minow in year-end roundup. In fact, he said, law could have more impact on FCC than anything else in its 28-year history.

In broadcasting, he said, "the year's most pronounced Commission activity . . . was its stiffening enforcement actions on stations which failed to carry out their promises and obligations." He noted that some half dozen licenses were taken away, another 30 are in revocation or renewal proceedings, some 20 were fined, and 25 more got short-term licenses.

Minow said FCC will continue to seek legislation giving it more authority over networks and control over CATV.

ETV for 90% of U.S. population within next 10 years was predicted by NET Pres. John F. White. He told recent N.Y. meeting of NET affiliate mgrs. that ETV system by 1972 probably will include: (1) Many closed-circuit installations. (2) Large number of regular stations serving classrooms, many in 2,000-mc band. (3) Similar group of stations serving adults at home. (4) Small number of outlets providing local & national network alternative program service, run by schools & communities.

WUHF is new call of WXIX (Ch. 18) Milwaukee, which scooped it up after FCC relinquished it in turning experimental N.Y. uhf station over to city. Station is also increasing power to 440 kw. Speaking of new call letters, Exec. vp & Gen. Mgr. Lawrence Turet stated: "We know these new call letters will be printed on the tuning dials of almost every U.S. manufactured TV receiver, and every imported set, after April 1964. We can't ask for much better identification than that."

"Relay" may start working after all, NASA reported. RCA communications satellite was launched Dec. 13 (Vol. 2:51 p5) but didn't function, because of power failure. Space agency said recent tests indicate satellite is gradually building up power but didn't speculate about prospects for TV transmission.

Space Communications Corp. has been chosen as official name for new communications satellite group (Vol. 2:43 p6 et seq.). Board of incorporators also decided on Tregaron, Washington estate of late Joseph Davies, ambassador to Russia, as hq. Candidates for top post have been narrowed to 5, it was reported.

Rates on 2nd W. German TV network (Vol. 2:46 p7) will be \$6,000 per minute, \$2,500 for 20-second spot. Minute on existing network sells for \$13,575, but demand often runs 3 times as high as availabilities. Many of nation's 6,750,000 sets are not yet equipped to carry new network, scheduled to begin April 1.

Taiwan's new TV station (Vol. 2:52 p5) has received donation of \$17,000 worth of equipment from John Poole's pioneer Los Angeles uhf KM2XAZ, which recently was sold and is due to start programming about Feb. 15 as KBIC-TV (Ch. 22) Los Angeles.

Fully transistorized video distribution amplifier for TV studio applications has been introduced by RCA for deliveries beginning in Jan.

State Bcstrs. Assn. Presidents will hold 8th annual conference Feb. 26-27 at Shoreham Hotel, Washington—changed from Feb. 27-28.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

1963—COMPETITIVE, COLORFUL, RECORD-BREAKING: Given another year of peace—and the relative stability most economists expect—1963 should be another record year in consumer electronics. Total sales at factory level should increase another 10%, from 1962's \$2.3 billion to more than \$2.5 billion. All of this rise won't contribute to profits—some of it will be inflationary.

TV receiver sales will rise sharply in dollar volume, easily passing \$1-billion mark (factory level). Nearly 30% of this will be represented by color TV—now a really significant part of consumer electronics market. Black-&-white sales should exceed 6 million again, with color set sales topping 750,000. With really good business climate—and really good salesmanship—1963 conceivably could be 7-million-set year. More likely, however, total b&w and color sales will be slightly below 6.8 million (from this year's 6.25 million).

Radio & phono sales will run somewhat ahead of 1962 in units—radios about 12 million, phonos perhaps 4.5 million. Phono estimate is conservative—a little nudge could push it to all-time record. Tape recorders will graduate to major-product status.

This record will be achieved through intensely competitive battling for consumer dollar—on both inter-industry & intra-industry basis. Careful attention will be paid to inventories & overhead, while creeping costs threaten to crimp profits. In all, expansion in 1963 will be good, in recognized & traditional product lines. On unfavorable side, industry will not expand during year into any brand new consumer electronic products. In more detail, here are our guesstimates of 1963's shape-up:

Merchandising Trends: Efforts by manufacturers to free dealers of many traditional responsibilities and streamline them for concentrated selling—a la GE & Westinghouse sales & display plans—will gather momentum in 1963. Although plans have opponents & scoffers, industry is watching dealer reaction & sales—and readying competitive plans. Also in wings for 1963 are intensified moves by proponents of Quality Stabilization & other types of fair-trade measures & controls to put further crimp in price cutting, misuse of brand names, sales & pricing gimmicks.

Competition from discounters & so-called mass merchandisers is readying new tack. Evidence is clear now that discount expansion in 1962 went through roof, bloodied a number of heads, and will result in fewer new stores & many more bankruptcies in new year. With competition intensifying, look for discounters to "give-away" more of their pricing edge by moving into various overhead-increasing services—free delivery, clerk service, installation, charge accounts.

Conventional dealers may gain some respite from discount competition, but new trouble brews. J. C. Penney has field-tested private-label TV sales in 18 of its 1,700 outlets, is good bet to take big step on path to national TV retailing. An even better bet: If Penney racks up dollars with TV sales, look for other national variety chains to jump on private-label TV wagon.

Pricing Trends: Midyear set introductions will be at somewhat higher prices, when compared with this year's similar merchandise. Nevertheless, on average-price basis, black-&-white TV dollar sales may well be lower than in 1962, because of heavier public concentration on portables at expense of 23-in. consoles. Pricing of 16-in. sets will deteriorate further, partly because of pressure of imports. Cost-vs.-price squeeze will force more manufacturers to look overseas for components and even complete TV chassis. Radio prices will firm up slightly, as will console phono prices—despite low-low leaders.

TV Product Mix: Addition of 16-in. to many lines will accent trend toward portables and away from b&w consoles, while color will begin to replace high-end 23-in. console. Portables & table models will

account for close to 70% of total b&w sales, while at other end of line TV-phono combos will go up from current 4% to 5%.

Color TV: While color sales may well pass 750,000, there'll be no important set shortages in 1963. Heavier color set advertising, more color programs (but very few on CBS) will provide forced draft to make '63 excellent color year. While sets will continue to show up on market as low as \$399, there'll be no significant price movements in color, and no significant importing of color sets. Shadow-mask tube, in current 21-in. round 70-degree design, will remain standard throughout year, while engineers work feverishly to perfect short rectangular version for mid-1964 introduction. No new color "inventions" or other breakthroughs will appear on market in 1963.

Imports: Radio imports from Japan may decrease in units for first time, although dollar volume may well be greater, as emphasis shifts from basic shirt-pocket set to more deluxe and specialized receivers. TV imports will rise from 1962 total of 120,000 sets to at least 250,000 sets, or about 4% of domestic b&w production, with 16-in. becoming most popular import size, followed by 19-in., then by various tinyvision sizes. Imported transistor TV will continue to be expensive novelty.

TV Innovations: The 16-in. lightweight set will consolidate its position, but, to chagrin of some manufacturers, will begin to settle down into price-leader category, possibly replacing low-end 19-in. There'll probably be at least one smaller-sized U.S.-made set, possibly 10-in., but no stampede to tinyvision. The 27-in. will disappear again from some lines. There will be no new large b&w tube sizes. However, Kimcode tube design, requiring no implosion plate, will be seen in substantial number of makes & models by midyear, in 19- & 23-in. sizes.

FM Stereo: About 150 more FM stations will begin stereocasts in 1963, bringing total on air by year's end to around 375. FM stereo will continue to be largely a selling feature for stereo phonos, and by next Christmas season great majority of console phonos will be sold with FM stereo. Although not big factor in radio business, table-model stereo radios will be offered in slightly more variety than today, and most models will be available with matching add-on stereo record changers.

Phonos: Trend to unique design & improved product will continue—with more coffee tables, wall units, drop-down changers and "compacts." Upgrading of changers with lightweight & floating pickups will be completed in 1963, and manufacturers will begin to turn attention to improving performance of speakers, again borrowing from hi-fi component manufacturers' techniques. FTC's search for "official" definition of high fidelity will end up in free-for-all donnybrook between package & component makers and nothing may be settled by year's end.

Radio Trends: There'll be relative stability in radio field, with more foreign parts used, and intense competition with imports in deluxe transistor field. There'll be more FM sales, fewer clock-radio sales, fewer shirt-pocket radio sales.

FM Radio: FM will take its biggest forward leap in 1963, and sales of all devices capable of receiving FM should total close to 3.5 million (up from 2.8 million), of which slightly less than one-third will be FM stereo. Domestic table radios with FM should increase to 1.4 million (from 1962's estimated 1.25 million), FM-equipped phonos 1.25 million (from 1 million), component tuners 350,000 (from 300,000), FM car radios 100,000 (from 55,000), FM imports of all kinds at least 300,000 (from 230,000).

Tape Recorders: This field will begin to be really important one in consumer electronics market in 1963, and year will see several more big TV-radio-phono manufacturers introduce recorders under own brand names. Sales of all types (including imports) will be well over million units. Minnesota Mining's tape cartridge will be in nation-wide marketing by 1963's Yule season, and possibly incorporated into some high-end radio-phono consoles. RCA will continue to exploit its own cartridge system and attempt to win new converts. However, vast majority of recorders sold will be open-reel type.

In balance, 1963 should be another competitive year, another rough-&-tough year for consumer electronics. By healthy margin, it should be another record year in dollar volume. It probably won't go down in industry history as a vintage year, but as a darn good one nevertheless.

HERTZ TV RENTALS 10-15% AHEAD: Tricky TV rental business apparently is no puzzle to Hertz Rent-All Corp. Two-year-old subsidiary of giant auto leasing firm (Vol. 16:40 p15) expects to close 1962 with set rentals up 10-15% over 1961's volume. Subsidiary, which rents broad range of products, also will have 18 outlets in 13 cities from N.Y. to St. Louis, compared with representation in 5 cities just 14 months ago (Vol. 1:5 p6).

"Additional corporation & franchised stores will be opened in 1963," Hertz told us. "Virtually all, if not all, will rent TV sets." Hertz operates one Rent-All store in N.Y. & 3 in Chicago, has franchised outlets in Cincinnati (4); Columbus; Dayton; Huntington, N.Y.; Lewiston, Me.; Louisville; New Brunswick, N.J.; Norfolk, Va.; St. Louis; South Bend; West Hartford, Conn.

Trade reports to the contrary, Hertz told us, Rent-All subsidiary is not rushing pell mell into leased departments in department stores. They're in only one department store, Shillito in Cincinnati—via Hertz licensee Weber & Co. which operates 4 Hertz Rent-All Servicenters in Cincinnati, one each in Dayton & Columbus. Hertz concedes, however, that "exploratory discussions are now being carried on with department stores across the country," and Chmn. Leon C. Greenebaum told stockholders months ago (Vol. 2:21 p12) that department stores may represent major growth area for rental of TVs & other products.

We found somewhat less enthusiasm & certainty in Cincinnati. Shillito TV-radio buyer Joseph Martin told us he's "not enthusiastic" about leased TV-renting department, but "I don't think we've lost many TV sales because of it." He doesn't believe rentals are sufficiently profitable, is convinced "it's almost as easy to sell as to rent TVs" under Shillito's sales terms of no downpayment and 2 years to pay on b&w sets, 3 years on color." TV rental "is a different kind of a business," he agrees, and "I won't say that we won't lose some TV sales" if leased rental becomes more popular.

Franchiser Weber & Co. told us "results so far are relatively favorable, but it will take at least a year of operation to determine if department stores are the route to go." Pres. L. L. Weber said he pays Shillito percentage of rental volume, cannot sell there any products that are sold by store. TV sets are rented for cash or on Shillito charge accounts. Weber's Hertz Rent-All Servicenter has been in Shillito's downtown store since May, in suburban store since Oct.

"Our TV rentals in the department stores have been on a par with rentals in our 2 other Cincinnati stores," Weber said. "We may move into other department stores—but not until we've had a chance to study costs and other factors in the Shillito test operation."

Most TV rental business is done over phone, Weber said. "They rarely ever ask for size," he added. Franchiser has stock of some 80 Motorola, Zenith & Sylvania 19-in. sets. Rental rates: \$7.50 weekly, \$20 monthly, and monthly rate less 10% for 3-month rentals. Remotes are available on request, without charge, but "we try to limit their use for hospital and sickroom application." Hertz in N.Y. also has \$20 monthly rate, but charges \$5 additional for remote.

Little demand for color was noted by franchiser or Hertz. Neither has plans to add color sets because of technical problems & need for special antennas.

Brisk business in TV sales is carried on by Weber in Dayton, Columbus & 2 non-Shillito outlets in Cincinnati. Operations vp Lodge Weber told us: "We've been successful in selling a number of sets to renters before the one-year warranty expired. On such sales we usually apply the first month's rental." He said that franchiser will maintain steady flow of fresh rental sets by selling TVs before expiration of warranties. "We plan to initiate in January an annual anniversary sale to sell off at attractive prices those of our sets approaching end of warranty," he said.

Mergers & acquisitions: America Corp. stockholders have approved exchange of their Republic & Universal American shares for \$3.9 million & 1,082,827 shares of America proffered by group headed by William Zeckendorf (Vol. 2:52 p9) • Superior Tube Co., Wynnewood, Pa. manufacturer of electron tube cathodes, acquires Molecu-Wire Corp., Scobeyville, N.J., maker of resistance wire, for undisclosed cash sum.

Kimble Glass Co. has been merged with Libbey Glass Div. into new Consumer & Technical Products Div. of Owens-Illinois Glass Co. Kimble was formerly a subsidiary, Libbey a division. New division is headed by William J. Stewart, O-I vp & Kimble gen. mgr. Its industrial & electronic products (including picture-tube bulbs) will be managed by John P. Kearney, who occupied same post in Kimble organization.

16-IN. TV AT \$79.95: When Spiegel's spring-summer catalog came out last week featuring Symphonic's new imported 16-in. portable at \$79.95, the most surprised parties probably were executives at Symphonic. Caught between a long-time good customer (which apparently had ordered more than 6,000 of the sets) and industry raised eyebrows, one official mused: "It's impossible to sell it at that price. . . . That's far below the price we anticipated, even for a modest markup."

But there it was in color ad on back cover of new catalog of nation's 3rd-biggest mail-order house. These specs were listed: Weight, 32 lb.; depth, 10 in.; 3 IF stages; 16,000 volts picture power; telescoping antenna. Featured in small picture was step-up model at \$99.95 with dipole antenna, earphone, etc. Both were advertised with Symphonic brandname.

Sets are among first to be made for Symphonic by Nippon Electric (Vol. 2:50 p11), go on sale soon both with Symphonic and private-label nameplates. Asked to comment on Spiegel's advertised price for the set, Symphonic Pres. Max J. Zimmer said:

"The pricing of our new 16-in. portable TV receiver at \$79.95 as it appears in the spring & summer Spiegel catalog, came as a complete surprise to us. We further note that, featured on the same page, is our deluxe 16-in. Symphonic portable at \$99.95. In accordance with our pricing structure, we can understand the possibility of merchandising a deluxe unit at \$99.95, but Spiegel's decision to feature the economy model at \$79.95 is beyond our understanding. Spiegel has been, and still is, among our most valuable customers."

Zimmer explained that Spiegel "worked very closely with us" since early 1962 "in the development of our TV program." He added: "It is important to note that they place full confidence in Symphonic's engineering knowledge & ability." He explained that, before embarking on promotion, "Spiegel had to satisfy itself . . . that the Symphonic TV receivers [met] critical quality control tests with regard to all criteria as presently required by American safety standards [and] that the performance of the units measured up to all of the engineering specifications as represented by Symphonic."

"Their findings," continued Zimmer, "speak for themselves." Spiegel placed with us a non-cancellable order running well in excess of a half-million dollars for these sets.

"Since Spiegel is recognized as being among leaders in their field, we are sure their reasons for pricing our product as they did must be good ones, and the promotion should prove to be one of the smartest merchandising devices yet used in the mail-order field. We have developed a merchandising program for the trade, which, we feel, will break with as much consumer impact as the Spiegel promotion."

Stromberg Carlson name has been revived by General Dynamics, as new appellation of Telecommunications Div. New Stromberg Carlson Div. is expected to increase capital spending substantially in line with estimates that "electronic communications hold the key to the future," said division Pres. John H. Voss. Part of plant, he said, is being converted for production of electronic components.

More New Sets: Distributor open houses for dealers were in full swing last week, as new-model drop-in parade continued. Zenith made week's major new-product news, as its distributors began showing line, which included several major new items.

Most interesting was Zenith's new Attache 16-in. portable. This high-styled, full-feature lightweight (28 lb.) lists at \$159.95. In mood & design, it's reminiscent of Philco's 19-in. Town & Country, and has channel picture window, top-front speaker & handle which collapses into cabinet. Bonded-tube set has chassis mounted on own frame, rather than affixed to cabinet members.

Zenith's new color leader is ebony metal table model at \$495, dropped in below previous \$549.95 console leader. Also added to color line was new stereo combo at \$1,245, about \$500 below remote-control unit which previously represented color combos in Zenith line.

Two completely new stereo phonos were shown—first dropdown portable at \$129.95 and basic sliding-top console at new low (for Zenith) of \$149.95 (with AM-FM stereo, \$259.95). New space-saving compact console (\$219.95, or \$339.95 with stereo radio) is only 11½-in. deep, has dropdown changer with 2-gram arm. Zenith has redesigned its shirt-pocket radios (still starting at \$19.95), introducing new one with sliderule dial. Two-piece FM stereo radio at \$199.95 is now available in variety of colors. FM Multiplexer (designed for use with another FM set for stereo) is no longer being shown in line. Although there were some price adjustments in redesigned new line, there seemed to be no major trend either up or down.

Olympic will premiere its Japanese-made 16-in. set at \$119.95 at Jan. 6-11 showing in Chicago's Congress Hotel. Also new to line will be 2 open-list deluxe 19-in. portables, 2 promotional open-list 23-in. consoles and 5 promotional "decorator" radio-phono consoles, starting at \$119.95 with AM-FM and at \$229.95 with AM-FM stereo. Others are priced at \$229.95. Also being shown is new open-list automatic mono portable.

Sylvania's factory-to-dealer salesmen now account for 38% of company's TV-radio-phono volume & direct sales are expected to jump to 50% within 3 years, commented Home Electronics Pres. Robert J. Theis in Dec. 19 *Wall St. Journal* roundup re GE & Westinghouse "sales & display" plans (Vol. 2:20 p9). Article also quotes Philco reporting "the most important long-range studies we've got are in distribution," notes report by N.Y. management consultant firm McKinsey & Co. that current unit cost of manufacturing is less than it was 2 years ago, but "many of the items that make up distribution costs have been rising steadily during this period and will probably continue to rise."

Philco & parent Ford have concluded out-of-court settlement with IUE to protect seniority rights of some 300 employes at Philco's Sandusky, O. auto radio plant, slated for closure & transfer to Philadelphia (Vol. 2:38 p9). Union filed suit in federal court, settled for agreement which gives Sandusky employes right to transfer to Philadelphia jobs on a seniority basis.

Transistor TV from Germany is promised early in 1963 by Phillips Audio Sales Co., N.Y., distributor of Kuba radios & phonos. According to the company, Kuba set will have 14-in. screen, play from house power or rechargeable batteries. No pricing information was disclosed.

REVIEWS & FORECASTS

RCA Eyes New Records: Having set records in 1962 in sales (nearly \$1.7 billion) and operating profits (more than \$50 million after taxes), RCA is now "in a position to advance to even higher levels of sales & earnings in 1963." So said Chmn. David Sarnoff last week in year-end statement.

He expressed belief the economy "will sustain a relatively high level of activity," and added: "The question is not whether, but how energetically, the economy as a whole will continue to advance." For electronics, Gen. Sarnoff predicted 1962's upward sales & earnings trend would continue through 1963.

Reviewing 1962 operations, he pointed out RCA's sales were 10% ahead of 1961, and operating profits were 40% ahead (not including 1962 capital gain of \$7 million from sale of Whirlpool stock). RCA's home instrument sales were 30% above 1961, exceeding 1956's record high, paced by color TV, radios, phonos & recorders. Its TV unit sales "were well in excess of one million" and exceeded all-time peak dollar volume. RCA Victor records achieved record sales volume.

He also cited record sales & profits by NBC, more than doubled revenue from sale & rental of computers, threefold rise in sales of color film cameras to TV stations, and record international sales & income.

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Olympic Pres. Morris Sobin predicts 1963 will be "equally good" as 1962, barring "unforeseen emergency in the political field." Year, he forecasts, "will start slowly and pick up momentum in the last half. Trends for '63 & beyond, as seen by Sobin: Portables will account for 67% of TV set sales, increasing gradually in next 2 or 3 years, while b&w consoles continue to decline. By 2nd half of 1963, "color consoles will begin to become a significant factor in console dollar sales & profits." FM stereo will help 3-way combos to continue their trend to bigger share of market. Radio market should level off at present yearly sales rate, settling down to "sizeable steady market" of 11-12 million units yearly. Competition for consumer dollar and within industry will continue severe. "Those companies which can keep their costs under careful control and which are not tempted to overproduce will find 1963 a rewarding year."

EIA estimates of 1962 tube, semiconductor & component sales, both to original equipment manufacturers & for replacement: Tubes, \$800 million (up from \$782 million in 1961); semiconductors, \$625 million (up from \$564 million); components, \$2.3 billion (up from \$2.108 billion). EIA's TV-radio-phono estimates were printed here last week (Vol. 2:52 p11).

Westinghouse expects 1962 sales to rise 3% over 1961's \$1.913 billion, 1963 sales to top record \$2.009 billion posted in 1957. Pres. Mark W. Cresap Jr. said electrical manufacturing industry sales in 1962 should rise 5% from 1961 to \$25 billion, but will increase only slightly in 1963. "Therefore, to improve profitability," he noted, "the industry must place even greater emphasis on the introduction of new products & services and more efficient manufacturing techniques." Economic outlook generally for 1963, Cresap said, "indicates hesitation in the early months rather than the slight decline previously expected and then a resumption of modest growth at rates slightly lower than those experienced in 1962."

Trade Personals

Ralph Lazarus, pres. of Federated Department Stores Inc., elected to GE board.

Leonard J. Battaglia, ex-RCA, joins ITT as pres. of Distributor Products Div., Lodi, N.J.

Allen K. Shenk, EIA board member & chmn. of its parts div., resigns as mktg. vp., Erie Resistor Corp., after 20 years with company; he has announced no future plans.

Jules Steinberg, NARDA exec. vp, will participate in conference of Salon International des Arts Menagers on distribution methods in Paris Feb. 27 while he is on European tour studying retail operations.

C. Donald Price appointed Sylvania electronic components group promotion mgr.

John Burke, Newark Electronics vp, elected a dir., succeeding Donald Campbell, retired.

Roger A. Swanson appointed Sylvania transistors product mgr.

Theodore Rossman resigns as senior vp & a dir. of Pentron Electronics . . . Harry C. DeMuth, DeMuth Steel Products pres., elected to TV-Electronics Fund board.

Harvey Riggs, pres. of Los Angeles-based International Electronic Research Corp., also elected chmn., succeeding Fred Miller who continues as a dir.

Distributor Notes: Viscount Electronics Div. appoints John C. Drewry Co. radio sales rep for Alabama, Georgia & west Florida; H. E. Russell Sales Co. radio sales rep for Nebraska, Kansas, Missouri, Iowa • Pilot Radio appoints Jack Carter Associates Inc., Los Angeles, sales rep in southern Cal. for audio components line, succeeding Chalfant & Associates. • Admiral appoints Strauss-Bodenheimer Co. distributor for 30-county Houston, Texas territory, succeeding Covington Distributors which continues as Admiral distributor in San Antonio area • RCA Tube Div. names Keith C. Harding Western District industrial sales mgr., headquartering in Los Angeles office, 6801 E. Washington Blvd.

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Raytheon has granted more than 8,000 weekly salaried employes a 3% pay boost, effective Dec. 31, which approximates increases given hourly employes under union contracts. The weekly salaried employes, plus 8,000 others whose salaries are reviewed individually, also received additional fringe benefits which, Raytheon said, are valued at \$891,000 yearly.

Philco has signed licensing agreement with Tokyo-based Koyo Electronics Industries covering manufacture & distribution in Japan of Philco-brand transistor radios & Philco's Ionitron negative ion generator. Agreement also gives Koyo right to produce the transistor radios & export them via Philco's worldwide distribution organization.

Planning to enter uhf tuner manufacturing field is Gavin Instruments Inc., Somerville, N.J., which already has introduced 2 uhf converters using nuvistor circuitry (at \$26.50 & \$39.95). Headed by John W. Perkins, year-old firm recently purchased Hagar Metal Working Co. in stock exchange.

Perkin-Elmer backlog at close of 1963's first fiscal quarter, ended Oct. 31, rose nearly 20% to \$21 million from a year earlier. Pres. Robert E. Lewis reported new orders running well ahead of fiscal-1962's pace.

National Video Profits Sag: Inability to maintain 6% price increase on TV picture tubes announced in Oct. (Vol. 2:40 p8) was blamed by National Video for profit drop in fiscal-1963's first half, ended Nov. 30, to \$178,908 from \$683,863 a year earlier (see financial table). Sales slipped to \$8.8 million from \$9.7 million.

Customers have been notified that increase will be reinstated in Jan. (Vol. 2:52 p9), reported secy.-treas. Joseph Grossman, and "this time we've heard no complaints." He also attributed profit decline to high start-up costs for color production, expected to get underway "in the next few weeks." Grossman said National Video's unit sales are about the same as a year ago, but are heavier on lower-priced tubes.

Avco "has just closed the books on its most profitable year in history," noted Dec. 26 *Financial World*, adding: "Fiscal 1962 which ended Nov. 30 probably saw earnings of at least \$1.65 a share exclusive of capital gains, up sharply from the \$1.20 of the previous year. Sales topped \$400 million for the first time since 1953, some 20% over last year's \$323 million." Profile emphasized that "civilian side of Avco's business has declined in relative importance to where it now accounts for only 30% of sales, but it still contributes about half of total profits." Crosley Bcstg. subsidiary "had an exceptionally good year," *World* said.

Twentieth Century-Fox has upped loss estimate for 1962, now expects deficit to be "in the area of \$30 million." Company in Aug. foresaw \$25 million loss, had \$16.8 million deficit in 1962's first 39 weeks (see financial table). Year's deficits will include 4th-quarter operating loss & special writeoffs after credits for income tax loss carry-backs. Film firm had \$22.5 million operations loss in 1961, before special income of \$25.5 million from sale of studio properties.

"Small broadcasters get bigger," is title of Dec. 19 *Financial World* profile on Capital Cities Bcstg., Gross Telecasting, Metromedia, Reeves Bcstg., Rollins Bcstg., Storer, Taft, Transcontinent and Wometco. "Independents' in the radio-TV field are growing by diversifying & expanding their station ownership to the FCC limits," magazine noted, adding: "They have become big business" . . . and "can look for a continuance of favorable earnings."

Higher pre-tax profit in 1963's first half is anticipated by about 50% of 179 manufacturers surveyed by National Industrial Conference Board. Some 30% foresee no profit change from year earlier, 20% expect drop. More than 20% of firms expect profit increase of at least 10%. Majority of electrical appliance firms surveyed see profit gains. Other findings: 37% of manufacturers expect inventory investment to drop from 4th-quarter levels, 29% expect rise, 34% see no change; about 33% expect rate of capital expenditures to top 1962's average rate, 27% predicted reduction, 40% anticipate no change.

Electronic Specialty expects 1962 earnings of approximately \$2.7 million, up from 1961's \$2.1 million. Sales are expected to rise to \$65.1 million from \$55.8 million. Pres. William H. Burgess said Electronic Specialty is in "active negotiations" to acquire 4 companies, including one in microwave field. Company next year will sell plants (totaling 500,000 sq. ft.) in several cities at profit of about \$1 million. He said 1963 sales & earnings will improve, but company has "a long way to go" before it initiates cash dividends.

Reports & comments: Metromedia, review, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 • Erie Resistor, analysis, Fulton Reid & Co., 1186 Union Commerce Bldg., Cleveland 14 • Dynamics Corp. of America, review, Stanley Heller & Co., 30 Pine St., N.Y. 5 • Hallicrafters, comment, Chas. W. Scranton & Co., 209 Church St., New Haven 7, Conn. • Litton Industries, illustrated study, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • AT&T, comment, F. P. Ristine & Co., 15 Broad St., N.Y. 5 • "100 Largest U.S. Corporations," report, F. S. Moseley & Co., 50 Congress St., Boston 2 • Times-Mirror, analysis, Mitchum, Jones & Templeton, 650 S. Spring St., Los Angeles 14 • Lear Siegler, analysis, Parrish & Co., 1421 Chestnut St., Philadelphia 2 • Avco, memo, Steiner, Rouse & Co., 19 Rector St., N.Y. 6 • Sears Roebuck, review, F. S. Moseley & Co., 14 Wall St., N.Y. 5.

Muntz TV closed opening quarter of its 1963 fiscal year with highest sales in 8 years (Vol. 2:52 p12). Sales climbed 6.5% to \$3.3 million from \$3.1 million in Sept.-Nov. 1961. Profits dipped 1.5% to \$331,235 from \$336,340, but reflected first Federal income tax provision (\$61,146) made by Muntz TV in years. Tax credits now are exhausted. Pres. Wallace A. Keil said pilot production of color sets will commence in March. He also reported plans to diversify by initiating production of gas meters. Private-label TVs now account for only 5½% of company's total production, compared with 20% 3 years ago. Bulk of production (52%) goes to key dealers who handle Muntz TV exclusively. Small dealers take about 40%, export market 1½%.

Dividend action: Zenith declared extra dividend of 35¢ a common share, increased quarterly payments to 25¢ from 20¢. Both dividends are payable Dec. 27 to holders of record Dec. 7 • AT&T directors failed to take any action at Dec. meeting on changing dividend rate • Thompson Ramo Wooldridge declared 10% stock dividend payable Jan. 31 to holders of record Dec. 31, also declared customary 35¢ quarterly payment Mar. 15 to stock of record Feb. 28. TRW noted that value of cash payment will be up 10% because it follows stock payout • Hallicrafters expects to consider payment of its initial cash dividend at Mar. 29 board meeting.

CTS Corp. anticipates record 1962 earnings of \$1.40-1.45 a share on peak sales of "close" to \$28 million. Last year company earned \$1.28 on \$21.5 million sales. Pres. Basil S. Turner attributed sales gain in part to new components for industrial use & to rise in TV sets using CTS resistors. He predicted 1963 sales of \$30-32 million. Resistors accounted for 73% of CTS's 1962 sales—down from 95% in 1959. Sales to home entertainment market accounted for 64% of volume—down from 77% four years ago. CTS is increasing its share of industrial, military and replacement business.

Factory shipments of 8 major electrical appliances climbed some 8% in 1962 to 10,940,000 units from 10,140,000 in 1961, reported National Electrical Mfrs. Assn. However, reflecting price declines among some products, dollar value at manufacturers' level increased less than 6%—to \$1.5 billion from 1961's \$1.420 billion. For 1963, NEMA sees 2% rise in shipments to 11,160,000 units.

Transcontinent TV estimates rise in 1962 profits to "about \$1,585,000" from \$1,331,179 in 1961. Gross revenues are reported as "moderately above" 1961's \$15.5 million. Continued gains are forecast for 1963.

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
Automatic Radio Mfg.	1962—year to Sept. 30	\$ 16,539,200	—	\$ 869,900	\$0.40 ¹	2,038,415
	1961—year to Sept. 30	15,308,354	—	1,169,231	.57 ¹	1,960,015
Bendix	1962—year to Sept. 30	794,178,371	\$ 49,487,246	22,545,524	4.16	5,423,335
	1961—year to Sept. 30	757,999,062	48,713,482	23,963,664 ⁴	4.45 ⁴	5,389,620
Gulton Industries	1962—9 mo. to Nov. 30	22,520,000	—	1,100,000	.97	1,138,722
	1961—9 mo. to Nov. 30	17,243,000	—	706,000	.63	1,129,810
	1962—qtr. to Nov. 30	8,049,000	—	396,000	.35	1,138,722
	1961—qtr. to Nov. 30	6,540,000	—	313,000	.28	1,129,810
Hallicrafters	1962—qtr. to Nov. 30	17,145,000	1,003,000	507,000	.21	2,461,585
	1961—qtr. to Nov. 30	19,759,000	916,000	446,000	.19	2,428,100
National Video Story on p. 11	1962—6 mo. to Nov. 30	8,814,993	—	178,908	.15	1,233,334
	1961—6 mo. to Nov. 30	9,691,603	—	638,863	.52	1,233,334
Outlet Co. (WJAR-TV Providence)	1962—9 mo. to Oct. 27	12,908,530	1,171,833	561,583	1.13	497,100
	1961—9 mo. to Oct. 27	12,681,554	1,152,204	552,404	1.11	497,100
Pacific Mercury Electronics	1962—6 mo. to Sept. 30	9,667,648	—	108,577	.15	700,000
	1961—6 mo. to Sept. 30	8,079,596	—	44,017	.06	700,000
Serval	1962—year to Oct. 31 ²	22,920,000 ³	—	2,645,000	1.29 ¹	1,928,345
	1961—year to Oct. 31	20,651,000	—	2,356,000	1.13 ¹	1,925,345
Space-Tone Electronics	1962—9 mo. to Sept. 30	1,746,197	—	101,788	.31	—
	1961—9 mo. to Sept. 30	737,350	—	(27,108)	—	—
TV Shares Management	1962—year to Oct. 31	2,386,051	1,169,752	569,752	.56	1,018,500
	1961—year to Oct. 31	2,995,968	1,634,333	804,333	.79	1,018,500
20th Century-Fox	1962—39 wks. to Sept. 29	—	—	(16,816,241)	—	2,545,845
	1961—39 wks. to Sept. 29	—	—	(11,544,007)	—	2,495,926

Notes: ¹ After preferred dividends. ² Does not include Sonotone, in which controlling interest was acquired in Oct. (Vol. 2:42 p10). ³ Record.

⁴ Includes profit of \$3,389,849 (63¢ a share) on sale of a foreign investment.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Audio Devices	Stk.	2%	Jan. 10	Dec. 28
Automatic Radio Mfg.	Stk.	4%	Jan. 21	Jan. 4
Electronic Associates	Stk.	5%	Jan. 18	Dec. 31
Electro-Voice	—	.10	Jan. 15	Dec. 28
Littelfuse	Q	\$0.03 $\frac{3}{4}$	Feb. 15	Jan. 31
Littelfuse	Stk.	5%	Jan. 15	Dec. 31
Outlet Co.	—	.45	Feb. 1	Jan. 21
Howard W. Sams	Q	.15	Jan. 25	Jan. 10
Thompson Ramo Woold.	Q	.35	Mar. 15	Feb. 28
Thompson Ramo Woold.	Stk.	10%	Jan. 31	Dec. 31

Hallicrafters's earnings in 1963's first fiscal quarter ended Nov. 30 rose 14% from a year earlier to more than \$500,000 despite 13% sales slip to 17.1% (see financial table). Pres. Robert F. Halligan forecast higher profits & volume in fiscal 1963 than in fiscal 1962, which produced \$2 million net on \$66.7 million sales. Chmn. William J. Halligan reported "we're looking at an acquisition," said decision may come at March 29 board meeting.

Toshiba offering of \$20 million in 6 $\frac{3}{8}$ % convertible debentures due March 31, 1978 was placed on market by underwriting group headed by Smith, Barney & Co. and Nomura Securities Co. Debentures are priced at 100%, are convertible after June 1, 1963 into American depository shares at conversion price of \$13.47 per ADS. Each ADS represents 50 shares of Toshiba common.

Jerrold Corp. expects sales & earnings in its 1963 fiscal year ending Feb. 28 to jump 50% ahead of fiscal-1962's 30¢ a share earned on \$18 million sales. Pres. Sidney Harman said changing nature of electronics industry makes it difficult for small firms—those with annual sales of less than \$10 million—"to go it alone." Suggesting consolidation as path for growth, he explained: small firms "often do not have the resources within their own organizations—the talent & tools—to meet the challenge of constantly changing technology & development of new products and market patterns."

Microwave Associates foresees "a good year" for fiscal 1963 ending next Sept. 30. Pres. Dana W. Atchley said backlog has increased to more than \$4.5 million from \$3.5 million at close of 1962 fiscal & "I think this uptrend will continue." AB-PT & Western Union each owns 12% of outstanding common of Burlington, Mass. maker of microwave tubes & semiconductor devices.

Repeal of excise tax on TVs, radios & phonos was urged by EIA at recent Commerce Dept. hearings as method of stimulating consumer buying and offsetting part of cost of conversion to compulsory all-channel tuning. It was one of 8 tax proposals presented by EIA General Counsel John B. Olverson.

Litton Industries has filed with SEC a secondary offering of 215,444 outstanding shares. Proceeds will go to selling stockholders.

New plants & expansions: Sarkes Tarzian has leased plant in Brownsville, Tenn. to supplement tuner production.