THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

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SUMMARY-INDEX OF THE WEEK'S NEWS — April 5, 1958

COMDR. McDONALD'S NEW PUBLICITY PITCH: Whatever else you may think about Zenith's pres. Eugene F. McDonald -- and he's not a man to ignore, especially as a competent & successful manufacturer and merchandiser -- you must concede he's one of cleverest publicity hounds in the land. His method is provocation, controversy, anything to get his name and Zenith mentioned -- for it helps sell goods. We doubt whether anyone has ever gotten so much free advertising mileage out of a single subject, over so long a period, as he has squeezed out of pay TV.

That issue has been shelved temporarily, as everyone knows, at Congressional behest after open and aboveboard hearings in which the networks and the overwhelming preponderance of TV stations opposed it (Vol. 14:9).

We now give you herewith (pp. 7-10) McDonald's latest effusion which, like so much of his previous output along similar lines, would be another smart publicity gimmick worth its weight in ad linage were it not for the point-by-point reply of CBS's scrappy Richard S. Salant, printed alongside.

This time it's a letter he sent to selected newspaper editors and Congressmen, raising the bugaboo of "thought control [by] 2 or 3 men in New York." Burden of a rather nastily worded pitch -- he even gratuitously sideswipes Eric Johnston and foreign aid, an utter irrelevancy -- is that the networks pushed a button, forced their affiliates to oppose pay TV, and thereby unleashed a horrendous flow of anti-pay TV reaction. The charges are so obviously aimed at CBS (though other implications are clear, too) that Salant undertook to demolish the charges one by one.

What's implicit in the McDonald tirade, which almost says so outright, is that anti-pay Congressmen and Senators are such easily-swayed dopes, so fearful of TV and its political influence, so subservient to the network lobby, that that's why pay TV failed to get an immediate go-ahead for tests. He seems to believe station managements, let alone members of Congress, have no minds of their own -- and that the networks have manipulated Congress and the public better than he has with his own well-heeled publicity machine and very substantial representation in Washington.

McDonald's tirades are frequently ignored by his opponents, who hesitate to get into a hissing contest. But Salant, doubtless with the approval of Paley and Stanton, couldn't let this one pass -- and he takes on the old master with a letter addressed to McDonald that's simple, straightforward, documented.

Knowing the McDonald tactics of old, it's plain to us that he's again trying to play newspapers against TV, just as he tried to play the movies against TV. Mainspring of all his publicity campaigns is the indefatigable Ted Leitzell, Zenith public relations director, an old newsman, backed as usual with a fat purse.

Aware that we too seem to be playing into McDonald's hands by giving so much space to his dark mutterings -- that we may be abetting the old dodge of I-don't-care-what-you-say-about-me-as-long-as-you-spell-my-name-right -- we're printing the unabridged letters so that you can judge the case for yourself.

* * * *

Note: Since we're taking a rare editorial stand, you may ask just what we, from our informational vantage point, think about pay TV. We make no bones about it -- and it can't be said that we're prejudiced simply because McDonald has been so harsh a critic of TV and so seldom a user of the TV (or radio) advertising medium:

Except for closed-circuit potentials, now being tested by commercial and educational interests, we think pay TV promises little more than pie-in-the-sky. We don't share the broadcasters' apprehension that tests might hurt free TV. Quite the contrary, if they're properly supervised, kept free from stock-jobbing and free from publicity maundering, they might be worthwhile. But not on Zenith's terms.

Neither Zenith nor anyone else has so far offered any definitive programming plans. They've signed up nothing even conditionally by way of programs not available to free TV (except maybe new Los Angeles Dodgers & San Francisco Giants); have no real commitments for promised first-run movies, stage plays, operas, symphonies, educational courses -- and would seem to have little prospects of getting them.

We're convinced any fair test of pay TV would fail so ignominiously that the chimera of toll TV would finally dissipate.

THREAT OF GOVT. CATV REGULATION RECEDES: A real victory for community antenna system operators emerged from FCC this week -- almost obliterating the spectre of govt. regulation. Decision came in 2-year-old case involving "complaint" filed by group of small-town TV & radio stations (for list, see p. 14) which feared CATV systems would stymie local stations. They asked the FCC to declare systems "common carriers" and to proceed to control their rates and services (Vol. 12:14).

Commission turned stations down flatly, and here's nub of its reasoning, as given in Public Notice 58-311, full text of which will be available in 1-2 weeks from Govt. Printing Office: "Fundamental to the concept of a communications common carrier is that such a carrier holds itself out or makes a public offering to provide facilities by wire or radio whereby all members of the public who choose to employ such facilities and to compensate the carrier therefor may communicate or transmit intelligence of their own design and choosing...The choice of the specific intelligence to be transmitted is, therefore, the sole responsibility or prerogative of the subscriber and not the carrier."

CATV operator makes choice of what he gives subscriber, decision goes on to say, thus differs significantly from basic concept of common carrier. Commission also notes that even if CATV systems could be called common carriers there's serious question whether FCC could actually "restrict or control the entry or operation of

CATV systems in the interest of protecting or fostering TV broadcast service in particular communities -- which appears to be the real objective of complainants... For example, common carriers are not required to obtain any certification or other authorization under Sec. 214(a) of the Act to construct or operate 'local, branch, or terminal lines not exceeding 10 miles in length.'" Also, Commission says, most CATV systems have equipment located within single state, thus presenting "substantial question" whether they're involved in interstate commerce. Commission vote was 5-0, Bartley abstaining, Lee not participating.

Not only is shadow of Federal govt. control practically banished by decision but CATV operators believe their cause will be helped considerably before state utility commissions -- some of which have declared systems common carriers, though most such rulings are being contested in courts.

HARRIS REPORT STERN—BUT NOT FIERCE: FCC really comes off quite well in this week's Harris subcommittee report on "personal misconduct." Report is no whitewash, but it names no names, cites no specific allegations of law violation, passes buck for possible prosecutions to Justice Dept. It calls for laws to tighten up Commission's activities -- and even some commissioners say "amen" to that.

Interim report was issued April 4 (18pp., available from the Govt. Printing Office), adopted unanimously, and at news conference Chairman Rep. Harris (D-Ark.) said "this phase" of investigation is over. However, he said, group will go further into FCC, at same time it works on SEC & FPC. He said some 20-25 more comparative TV cases will be studied but that further hearings won't be held "until we have more facts." Other FCC matters to be studied: anti-trust, patents.

Report is certainly more temperate than might have been expected from the kind of ruckus raised at times during last few months. For example, Comptroller General is scolded for his "ambiguous" rulings on commissioners' expenses; acceptance of honorariums for speeches is regarded as "stretching" original Congressional intent; acceptance of color sets, etc. is regarded with "serious doubt" because experimental days of the equipment may be past.

Not a word in the report, however, of self-reproach for what everyone in the industry knows -- and what the Moulder-Harris hearings themselves brought out -- is the most persistent if not most pernicious "influence" lobby of them all: Senators, Representatives, other politicos seeking special favors.

Justice Dept. has picked up ball and its grand jury investigation of TV cases continues. It's known that jury has called witnesses in Miami Ch. 10 and Pittsburgh Ch. 4 cases. Though there's talk of Harris subcommittee and jury going into others -- such as Indianapolis' Ch. 13 & Boston's Ch. 5 -- jury hasn't called anyone.

* * * * *

Report says legislative recommendations will be made in 4 areas:

(1) Code of Ethics. Law should require FCC to adopt & publish code, revise it from time to time. It should cover ex parte contacts, acceptance of loans and gifts, "excessive fraternization" with industry, etc. But report states that laws & codes aren't enough; that FCC members must remain "sensitive at all times." SEC this week publicized 19-point code along those lines.

(2) Honorariums. Cut them out of Communications Act. Report states that original intent of law was to provide acceptance of payment for technical books and technical papers, but it's stretching law to take money for "delivery of good-will speeches on the occasion of semi-social or promotional industry gatherings or at [inauguration of stations] or other affairs publicizing industrial developments."

(3) Ex Parte Contacts. Law should be amended to prohibit anyone from talking to commissioners or staff about adjudicatory cases -- unless such communications are made public. Subcommittee said it wants to study further whether to impose similar restrictions in rule-making proceedings. "It seems illogical," it said, "to

let the law remain silent in a case of rule-making where, as a result of the Commission's action, a TV channel in a particular community may be added or deleted."

(4) Removal of Commissioners. Law should definitely provide for removing members for "neglect of duty or malfeasance in office, and for no other cause."

Report said subcommittee wants to look further into: (1) Method of selecting or designating chairmen. (2) Powers of chairmen. (3) Powers of Budget Bureau. (4) Commissioners' terms of office and salaries.

This week's concluding sessions comprised testimony of Comr. Robert E. Lee, former chairman George C. McConnaughey, former member Frieda B. Hennock -- plus the brief reappearance of Chairman John C. Doerfer, members T.A.M. Craven & Frederick W. Ford. [For details, see below.]

Windup of "Impropriety" Hearing: This week's final testimony in "personal conduct" phase of Harris subcommittee's inquiry into FCC (above) was more of the same heard in recent weeks—Govt. "per diem" payments on trips, hotel bills, "influence" in comparative TV cases—but with a few novelties and nuggets.

Brief appearances were made first by FCC Chairman Doerfer, members Craven & Ford, former member Webster. Principal development was Chairman Harris' criticism of commissioners for taking too many trips, accepting industry entertainment and gifts. Doerfer got off his chest a blast at "influence peddlers who haven't got any influence" but "give agencies a bad reputation."

Comr. Lee was on stand for some time, and his testimony was similar to others'—that he took $12 per day from Govt. while on trips; that he let industry groups pay hotel bills; that no one ever pressured him in TV cases; that he "fraternized" with industry to extent necessary to learn about industry's operations. Regarding expenses, he said: "I have one simple test, and that has been not to make a profit on a trip." His income tax returns, he said, show he lost $132 on trips in 1956, $200 in 1957.

Lee said phone calls he made to Cleveland lawyer Charles Steadman were "personal," had nothing to do with Miami Ch. 10 case. He also denied vehemently the charges in Drew Pearson's column last week that he reversed decisions because of influence of GOP bigwigs (Vol. 14:13).

* * * *

Former Chairman McConnaughey was questioned at length about contacts with industry people, Republican committeemen, etc.—but asserted none influenced his decisions in comparative TV cases, though some tried to tell him "what good people" were stockholders in their applications. Here's how he approached decision making:

"When initial decisions were rendered, I generally studied them and read them and went over them and I pretty much had made up my mind how I was going to vote even before oral arguments." If examiners weren't reversed occasionally, there would be no need for a Commission, he said.

McConnaughey said he had lunch with Robert Choate, principal of WHDH-TV, Boston Ch. 5 winner, but that he steered conversation away from case; same, he said, with Forrester A. Clarke, of Ch. 5 loser Mass. Bay Telecasters. Commerce Secy. Weeks never discussed Ch. 5, he said.

White House contact was counsel Gerald Morgan, McConnaughey said, but they talked only about security matters, except that Morgan sometimes inquired why TV cases weren't moving faster.

Rep. Peter Mack (D-Ill.) tried to find out why McConnaughey called Richard Mack in Fla. in April 1955 even though latter wasn't due to start with FCC until July 1. McConnaughey said he simply wanted to know when Mack was coming because FCC needed all 7 members.

Sen. Holland (D-Fla.) this week released statement telling how he came to recommend Mack for job. He said Mack had done "outstanding work" on Fla. utilities commission, came to him and Sen. Smathers (D-Fla.) in 1951 to ask help in getting on ICC. Holland said that he and Smathers tried to get Mack on ICC, FCC & FPC before finally persuading administration to put him on FCC; that McConnaughey said he was "favorably impressed" with Mack before appointment.

McConnaughey also testified his law firm doesn't have any clients who appeared before him in adjudicatory matters—though he said that wouldn't be improper.

* * * *

Former Comr. Frieda Hennock hasn't changed. In her testimony, she was as vehement as ever in advocacy of educational TV and uhf, and in attacks on "monopoly." Now a counsel for Zenith, pushing pay TV with former colleagues and with women's & educational groups, she repeated Zenith's charges that "2 or 3 men in N.Y." control what is seen on TV (see p. 1). She asserted that the 3 TV networks, AT&T "and all the other monopolistic interests in this field" were responsible for getting her "kicked off unceremoniously" from FCC.

She came to rescue of "brother commissioners" who had color sets on loan. She said CBS put one in her apartment and disrupted her decor. As for trips, she said industry never paid her hotel bills—but her colleagues shouldn't be chastised, because they support families.

Miss Hennock (now Mrs. Wm. Simons, wife of Washington realtor) examined subcommittee's 16pp. list of long-distance phone calls she made during tenure, said they were to promote educational TV. She credited former President Truman for reserving educational channels, said he called all commissioners to White House, told them he had never asked any agency for anything before but that he was asking FCC to reserve the channels.

Discussing "excessive entertainment," Miss Hennock asserted she learned more by attending NAB convention in Los Angeles than she possibly could by staying in Washington. There, she said, she learned the problems of little broadcasters who couldn't afford to come to Washington and lobby with commissioners. Incidentally, FCC members still plan to attend upcoming NAB convention in Los Angeles.

Air was full of gallant comments during Miss Hennock's testimony. Congressmen complimented her appearance, her fight for educational TV, etc.

New and Upcoming Stations: KVIQ-TV, Eureka, Cal. (Ch. 6) began operating April 1 as community's second outlet and as NBC affiliate, bringing total stations now on air to 536 (92 uhf). KVIQ-TV gets network programs via off-air pickup of KVIP-TV, Redding, Cal. (Ch. 7), 94 mi. away, using tower on Mt. Pierce, 25 mi. S of Eureka. It has 5-kw RCA transmitter and 200-ft. self-supporting tower with 3-bay antenna on Humboldt Hill Rd. Co-equal owners are KVIP-TV and pres.-gen. mgr. Carroll R. Hauser. George C. Fleharty, KVIP-TV, is national sales mgr. for both stations; Frank M. Brown, ex-radio KHUM, Eureka, KVIP-TV program director; Otto Becker, chief engineer. Base hour is $200. Rep is Hollingbery.

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

KXAB-TV, Aberdeen, S. D. (Ch. 9), planned as affiliate of parent KXJB-TV, Valley City-Fargo, N. D. (Ch. 4), has changed target to June 1, reports pres.-gen. mgr. John W. Boler. Transmitter order has been changed to 10-kw Standard Electronics, scheduled for May 15 delivery. Work on studio-transmitter building starts in April. It has 400-ft. Stainless tower on hand, but construction has been held up by weather. RCA antenna now is scheduled for May 1 installation. Base hour will be $150. Rep will be Weed.

WCHU, Champaign, Ill. (Ch. 33), planned as satellite of parent WICS, Springfield (Ch. 20), will be delayed until WICS boosts power next June to 512-kw, using 1000-ft. tower at new site 10 mi. E of Springfield, reports gen. mgr. Milton D. Friedland. WICS base hourly rate is $250. Rep is Young.

WMUB-TV, Oxford, O. (Ch. 14, educational) has changed target to Sept., writes Stephen Hathaway, director of broadcasting for grantee Miami U. RCA 1-kw transmitter is on hand, construction of studio-transmitter house has begun and 6-section helical antenna was installed on 320-ft. Truscon tower week of March 10.

WKBM-TV, Caguas, P. R. (Ch. 11) has transmitter-studio building ready atop Cerro Marquessa Mt., but hasn't set target as "heavy moisture" prevents installation of equipment until power line is installed, writes owner Ralph Perez Perry, also operator of WSUR-TV, Ponce (Ch. 9) and radio WKVM, San Juan. DuMont 5-kw transmitter has been ordered and 200-ft. Lehigh tower is ready. Rates not set. Rep not chosen.

Lively Commission Agenda: FCC got its teeth into some tough cases this week, came up with whole passel of substantial decisions. Among them:

(1) Instructed staff to draft decision again granting WJRT, Flint (Ch. 12). Case has been in courts and out since first decision May 14, 1954. FCC also told staff to draft rule denying protests against WJRT's change of site from Clarkston to Chesaning, Mich.

(2) Voted tentatively to keep WICU's Ch. 12 in Erie, Pa. and WJRT's Ch. 12 in Flint, by instructing staff to come up with decision denying rule-making which would have shifted Ch. 12 from Erie to Cleveland and/or Akron and from Flint to Saginaw-Bay City-Flint or to Ann Arbor.

(3) Finalized initial decision giving uhf (Ch. 36) operator KTVI, St. Louis, full possession of Ch. 2, on which it now operates. Decision followed merger deal whereby competitor Louisiana Purchase Co. (Lon Hocker, pres.) is to acquire stock in KTVI (Vol. 14:6, 8).

(4) Denied protest of KVI, Seattle, against start of operations by KIRO-TV (Ch. 7).

(5) Made Walla Walla, Wash. all uhf by finalizing rule-making deleting Ch. 5 & 8, adding Ch. 44 & educational Ch. 50, making Ch. 22 commercial—Comr. Bartley dissenting.

(6) Denied petitions of WFAM-TV, Lafayette, Ind. (Ch. 59) and WDAN-TV, Danville, Ill. (Ch. 24) to shift Ch. 10 from Terre Haute to either city.

Commission started two rule-making proceedings: (a) To shift KTVH's Ch. 12 from Hutchinson to Wichita, Kan. —Comrs. Bartley & Ford dissenting. (b) To substitute Ch. 79 for Ch. 22 in Clarksburg, W. Va., Ch. 22 & 73 for Ch. 47 in Pittsburgh, Ch. 33 for Ch. 73 in Youngstown—Comrs. Doerfer & Ford dissenting. The petition to add Ch. 22 to Pittsburgh had been filed by educational WQED, Pittsburgh (Ch. 13), which wants an additional channel for educational programs in area. Youngstown move was sought by WXTV (Ch. 73) which wants the lower Ch. 33.

Site-move granted WTVD, Durham, N. C. (Ch. 11) permits it to move transmitter from point 9 mi. north of Durham & 20 mi. north of Raleigh to point 32 mi. southeast of Durham & 10 miles southeast of Raleigh, raise antenna from 1010 to 1510 ft. FCC held up, however, pending more information, application of KTVW, Tacoma, Wash. (Ch. 13) to move from 5 mi. east of Tacoma to Queen Anne Hill in Seattle and to increase power from 100 to 316 kw. [For details of foregoing, see *TV Addenda 26-J* herewith.]

Equal Time Verdict Upheld: Broadcasters are immune from libel suits resulting from equal-time political speeches, N.D. Supreme Court ruled April 3, upholding lower court verdict for radio WDAY, Fargo, in 1956 election case (Vol. 13:41). Farmers Union sued station for statements made by Senatorial candidate A. C. Townley, who had been given time under Sec. 315 of Federal Communications Act. Holding that WDAY was compelled by law to broadcast Townley's speech, court said: "Since the power of censorship of political broadcasts is prohibited, it must follow as a corollary that the mandate prohibiting censorship includes the privilege of immunity from liability for defamatory statements made by the speaker." Farmers Union was expected to appeal to U.S. Supreme Court. Pres. Harold E. Fellows of NAB, which intervened in case as friend of court, hailed verdict as helping to settle one of "phoniest" issues facing broadcasters, hoped "it will provide a stepping stone to final resolution, on a national scale, of our dilemma."

ADVERTISING AGENCIES: Howard Munce promoted to a v.p., Foote, Cone & Belding; John L. Rigotti named v.p., Chicago, succeeding Frank F. Buck who shifts to general management staff . . . Farrell Gilmore elected a v.p. of Ted Bates & Co.; George W. Craigie, Christopher P. Lynch & Albert J. Petcavage named asst. v.p.'s . . . Elliott W. Plowe and Robert Stark elected v.p.'s of BBDO . . . Robert S. Marker promoted to v.p. of MacManus, John & Adams . . . Alfred Goldman elected a v.p. of Reach, McClinton & Co. . . . Martin Solow, ex-Wilbur & Ciagnio, named exec. v.p. of Wexton Adv. . . . Don Blauhut promoted to director for TV-radio, Parkson Adv., N. Y. . . . Miss Reggie Schuebel heads N. Y. office at 515 Madison Ave. of new Maurer, Schuebel & Fleisher, also continuing in charge of broadcast relations with Guild, Bascom & Bonfigli Inc.; Robert Maurer, ex-Henry J. Kaufman & Assoc., and Henry Fleisher, recently publications director for AFL-CIO, will headquarter at 1025 Connecticut Ave., Washington. . . . Doyle W. Lott named a v.p. of Grant Adv.

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Personal Notes: Alexander W. Dannenbaum Jr., v.p.-sales, Westinghouse Bcstg. Co., and Wilmer C. Swartley, v.p.-Boston, elected to WBC board of directors . . . Jay Gardner, ex-KOA-TV, Denver and in agency work there, named gen. mgr. of KRDO-TV, Colorado Springs, under pres. Harry W. Hoth Jr.; Dell Nelson promoted to local sales mgr. . . . Thomas L. Young, ex-national sales mgr. of KBTV, Denver, named gen. mgr. of KMMT, Austin, Minn. . . . Harry M. Engel, pres. & gen. mgr. KUAM-TV, Guam, head of rep International Services Ltd., is on globe-circling business trip accompanied by wife . . . Ralph Steetle's trip to Moscow to attend International Broadcasting Organization (OIR) conference on TV has been deferred due to postponement of conference to May 12; he's director of Joint Educational Council on TV . . . Don Chapin, national sales mgr. for Radio Cincinnati Inc. (WKRC-TV & WKRC) shifts office from N. Y. to newly created sales headquarters in Cincinnati . . . Lawrence P. Fraiberg promoted to sales mgr., KPIX, San Francisco . . . M. M. Fleischel resigns as exec. v.p. & gen. mgr. of radio WMCA, N. Y. . . . John Bradley, promoted from San Francisco office of H-R Television Inc. to midwest sales mgr., Chicago . . . W. E. McClenahan, operator of regional rep firm bearing his name, appointed gen. sales mgr. of WKOW-TV, Madison . . . Frank M. Russell, NBC Washington v.p., and Mrs. Russell were hosts March 30 to Mr. & Mrs. Wm. R. McAndrew at Congressional Country Club party for newsmen; McAndrew, from Washington staff, recently was elevated to news v.p., N. Y. . . . Joseph M. Higgins, gen. mgr. of WTHI-TV, Terre Haute, Ind., elected pres. of Indiana Bcstrs. Assn. . . . Thomas J. Foy Jr. promoted to news director of WGN-TV & WGN, Chicago . . . Ann M. Corrick promoted to asst. chief, Westinghouse news bureau, Washington . . . Lou Shainmark resigns as v.p., Guild Films, his future plans to be announced shortly; Irving Feld promoted to gen. sales mgr. . . . Howard M. Lawrence elected v.p. of Loucks & Norling Studios, N. Y. . . . Albert Ward, onetime CBS producer-director, recently with BBDO as TV executive & producer (*Fred Waring Show*, Campbell Soups, Revlon), has joined TPA in newly created post of eastern program director in charge of developing new shows and client-agency contacts.

Obituary

Harry R. Spence, 57, pres. of KXRO, Aberdeen, Wash. for 12 years an NAB director, died of a heart attack at his Aberdeen home March 25. Surviving are widow, son, daughter.

David Hendrines Broekman, 55, composer, TV conductor (*Wide, Wide World, Ford Festival* in 1951), onetime with CBS, died April 1 in N. Y. of a heart attack.

Henry I. Marshall, 75, producer in late '40s of radio show for amateurs, *Cavalcade of Youth*, writer of more than 1000 songs, died in a nursing home in Plainfield, N. J., April 4. Surviving are daughter, sister.

More Top Network Shifts: Shakeup at ABC Radio as result of decision to curtail network operations (Vol. 14:12-13) highlighted week which saw various top executives at all 3 network organizations quit or change posts, some promoted, others released. Biggest news was resignation of ABC Radio div. pres. **Robert E. Eastman**, succeeded by radio stations v.p. **Edward J. DeGray**. Leaving with Eastman, who states he will remain in broadcasting, were **Thomas C. Harrison**, radio sales v.p.; **Wm. Hamilton**, program mgr.; **Irv Lichtenstein**, director of promotion & exploitation; **Dale Moudy**, asst. to Eastman; several dozen others.

James T. Aubrey Jr., ABC-TV v.p. in charge of programming & talent, returns this week to CBS-TV as v.p.-creative services, filling staff job previously held by **Louis G. Cowan**, now pres. of CBS-TV div. He had quit CBS 16 months ago to take ABC job, having been CBS mgr. of network programs in Hollywood and ex-gen. mgr. of KNXT there. At CBS Aubrey now has no direct operating responsibilities, his position being described by pres. Frank Stanton as "advisory to both the chairman of the board and the president and, upon request, from the divisions, to CBS Radio, CBS-TV, CBS-TV stations, CBS news and Columbia Records."

Thomas W. Moore, ex-gen. sales mgr. of CBS-TV film sales, who joined ABC-TV last Nov. as head of sales, assumes Aubrey's v.p. post at ABC, with **William P. Mullen**, mgr. of ABC-TV Detroit sales div., promoted to succeed Moore as ABC-TV sales v.p. Mullen is also ex-CBS-TV and was with William Morris Agency. Moore and Mullen report to TV network pres. **Oliver Treyz**.

In Hollywood, CBS-TV did not fill vacancy as such created by last week's resignation of **Howard S. Meighan**, ex-West Coast operations v.p. who quit to form new Ampex videotape firms (Vol. 14:13); instead, it promoted **William Dozier** to v.p.-programs, Hollywood, and **Guy della Cioppa** to v.p.-program director, Hollywood, latter reporting to Dozier; Dozier reports to v.p. **Harry G. Ommerle** in N.Y.

Alfred J. Scalpone, v.p. in charge of CBS-TV network programs, Hollywood, gives up that title, remains with network as an independent producer under contract to produce pilots of 2 new shows a year.

At NBC-TV, 3 promotions in network sales: **Angus Robinson** named mgr. of TV network sales, central div.; **Stephen A. Flynn**, director of sales services; **Joseph Iaricci**, mgr. of contract services.

Barry Bingham, pres. of WHAS Inc. (WHAS-TV & WHAS, Louisville) and editor-in-chief of *Louisville Courier-Journal* and *Times*, elected to board of trustees of Rockefeller Foundation, along with **Amory Houghton Jr.**, pres. of Steuben Glass Inc. (Corning Glass).

M. A. Trainer, veteran RCA broadcast equipment executive, recently merchandising mgr. for industrial electronic products, appointed to newly created post of administrator, plans & coordination services, broadcast & television equipment dept., RCA telecommunications div.

Dr. H. K. Newborn resigns as pres. of Educational TV & Radio Center, Ann Arbor, effective in Sept. to return to university administration; plans will be announced later.

Catholic Broadcasters of America schedules 10th annual convention at Conrad Hilton, Chicago, June 19-21.

Welles Hangen, NBC Near East correspondent, wed Patricia Dana of Piedmont, Cal., in Cairo, April 1.

Comdr. McDonald's Latest Tack on Pay TV

Another Provocative Outburst by Zenith's President and a Pointed Reply by CBS Vice President

(story on page 1)

EUGENE F. McDONALD'S LETTER
To Certain Editors and Certain Members of Congress

March 21, 1958

IT WOULD BE presumptuous on my part to try to point out the extent to which the First Article of the Bill of Rights, guaranteeing free speech, has been undermined by the overpowering and frightening development of TV. Free speech is not primarily the right of the publisher to print but the right of the public to hear and read all sides of a question.

So long as the newspapers held leadership at the bar of public opinion, every possible viewpoint could be presented. There are about 1800 daily newspapers, about 7000 weeklies, and many magazines of national circulation. Among these, the reader could select the medium that presented the news and viewpoints in which he was interested. Great press associations and columnists added their expressions of other, differing viewpoints and opinions.

Newspapers and magazines were supported in part by advertising and to a considerable extent by purchase of subscribers, who, through their subscription dollars, expressed their choice. But now the TV networks, supported entirely by advertisers, have developed a dangerously powerful position at the bar of public opinion. Their appeal is emotional. They reach their public not only through the ear but through the eye. Pictures were the cave man's mode of communication. Even children nowadays are strongly influenced by TV.

TV appeals to the emotions and emotions exert a tremendous influence. Radio and TV could give overwhelming advantage to a political candidate and assure him of public support.

"Vast Power Wholly Concentrated"

Unfortunately, this vast power is wholly concentrated in the hands of two or three men heading the networks in New York. The networks have life and death power over nearly all TV stations, which, without affiliation, can hardly survive. The net result today is that two men, controlling NBC and CBS, have absolute power over what can be seen and heard in tens of millions of homes. No such concentration of power ever existed in the press and Congress did not intend to give it to the networks. Network control can be broken down, but only if independent stations are given additional sources of programs and revenue, which will free them from the present absolute power of coercion wielded by CBS and NBC.

The two men who head CBS and NBC control TV broadcast policies throughout the country by their economic domination of affiliated stations. Outside of a very few large markets, no TV station can prosper, and few can survive, without a network affiliation to provide programs and advertising revenue. Any station that gets too far out of the network party line is in danger of losing its affiliation, and facing bankruptcy.

This year, there was a frightening demonstration of TV's tremendous power to shape public opinion, and of the

(Continued on page 8)

RICHARD S. SALANT'S REPLY
Addressed to McDonald and Released March 31

March 26, 1958

I HAVE JUST BEEN SHOWN the letter sent by you on March 21, 1958 to newspaper publishers and editors, in which you construct a highly imaginative set of situations indicating that CBS, through the facilities of broadcasting stations affiliated with it, is in a position to control the views of the American people—and that CBS has in fact improperly used such an alleged power to induce the American people to disagree with you about pay TV.

You have lent your name to the propagation of nightmarish fantasy.

It is inconceivable that you as the organizer and the first president of the National Association of Broadcasters [1923-25] or anyone remotely acquainted with both the statutory and practical safeguards under which the broadcasting industry in this country operates could voice such charges. Your recital of the potentials of thought control betrays a total lack of confidence in the Congress, the rest of the Government, hundreds of independent broadcasters, and the American people. None of these has been or can be manipulated as you suggest.

Under the Communications Act, all broadcasters operate in the public interest, convenience and necessity. Their activities are subject to the continued surveillence of the Federal Communications Commission, which exists to carry out the intent of the statute. The FCC's statutory character is such that it is legally impossible—even if any broadcaster wished—to operate contrary to the public interest, and it has long been recognized that a basic element of operating in the public interest is to present all significant viewpoints on any matter of public controversy.

Safeguards Against "Thought Control"

There are, moreover, even more powerful safeguards against any such danger of thought control. The immediacy of the relationship between the broadcasters and the public would not let unfair play go undetected and unprotested, without quick and vehement public reaction. No broadcaster could survive the ill will that favoritism would justifiably create. It would be contrary not only to his economic interests but to his very survival, for he cannot survive without viewers and listeners. Indeed your fantasy is refuted by the facts—the record of the broadcasting industry in controversial matters is conspicuous among all media for the diversity of views that it presents.

You are, therefore, wrong about the potentials. You are equally wrong about the facts of CBS' position and activities concerning pay TV.

We at CBS have spent a great deal of time and effort over the past several years in examining all the proposals that have been made regarding over-the-air pay TV. The issue is not whether there should be pay TV, but whether it is in the public interest to authorize the use, for pay TV, of existing channels now carrying free programs. CBS has never sought legislation barring pay TV systems, such as direct wire service, that do not involve the invasion of

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Comdr. McDonald's Letter

(Continued from page 7)

ruthless way in which two men who control TV broadcasting in the United States, can use this power to their own monopolistic advantage. One of the two men decided to use his power to kill off the limited test of subscription TV that had been authorized by the Federal Communications Commission. He figuratively pushed a button, and within a few days the Members of Congress were flooded with hundreds of thousands of letters opposing subscription TV.

CBS is the network that decided to demonstrate publicly this sheer power by killing off subscription TV. It called an affiliates meeting in Washington in early January, just as Congress was getting organized. It started the campaign on January 13th with a tremendous banquet for Members of Congress and other important people, and seated affiliate executives beside Congressmen to lobby against subscription TV. Then it sent affiliates home with instructions to go on the air with their TV stations and conduct concentrated propaganda campaigns.

The results were startling. One station in Champaign, Illinois (WCIA) ran a three-day campaign, telling the public that even a limited test of subscription TV would result in its taking over all broadcasting and depriving them of their advertising sponsored programs. Listeners were urged to write to the two Congressmen in its service area who happened to be members of the Commerce Committee, which was right then conducting hearings on subscription TV, and urge them to bar subscription. Little children were told to have their parents write to Congress to save them from having to pay to see youngsters' programs.

"Decision by Just One Man"

Variations of this campaign ran in different sections of the country, with the net result that many Members of the Congress were swamped with more anti-subscription TV mail than they had ever received on any one subject. If the issue involved had not been subscription TV, it could have been any other issue. The following are the important facts:

1. It took a decision by just one man to flood Congress with mail on one side of a controversial subject.

2. The campaign was based on fear, with utter disregard for the fact that subscription TV could no more take over what they call free TV than a few toll highways would take over our whole system of Federal and State highways.

3. Similar campaigns can be used to make the public believe almost anything that the network chiefs want them to believe.

Suppose for example, we were to elect the wrong man to the Presidency. Suppose he decided to use the tremendous power of TV to promote a "non-partisan" issue, and enlisted the aid of the network chiefs. Suppose the issue were one comparable to the campaign being headed by Eric Johnston, on behalf of the foreign aid program. Suppose TV stations all over the country went on the air with fear propaganda supporting foreign aid. Whether foreign aid is good or bad is beside the point. I daresay that such a campaign would produce millions of letters to Congress. Fantastic? The power is there, and it *could be* made use of if the wrong man came to power.

An effort has been made by the TV networks to repeal Section 315 of the Federal Communications Act, which requires that stations shall give equal opportunities to candidates for public office. If this section is removed, the TV networks cannot only control who is elected to public office, but what measures Congress shall enact. They will control public opinion on the dominant issues.

Beware The Power of TV!

The power of TV to reach tens of millions of American homes and to control what they hear is similar to the radio power that enabled Hitler to overwhelm the thinking of the German people with the big lie and build his power. The networks are striving to maintain the most dangerous monopoly over American public opinion that has ever existed. Their broadcasting stations have used the big lie and hammered home the false statement that subscription TV and advertising paid TV cannot exist together.

Subscription TV was never intended to, nor could it, replace advertising sponsored TV. You and I know, and anyone else experienced in business knows, that you can never charge the public for the programs they now get free, and which are the programs they will continue to get free, along with subscription TV.

It is just as ridiculous to say that paid advertising programs cannot exist with subscription TV (which will carry no advertising) as to say that state roads and county roads and federal roads cannot exist alongside the toll road.

The networks have been able to sway many Members of Congress to oppose even a trial of subscription TV. The networks know that this new service would lessen their coercive power over affiliated stations and give independence to stations that are now dependent on the networks for their economic existence. Their opposition to subscription TV arises from just one thing—the fear of competition.

This network monopoly, is in fact, a threat to freedom of speech—of vital interest to every printed publication.

Ever since the Republic was founded, newspapers, magazines and books have made it possible for every citizen to see all sides of a question. As Thomas Jefferson wrote his friend Lafayette, "The only security of all is in a free press. The force of public opinion cannot be resisted when permitted freely to be expressed."

Sincerely yours,

(*signed*) E. F. McDonald Jr.

Novel "pay-before-you-see" TV system was proposed to FCC this week by Halvick Industries, San Francisco, through its attorney Arthur M. Schaffer, 870 Market St. The idea: Halvick would get those of public who want a particular program to pay for it in advance, and Halvick would pay network to telecast it. Program would then go out free to everyone. Proposal says it would rely on public's honesty.

To his 21 honorary college degrees, RCA's David Sarnoff this week had an honorary high school diploma added by New York's Stuyvesant High, located in the neighborhood where he lived as an immigrant boy who had to quit school to go to work.

Current schedule for network hearing, issued by FCC this week: April 8, 10 & 11—multiple owners Meredith, Storer & Westinghouse; April 14, 15, 17 & 18—network affiliates' committees; April 22—KTTV, Los Angeles.

National TV Week will be observed Nov. 16-22.

Salant's Reply to McDonald

(Continued from page 7)

channels now devoted to free TV. As Dr. Frank Stanton, president of CBS, testified in January, we regard such systems merely as additional competition in the field of entertainment. We ask for no Federal prohibition of such competition. However, the proposals under consideration asked authorization to use the air waves, particularly during the prime evening hours through stations now serving viewers without charging them. On these proposals we wanted to reach a sound judgment as to our own interests and the best interests of the American people. After this examination, we came to the following conclusions:

The Real CBS Position on Pay TV

1. Pay TV does not threaten the economic interests of CBS or its stockholders. If pay TV begins to supplant free TV, we will offer pay TV programs ourselves. Furthermore, we believe that we are in an advantageous position from which to move into any such development.

2. The use of any of the limited air channels now available for pay TV would inevitably result in the end of free TV as the American people now know it, with most American people who could not afford to pay for their programs having to put up with markedly inferior fare. The suggested tests of pay TV would be so broadly conducted that in many areas there would be a blackout of any free TV service to hundreds of thousands of viewers. In any event, there would be no turning back from such tests, which would establish nothing about majority public choice, except how many people would be willing to pay and that as few as 5% of present viewers would make it profitable to its promoters. Meanwhile, during the three-year tests the channels used would be serving only the few who could pay during the prime evening hours.

3. The decision regarding over-the-air pay TV therefore cannot be made by tests. It must be made, after thorough exploration of all the factors and effects involved, by the American people through their elected representatives, since the air waves belong to the American people.

On the basis of these conclusions, we faced a duty to do what we could to make known our views and the data on which they were based.

Since 1954, we have presented those views in Congressional hearings, in briefs submitted to the FCC, and in articles and speeches by CBS officers—all in the full public view.

You are also mistaken in your statements concerning the CBS Television Affiliates Fourth General Conference in Washington, January 13-14, 1958. CBS did not "call" this meeting or give any instructions of any sort. The facts are these:

The Facts About TV Affiliates' Meeting

In August 1957, long before the hearings conducted by the House Committee on Interstate & Foreign Commerce were even scheduled, the CBS Television Affiliates Advisory Board, elected entirely by and from the representatives of the independently-owned affiliated stations, met at Colorado Springs and voted—on the suggestion of one of its members—to hold their annual meeting in Washington and to advance its date from April to January. The idea was not ours; it was the affiliates'.

At the Washington meeting CBS was obliged to and did report to its affiliates its conclusions on the use, for pay TV, of the air channels now devoted to free TV. At the same session, the affiliates heard a report from their own spokesman, selected by them, on the subject. The affiliates, on their own resolution passed in closed session not attended by CBS personnel, opposed over-the-air pay TV and urged that "all stations affiliated with the CBS Television Network immediately proceed to use their facilities to seek the will of the people . . . and that the reactions of the public be faithfully transmitted to the members of the FCC, Congress and other responsible Government agencies."

Some of the stations broadcast programs devoted to the subject. We at CBS had absolutely no control over such local programs. But we did suggest to the stations that they present both sides. Thus, a telegram sent on January 23, 1958 by the President of the CBS Television Network to all affiliates explicitly emphasized "the importance of having the true feelings of the public expressed to their representatives. Forums, panel shows and debates presenting both sides have proven extremely effective in illuminating the issues" concerning pay TV.

CBS-TV Network's Record

As far as the CBS Television Network itself is concerned, we have devoted time on the air to this subject as follows:

1. *CBS News Coverage.* The CBS news coverage of pay TV has been in complete balance. *Douglas Edwards With The News* covered the Congressional hearings on three days: January 17; January 21 (there were no hearings on January 18-20); and January 22. On January 17 coverage was devoted almost exclusively to a detailed interview of W. Theodore Pierson, your own counsel, who testified in support of the pay TV test.

There were 29 lines of interview with Mr. Pierson. At the conclusion of the interview, there was a brief reference to testimony of Harold Fellows, president of NAB, that pay TV "would offer the public nothing that is not already available on regular TV."

On January 21 Douglas Edwards devoted six lines to a summary of the testimony of Robert Sarnoff, president of NBC, against pay TV. This was followed by a 14-line statement by Congressman Albert opposing pay TV. On the same program there was a four-line summary of Solomon Sagall's testimony in favor of pay TV, calling it a "natural result of what he called the dissatisfaction of the American public with the substandard TV programs they have been receiving."

On January 22 about six lines were devoted to the testimony of Leonard Goldenson, president of AB-PT, and Dr. Stanton in opposition to the pay TV tests.

The full transcripts of these broadcasts are available for inspection at any time.

CBS has never used its right to editorialize to take a position on the air in opposition to pay TV.

2. *Special Programs.* The CBS Television Network has carried three discussions of pay TV on special programs. The first was *See It Now,* June 14, 1955, on which Dr. Stanton appeared against pay TV and the following appeared for pay TV: Paul Porter, counsel for International Telemeter; James M. Landis, counsel for Skiatron; Robert Sherwood; and Walter O'Malley. There was also a special film clip supplied by Skiatron. On May 1, 1956, there was a special 45-minute program called "Public Hearing on Pay Television." It was moderated by Dwight Cooke. Appearing for pay TV were: Mr. Pierson; Mr. Landis; Ralph Bellamy, president of Actors Equity Asso-

ciation; and Elfred Beck, owner and operator of a uhf station in Oklahoma. Appearing against pay TV were Victor A. Sholis, vice president of WHAS, Inc.; Truman Rembusch, Theatre Owners of America; Leon P. Gorman Jr., general manager of WABI-TV; and Sherwood Dodge, vice president of an advertising agency.

The most recent discussion of the issues was presented on the CBS Television Network Sunday, February 2, in a half-hour program moderated by Professor George Williams of the New York University Law School. (He substituted for the program's regular moderator since we thought it inappropriate for a CBS employee to act as moderator.) The proponents of pay TV were represented by Bob Hall, a director of Skiatron Electronics & Television Inc., and the opponents by myself. Incidentally, CBS' mail directly in response to this debate, in which both sides had equal time, was 998 letters against pay TV proposals, 17 for and 5 neutral.

The only ways that CBS presented its own views unilaterally have been in printed publications, in speeches not broadcast, in briefs submitted to the FCC and in open testimony at public hearings. The only ways that the CBS Television Network has presented the subject at all on the air have been in debates presenting both sides of the subject—with spokesmen from each side—and in news reports of public hearings that have given equal space to both sides.

Since the air waves are the property of the American people, any decision concerning their use must be made by them. To make a wise decision, they must have a full knowledge of the facts and their implications. The pressure campaign you have conducted for many years has presented only your side of the case. CBS has presented both sides in nationwide broadcasts.

While you have avoided personal appearances before Congressional committees and other bodies seeking to determine whether your proposals were in the public interest, this has not been true of the presidents of the broadcasting companies to whom you now attribute sinister motives.

Finally, we at CBS have far too much respect for the integrity of the Congress of the United States to share your conviction that at a dinner devoted solely to entertainment and attended by over a thousand people the votes of any Senator or Representative could be compromised.

Sincerely yours,
(*signed*) Richard S. Salant

Closed-Circuit Sport: Biggest TV hookup in closed-circuit history—Teleprompter's debut in theatre-TV prizefight field (Vol. 14:3)—brought out 364,876 fans to 174 locations, gross of about $1,400,000 for March 25 Sugar Ray Robinson-Carmen Basilio championship bout. Reporting record turnout—which he said was 80,000 more than watched 1957 Robinson-Basilio fight (Vol. 13:39)—Teleprompter pres. Irving B. Kahn said that "from here on in" his company will be active in sports events.

"In fact," he said, "here is the first true national example of pay TV—the kind that takes nothing away from the home viewer and makes possible a great future for top attractions." International Boxing Club, guaranteed $275,000 from closed-circuit rights, collected $340,000 from Teleprompter for last week's fight.

Theatre Network Television's Nathan L. Halpern, whose organization handled 15 previous major fights but was outbid for this one by Teleprompter, commented that he was "glad that the second Robinson-Basilio fight telecast had produced substantial financial results, thereby demonstrating once again the vitality of the closed-circuit medium." Halpern said some records set by TNT's first Robinson-Basilio telecast still stood.

Biggest deal yet in another sports pay-TV field—baseball—was rumored meanwhile. San Francisco Giants were reported to have signed $37,500,000 contract with Skiatron for 15-year telecasts of games. Last year, Giants announced $2,000,000 Skiatron deal for 2 years on West Coast (Vol. 13:36 et seq), but plan still is up in air. Neither Giants pres. Horace Stoneham nor Skiatron operator Matty Fox would discuss rumors of new arrangement.

Attention, NAB Conventioneers

If you want your *Television Digest* to follow you to your hotel in Los Angeles during the NAB Convention (April 27-May 1), we'll be glad to send it to any subscriber via air mail at no extra cost. You may use enclosed card to inform us of your hotel address ahead of the April 26 issue; we'll also send on the May 5 issue to any address you designate if you're not going to be back to your office by then.

Do You Know That . . .

BASEBALL and the Sport of Kings are very much in the headlines these days—so it may be apropos to have a look at the TV-radio enterprisers who are also closely identified with diamond and turf. Besides **Bob Hope's** much-publicized ownership interest in the Cleveland Indians (he also owns 39% of KOA-TV & KOA, Denver & 50% of WREX-TV, Rockford, Ill.), **Bing Crosby** is one of an all-radio & TV group that owns the Detroit Tigers; **George Storer** owns the Miami Marlins, of the International League; and KIDO-TV, Boise (**Westerman Whillock**) owns and broadcasts the Boise Braves, farm club of the Milwaukee Braves.

Incidentally, too, **J. Elroy McCaw**, owner of Tacoma's KTVW and various other TV & radio stations, last year sold the Seattle Americans hockey team and is a leader in group seeking a big-league baseball franchise for Seattle (Vol. 14:3). And **Tom Tinsley**, who controls WXEX-TV, Petersburg-Richmond, radio WITH, Baltimore & CP for WITH-TV there, once owned the championship Baltimore Bullets, pro basketball team.

Chairman and one-third owner of the Detroit Tigers, and chairman of the American League's TV-radio committee, is **John E. Fetzer**, veteran founder-pres. of WKZO-TV & WKZO, Kalamazoo; owner of radios WJEF, Grand Rapids & KOLN, Lincoln, Neb., and one-third owner of WMBD-TV & WMBD, Peoria. Another one-third of the Tigers' stock is owned by the **Fred A. Knorr** chain of Michigan radio stations (WKMH, Dearborn-Detroit; WKMF, Flint; WSAM, Saginaw; WKHM, Jackson).

* * * *

Bing Crosby once owned stock in the Pittsburgh Pirates, along with **Tom Johnson & John Galbraith**, latter 2 chief backers of now off-air uhf WENS, Pittsburgh (still a CP). Crosby is now one of the group that collectively owns the other third interest in Detroit Tigers, including veteran Texas broadcaster-telecaster **Kenyon Brown**; Miami (Okla.) banker & oilman **George Coleman**; Lehman Bros. partner **Joe Thomas**; Coleman's son-in-law **Fred Woolworth**, an executive of Stone & Webster; **Paul O'Bryan**, partner of Washington law firm of Dow, Lohnes & Albertson.

This so-called Crosby group recently bought KCOP, Los Angeles (Ch. 13) for $4,000,000 (Vol. 13:50); also recently bought radio KFOX, Long Beach, Cal. for $700,000; is identified with various other station ownerships [see *TV Factbook No. 26*]. It's noteworthy, too, that Wm. Wrigley Jr., owner of the Chicago Cubs, has been in various station enterprises with the brothers Ralph & Leslie Atlass, of Chicago.

It was Wrigley who recently revealed that the Cubs were able to stay slightly in the black only because of TV contracts, despite a $40,000 loss in gate last season (Vol. 14:5). Also, you will recall that TV bulked large as mainstay of pro football's 1957 earnings (Vol. 14:11).

* * * *

Baseball is everybody's game in America—and it's only natural that some top players should show up in TV-radio. Aside from the usual gamut of players-turned-sportscasters, we learn that ex-FCC chairman George McConnaughey was a left-handed pitcher who played bush league ball, was varsity star at Denison College ('18) and Western Reserve (LL.B. '23), played on an Army team during World War I.

"Big Jim" Cunningham, FCC's chief hearing examiner, was one of Georgetown's all-time greats; he was catcher on its championship teams of '21 & '22, was slated for tryout with the New York Giants when he threw an arm, decided on a law career, was graduated from Georgetown Law in '28. **Lorenzo Jones**, chief of property & stores section, FCC procurement branch, played third base in 1938 for the Class A Billings (Mont.) farm club of the St. Louis Cardinals, having played semi-pro ball in his native southern Missouri. **Richard F. Solan**, asst. to the FCC executive officer, was a star New York City high school league shortstop, had a '36 tryout with the Cardinals, still spends his spare time coaching sandlot clubs.

* * * *

There aren't many "horsey folk" in the TV-radio fraternity, except as spectators. RCA's **Frank Folsom** recently had a 2-year-old named after him—Irish-bred "Old Fols" owned by the Neil McCarthy Stables, near Hollywood. Folsom recently was elected a director of Hialeah Race Track, Miami, and is chairman of N.Y. State's Saratoga Commission.

CBS director and major stockholder, a onetime coowner of Philadelphia's WCAU, **Dr. Leon Levy** with wife Blanche (Bill Paley's sister) owns the famous Jaclyn Stable and he's exec. v.p. of the Atlantic City race course. His horse "Li'l Fella" was rated 4th best 2-year-old in America last year, looked for a time like a Kentucky Derby hope until it was injured. Jaclyn Stable has won nearly $350,000 in purses over the last 4 years.

Petry firm's popular Chicago managing partner, **Ed Voynow**, owns and races several horses, doesn't like to talk about his expensive hobby because he says he's had "only one good one in 22 years." And the **F. M. (Scoop) Russells** —he's the long-time NBC Washington v.p.—owned a farm just outside Washington until recently; their caretaker bred a pair of fair nags for the Russells—"Battle Neck" and "Phoebe G," latter named for Mrs. Russell—but both went the claiming route.

New CBS-TV affiliates: WJIM-TV, Lansing-Flint (Ch. 6) is now primary affiliate; WKXP-TV, Lexington, Ky (Ch. 27) has signed as interconnected affiliate.

ASCAP Probe Halts: House Small Business subcommittee investigation of charges by dissident ASCAP members that big music-licensing outfit discriminates against small-time songwriters (Vol. 14: 11-12) recessed indefinitely this week—and indications were little more would be heard from it.

Halt was called by subcommittee Chairman Roosevelt (D-Cal.) following closed conference with Justice Dept. officials on outlook for tighter enforcement of amended 1950 ASCAP anti-trust consent decree. Justice has indicated changes in decree may be sought to bring more equitable distribution of ASCAP royalties—for which some dissidents are suing in court—but no decision was reported.

Earlier this week, annual ASCAP meeting in N.Y. was turned into denunciation session by officers who assailed members who carry complaints to Congress & courts instead of abiding by ASCAP rulings—thereby "jeopardizing the overall security of the Society," as West Coast board member L. Wolfe Gilbert put it.

On another music front, broadcaster-controlled BMI —which is being probed by Senate Commerce subcommittee (Vol. 14:11-12) in hearings which resume April 15—moved in N.Y. Federal District Court for dismissal of 4-year-old, $150,000,000 anti-trust suit against it by 33 ASCAP members. Following pre-trial proceedings which have run through 27,000 pages of testimony, BMI brought suit to point of actual court arguments by asserting plaintiffs have no legal standing in case because BMI publishing & licensing practices don't affect them directly.

CBS-IBEW Deadlock: Citing "serious impact" of any network stoppage on nation's communications, Federal Mediation Service intervened April 4 to avert threatened strike against CBS by IBEW following breakdown in renegotiation of contract initialed by union leaders but rejected by rank & file (Vol. 14:6, 8, 9). In telegrams to IBEW pres. Gordon M. Freeman & CBS v.p. Wm. C. Fitts, Mediation Service director Joseph C. Finnegan urged that any walkout or lockout be delayed pending outcome of govt.-supervised secret ballot on "final" terms proposed this week by CBS for engineers, technicians & cameramen. IBEW's N.Y. local 1212 voted 461-124 at meeting April 2 to strike rather than accept CBS package offer, which included 2-instalment $10 raise.

National Telefilm Assoc. will own WATV, N. Y.-Newark (Ch. 13) and WAAT, FCC having approved transfer from Irving R. Rosenhaus group in deal involving $3,500,000 (Vol. 13:40, 44). Sale was held up when N. Y. Board of Regents sought to make Ch. 13 non-commercial, but this was dismissed and week later WOR-TV, N. Y. (Ch. 9) offered its facilities for daytime educational use (Vol. 13:49-50, 14:10-11). WATV call changes May 6 to WNTA-TV. NTA also operates KMSP, Minneapolis (Ch. 9) formerly KMGM-TV.

Advertising as a whole is going up, pacing growth of the economy—and, despite the current business recession, should gain by some $600,000,000 this year to achieve an $11 billion total. So said Charles T. Lipscomb, pres. of American Newspaper Publishers Assn., addressing ad executives' conference in Atlanta April 4. By 1965, he said, total may reach $15 billion. Newspapers accounted last year for $3,325,000,000 as against TV's $1,350,000,000 and radio's $648,000,000 (*TV Factbook No. 26*, p. 27) and will claim an even larger share this year, said ANPA chief.

New rep: WNHC-TV, New Haven (Ch. 8) to Blair-TV, from Katz; all 5 Triangle TV stations now represented by Blair.

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING • WASHINGTON 5, D C. • TELEPHONE STERLING 3-1755

Trade Report
April 5, 1958

INDUSTRY FUMES OVER NEW TAX THREAT: The Federal tax collector evidently touched on a tender spot last week when he moved to slap an excise tax on manufacturers' co-op advertising funds (Vol. 14:13). The reaction was explosive. Tax lawyers flocked to Washington, viewed with alarm an attempt to cut into promotional allowances. Result: Internal Revenue Service pulled in its horns -- a bit -- agreed to hold hearing and consider protests before making new rule effective.

It's a complicated picture but one that has industry on the hook for millions of dollars in back taxes as well as millions in the future. Here's how we sum up situation after talks with tax experts in and out of the electronics industry:

There's never been a clear IRS ruling whether co-op advertising funds -- and other "charges" and "allowances" -- are subject to the 10% excise tax. Individual companies have received "unpublished" rulings from local IRS directors, some from Washington. Now, IRS wants to put into effect blanket rule which -- as interpreted by industry's tax lawyers -- would not only put the long-established co-op funds inside the excise tax base but might include other "charges" -- "spiffs," allowances for incentive trips, cash awards, store demonstrators, etcetera ad infinitum.

EIA's tax committee turned scheduled Washington meeting, April 1, on plans to urge Congress to cut excise taxes from 10% to 5%, into a rump session protesting the IRS rule. Upshot of the day's deliberations by representatives from a dozen or more manufacturers was a formal petition to IRS to postpone original April 22 effective date. Next day, the Federal Excise Tax Council, including representatives of many electronics companies and appliance makers, drafted further protests and organized to solicit similar objections from associations of various industries affected.

In preparing formal protests to IRS, industry will bank heavily on recommendations of Forand subcommittee (House Ways & Means Committee) in 1956 (Vol. 12:11) that IRS institute a formal rule specifically exempting co-op advertising from the excise tax base, superseding the many "unpublished" rules in effect. Said Maurice Paul, pres. of Tax Council and asst. treas. of Philco: "IRS proposed rule reverses the Forand recommendation 180 degrees. We will ask IRS to issue a rule consistent with the Forand committee statement which we believe was good then, is good today."

Ad agencies with big TV accounts joined in protests to IRS, saw any added tax coming out of advertising budgets, declared now is not the time to put a crimp in promotions that stimulate sales.

On separate issue of reducing excise tax, EIA committee under chairman Lewis Spencer of Motorola decided to make urgent representations to House Ways and Means Committee, industry members to contact their congressmen at grass roots level.

"Anti-Recession Moves": That's what Admiral's Ross Siragusa, unworried about the radio set "invasion" from Japan (Vol. 14:6, 12) but plenty concerned about buyer apathy, calls his decision this week to cut to $12.95 list price of his 4-L series of 4-tube, AC-DC radios, hitherto sold at $15.95 -- this despite fact it has been moving at rate of 20,000 to 25,000 monthly and there's 60-day backlog. It's a leader item, as is Admiral's new 110-degree 17-in. portable, being offered at $139 to $169, same price as last year's 90-degree job. The 110-degree set took 6 months to retool and automate, he said, and is now on delivery.

TV-Radio Production: TV set production was 78,057 week ended March 28 vs. 91,416 preceding week & 111,601 in 1957. Year's 12th week brought production to 1,149,975 vs. 1,376,118 last year. Radio production was 195,005 (61,701 auto) vs. 170,655 (40,218 auto) preceding week & 299,075 (104,385 auto) last year. For 12 weeks, production totaled 2,455,436 (814,054 auto) vs. 3,530,007 (1,546,857 auto).

INDUSTRY ON THE MARCH WITH STEREO: First drumbeats of the stereo parade were heard in the streets this week as Magnavox showed new stereoized phonographs and a kit to convert current monaural models. Westinghouse stockholders at their annual meeting in Metuchen, N.J., this week also saw stereo demonstration, were told company would have stereo phonos soon. And, one enthusiastic tycoon predicted stereo business in a year or so would run up to 60% of TV-radio dollar volume.

Not to be outdone by the phono manufacturers, major and minor record makers continued to report that stereo discs are just around the corner. Major labels plan to have stereo by fall; RCA Victor record div., says v.p. & gen. mgr. George Marek, will have some releases by mid-summer.

Compatibility, now regarded as a bugaboo by record manufacturers -- with the possible exception of Columbia -- has gone back into the labs. True, it's ultimate goal of all stereo enthusiasts and especially of the phono makers who view it as a panacea to many problems of marketing duplicate stereo and monaural discs. However, stereo is not going to wait for compatibility, as one manufacturer told us emphatically. A good hi-fi unit, with stereo cartridge and components added, "does a swell job, doesn't degrade either stereo or monaural."

What's all the talk about stereo doing to hi-fi sales? We got mixed response to that question. On one side were manufacturers -- declining to be quoted -- who report hi-fi sales to dealers have slowed down. They look ahead to high inventories of monaural phonos when stereo comes on the market. Others, however, express satisfaction with hi-fi sales, say lots of buyers are going for high-end models with a view to conversion to stereo. We found some manufacturers are going across-the-board for stereo -- the same manufacturers who went all out in the early days of TV.

Plans for stereo record production by smaller manufacturers seem considerably further advanced than those of the majors. Audio Fidelity, first out with stereo, has dominated the hi-fi shows on both coasts this spring with 4 releases at $6.95, and is readying 4 albums. Roundup of stereo records in March 31 Billboard reports Urania will have 5 releases by May 1 -- 15 more in works; that Esoteric, Counterpoint, Contemporary and ABC-Paramount all aim to market releases before the Parts Show in Chicago (May 19-21, Conrad Hilton). Imperial plans 12 releases by Sept.

Trade Personals: John M. Otter, resigned Philco exec. v.p., has organized John M. Otter Co. to take over distribution of Philco consumer products in Philadelphia from factory branch, 2030 Upland Way . . . Merle W. Kremer named v.p. of Sylvania parts div.; Gerald L. Moran, v.p. chemical and metallurgical div. . . . John Clarke, ex-Hotpoint-TV, appointed GE's merchandise mgr. for portable appliances . . . N. J. Litherland promoted to asst. to v.p. & treas. of Magnavox . . . Frank M. Folsom, RCA exec. committee chairman, elected director of Hialeah Race Track, Miami . . . Henry Zaccaria promoted to purchasing mgr., International Resistance Co., Philadelphia; Edgar M. Corson Jr., named sales mgr., computer components div. . . . Jerry Shifrin, ex-*Cash Box Magazine*, named national sales mgr. of Roulette Records, succeeding Don Carter who resigned to form own company . . . Charles R. Denny, new RCA v.p. for product planning, elected to board of RCA Communications Inc.

London exhibition on instruments, electronics & automation April 16-25, has attracted 48 U. S. exhibitors to date. Last year, attendance was 53,000 from 81 countries.

Obituary

Wm. H. Taylor, 56, pres. GE subsidiaries in Mexico, took his own life while attending a company business management course at Ossining, N.Y., March 28. Surviving are widow, son, daughter.

DISTRIBUTOR NOTES: Motorola forms Knickerbocker Distributing Corp. as wholly-owned subsidiary to service greater N. Y., replacing Warren-Connolly Co.; names Wm. F. Smith, ex-Gross Distributors, as gen. mgr.; Gilbert Hoffman, onetime CBS-Columbia, controller & operations mgr.; Frank Allorto, ex-Chrysler Airtemp, credit mgr.; transfers entire Motorola sales force of Warren-Connolly to branch which opens at 25-09 38th Ave., Long Island City, April 14 . . . Bruno-N. Y. (RCA) promotes David Wolff to sales mgr. of RCA Victor div., replacing Dave Wagman who resigned to open own distributorship, Dave Wagman Inc. (Dormeyer) . . . Sylvania appoints Graybar, Pittsburgh; Thermal Supply Inc., Houston, for home electronics . . . Hoffman appoints Graybar, Memphis, for parts of Tenn., Miss., Ky., Mo., Ark.; Hi-Fi-Tel Distributors Inc., Rochester, for west central N. Y. . . . RCA appoints R. T. A. Distributors, Albany, N. Y., for sound equipment; Arthur Herman & Edward Garrigan head new dept. . . . Capitol Records Distributing Corp. names Donald E. Hassler to new post of special markets sales mgr. . . . H. M. T. Barkhordar, Tehran, appointed by Du Mont for TV, hi-fi & radios in Iran.

New EIA members: Crosley Division, Avco Mfg. Co., Cincinnati; Caldwell-Clements Manuals Corp., New York; Electronic Components Inc., Nashville; Fairchild Semiconductor Corp., Palo Alto, Cal.; Hexacon Electric Co., Roselle Park, N.J.; Tele-Dynamics Inc., Philadelphia.

Tube Jury Recommends: A Bronx County (N. Y.) grand jury wound up 17 months of investigation into "vicious" used TV & radio tube racket this week with 6-point presentment which, it said, might keep the public from being bilked out of $5,000,000 annually by tube racketeers (Vol. 14:11). But, jury came a cropper when it suggested there is "much merit" in proposals to eliminate all tube warranties. Manufacturers were quick to point out that the principle of "implied warranty" is firmly established in law and, in any event, warranties tend to be extended rather than curtailed as tube quality improves.

Presentment handed to Judge Schulz charged sale of used or worn-out tubes endangered human life "when they are sold to airlines and medical profession." Some tube racketeers, it said, have "fled this jurisdiction" for New Jersey during investigation, are preparing to return. It recommended: (1) Law to make possession or sale of mis-marked tubes a felony rather than a misdemeanor. (2) License servicemen, dealers and distributors of tubes. (3) Require set manufacturers to destroy defective or used tubes. (4) Industry should initiate advertising campaign to warn consumers of tube racket, encourage trade with reputable dealers and servicemen only. (5) Industry should require return to factory of exchangeable tubes and look into "merits" of eliminating warranties. (6) Code markings should be indelible.

W. Walter Watts, exec. v.p. of RCA electron tube div., who was permitted by judge to address grand jury, said RCA was "grateful" for its efforts to clear up tube racket, outlined RCA plans to counter traffic in used and mis-branded tubes. Earlier, judge had criticized RCA and other manufacturers for "winking" at tube racket.

TV & appliance advertising controls to prevent misrepresentation of used, rebuilt or repossessed merchandise are provided in bills introduced in N. Y. state legislature by powerful Senate Rules Committee. Measures would compel advertisers to indicate model year of manufacture, state condition as "used" when merchandise isn't new. "Bait" ads also would be prohibited.

Admiral Ad Case Settled: Federal Trade Commission complaint against Admiral's TV advertising (Vol. 14:10), which charged ads did not clearly disclose the true size of picture tubes, was settled this week by consent order. Order provides that, when diagonal measurement is used, either that fact or actual viewable area in square inches, must be conspicuously disclosed in immediate connection with the measurement.

Original 1957 complaint said Admiral's ads—including phrases such as "21-in." & "24-in." with "footnotes" explaining this is diagonal measurement—do not constitute adequate disclosure to prospective buyers. Case is the first settled since FTC promulgated its Trade Practice Rules for the Radio & TV Industry in 1955.

Next FTC step in strict enforcement of advertising provisions of the rule may require manufacturers to police distributor and dealer ads if factory co-op funds pay for any part of insertion cost.

The complexity of such an undertaking might force set makers to standardize on square inch designation for all tube sizes—a procedure which the FTC already has indicated meets its approval.

ELECTRONIC PERSONALS: **J. M. Hertzberg**, v.p.-marketing of RCA's defense electronic products div., and **F. C. Reith**, pres. of Avco's Crosley div., elected to EIA exec. committee, military products div. . . . **Dr. Roger W. Burtness** promoted to mgr. of engineering & research for Stewart-Warner electronics div., Chicago . . . **F. J. Anderson** named mgr. new Sylvania data processing lab . . . **Peter Meisinger** promoted to pres. & gen. mgr. of Laboratory of Electronics Engineering, Washington . . . **Henry J. Nolte**, pioneer in development of electronic tubes, retires after 45 years with GE. . . . **Kenneth W. Connor** promoted to newly created post of sales management mgr. for Sylvania home electronics div. . . . **Hoyt P. Steele**, ex-pres. of Benjamin Electric Mfg. Co., named head of GE govt. relations service. . . . **Fred Bailey** named pres., Ling Systems Inc., Los Angeles.

Lee P. Loomis group will own WMTV, Madison, Wis. (Ch. 33), now that FCC has approved $399,333 sale by WTVJ Inc. interests (Vol. 14:10). Sale price includes $288,333 still owed founding Gerald A. Bartell family from whom Miami's WTVJ (Mitchell Wolfson) acquired station last year for $350,000 plus $200,000 option on buildings and land; option also is turned over to Loomis group. Buyers operate KGLO-TV, Mason City, Ia. (Ch. 3) and KHQA-TV, Hannibal, Mo.-Quincy, Ill. (Ch. 7)—ownership interlocking with Lee newspaper chain, which includes *La Crosse* (Wis.) *Tribune*, 27.5% owner of WKBT-TV, La Crosse (Ch. 8). After transfer, Merritt Mulligan moves from KHQA-TV to become WMTV station mgr.; Donald G. Harrer, from KGLO-TV, operations mgr.

Sale of KFBB-TV, Great Falls, Mont. (Ch. 5) & KFBB to Cascade Service Inc. for $600,000 by Joseph P. Wilkins and associates (Vol. 14:10) was approved this week by FCC. New owners, each with 49.98% are E. B. Craney's Z-Bar Net and Idaho Radio Corp. (A. W. Schwieder, pres.), licensee of KID-TV, Idaho Falls (Ch. 3) & KID. Sale is conditioned on transfer of radio KXLK, Great Falls, from Z-Bar Net to Pat M. Goodover, FCC having approved $60,000 sale March 5. In addition to Z-Bar Net, which will consist of 4 Montana AMs, Craney operates KXLF-TV, Butte (Ch. 4) and satellite KXLJ-TV, Helena (Ch. 12).

KRGV-TV, Weslaco, Tex. (Ch. 5) & KRGV will be wholly owned by Mrs. Lyndon B. Johnson's LBJ Co., FCC having approved purchase of remaining 50% for $100,000 from O. L. (Ted) Taylor (Vol. 14:12). Taylor remains as consultant to LBJ Co. for 10 years with $5000 minimum annual fee. LBJ Co. is licensee of KTBC-TV, Austin, Tex. (Ch. 7) & KTBC; owns 29% of KWTX-TV, Waco, Tex., (Ch. 10) & KWTX; KWTX Bcstg. owns 50% of KBTX-TV, Bryan, Tex. (Ch. 3). Original 50% of KRGV-TV was acquired by LBJ from Taylor in 1956 for $5000 and loan of $140,000 (Vol. 12:11, 14); 50% of radio KRGV was acquired on April 1, 1957 under $50,000 option agreement.

Stations filing complaint in community antenna case, decided by FCC this week (see p. 2): TV—KFBC-TV, Cheyenne, Wyo.; KSTF, Scottsbluff, Neb.; KFXJ-TV, Grand Junction, Colo.; KOTA-TV, Rapid City, S.D.; KID-TV, Idaho Falls, Ida.; KGVO-TV, Missoula, Mont.; KLIX-TV, Twin Falls, Ida.; KLAS-TV, Las Vegas, Nev. Radio—KSPR, Casper, Wyo.; KANA, Anaconda, Mont.; KGLN, Glenwood Springs, Colo.; KRAL, Rawlins, Colo.; KSID, Sidney, Neb.

Assn. of National Advertisers holds 5th national budget & cost control workshop April 24 & 25 at Westchester Country Club, Rye, N. Y., for company adv. mgrs. and corporate financial executives.

Financial Reports:

ZENITH'S pres. & gen. mgr. E. F. McDonald Jr. and its exec. v.p. & asst. gen. mgr. Hugh Robertson are revealed as probably the highest paid executives in TV-radio and related electronics industries in proxy statement for April 22 stockholders' meeting in Chicago, released this week. It reveals Comdr. McDonald's 1957 salary as $60,000, bonus $146,694, plus an additional $211,046 in accordance with an employment agreement—total of nearly $420,000.

Moreover, as owner of 93,786 shares of Zenith's 984,928 shares of new Delaware stock outstanding as of April 1, his 1957 dividends ($5 per share before recent 2-for-1 split) ran close to $250,000.

Next highest officer-director remuneration during Zenith's record 1957 sales-&-profit year (Vol. 14:12) was exec. v.p. & asst. gen. mgr. Hugh Robertson, whose salary was $50,000, bonus $151,644, special payment also $211,046; he owns 3636 shares of stock. Leonard C. Truesdell, sales v.p., not a director, got $40,000 salary, $66,503 bonus, shareholdings not stated. Joseph F. Wright, v.p., gen. counsel & director, same salary & bonus as Truesdell, holds 1060 shares.

Truesdell and Wright also received $6516 each as additional payments which, like those to McDonald and Truesdell, were "related to the successful conclusion in 1957 of certain litigation [vs. RCA-GE-Western Electric] and other actions resulting in an addition to surplus of $10,413,565 and upon which no bonus had been paid in prior years."

E. N. Rauland, pres. of subsidiary Rauland Corp. & a director, salary & bonus undisclosed, is shown as holder of 1000 shares of Zenith; Karl E. Hassel, asst. v.p.-engineering & secy., 200; Frank A. Miller, partner, Francis I. duPont & Co., 1000; W. S. Woodfill, pres., Grand Hotel Co., Mackinac Island, Mich., 1400. Being added to board are E. M. Kinney, v.p.-mgr., hearing aid div., 318 shares, and Hays MacFarland, chairman of MacFarland, Aveyard & Co., Zenith adv. agency, 400 shares.

McFarland, Aveyard agency last year placed gross of $1,291,017 in billings for Zenith.

Note: Rumors continue rampant about Zenith plans, including what reportedly ailing 68-year-old McDonald and 72-year-old Robertson contemplate in way of succession and expansion. Fact that firm enjoyed such an excellent 1957, in face of industry's downtrend, earning $8,165,577 ($16.58 per share) on sales of $160,018,978 and ending year with more than $60,000,000 earned surplus (Vol. 14:12), tended to lend credence to Wall St. report it's contemplating acquisition of other firms. Talked about this week was alleged move to buy up or into Collins Radio.

Proxy statement notes: "FCC may require, in connection with certain applications for licenses, that the charter of the company provide specific authority to engage in broadcasting services" [presumably Phonevision]. Zenith now owns an FM and an experimental TV station, and asked stockholders to approve resolution amending chart to authorize it "to own and operate radio and TV broadcasting & transmission stations and apparatus for the transmission of writing, signs, signals, pictures and sounds of all kinds, by wire, cable, radio, light and sound waves or radiation of any type, including all instrumentalities, facilities, and services which the necessary or desirable for experimental, amateur or commercial purposes."

Muter Co.'s profit rose to $377,819 (50¢ a share) in 1957 from $31,646 (4¢) in 1956, sales going up to $14,301,067 from $12,126,563. Annual report shows working capital last Dec. 31 was $3,595,060 vs. $3,245,722 at end of 1956. Firm's oil well operation has been sold to Tekoil Corp. for $140,000 plus $210,000 in royalties due. Proxy statement for April 15 annual meeting in Chicago shows Thomas A. White, pres. of Jensen subsidiary, as only officer-director earning 1957 remuneration above $30,000; his was $52,157, and he's shown as owning 14,129 shares of 762,729 outstanding. Other stockholdings: Leslie F. Muter, pres., 110,565; Karl E. Rollefson, v.p.-chief engineer, 4264; Herbert J. Rowe, 3692; Leslie F. Muter Jr., 3289.

Webcor Inc., having enjoyed best gross-&-profit year in its history in 1957 (Vol. 14:11), discloses in notice of April 28 annual meeting in Chicago, that stock options have been granted executive officers as follows: Titus Haffa, chairman, 20,000 shares @ $12; Nicholas Malz, pres., 15,000 @ $10; and 5000 each @ $10 to Joseph J. Raffel Jr., exec. v.p.; Walter P. Altenburg, v.p. & gen. counsel; Harry R. Ferris, v.p. & secy.-treas. Haffa's 1957 remuneration was $100,000, Malz's $47,115, lamination div. v.p. John H. Ihrig's $36,971. Of 650,737 shares of $1 par common outstanding, Haffa owns beneficially 62,554, Haffa's sisters, Pauline & Flora 3465 & 31,500 respectively, Malz 14,490, Altenburg 2786.

Tele-Broadcasters Inc., whose 1957 revenues were $771,078 vs. $423,063 in 1956 (Vol. 14:12), reports gross sales in first 1958 quarter were 17.4% ahead of same period last year.

Erie Resistor earned $542,811 (68¢ per share) on sales of $24,737,643 in 1957 vs. $956,452 ($1.24) on $23,300,749 in 1956.

Wells-Gardner, major manufacturer of private-label TV sets which lost $250,000 in first half of 1957 (Vol. 13:39), ended year with net income of $76,573 (11¢ per share) on sales of $15,687,998 vs. $1,054,610 ($2.54) on $24,152,103 in 1956. Report by chairman George M. Gardner & pres. Robert S. Alexander to stockholders, who meet April 15 in Chicago, notes "calamitous business reversals" early last year, sees "promise of a profitable 1958." Backlog of orders as of Jan. 1 was twice that of year earlier. At end of 1957 firm's current assets were $6,313,763, current liabilities $1,481,368, earned surplus $5,422,737.

Westinghouse Bcstg. Co. stations had first quarter results "slightly ahead of the comparable period of 1957, and above objectives," Westinghouse chairman Gwilym A. Price told annual meeting this week. Overall, parent Westinghouse earnings in quarter fell short of $14,198,000 (82¢ per share) in same 1957 period, he reported. TV, radio & appliance consumer business was described as "not good—except for the consumer wise enough to take advantage of some of the biggest bargains in the history of the industry." Westinghouse won't go heavily into color TV until prices drop, but "when it takes off, we'll be ready for it."

RKO Teleradio Pictures earnings fell in first fiscal quarter ended Feb. 28, contributing to sharp drop in net income of parent General Tire & Rubber. Consolidated report for quarter shows estimated General Tire earnings of $1,754,124 (30¢ per share) on sales of $96,565,835 vs. $3,250,400 (65¢) on $95,497,318 year earlier. In report at annual meeting, General Tire pres. Wm. O'Neil didn't detail RKO Teleradio figures, but said subsidiary—along with plastics & industrial products divs. which were hurt by declining automobile output—helped to bring earnings down.

COMMON STOCK QUOTATIONS

Week ending Thursday, April 3, 1958

Electronics TV-Radio-Appliances Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
9¼	7	Admiral	8⅛	—½
22⅝	19⅜	AmBosch .30e	22	+⅛
16¾	13	AmBcstg-Par .1	15⅛	—¾
37⅞	32¼	AmMy&F 1.60	35⅝	—1¼
174¼	167⅝	AT&T 9	173	+1⅜
26½	22⅝	Amphenol 1.20	24½	—1
29⅞	26	Arvin 2	26½	—1
7¼	5⅝	Avco .10e	6	—
25¾	20¼	BeckInst 1¼f	20¾	—2⅝
53	44⅝	BendixAv 2.40	45½	—2⅝
32¼	28⅜	Burroughs 1	28⅜	—2
18⅜	15¾	Clevite ¼e	16½	—¼
29¾	24½	CBS "A" 1b	27⅝	+⅛
28¾	24⅛	CBS "B" 1b	27⅛	—½
16¼	12½	Col Pict ⅜t	14¾	—
35¼	27⅞	Cons Elec .40	31¼	—2⅛
26½	19½	Cons Electron	25⅝	—¾
16½	13	Cor-Dub .20e	13¼	+⅛
87½	74⅝	CornGlass 1a	80½	—3⅜
3⅝	3	Davega	*	
35	30	Daystrom 1.20	32	—1
16¼	13⅞	Decca 1	14⅞	+⅛
21½	14	Disney .40b	18½	—1½
107⅜	97⅛	EastKod 1.55e	101	—4
34⅜	29	EmerElec 1.60	32½	—½
6⅛	4⅛	EmersonRadio	5⅝	—¼
8½	7	Gabriel .60	8⅛	+⅛
65¾	55¼	Gen Dynam 2	56¾	—⅞
64¼	59½	Gen Electric 2	58½	—2
6⅞	4⅝	Gen Inst. .15g	6⅛	—¼
41	34¼	GnPrEquip2.40	35¼	—1⅜
30	22⅞	Gen Tire .70b	23⅛	—2
43⅝	40⅜	Gen Teleph 2	43	+¼
25⅜	21	HoffmanElec 1	24¼	—½
351¾	300	IBM 2.60	338¼	—6¾
33¼	29¼	IT&T 1.80	31¾	—⅜
41½	36⅛	I-T-ECirB .45e	36½	—1½
7⅞	6⅞	ListIndust ¼e	7	+⅛
43⅞	36⅞	Litton Ind	40	—1½
15½	13⅛	Loew's	13⅛	—¼
37	30¼	Magnavox1½b	35¼	—⅝
28¾	25⅝	Mallory 1.40b	25⅝	—⅜
88¾	76	Mpls.H'll 1.60a	84¾	—1
42¼	37¾	Motorola 1½	37¾	—1⅝
9	7⅜	Nat'l Thea ½	8⅝	—⅜
38⅜	30⅝	Paramount 2	33¼	—¼
17⅛	12⅞	Philco	15¼	—¾
35	30¼	RCA 1a	31⅝	—½
25¼	21½	Raytheon 1¼t	24⅝	+⅝
7⅛	5	Republic Pic	5⅞	—⅛
34⅜	32¼	SangElec 1.80	32⅜	—
16⅛	13¼	Siegler .80	13⅞	+⅜
3⅞	2¾	Sparton	3	—⅛
20⅝	17⅝	SperryRan .80	17¾	—⅜
8¼	6	Standard Coil	7¼	—¼
17⅜	14½	Stanley-War 1	18	+1¼
32	29	Stew Warn 2b	29⅞	+½
24½	20	StorBcstg 1.80	22¼	—¼
37½	31½	Sylvania 2	35⅝	—¾
33⅜	26¾	Texas Instru	33⅜	+3¼
55¼	41⅜	ThomProd 1.40	42½	—2
26⅞	23¼	Tung-Sol 1.40b	25	—⅛
25½	21¾	20thC-Fox 1.60	23¼	—⅝
20½	15¼	UnitedArt 1.40	19¼	—¾
22⅝	19	Univ. Pict 1a	20¼	—1⅜
19½	16⅞	WarnBros 1.20	19½	+¼
65½	57¾	Westingh El 2	57¾	—4⅜
75¾	67½	Zenith new	71½	—1¾

AMERICAN STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
3⅜	3	Allied Artists	3⅛	—
45	34½	Allied Con 1a	38⅛	—2⅜
15⅛	13⅜	AmElectro ½	13⅞	—⅛
10⅛	8⅜	AssocArtProd	10⅛	+⅜
9⅝	7¼	AudioDev .05d	9⅛	+⅜
10	7⅜	BelockInst ⅛t	8⅜	—
½	⅜	C & C TV	⅜	—1/16
3¾	2⅞	Clarostat .15g	3¼	+¼
4⅝	3	DuMont Lab	3½	—½
4⅛	2⅞	Dynam Am	3¼	+⅛
13⅛	10	EletcronicCom	12	—⅜
7⅞	6⅜	Electronics Cp	6⅞	—⅜
31⅝	19½	FairchCam½g	23¾	—1
24⅞	17¼	General Trans	21	—
17¼	14⅝	Globe Un .80	*	
3⅜	2⅝	Guild Films	3	+⅛
37½	30½	Hazeltin 1.40b	32½	—⅞
2⅞	2	Herold Ra .20	2¼	—⅛
4⅝	3¾	Int Resist .20	4⅛	—¼
6¼	4¼	Lear	4⅞	—
⅝	⅜	Muntz TV	½	—
3½	2½	Muter Co. ¼t	3½	+½
7	5⅝	Nat'l Telefilm	5¾	—
1⅝	1	Nat Union El	1¼	—⅛
6⅞	2⅞	Norden-Ketay	2⅞	—⅛
3⅝	3	Oxford El .10r	3	—
16	11	Philips El	14¼	+¼
8⅝	6⅝	Servomech .40	7¾	—⅛
6	3⅜	Skiatron	4⅜	+¾
4⅜	3½	Technicolor	3¾	—
4½	3½	Trans-Lux .20g	*	
4⅞	4⅝	Victoreen Inst	4⅝	—¼

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked
Advance Ind	1⅞	2⅛
Aerovox	4¾	5½
Airborue Inst	41¾	44
Altec Co. .80	7½	8½
AMP Inc .50	17¾	19
Ampex	56¼	59
Baird Atomic	8	10
Cincrama Inc.	1 7/16	1¾
Cincrama Prod.	1¾	2
Cohu Electronics	6⅞	7½
Collins "A" .35	12	13
Collins "B" .35	12	13
Cook Elec. .40d	17½	18½
Craig Systems	4½	5¼
DuMont Bcstg.	7⅝	8½
Eitel-McCullough (5% stk)	26	28
Elec Assoc (stk)	36½	39
Erie Resistor .40b	6¼	7
Friden Ind. 1	48	51
Giannini, G. M.	14⅜	15
Granco Products .05	1⅛	1½
Gross Telecasting 1.60	17½	19
Hewlett-Packard	25¼	26½
High Voltage .10g	29½	31
Hycon	2¼	2¾
Indiana Steel Prod. 1.20a	18	18½
Jerrold	1½	2
Ling Industries	2¼	2⅝
Leeds & Northrup .60b	22¼	24
Machlett Labs .25g	15¾	17
Magna Theatre	2⅜	3
Maxson (W. L.) .05	5	5¾
Meredith Pub. 1.80a	30	33
National Co. (4% stk.)	11½	13
Oak Mfg. 1.40	14¼	15
Official Films .10	1	1¼
OR Radio	18⅛	19
Pacific Mercury TV	5¼	5½
Packard-Bell .50	11⅝	12
Panellit	5⅛	5¾
Perkin-Elmer	23¾	25
Philips Lamp (14% of par)	34¼	36
Reeves Soundcraft (stk.)	2 9/16	2¾
Sprague Electric 1.20	30	32
Taylor Instrument 1.20	28	29
Tele-Broadcasters	2¾	3½
Telechrome .30	8½	9
Telecomputing	4	4½
Teleprompter (stock)	6	7
Time Inc. 3.75	61¾	65
Topp Industries (stock)	9½	10
Tracerlab	6¼	6¾
Trav-Ler	1⅜	1¾
United Artists	5⅛	5½
Varian Associates	15¾	16½
Webcor .15c	12¼	13
Wells-Gardner	7⅛	7¾
WJR Goodwill Sta. .50d	13¼	14

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Anuual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid after stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. * No trade

Republic Bucks TOA: Defying Theatre Owners of America—and protests by dissident stockholders and Screen Actors Guild against recent movie sales to NBC outlets (Vol. 14:13)—Republic Pictures is "working day & night to make deals with TV stations for its post-1948 films," pres. Herbert J. Yates said this week.

"Television is burning up the pictures so fast they can't get enough money to do what we want 'em to do," Yates told stormy stockholders' meeting in N.Y. He said Republic "definitely" had stopped making movies for theatres, wants to be out of business entirely by July 1.

Yates offered "guess" that Republic took in $1,500,000—"but don't take this for being correct"—from its recent sale of 218 post-1948 features to 6 NBC stations. Deal bucked TOA campaign against TV releases, brought stockholders' complaints that NBC got "bargain," caused SAG to boycott Republic Studios because actors got no extra money from sale. Deal was reported as involving $2,000,000.

In other movie-TV developments this week: (1) United Artists Associated filed SEC statement outlining plan to purchase assets, properties & TV business of film distributor Associated Artists Production Corp. In merger, United Artists Corp.'s subsidiary Gotham TV Film Corp. would sell its 700,000 AAP shares to UAA. (2) Columbia Pictures announced further production curtailments in favor of deals with independents, said "consolidation" of some depts. would affect personnel of TV-film-making subsidiary Screen Gems. (3) In $3,500,000 deal, N.Y. TV film distributor Sy Weintraub (who is pres. of radio WKIT, Mineola) bought controlling stock of Sol Lesser Productions, Culver City, which has *Tarzan* screen & TV rights, plans *Our Town* and *Capt. Horatio Hornblower* TV series; Weintraub becomes pres., Lesser chairman.

This week, too, MGM hired ex-ABC-TV programmer J. Donald Wilson to cull TV package offerings from library of thousands of shorts. And Film Producers Assn. of N.Y. invited civic leaders to April 8 dinner at Toots Shor's kicking off campaign promoting city as TV-&-movie production center.

George Foster Peabody Awards for 1957, administered by U of Ga. journalism school, presented April 2 at N.Y. luncheon of Radio & TV Executives Society: TV & radio news—CBS (*Face the Nation, See It Now, The 20th Century, This Is New York*). TV news—ABC, John Charles Daly & assoc. ("Prologue '58"). Local TV-radio news—Louis M. Lyons, WGBH-TV & WGBH, Boston. TV musical entertainment—*Dinah Shore Show*, NBC. TV non-musical entertainment—*Hallmark Hall of Fame*, NBC ("The Green Pastures," "There Shall Be No Night," "On Borrowed Time," "Twelfth Night," "The Lark," "Yeomen of the Guard"). TV education—*Heritage Series*, WQED, Pittsburgh. Local radio education—*You Are the Jury*, WKAR, E. Lansing, Mich. TV youth & children's programs—*Captain Kangaroo*, CBS. Local TV youth & children's programs—*Wunda Wunda*, KING-TV, Seattle. TV public service—*The Last Word*, CBS. Local TV public service—*Panorama*, KLZ-TV, Denver. Local radio public service—KPFA, Berkeley, Cal. TV contribution to international understanding—Bob Hope, NBC. Special TV-radio awards—NBC educational programs, Westinghouse Boston conference and "high quality of its own public service broadcasting."

Add awards: George Polk Memorial Awards to CBS News for "Algeria Aflame"; to Richard Heffner for "The Open Mind," WRCA-TV.

THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 14: No. 15

SUMMARY-INDEX OF THE WEEK'S NEWS — April 12, 1958

SHAREHOLDERS LOOK AT MANAGEMENT: Season of the stockholders meetings, coinciding more or less with income tax time, focuses attention anew on inside financial workings of major companies in TV-radio and related "electronics amusement" fields -- so we give you, on pp. 14 & 15, digests of a few more annual reports, rundowns on more salary-bonus remunerations and stockholdings of officers-directors, and a schedule of important upcoming stockholder meetings (p. 14).

These implement the many financial reports that we've digested in recent issues -- and they're a sort of preliminary to the annual listing of "Financial Data on Television-Electronic Companies" which the well-known Chicago specialist Edgar N. Greenebaum Jr. is compiling for us for release as a Special Supplement in early May. This year's listing will be somewhat expanded, will again show for each company its capitalization and where traded, and for each fiscal year since 1950 its sales, pre-tax earnings, net profits, net per share, dividends, assets, price range.

Note: Most of the annual reports thus far released follow the general business trend toward more sales, less profit -- but there are some egregious exceptions in the way of increased earnings, like Avco, CBS Inc., Hoffman, Webcor, Westinghouse & Zenith. Noteworthy in notices of annual stockholder meetings is a relative lack of controversial issues despite tendency during a recession to criticize management.

HATE-THAT-TV PROPAGANDA MILL GRINDS ON: The "hate TV" campaign fostered by certain pay TV proponents in propaganda furtherance of their own pie-in-the-sky promises (Vol. 14:14) may be rubbing off in some high places -- but, except for its publicity value, its illogical aspects could be self-defeating.

Question of stations editorializing against pay TV comes up on FCC agenda in a few days as Commission takes up complaints by Zenith and Skiatron that networks "pushbuttoned" an anti-pay campaign. Also before it are questions along that line raised by Senators Magnuson (D-Wash.), Neuberger (D-Ore.), Long (D-La.).

FCC sources state that, to the best of their knowledge, the vast majority of stations have been extremely careful to present balanced debate on subject. However, it has reports of a few allegedly one-sided presentations. And the pay-TV lobby hasn't let up its "contact" activity at the Commission and on Capitol Hill, notably trying to put across the thought-control-by-a-few-men-in-N.Y. angle.

There's no question that some Congressmen -- perhaps not many, because most have had first-hand relations with networks and stations regarding access to facilities -- are now concerned not so much by the merits of toll TV as by the pulling power of TV. The telecasts precipitated an incredible blizzard of mail asking them to ban subscription TV. It could be, though the record doesn't bear it out, that some lawmakers are falling for Zenith's dire predictions that through some evil machinations the telecasters could turn public opinion on and off in elections, etc.

FCC isn't inclined to "make a Federal case of it," as one commissioner put it -- but it probably will ask accused networks and stations to supply the facts about their allegedly prejudiced anti-pay presentations.

Note: How the well-oiled anti-free-TV publicity machine can penetrate all the way into the rural press, is indicated in "Tall Tale From Texas" on p. 3.

COMPROMISE WORKING IN NETWORK HEARING? It's nothing new to hear speculation about possible meeting of minds of FCC and all parties to Commission's marathon network hearings (for digest of this week's testimony, see p. 5). But feelers are being put out by some parties now -- we're not at liberty to disclose their identities -- who believe reasonable compromises can be achieved without disruption of status quo.

It's too early to conclude that anything is wrapped up, of course, and there's many a slip and political pitfall, but some well informed people see this as possible final upshot on major points:

(1) Multiple ownership to remain intact. (2) Option time retained, perhaps with modifications. (3) Must-buy abolished. (4) Rep business dropped by networks.

Testimony to date has been almost entirely anti-Barrow Report -- and sheer weight of presentations gives impression Report has been "demolished." But some commissioners are not at all inclined to toss whole Report in ashcan; their records show leaning toward somewhat tighter control of networks -- largely because of station scarcity. Furthermore, commissioners are not insensitive to the continuous pressures to tighten up emanating from Congress -- from such as Sen. Bricker (R-O.), Rep. Celler (D-N.Y.), et al. It would be folly to kiss this proceeding off.

GLAMOROUS HOLLYWOOD—GONE FOREVER? Pre-TV movie industry never again will be seen in U.S. -- and big Hollywood AFL Film Council, representing 24,000 studio craftsmen, laments that fact of TV life. But unlike Theatre Owners of America, unions don't buy idea that way to restore fading boxoffice is to quarantine TV from post-1948 features (Vol. 14:13). They have some remedies for industry itself to take.

Sharp fears for survival of Hollywood as film capital are reflected in scholarly 78-page report released this week by Film Council. Prepared after year's study of studios' ills by Dr. Irving Bernstein of UCLA Institute of Industrial Relations, it concludes: "Industry which existed in 1946 is gone forever."

In future, movie industry "will be smaller in all dimensions, probably much smaller" than it was even before TV "changed living patterns of the American people" who more & more watch screens in homes instead of theatres, says statistical survey. "Great imponderable of the future [is the continuing] impact of TV and most particularly the impact of toll TV" -- whose potentials as film outlet are described in report as industry's "great economic question" for which there are no ready answers.

But "grounds for guarded optimism" for industry also are seen by Dr. Bernstein. He points out that "blockbuster" pictures give TV stiff competition, for instance. Through them, TV habitues are accepting "notion that going to the movies can be something special like going to the legitimate theatre or a big football game."

And industry should take other measures to revivify Hollywood, Film Council says in save-the-movies prescriptions which noteworthily do not include TOA scheme to buy post-1948 films from distributors, keep them from TV. Along with bound copies of Dr. Bernstein's report, Council pres. Pat Somerset sent letters to 35 industry leaders & organizations calling for 4-point united campaigns for:

(1) Theatre admission tax subsidies for movie production similar to British plan which diverts percentage of ticket tax into special film-financing fund. (2) "Full govt. assistance in the field of foreign exchange." (3) Income tax credits spread over lean years for producers, actors, others whose pay fluctuates widely. (4) Modifications of 1948 Paramount anti-trust consent decree separating production-distribution and theatre joint ownership, outlawing forced block picture sales [a slim prospect, apparently; see story, p. 4].

Hollywood's 1946-56 decline & fall from entertainment heights (21,775 production workers monthly down to 12,593, annual $299,361,610 payroll down to $240,000,000, weekly 90,000,000 theatre attendance down to 46,530,000, combined earnings of 10 studios down from $121,000,000 to $32,000,000) is traced in report.

Directly linked to TV's growth during decade, movie-TV trends noted by Film Council reflect those cited earlier by researcher Sindlinger & Co. in special report which TOA circulated to all movie distributors (Vol. 14:4). Only conclusion by TOA was that post-1948 releases to TV "would certainly be a death blow" to movies.

SET DISTRIBUTION—83% OF HOUSEHOLDS: Most authoritative figures on TV set ownership, Census Bureau's (underwritten by Advertising Research Foundation), were brought up to date this week -- and they continue to document the approach to national saturation, along with healthy increase in multiple-set homes.

As of Jan. 1958, 83% of all U.S. households had TV sets -- vs. 80% in April 1957, 73% in Feb. 1956, 67% in June 1955. Homes with 2 or more sets rose to 7% as of Jan. -- compared with 5% in April 1957, 4% in Feb. 1956 (Vol. 13:43).

Western region showed best increase, going from 77% in April 1957 to 82%, while South was up 3% to 74%. Farms show lowest concentration, as usual, with 68%, but they showed best percentage rise, going from 63% last year. Curiously, next best increase came in cities 1,000,000-3,000,000; their concentration is 91%, up 4%.

Estimates are based on 35,000 interviews in 638 counties and cities. Copies of 4pp. report are available for 10¢ from Census Bureau or Commerce Dept. offices. Title: "Series H-121, No. 5, Households with TV Sets in the U.S., Jan. 1958."

Tall Tale From Texas: Shades of Wrede Petersmeyer! He's the young economist-trained director of the Whitney stations, you may recall, who advanced the now oft-quoted theory that TV as an industry, as an advertising medium and as a stimulus to consumer sales has been a vital spur to the national economy over the last decade (Vol. 13:47). His thesis was advanced as an argument against pay TV and was taken up by no less a scholar than CBS pres. Dr. Frank Stanton in recent speeches and Washington testimony.

Now we're offered the other side of the coin in a column headlined "Television vs. the Nation's Economy," published in regular news type but labeled at the tail-end as "adv." It appeared in the April 3 *Beeville* (Tex.) *Bee-Picayune*, weekly in a small ranch town some 50 mi. north of Corpus Christi. Who wrote it and whether it was syndicated, we don't know; it was paid for, we learned, by a disgruntled theatreman, but counsel for Theatre Owners of America assure us TOA had or would have no part in it.

Article starts by referring to an unnamed "prominent New Yorker" who is offering this novel explanation for the business recession:

* * * * *

"The development of TV is the cause of it all. Any mechanical instrument that can keep 40,000,000 night after night—people who might be out in their cars or going places where their money is being spent—must have a serious effect on the nation's economy.

"Ask any local companies who have seen their nighttime business fall away to a fraction of the old volume. Ask the minor league baseball clubs, or what's left of them. Ask the downtown restaurants. Ask the motion picture theatres. Ask the manufacturers of clothes. Ask the nightclubs. Ask the small businessmen who have been unable to stay in business in various fields of retail trade because they couldn't match the concentrated advertising power of the big companies using television.

"Look at it from another viewpoint. The horse racing people have done very well; you can't see many horseraces on TV. Professional and college football are going quite well; their showings on TV are rigidly limited. Boxing, on the other hand, can be seen all over the TV dial and the boxing business is in a sad state . . ."

* * * *

And then some gems of thought that must sound familiar to those in the business who have been fighting subversive attacks on the industry:

"Ah, you say, but what of the fine, healthful effect on American morale of having all this entertainment freely available in the home? Would you say that the advent of TV has been marked by any commensurate decline in juvenile delinquency, or crime in general?"

And doesn't this sound familiar? ". . . as a communication technique TV is progress. But it is the kind of progress that climbs on the neck of victim after victim.

"It is time we faced up to the issue. We speak of free TV, as opposed to any pay system. But TV is not free. Part of the price you pay for a car or a pack of cigarettes or a bar of soap pays for the product's TV program. Part of the customer's annual expenditures for entertainment, which used to go to your theatre, goes to the purchase and maintenance of his TV set . . . .

"It [TV] is the tool of the big advertisers rather than the small individual businessman. It helps the strong business and the strong shopping area—which can afford it—at the expense of the weaker ones, which can't pick up the tab . . . ."

* * * *

So there ought to be a law, no less: "Video is certainly here to stay. But so are the theatres, the restaurants, the transportation companies and all the rest of TV's victims. There are laws to protect the farmer . . . the oil industry and organized labor. Is it unreasonable to ask for laws providing stricter regulation of TV in order to protect all the businesses that are being severely damaged by the inroads of this new medium?"

Recommended reading: Text of CBS v.p. Richard S. Salant's April 11 speech before Ohio Assn. of Broadcasters (received too late for adequate treatment herein but available from CBS, N. Y.). It's a cleverly whimsical, yet penetratingly serious, analysis of the politics, methods, motivations in the "sport of baiting broadcasters"—particularly on the Washington scene, but not overlooking the competitive media, the self-servers, the program critics, the do-gooders, the "intellectual snobs." Salant's main thesis is that the very success of TV & radio have made them fair game: "The network presidents [are] the most investigated, criticized and harassed business men since the robber barons of the railroads during the last century, or since the days that FDR had his fun with the money changers in the temple back in the '30s." His conclusions: "(1) It's a mess in Washington. (2) There are no easy answers. (3) Nobody loves us but the people. (4) We're in business; let's admit it. (5) Let's do the best job of programming we know how. (6) If we're to be led out of this Washington wilderness, you, the individual men and women of the broadcasting business, are the ones who will do it. For it's a do-it-yourself process."

More Anti-Trust Trouble: Conspiracy to monopolize distribution of old movies to TV was alleged by Justice Dept. this week in civil anti-trust suit against Universal Pictures, Columbia Pictures and latter's subsidiary Screen Gems—and still another TV case (Paramount Pictures) was brewing.

Already linked with 4 other feature film distributors in still-pending 1957 block-booking anti-trust action (Vol. 13:16), Screen Gems was accused of joining illegally with parent Columbia and Universal in $20,000,000 deal last Aug. (Vol. 13:32) to get exclusive control of 600 pre-1948 Universal features.

At same time Federal anti-trust chief Victor R. Hansen was reported readying anti-trust moves against Paramount and Music Corp. of America following Justice investigation of $50,000,000 distribution agreement in Feb. for 750-film pre-1948 Paramount library (Vol. 14: 6).

Universal-Columbia-Screen Gems suit, filed April 10 in N.Y. Federal District Court, alleged that 14-year TV distribution contracts: (1) Violated Sherman Act by fixing prices and eliminating competition between Columbia & Universal for TV business. (2) Violated Clayton Act by removing Universal as competitive factor, exclusive TV film licensing agreement amounting to unlawful acquisition of Universal assets.

Hansen pointed out that feature films have become "staple commodity of TV programming," and said: "We hope by the institution of this action to foster competition in this source of programming material for TV stations."

Prompt retorts came from defendants. Said Columbia pres. Abe Schneider: "Before Columbia & Screen Gems executed the contract with Universal Pictures, we were assured by our legal counsel that the arrangement would not be in contravention of any laws. Therefore, we believe that our present position is clear and without jeopardy." Said Universal pres. Milton R. Rackmil: "We will vigorously defend our position and are confident that we will be upheld."

* * * *

New moves by Justice in long-developing movie-TV investigations followed same course set by Hansen in March, 1957 with civil action against MGM's parent Loew's, charging anti-trust violation in package-leasing of MGM features to stations (Vol. 13:13). Follow-up of 1957 suit involving Screen Gems alleged that it, C&C Super Corp., Associated Artists Productions, National Telefilm Assoc. and United Artists ganged up on stations with block bookings.

Paramount-MCA anti-trust investigation, started by Justice soon after deal was announced, has centered on questions of whether it stifles competition for TV film showings and pressures telecasters into accepting package deals in combination with MCA-supplied talent.

Direct-wire subscription TV project, involving expenditure of $25,000,000, was proposed April 11 by owners of radio WERE, Cleveland, whose v.p.-gen. mgr. Richard M. Klaus stated there would be no use of airwaves, hence no Federal regulation. Station since 1953 has held CP for uhf Ch. 65, is owned by more than 50 stockholders [*TV Factbook No. 26*, p. 352].

New rep: KMJ-TV, Fresno to Katz April 1 (from Raymer).

Network Television Billings

February 1958 and January-February 1958

(For Jan. report see *Television Digest*, Vol. 14:10)

NETWORK TV GROSS time billings in Feb. were up all along the line, compared with same month last year—total for the 3 networks rising 13.3%. For Jan.-Feb. 1958, increase was 13.7%. Dollar total was $44,636,018 vs. $39,385,207.

Individually, CBS, NBC & ABC were up 6%, 12.7% & 36.5%, respectively, for the month. CBS achieved $19,410,741, NBC $16,797,681, ABC $8,427,596.

No longer compiled by Publishers Information Bureau, figures are now released by TV Bureau of Advertising on basis of computations by Leading National Advertisers Inc. and Broadcast Advertising Reports. The complete Jan.-Feb. figures (for preceding years, see *TV Factbook No. 26*, p. 31):

NETWORK TELEVISION

	Feb. 1958	Feb. 1957	% Change	Jan.-Feb. 1958	Jan.-Feb.* 1957	% Change
CBS	$19,410,741	$18,309,088	+ 6.0	$41,504,750	$38,540,562	+ 7.7
NBC	16,797,681	14,900,631	+12.7	35,141,792	31,455,572	+11.7
ABC	8,427,596	6,175,488	+36.5	17,581,813	12,891,069	+36.4
Total	$44,636,018	$39,385,488	+13.3	$94,228,361	$82,887,203	+13.7

1958 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
Jan.*	$ 9,154,217	$ 22,094,015	$ 18,344,111	$ 49,592,343*
Feb.	8,427,596	19,410,741	16,797,681	44,636,018

* Jan. 1958 figures revised as of April 7, 1958.

Note: These figures do not represent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Leading National Advertisers and TV Bureau of Advertising on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 25%. However, they're generally accepted in the trade as an index.

FTC Now Monitoring TV Ads: Federal Trade Commission inaugurated a monitoring system for TV commercials this week via special equipment for the simultaneous recording of sight and sound. It enables the FTC to get a record of questionable TV ads which, according to legal advisor T. Harold Scott, is admissable as court evidence. Heretofore, Commission relied on verbal reports from its investigators, or on films provided by advertisers and stations in prosecuting complaints (Vol. 13:44).

Since Congress appropriated $100,000 in 1956 to check TV and radio commercials, FTC has depended almost entirely on beefs from the public, followed up by spot checks by its 135 field attorneys in 9 offices around the country. Harry Babcock, director of FTC's bureau of investigation, told newsmen who witnessed the monitoring system in operation on the 7th floor of FTC headquarters in Washington, that he hoped similar equipment could be installed "soon" in enough cities to "blanket the country." He said the Washington system cost "something more than $3000."

Scott said the previous method of spot checking station scripts, and following up complaints from the public, has been unsatisfactory because violations of the law might appear only on the audio portion of the commercial and it is important to get a permanent record of the video in order to prosecute a complaint successfully. He said there had been a "definite improvement" in the quality of TV commercials since FTC started its monitoring program. "We arrive at this conclusion not only from our own observations but from comments we get from the public. Of course, the public is our first monitor and probably always will be."

FTC has issued 10 formal complaints against TV ads in the past 18 months and obtained 15 stipulations from advertisers who agreed their commercials might be in violation of the laws against fraudulent advertising.

The Multiple Owners' Case: With plenty to lose if FCC adopts Barrow Report's recommendations, multiple owners went all-out in winding up their testimony in network hearings this week. Barrow Report states, simply, that long-range goal should be one station per owner. As a starter, it urges that multiple owners be limited to 3 vhfs in top 25 markets, being required to sell excess within 3 years. Spokesmen appeared for Meredith, Storer, Westinghouse. Hearing resumes April 15 with net affiliates' committees—ABC's leading off.

Meredith Publishing Co.'s presentation was handled primarily by TV-radio director Payson Hall, with assists from Frank P. Fogarty, v.p.-mgr. of WOW-TV & WOW, Omaha, and Richard B. Rawls, mgr. of KPHO-TV & KPHO, Phoenix. [Other Meredith stations: WHEN-TV & WHEN, Syracuse; KCMO-TV & KCMO, Kansas City; radio KRMG, Tulsa.]

Hall proved to be exceptionally knowledgeable and deft in fielding commissioners' questions as well as in his written statement. These excerpts from statement epitomize his evaluation of Barrow Report:

"This is one story of multiple ownership—a factual story of practical, and not theoretical, service to the public. It is a story not found in the Network Study Report for unfortunately the Report stops at the threshold, content with the support it finds in assumptions, superficial reasoning and speculative evils . . .

"We do not contemplate the sale of our stations to realize capital gain; we do not attempt to maximize earnings at the risk of long run stability and our integrity as an institution serving the public . . .

"We do say that stability, continuity and planning possible in multiple owned stations may, and probably do, result in consistently well managed stations, thus inherently more in the public interest. The single owner-manager may equally excel if, and long as, he is experienced, active, competent and capable financially of serving the public. When he dies, or becomes ill, is financially pressed, or for one of a thousand personal reasons is unable to devote himself effectively to his broadcast business, the public may suffer for an extended period of time."

* * * * *

Hall said Meredith entered TV, not to promote its magazines (*Better Homes & Gardens* and *Successful Farming*, plus home-service books) but because "we were already experienced in the art of communicating with large segments of the American public [and] we were confident of our ability to extend this knowledge to other media."

Meredith's pioneering and stability were factors most stressed. He noted that it built WHEN-TV, Syracuse, in 1948, was in red 22 months, lost $440,000 before turning corner. He emphasized experience and long tenure of station managers and dept. heads, detailed their extensive local civic activities.

As example of financial resilience of multiple owners, Hall noted that Meredith continues operating independent KPHO-TV vigorously and at considerable loss, and asked rhetorically whether single-station owner would keep 4th station in Phoenix without network.

In cross-examination, Hall stated: (1) That all Meredith radio stations were profitable. (2) That he opposes ownership of 2 or more stations in same market, because of channel scarcity. (3) That he's against change in option time recommended by National Telefilm Associates (Vol. 14:11), prefers status quo. (4) That magazines are competitive with TV—*Better Homes & Gardens* having taken ad money from TV. (5) That Meredith magazine readership hasn't been hurt by TV.

* * * *

Lee B. Wailes, Storer exec. v.p., came up with one of the few recommendations for change in rules proposed in network hearing to date. He suggested that 4th TV network might be made economically possible by: (1) Limiting the network to cities in rectangle bounded by Boston, Washington, Milwaukee, St. Louis. (2) Permitting network to use, at least in part, privately-owned intercity facilities. (3) Letting new network own 7 vhf stations in top 25 markets.

On questioning, Wailes said Storer believed ownership of 7 stations shouldn't be limited to network entity. He stated that Storer has no idea of starting a network but that "a lot of people have a network gleam in their eye."

During Wailes' appearance, Chairman Doerfer made it clear he doesn't believe multiple owners have as much "leverage" with networks as Barrow Report implies. He noted that Storer hasn't been able to get affiliation for WVUE, Wilmington-Philadelphia, and Wailes added that Storer couldn't hold NBC for now defunct uhf WGBS-TV, Miami.

Wailes described difficulties with WVUE. "We have the coverage but not the listeners," he said—reason being that site differs from other 3 Philadelphia stations which have antenna farm, to which WVUE wants to move.

Storer has committed $2,500,000 for programming of WVUE, said Wailes, but station has "real problems." It has increased ratings in last few months "but not substantially." "So far," he said, "we're not too encouraged." He said Storer has no plans to sell WVUE, no plans to buy elsewhere.

Wailes launched heavy frontal attack on Barrow Report's philosophy, asserting it wants to reduce all broadcasters "to the lowest common denominator." "The route is circuitous but the goal is clear," he said. "It is a long step down the road to Govt. Radio—a road down which Storer does not wish to go—and, we trust, this Commission does not wish to go."

* * * *

Wailes went all the way in opposition to Report's recommendations on publication of affiliation contracts, must buy, option time, etc.; "The result of any such proposals would not be to increase competition; they would merely make it impossible for the affiliates to maintain the present degree of opportunity to bargain on a par with the networks and to exercise licensee responsibility."

Wailes put considerable emphasis on multiple owners' experience in bargaining with networks, stating that "you cannot promote competition by reducing all buyers to the strength of the lowest denominator, while leaving the strength of the sellers intact." He also said multiple owners are better able to counter the "terrific" advantages of stations owned by monopoly newspapers.

Wailes was questioned closely about Storer purchases and sales of stations. Reasons, he said, were to get full complement and to upgrade Storer group to larger markets.

Attention, NAB Conventioneers

If you want your *Television Digest* to follow you to your hotel in Los Angeles during the NAB Convention (April 27-May 1), we'll be glad to send it to any subscriber via air mail at no extra cost. Let us have your hotel address ahead of the April 26 issue. We'll also send on the May 5 issue to any address you designate if you're not going to be back to your office by then.

He defended Storer's record of getting CBS affiliations after station purchases on ground that company's long record of performance was obviously persuasive with CBS. In case of Cleveland, where Storer took CBS from WEWS after buying WXEL (now WJW-TV), Wailes asserted: "WEWS is owned by Scripps-Howard, a multiple owner, no pushover. We didn't take it from a defenseless individual operator."

Other points made by Wailes: (1) Network rules shouldn't be changed. (2) Networking would be "chaotic" without option time. (3) Storer stations don't editorialize. (4) There would be nothing wrong if multiple owners controlled all stations in top 25 markets, because there would be cancellation of "so-called advantages." (5) Station sales shouldn't be subject of hearings because of "hardship on purchaser & seller."

* * * * *

Youthful Donald H. McGannon, Westinghouse Broadcasting Co. pres., did a job of "massive retaliation" against Barrow Report—163pp. statement, plus exhibits. He didn't stint, poured on full weight of awards & kudos WBC has achieved—and Commission was visibly impressed by observing WBC's accomplishments in one pile.

"In less than 5 years," McGannon declared, "the Westinghouse company has invested approximately $34,500,000 in one radio & 4 TV facilities"—and he proceeded to tell what had been done with the money.

In fully 100pp., McGannon detailed WBC's innumerable public affairs efforts, including its phenomenally successful Boston & Baltimore conferences on public affairs (Vol. 13:9, 14:10). He concluded:

"I hope you have understood the spirit with which we have presented the Westinghouse Broadcasting Co. record, so-called . . . This has been done with no attitude of immodesty or of bragging or that the total objective has been achieved. It is done with the very calculated purpose to establish that there is substantial value in multiple ownership for the people to whose service we are dedicated. Multiple owners can and [WBC] has rendered substantially more than a 'marginal service.' I hope that the results of our efforts have properly reflected the seriousness of our purpose, the degree of our dedication, and the fullest realization of our responsibility."

McGannon wasn't gentle with study staff. "Its recommendations," he said, "are so convulsive and destructive that we are at a loss to understand the rationale, the basis of corroboration, or the substance of the investigation of the Staff in arriving at these results . . . Although it is not possible to conclusively establish the fact, it is at least our strong opinion, that the Staff elicited only such facts and information as best served their pre-conceived conclusions."

* * * *

Network option time should be retained as is, McGannon stated—but he did say he's "heartily in favor" of evolvement of network-affiliate relations "that would limit network programming to not more than those option time hours presently prescribed in the standard NBC and CBS agreements." He said there's "very respectable" sets-in-use figure 6-11 p.m., thus providing considerable valuable non-option time to encourage non-network program producers.

Must-buy practice should be retained, McGannon said, to keep networks competitive with printed media.

Barrow Report's attitude toward multiple ownership seems to be this, according to McGannon: "A broadcasting facility that is allegedly owned by local interest is inherently and per se good, and, more importantly, a better broadcaster than a person or company who first, owns more than one station, or second, is unable to qualify under the term 'local ownership.'" As for trafficking in licenses, he said he'd go along with a rule requiring owner to keep station for "reasonable minimum period."

McGannon raised series of questions as to what constitutes "local ownership"—single owner living in city's corporate limits, owner who doesn't participate actively in management, etc.? WBC, he said, insists that its managers and dept. heads be "deeply rooted" in their communities.

As for multiple owners' "competitive advantages" in film purchases, spot rep relationships, network affiliations, McGannon stated flatly that "there is not one scintilla of truth in this contention." He noted that WBC has 4 reps for its 5 stations; that 2 stations are NBC affiliates, 2 CBS, one ABC; that all film buying is done locally without direction from N.Y. headquarters.

McGannon didn't reject all changes recommended in Report. He said WBC would: (1) Go along with requiring networks to file affiliation criteria. (2) Support recommendation regarding sustaining broadcast of commercial programs by non-ordered affiliates, "provided that adequate provision be made for the protection of the ordered affiliates." (3) Approve some FCC punishment short of station revocation. (4) Encourage broader distribution of commercial network programs, "providing that the exclusivity of regular network affiliates is not unduly infringed upon."

Like most witnesses to date, he urged licenses be extended from 2 to 5 years.

* * * * *

McGannon also read into record 20pp. statement of his boss—E. V. Huggins, WBC chairman and v.p. of parent Westinghouse Electric Corp. Huggins emphasized close ties of Westinghouse—in plants, employes & stockholders—to cities where it has stations: Baltimore-Washington, 3180 stockholders, 6500 employes; Boston area, 2350 & 2200; San Francisco, 2350 & 3500; Cleveland, 3580 stockholders; Pittsburgh, 5600 & 15,000. Huggins stated:

"Ownership and operation of stations, either on a multiple or single basis, by an organization like Westinghouse, has given and continues to give a practical assurance of sound, effective operation in the public interest which cannot be found in the theoretical 'local ownership' values so prized by the Staff Report. The assurance lies in the desire and incentives of the owner, whoever he may be. Westinghouse has the desire and incentive—and on a permanent basis."

Huggins said that Westinghouse, as a national advertiser spending $39,000,000 on all media this year, is concerned lest TV networks be weakened or destroyed. "The national advertiser will then," he warned, "of necessity, turn completely to other media and leave the TV industry to seek financial support from the public either directly through pay TV, or indirectly through tax supported subsidies."

Do You Know That . . .

WHO'S THE BEST GOLFER in the broadcasting industry? On the available record, and by common consent, it seems to be a tossup between **Joseph M. Higgins**, gen. mgr. of WTHI-TV, Terre Haute, Ind.; **Robert O. Reynolds**, pres. & gen. mgr. of KMPC, Los Angeles; **George H. Frey**, the ex-NBC sales v.p., now v.p. of Sullivan, Stauffer, Colwell & Bayles, N.Y.; **James M. Riddell**, newly elevated to American Broadcasting-Paramount exec. v.p. from head of ABC's Detroit stations WXYZ-TV & WXYZ.

There may be others as good—but most everybody in the business who might know acclaims the foregoing as tops, probably in that order, all of them capable of shooting in the 70s or lower.

Joe Higgins began at 12 as a caddie in Dayton, was shooting in the 60s by the time he was 16, became city champion at 22, Indianapolis district champ in 1945 & 1947 while he was district adv. mgr. for McGregor sporting goods. He came to the attention of the WIBC owners when he played an exhibition match for the police athletic fund with pros Sammy Snead & Bobby Locke and Indiana state champ Fred Wampler, credits golf with getting him his first jobs and his promotions in radio and TV. He has won 5 of last 12 NAB tournaments, shoots 70 consistently, boasts one score of 62 on a Cincinnati course.

Bob Reynolds, onetime Stanford All-America tackle (Vol. 14:2) recently teamed with pro Billy Cooper in the Bing Crosby open for amateur-pro pairs at Pebble Beach, Cal. to reach finals with a 261 score. George Frey won the NAB tournament in 1947 with a 74, has handicap of 4, average score 76; his best score was 67 when he beat Sammy Snead on the back 9 at Greenbrier by one stroke, 33-32, during the 1955 Proprietary Assn. convention.

Jim Riddell is pres. of Detroit's Red Run Golf Club, member of the famed Oakland Hills Country Club, governor of Detroit District Golf Assn., on board of Western Golf Assn. He has won the Detroit Variety Club championship several times. The game is second nature to him, for he started in his native Scotland. He shoots in low 70s, has 4 handicap. Even his Detroit home is on the edge of a golf course—one reason he hated to quit Detroit for N.Y.

* * * *

Silverton (Sil) Aston was with Howard Wilson Co. when he first won the NAB golf tournament with a 71 in 1946, repeating with a 76 in 1953 when he ran KMBY, Monterey, Cal.; he's now operating a tire service in Terre Haute and one of a group seeking Ch. 2 there. Frey won in 1947 with 74; Don Fedderson, then with KYA, now an independent TV producer in Hollywood, in 1948 with 86; Higgins in 1949 with 78, 1952 with 79, 1954 & 1955 with 73, 1956 with 79.

Other winners of the NAB convention tournament, instituted about 20 years ago by *Broadcasting Magazine* and now run by its adv. v.p. Maury Long, himself a crack golfer: 1950, Merrill Lindsay, WSOY, Decatur, Ill., 79; 1951, **Lew Green**, Chicago adman, 78; 1957, **Mark Schreiber**, Denver adman, 72.

Runners-up in same 12 years: 1946, **Jack Kamsler**, Reynolds Pen Co.; 1947, **William E. Rine**, then WWVA, Wheeling, now Storer v.p.; 1948, **Max Everett**, Everett-McKinney Inc., N.Y. (reps); 1949, **Bruce Bryant**, Petry Co., Chicago; 1950, **Rolston Fishburn**, Petry Co., Chicago; 1951, Robert L. Stoddard, KATO, Reno & William Ware, KSTL, St. Louis; 1952, Steve Roche, NBC, Chicago; 1953, Andy Jarema, WKOP, Binghamton, N. Y.; 1954, Henry Clay, KWKH, Shreveport; 1955, Marshall Pengra, KLTV, Tyler, Tex.; 1956 & 1957, Merrill Lindsay.

* * * *

It's a popular game with the broadcasting fraternity generally, and leaders like FCC chairman John Doerfer and Comr. Bob Lee, to say nothing of George Storer and the perpetual golf-gaggers Bing Crosby and Bob Hope, are seen on the links frequently.

Among the Washington TV-radio group, Bob Rawson, chief of FCC hearing division, who shoots in high 70s, won last year's FCC Bar Assn. tourney, won year before by Edward Wheeler, who scores consistently in mid and high 70s. Russ Eagan won a National Press Club driving contest at 290 yards at the Manor Club. Other crack lawyer-players are Ted Pierson, Phil Baker, Harry Ockershausen, Howard Schellenberg—and Ed Bronson, NAB code administrator.

Among the consulting engineers, Andy Ring and Fred Viemeyer are counted tops. The New York top-notchers include Pierce L. Romaine, ex-Raymer, now Time Merchants Inc.; Bill Martin & Tom Dawson, CBS; Tom McAvity, ex-NBC, now McCann-Erickson; Joe Culligan, NBC radio v.p. & Pat Harrington, NBC Sales; Warner Shelley & Ted Sweetser, N. W. Ayer & Son. NBC v.p.'s John West, Hollywood, and Carleton Smith, Washington, shoot regularly in high 70s or low 80s.

* * * *

Two who have made holes-in-one are NBC Washington v.p. Frank M. (Scoop) Russell and the aforesaid Merrill Lindsay, whose family interests also include part ownership of WCIA, Champaign, Ill. (Ch. 3). Russell surprised himself at Kenwood Country Club, Washington, in May 1946 with a 165-yard drive on a par 3 hole. Lindsay scored his last year at Bloomington (Ill.) Country Club, 143 yards on a par 3.

WTVP, Decatur, Ill. (Ch. 17) is being sold to new owners by W. L. Shellabarger (68.75% owner) and associates in deal whereby they get $200,000 for stock & debentures, additional $100,000 for lease of real estate for 5 years, with option to buy at end of that time for $225,000. Principal owner will be George A. Bolas, media director of Tatham-Laird Inc., Chicago. Under new ownership, Shellabarger will have approximately 5% stock interest, also continuing as owner of real estate to be leased to station. Ben K. West will continue as gen. mgr.

Highest price for TV rights of a single property is the $150,000 CBS is paying 6 authors for musical *Wonderful Town*, 1953 Broadway hit. CBS is reported paying additional sum to producers & backers. Show is due to be telecast in Nov., starring Rosalind Russell, who starred in the original; she'll get $75,000. Budget, excluding time costs, is $500,000. General Time Corp. has bought half sponsorship, balance being considered by Pepsi-Cola and Shulton Inc.

Balance sheet of KELO-TV, Sioux Falls, S. D. (Ch. 11), radio KELO, and satellites KDLO-TV, Florence (Ch. 3) & KPLO-TV, Reliance (Ch. 6) shows $212,919 surplus as of Sept. 1, 1957 and earnings of $60,112 from Sept.-Dec. (without provision for income taxes). Filed with request for KPLO-TV power boost, Dec. 31, 1957 balance sheet also lists $357,097 current assets, $246,739 current liabilities, $712,839 fixed assets, $435,869 deferred liabilities.

TV Students Make Grade: "Average or better-than-average" grades were scored by 142 NYU students enrolled in last term's *Sunrise Semester* 6:30-7 a.m. Comparative Literature course on WCBS-TV, N. Y. (Vol. 14:2), according to instructor Dr. Floyd Zulli Jr. He said they demonstrated more maturity in written tests than many students in regular classrooms, that 10% rated "A" grades, 50% "B," 25% "C," 5% "D." Only 10% failed. Second *Sunrise Semester* on WCBS-TV 7-7:30 a.m. covers work of 18 novelists. On other educational TV fronts: (1) Ala. TV Education Commission awarded "citation of merit" to NBC-TV for its special educational TV project (Vol. 13:43). (2) Educational TV & Radio Center, Ann Arbor, has arranged to release first in series of 120-min. concerts by Boston Symphony Orchestra, filmed by WGBH-TV, Boston. (3) American Council on Education, 1785 Massachusetts Ave., NW, Washington, D. C., scheduled spring publication of report on TV conference at Pa. State U last Oct. 20-23. Note: Prof. Zulli's *Sunrise Semester* is subject of article in April 5 *Saturday Evening Post* titled "How to Get Smart Before Breakfast." He'll start new 4-lecture series over WCBS-TV May 11, 4-4:30 p.m., on one well-known novel each week.

Labor plans $750,000 TV-radio campaign to court public favor as part of an overall public relations program. A CIO-AFL committee decided tentatively this week on how to split up its $1,200,000 public relations war chest, earmarking between $260,000 & $300,000 for TV; $400,000 for radio. Balance will go for "developments in the educational field" and "supervision and promotion." Campaign aims to offset damaging disclosures of corruption in labor ranks by the Senate Rackets Committee. A public opinion poll also has revealed strong anti-union sentiment in some parts of the country. The committee which is headed by William C. Doherty, pres. of Letter Carriers' Union, also hopes some of its 135 affiliated unions will sponsor TV programs of their own. Doherty said CIO-AFL probably will discontinue two 15-min. radio news shows now broadcast over ABC and institute a number of 5-min. programs.

Experimental directional operation of Storer's WVUE, Wilmington-Philadelphia (Ch. 12) at Philadelphia antenna farm, 26 mi. short of minimum 170 mi. co-channel spacing from WNBF-TV, Binghamton (Vol. 14:8), was attacked this week by Assn. of Maximum Service Telecasters. AMST notes Commission has authorized only one such operation, WJMR-TV, New Orleans (Ch. 12 & 20), and turned down similar request of WITV, Ft. Lauderdale (Ch. 17) which sought use of Ch. 6, states: "Authorization of a second 'commerical-experimental' operation at degraded spacings would bring a long procession of similar requests threatening the breakdown of mileage separations and the national allocations system."

Application for Ch. 39 in Bakersfield, Cal. was filed this week by manufacturer H. Leslie Hoffman and Terry H. Lee, ex-gen. mgr. of KOVR, Stockton-Sacramento (Ch. 13) which Hoffman and associates sold to Gannett Co. for $3,100,000 (Vol. 14:2). Lee is now managing director of WVUE, Wilmington-Philadelphia (Ch. 12). This was week's only application and brought total on file to 120 (31 uhf). [For details, see *TV Addenda 26-K* herewith.]

Lee Scarborough will hold CP for KTES, Nacogdoches, Tex. (Ch. 19), FCC this week having approved deal whereby he takes over, paying out-of-pocket expenses of former 25% owners Joe D. Prince, T. Gillette Tilford & James G. Taylor (Vol. 13:47).

Television Digest with Electronics Reports
WYATT BUILDING, WASHINGTON 5, D. C.
Weekly Newsletters Published Saturdays
Television Factbooks Published in February & August
AM-FM Directory Published in January
TV and AM-FM Addenda Published Weekly
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JAMES J. CASSIDY
Editorial Associates:
Anne G. Bjarbu, Thomas J. Kerr

Personal Notes: John E. McCoy, Storer Broadcasting Co. v.p.-secy., elected to board; Terry H. Lee, ex-pres. of KOVR, Stockton, Cal., named managing director of WVUE, Philadelphia, succeeding J. Robert Kerns who transfers to Storer home office TV staff . . . Hunt Stromberg Jr. promoted to director of program development, CBS-TV, Hollywood . . . John K. West, NBC Hollywood v.p., onetime RCA v.p. for public relations at Camden, who was married March 14 to Mari Wilcox, now resides at 17340 Magnolia Blvd., Encino, Cal. . . . Paul C. Louther promoted to radio v.p. and station mgr. of WVET, Rochester, N. Y., succeeded as WVET-TV program mgr. by F. Chase Taylor Jr. who also continues as TV operations mgr. . . . Edward J. Roth Jr. resigns as program mgr., WGN, Chicago; continues as consultant until July 11 . . . Glenn Flint, onetime news & special events director of WDAY-TV, Fargo, has resigned as administrative asst. to Sen. Young (R-N. D.) to become gen. mgr. of upcoming KCMT, Alexandria, Minn. (Ch. 7), due this summer . . . Richard Block, ex-sales promotion mgr. of KRON-TV, San Francisco, named gen. mgr. of KHVH-TV, Honolulu, succeeding Robert T. Carson, again aide to owner Henry J. Kaiser on special projects . . . John W. Davis, v.p. of rep Blair TV, elected Chicago pres. of Station Representatives Assn.; Roger O'Sullivan, Avery-Knodel, v.p.; William Condon, Katz, treas.; Thomas A. Taylor, Peters, Griffin, Woodward, secy. . . . Arthur Astor named mgr. of Los Angeles office, Headley-Reed, succeeding Clark Barnes . . . George Bingham, mgr. of Boston office of rep Walker-Rawalt Co. Inc., elected v.p. . . . John Murphy promoted to mgr. of Chicago office, Branham Co. . . . Fred M. Eames Jr., onetime chief engineer of WENS-TV, Pittsburgh, promoted to asst. director of engineering, WGR-TV & WGR, Buffalo . . . Earl W. Welde named administrative asst. to Fred P. Shawn, gen. mgr. of WSUN-TV, St. Petersburg . . . Arnold Kaufman, v.p. of RKO Teleradio Pictures, adds duties of gen. mgr. for film financing . . . Charles E. Denney, ex-Grace Line, named v.p. of Television Programs of America . . . Louis J. Barbano named financial v.p. of Columbia Pictures . . . John H. White promoted to new post of director of national sales for ABC Radio . . . C. Richard Evans, gen. mgr. of KUED, Salt Lake City (Ch. 7, educational), has resigned to devote time to own electronics business; successor is Dr. Keith M. Engar, onetime production mgr. of KDYL-TV (now KTVT) and added to staff is Mrs. Elizabeth Lewis as coordinator.

Dwight E. Rorer, Washington radio attorney, has acquired interest in realty development at St. Thomas, American Virgin Islands, known as "Estate Bondongo" and once a pirates' lair; deluxe hotel has been projected on site, and he plans to reside there.

AB-PT pres. Leonard H. Goldenson's mother-in-law, Mrs. Bertha Weinstein, 73, died at her home in N.Y. April 11. Surviving are 2 sons, 3 daughters.

ADVERTISING AGENCIES: Harold A. Smith, ex-NBC central div. TV sales promotion mgr., joins Needham, Louis & Brorby, Chicago, as head of TV-radio dept. program & merchandising promotion . . . Carl E. Rogers, ex-Donahue & Coe, ex-Lever Bros., will be editor of new monthly, *Madison Avenue*, to be published by RKM Publishing Co., 575 Madison Ave., N. Y.; Bill Greeley, ex-*Television Age* and *Tide*, is managing editor . . . Edgar Parsons, ex-American Automobile Assn., named head of Sight & Sound Inc., film div. of House & Gerstin, Washington . . . John M. Keavey elected a v.p. of Erwin Wasey, Ruthrauff & Ryan . . . Doyle W. Lott appointed a v.p. of Grant Adv. . . . Dale L. Brubaker promoted to v.p. of Fred M. Randall Co., Detroit . . . Norman Glenn elected a v.p. of Young & Rubicam.

Gerald O. Kaye makes one of the industry's rare moves, crossing lines from appliance merchandising to station management to become gen. mgr. of National Telefilm Associates' newly purchased WATV, N. Y.-Newark (changing to WNTA-TV) [Vol. 14:14]. He's been sales v.p. of Bruno-N. Y. (RCA distributor), head of own Gerald O. Kaye & Assoc. (Crosley & Bendix N. Y. distributor), for last year chairman of Laundercenter Corp. & Servicenters Inc., N. Y.-N. J. Head of radio WAAT & WAAT-FM (changing to WNTA & WNTA-FM) will be Raymond E. Nelson, who leaves position of NTA Film Network v.p.-gen. mgr. Note: Changes at WATV will include Jack Lynn, now DuMont stations' film buyer, as program director; Henry Dabrowski, promoted to chief engineer, with founder v.p. Frank V. Bremer staying as consultant; Fred Siegel, from NTA, art & adv. director. Sydney Kavaleer remains as sales mgr.

New enterprises: Don Searle, still 6% owner of KOA-TV & KOA, Denver and owner of several radio stations in midwest, is chairman and Quentin Brewer, ex-Kansas City agency man, is pres. of Special Events Inc., 3833 Sepulveda Blvd., Culver City, Cal. (telephone, Texas 0-2551), formed to take over accounts of Gordon Gray Adv.; Roger Hamilton is gen. mgr. . . . Ken Carter, ex-v.p. & gen. mgr. of WAAM, Baltimore (now Westinghouse's WJZ-TV), adds Baltimore representation of WMAL-TV & WMAL, Washington, to accounts of his firm, Carter, Lee & Associates, 2503 St. Paul Ave., Baltimore (Belmont 5-2467) . . . Irving Miller, ex-CBS art dept., opens own design studio, called Irving Miller Studio, 141 E. 55th St., N. Y. (Plaza 5-1270) . . . Symon B. Cowles, ex-CBS, and Maggi Nelson, TV-radio producer, form Nelco Productions, 405 E. 63rd St., N. Y.

Radio & TV Executives Society officer slate proposed by nominating committee under Robert Jay Burton, BMI: pres., Donald H. McGannon, Westinghouse pres.; first v.p., Geraldine Zorbaugh, CBS Radio v.p.-gen. atty.; v.p., Don Durgin, v.p., NBC-TV network sales; v.p., Frank E. Pellegrin, v.p. & secy., H-R Reps; secy., Omar F. Elder Jr., ABC secy.-asst. gen. counsel; treas., Jay Smolin, AAP director of adv., sales promotion & publicity.

Ward Quaal, v.p.-gen. mgr. of WGN-TV, Chicago, speaks at May 8 banquet of Indiana U Radio & TV Dept. in Bloomington where third annual "Sarkes & Mary Tarzian Scholarship" in TV-radio will be presented [Tarzian owns WTTV, Bloomington-Indianapolis (Ch. 4); WPTA, Ft. Wayne (Ch. 21)].

Eric Sevareid, CBS chief Washington correspondent, will be awarded honorary degree at June 7 commencement of Wittenberg College, Springfield, O.

Clips from the Current Press—

(Digests of Noteworthy Contemporary Reports)

Book publisher looks at TV: Under the subtitle "Is TV really turning our children into 'red-eyed, illiterate morons?' " Bennett Cerf, author, TV panelist, pres. Random House, opines in March 22 *Saturday Evening Post* that "far from hindering the reading of good books, TV definitely has encouraged it. There is no reason for true booklover to scorn TV entirely, so long as he restricts himself to one or two programs worth watching each day." He said N.Y.U. Prof. Zulli's *Sunrise Semester*, WCBS-TV, N. Y., resulted in sale of 5000 copies of Stendahl's "The Red and the Black" (average previous annual sale, 1200 copies) in 9 days after start of book-learning program. Youngsters turn from TV to books for more knowledge, boosting sales of juveniles 400% between 1947 and 1957.

Resurgence of radio is subject of front page article in April 7 *Wall St. Journal*, writer Stanley Penn pointing out that after years of "being given the fright of its life by TV," medium has rebounded so that big networks are "the only sector of industry still operating in the red." NBC pres. Robert W. Sarnoff's recent letter to editors (Vol. 14:13) is cited to show even networks have reason for optimism.

Motorola's "marketing concept" of cost control from product idea to retail sales, instituted when top management was reorganized for decentralized operations in 1956 (Vol. 12:46), has had "measurable & highly encouraging results" since, according to marketing v.p. S. R. Herkes. He details methods in article, "Dividends from a Cost-Cutting Crusade," in March 21 *Sales Management*.

"Moratorium on awards" for TV performances—particularly the "ludicrous charade" of "Emmys" passed out by Academy of TV Arts & Sciences—was urged by TV-radio critic Jack Gould in March 23 *N. Y. Times*. "The annual ritual of ostensibly recognizing creative progress & accomplishments has become so totally farcical that its continuance is palpably absurd," Gould said, adding that "in the trade the TV prize ranks as a seasonal joke."

National Headliners Club awards for 1957 were presented April 12 to: WBZ-TV, Boston, for documentary *City in a Shadow;* WTVT, Tampa, for local news under direction of Dick John; Maurice Levy, NBC-TV, for films of Texas tornado; KTVT, Salt Lake City, for coverage of Utah prison riot; Frank McGee, NBC Washington, for consistently outstanding radio news reporting; WBUR, Boston, for highway safety series titled *Impact;* KLIF, Dallas, for coverage of Texas tornado.

"Elements of a Lottery" is 6pp. statement recently released by Postoffice Dept. gen. counsel, available free from its information office, Washington. Since FCC and Post Office operate under similar lottery laws, opinion of latter's general counsel is regarded as useful to broadcasters—though attorneys caution that govt. lawyers can disagree on interpretation of lottery laws, just as courts have.

Add George Polk Memorial Awards (Vol. 14:14): Chet Huntley, NBC, best TV or radio interpretation of foreign affairs; John Daly & staff, ABC, and Howard K. Smith, CBS, citations. Welles Hangen, NBC, and Daniel Schorr, CBS, citations for TV or radio reporting from abroad. David Schoenbrun, CBS, best book on foreign affairs.

Big ETV System Planned: Fla. educational TV network linking 3 state-supported universities, 12 junior colleges, half-dozen stations by Sept. 1, 1959 is proposed by state commission set up by 1957 legislature with $600,000 biennial appropriation. As envisaged by commission chairman Judson Freeman, ambitious system centered on U of Fla., Fla. State U, St. Petersburg Junior College would utilize upcoming WJCT, Jacksonville (Ch. 7) and WEDU, Tampa-St. Petersburg (Ch. 3), Gainesville Ch. 5, Tallahassee Ch. 11, other connecting stations. Schools distant from main originating studios would receive telecasts via microwave or telephone-cable closed-circuit. Included in proposal is schedule of adult education TV courses.

Trouble with subliminal ads is that nobody knows for sure whether they can sell anything, according to Northwestern U marketing professor Steuart Henderson Britt. He derided tests of below-threshold processes conducted so far for movie & TV viewers, told Chicago meeting of American Marketing Assn. there's no proof "phantom commercial" can induce anybody to "behave differently"—that it may set up actual resistance in audience which knows it is receiving subliminal messages. "People today complain about the advertising they can see; if subliminal advertising becomes a reality, they'll complain about the advertising they can't see."

Israel's new 100-kw radio transmitter just put into operation in its sector of Jerusalem was purchased with antenna for $160,000 from Campagnie Francaise Thompson-Houston, French associate of the British firm, is now on air 6 hours daily with news, commentary and music. Director Harry Zinder, onetime *Time* newsman, reports considerable discussion about bringing TV to Israel, but no definite plans yet.

Political broadcast complaints are starting early this year. In N. Y., Democratic state chairman Michael H. Prendergast called for "investigation" of fact WOR-TV carried 5-min. telecast by Sen. Irving M. Ives (R-N. Y.) urging no tax cut now. Prendergast claimed talk should be labeled "political," with Democrats given equal time, because Ives hasn't counted himself out of running from fall election.

RCA offers new vidicon camera tube (model 7038), more sensitive than previous types, designed for color & black-&-white, live & film, broadcast & industrial uses. One-in. diameter tube gives up to 600 lines resolution, delivers broadcast-quality pictures with as little as one-ft. candle of illumination. It's claimed to have exceptional uniformity—making it easier to achieve balance in 3-vidicon color cameras.

GE's new northeast sales region for broadcasting equipment sales, at 16247 Wyoming Ave., Detroit, is now in operation under Wells R. Chapin, ex-mgr. of marketing administration & producing planning, technical products dept., Syracuse. Region covers 20 states and D. C., excludes N. Y. metropolitan area, has district offices in Washington, Schenectady, Cleveland, Chicago.

Clear channel radio proceeding will be taken up by FCC April 14 in another effort to conclude the seemingly perpetual case. Chairman Doerfer announced schedule during network hearing this week, stating testimony in latter would be interrupted for clear channel consideration, resuming April 15 with network affiliates committees.

Navy's Ch. 10 translator on Guam, repeating KUAM-TV (Ch. 8), began April 5, operating with 500w ERP.

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING • WASHINGTON 5, D. C. • TELEPHONE STERLING 3-1755

Trade Report
April 12, 1958

IS THE TV-RADIO TREND DOWN—OR UP? A candid reappraisal of TV-radio prospects for balance of year seems very much in order this week as first quarter figures (below) show industry in its worst production slump since 1951. TV production for 13-week quarter was 1,220,000 sets -- down 18% from same period last year. Historically, TV makers turn out 23% of year's total in first 3 months. If factor holds for 1958 -- and it's big IF in the minds of many of industry's most accurate prognosticators -- fewer than 5,400,000 TV receivers will be made this year. Last low was 1951 when total was 5,384,000. [For monthly figures back to 1947, see TV Factbook No. 26, p. 447.]

You can't get an industry leader to admit this year will be that bad, but even guesstimates now are well below first-of-the-year predictions. Motorola pres. Robert W. Galvin predicts 6,000,000 sets "despite relatively slow start", counts on mid-year upswing in general business conditions. Even more bullish, Frank Mansfield, Sylvania research director, predicts 6,650,000 combined black-&-white and color, of which 145,000 will be color, shaving his earlier forecast of 7,000,000. He expects 2nd quarter to equal first, burst to 1,900,000 in 3rd and 2,165,000 in last quarter.

Another gatherer of industry statistics says 5,800,000. Others shy at making predictions. So, you see, there is great divergence of opinion in the industry.

Situation is not without its bright spots, however -- and those who called our attention to them aren't just whistling in the dark. Inventories, for example, are in particularly good balance. Despite slight increase in factory inventories -- up to 525,000 sets at end of March as compared with 487,000 last year -- distributor inventories are almost 100,000 sets lower, and an admittedly incomplete check indicates reduced stocks in dealer hands.

Admiral pres. Ross D. Siragusa told stockholders at annual meeting April 10 he anticipates an increase in sales and earnings this year over 1957 despite a 14% first-quarter decline in electronics sales. He said "any upturn in retail sales resulting from general improvement in conditions would immediately be felt in factory production" because of low inventories. Westinghouse chairman Gwilym Price expressed "cautious optimism", predicted 4th quarter upturn in recent talk (Vol. 14:14).

Radio production in first quarter was off 35%, reflecting in large measure the sharp decline in auto production. Home radio production dropped 15% below last year, retail sales at end of Feb. were down 8%.

* * * *

On the favorable side, factory sales of all phonos were running well ahead of last year -- 13% at end of Feb. And, particularly encouraging was the 300% increase in high-priced console radio-phono combinations, where the $300-$499 price bracket suddenly became the favorite -- 36,000 pieces in Jan.-Feb. compared with 9000 last year. Consumer preference for high-end phonos was specially pleasing to manufacturers looking ahead to the fall introduction of stereo. Console phonos showed a 50% increase and multi-speed automatic portables continued to boom with instruments priced over $100 doubling factory sales of last year.

Reflecting the popularity of transistorized radios, production of transistors in Jan.-Feb. increased 88% over year ago; average price dropped from $2.90 to $2.25.

TV-Radio Production: TV set production was 70,309 week ended April 4 vs. 78,057 preceding week & 108,266 in 1957. Year's 13th week brought production to 1,220,284 vs. 1,474,729 last year. Radio production was 148,040 (41,698 auto) vs. 195,005 (61,701 auto) preceding week & 293,059 (95,158 auto) last year. For 13 weeks, production totaled 2,603,476 (855,752 auto) vs. 3,813,633 (1,642,015 auto).

Retail Sales: Feb. TV set sales at retail were 448,727 vs. 525,437 in Feb. 1957; 1,030,213 for 2 months vs. 1,148,796 last year. Radio sales at retail (home radios only, auto sets not sold at retail) were 420,065 in Feb. vs. 525,029 in 1957; 954,705 for 2 months of 1958 vs. 1,088,392 last year, according to EIA.

More "Anti-Recession Moves": Response to President Eisenhower's "Buy Now" plea came from several quarters in the TV-radio field. Most dramatic was New York's Davega Stores plan for 30-day "Buy Your Way to Prosperity" sale kicked off by a conclave of distributors (including RCA, Zenith, Hotpoint, et al) and manufacturers on prices and terms. Big city chain promised biggest orders in history, asked makers to cut prices and promised buyers "no down payment for 30 days" on many items. Said Emerson pres. Ben Abrams: "We're 100% behind the idea." Bruno-N.Y. pres. Irving Sarnoff and RCA exec. v.p. Robert Seidel also pledged support.

Sunset Stores (also N.Y.) had similar sale-promotion plan afoot. In Chicago, Borg-Warner said it had lined up its distributors for a "Buy Now" campaign. Hotpoint inaugurated a sales promotion with slogan "OK Ike"; Hotpoint launched a nation-wide sales and trade-in program with no down payment, no payments 'til Aug., 3-mo. no-pay grace period in the event of a lay-off, illness or injury.

But, James D. Secrest, exec. v.p. & secy. of EIA had this to say: "It's not possible to expect price cuts in an industry which is now so competitive and where costs have been rising steadily. There's no fat in TV now."

COLUMBIA SHELVES COMPATIBLE RECORD: Columbia Records' "compatible stereo disc" went back to the labs this week. Company announced it would market straight stereo -- the kind other makers plan for mid-summer or early fall release.

Timing for Columbia's first stereo releases was not revealed but is presumed to coincide with RCA Victor's (Vol. 14:14) and other majors trying to catch up with smaller labels already on the market.

Columbia has by no means junked compatibility, pres. Goddard Lieberson said. On the contrary, "Various methods of reproducing stereo have been developed, others are in the labs. We have no doubt that in time technical problems will be solved." Rebutting criticism of Columbia's compatible stereo demonstration at IRE convention in N.Y. in mid-March (Vol. 14:13), Lieberson said: "It should be borne in mind that stereophonic effect is by no means an absolute quality with rigidly specified characteristics. Much remains to be investigated in artistic taste and public favor."

Admiral Countersues Zenith: "Malicious acts of unfair competition" were charged against Zenith by Admiral this week in countersuit to Zenith's triple damage patent infringement case filed in Chicago Federal Court Feb. 11 (Vol. 14:7). Admiral's suit contended Zenith's 1957-58 patents on "Space Command" remote TV controls and "Fringelock" circuit are invalid, principle having been previously known & patented by others, that Zenith had infringed on 2 Admiral patents for phono record spindles. Suit alleged Zenith falsely accused Admiral of hiring former Zenith engineer to reproduce remote control device, suggested that Zenith sought widespread publicity for false accusations to injure Admiral commercially. Neither suit specified amount of damages sought.

Countour styling of backs of TV sets (Vol. 13:48) was brought to maximum when GE introduced new 2-set, 5-model "Designer Series" in N.Y. this week. Cabinet sides are straight for only 8 in., then curve sharply in, to contour against neck of tube which extends back another 6-8 in. Cabinets of 17-in. 110-degree models are plastic, in 3 colors, each combined with white; 21-in. 110-degree models are housed in aluminum with vinyl skin. GE will be shipping in May, sets no list price but expects 17-in. to be about $200, 21-in. about $240.

Factory sales of picture tubes in Feb. were 556,136 units worth $11,210,527 vs. 728,363 units worth $13,134,778 in Feb. 1957. For 2 months, factory sales were 1,178,046 units worth $23,552,454 vs. 1,489,223 worth $26,729,303 last year. Receiving tube sales in Feb. were 29,661,000 units worth $25,650,000 vs. 44,460,000 units worth $36,631,000 in Feb. 1957. For 2 months, unit sales were 56,466,000 worth $48,914,000 vs. 82,031,000 units worth $67,801,000 last year.

Factory sales of transistors in Feb. totaled 3,106,708 units worth $6,806,562 vs. 1,785,000 worth $5,172,000 in Feb. 1957, an increase of 74%. For first 2 months, factory sales were 6,061,955 units worth $13,510,945 vs. 3,221,000 worth $9,291,000 in 1957.

Add Anniversaries: Dr. Allen B. DuMont, pioneer CR tube developer, marketed his first TV sets 20 years ago this spring—"America's first commercially available electronic TV receiver."

Sonora Electronics Inc. is now name of old Sonora Radio & Television Corp., Chicago, recently taken over by Earl Muntz & Frank Atlass at tax auction (Vol. 14:11).

Admiral completes 3 hotel installations, representing $750,000 gross: Manhattan Hotel, N.Y.; Carillon & Deauville Hotels, Miami Beach.

Trade Personals: Robert C. Furlong promoted to sales mgr. of DuMont Labs TV receiver div., succeeding **Bill C. Scales** who joins Jack F. McKinney Sales Co., Dallas . . . **Howard Spellman**, traffic mgr. of RCA International, retires after 50 years with company . . . **John L. Esterhai**, asst. secy. of Philco, elected pres. U. S. Trademark Assn. . . . **Kenneth W. Connor** promoted to new post of mgr. of sales management development, Sylvania home electronics div. . . . **Joseph R. Owen** promoted to adv. & sales promotion mgr., GE electronic components dept. . . . **George Sapin** named mgr., adv. & sales promotion—entertainment market, RCA tube div. . . . **E. L. Bacon** named national adv. & sales promotion mgr., Graybar . . . **Sidney Zelman** promoted to gen. mgr. of Wilcox-Gay, succeeding **Donald E. Heinisch** now with AMI (hi-fi); **Ray Reynolds** transfers to subsidiary Majestic International as sales mgr. for tape recorders . . . **G. Alfred Deady** promoted to controller of AMI Inc. (Grand Rapids hi-fi mfr.) . . . **Martin L. Scher**, ex-CBS-Columbia, joins N. Y. sales rep firm, Key Accounts Inc. . . . **Robert Camp** promoted to new post of asst. to sales director for Capitol Records; **John P. Coveny** to new post of merchandising mgr. . . . **Sidney P. Herbert** appointed v.p. of Kearfott Co., subsidiary of General Precision Instrument.

DISTRIBUTOR NOTES: Motorola organizes Appliance Distributors of Miss., Jackson, for all consumer products; M. J. Lichterman is pres.; Hugh Curtis, sales mgr. . . . Arvin appoints Beller Electric Co., Newark, for radios . . . Westinghouse appoints World Radio Labs, Council Bluffs, Ia., for electronic tubes . . . Steelman Phono & Radio Co. appoints Featherstone & Salisbury, San Francisco, for northern Cal. and Nev. . . . Stromberg-Carlson names J. B. Mitchell Co., Baltimore, for hi-fi . . . Sterling Audio Inc., N. Y., formed to distribute W. German Nordmende hi-fi, radios; J. J. Harris, ex-Philco Distributors pres. . . . Majestic International appoints Empire Home Equipment Co., Philadelphia, for Grundig radios, phonos.

Fair trade legislation ran into another snag in Congress recently when Senator Humphrey (D-Minn.) dropped his plan to introduce a bill similar to the Harris bill (HR-10527) in the House (Vol. 14:9). However, Humphrey said his Senate Small Business subcommittee would hold hearings on proposed "loss leader" measures at a date yet to be set.

Westinghouse shifts defense products headquarters from Pittsburgh to Washington "to co-ordinate company's full capabilities with the nation's defense program." Maj. Gen. Albert Boyd (USAF ret.), v.p. for defense products, is in charge of the new office at 1000 Conn. Ave. NW.

Henri Busignies, formerly pres. of subsidiary Federal Telecommunication Labs, is named pres. new IT&T Labs div., with headquarters in Nutley, N.J., which has been formed to consolidate all U. S. research & development activities.

Ling Electronics, Los Angeles, plans $1,200,000 acquisition of United Electronics, Newark—$750,000 cash plus about 65,000 shares of Ling common stock—effective April 18 subject to Cal. Corporations Commission approval.

Dr. Allen B. DuMont, chairman of DuMont Labs, will receive annual award of the N. J. Society of Professional Engineers at Atlantic City, April 25.

John J. O'Brien, ex-pres. of Teletype Corp., elected a v.p. of Western Electric, succeeded by Mauris T. Goetz.

Who's on second? It was to be expected that we'd be called to task for ranking Zenith in third or fourth place in TV unit sales (Vol. 14:13)—and we were. "I take exception," writes an important reader, "to your comments which refer to 'unverifiable trade talk that Zenith is now in third or fourth place in unit sales.' There is no doubt in my mind that if GE & Hotpoint are considered separately (for, after all, though they are in the same family they still compete with each other and therefore should properly be treated as separate entities) Zenith is second only to RCA . . . Sears Roebuck figures aren't even close to Zenith production, so I can't quite tell what your reporter has in mind when he says [Zenith is] 'perhaps running a close race with aggregate private brands including the Silvertone line . . . which also have enjoyed a surprise upsurge in the last year or two.' Is he talking about *all* private label brands lumped together (and if he is this is certainly comparing apples and oranges) or is he confining his yardstick to Warwick and Pacific Mercury? In either case, I take strong exception." Well, sir, we're glad to hear from readers, even indignant ones: The wording of the story was explicit enough to indicate we *did* mean GE-Hotpoint in combination, private brands in aggregate. Whether Zenith is now No. 2 in unit sales after RCA, we honestly don't know—but it could be and its spokesmen say it's definitely in third place if you count GE-Hotpoint as one entity.

Stature of the electronics industry—fifth largest U. S. manufacturing group—is revealed in EIA's fourth edition of its *Factbook*, just off press. Value of electronic products in 1957 plus distribution, service and broadcasting totaled record $13 billion. Military electronic purchases were $3.9 billion; industrial & commercial, $1.3 billion, "up 50% from 1956"; consumer products, $1.5 billion. *Factbook* takes special note of resurgence of radio and phonograph popularity." The 15,500,000 radios that moved from production line during 1957 are the greatest number since 1948. Phonographs, particularly hi-fi, plus record player attachment sales passed the five million mark for the first time." Prepared by EIA Marketing Data Dept., *Factbook* available to non-members at 50¢ from EIA headquarters, 1721 DeSales St. NW, Washington.

DuMont Labs spent $242,000 in 1956-57 on Lawrence single-gun color TV tube, expects cost of development (Vol. 14:2) to exceed that amount this year—all reimbursed by Paramount Pictures, according to notice of DuMont stockholders' meeting May 5. Notice also reports details of June 27, 1957 amended agreement with Paramount-owned Chromatic TV Labs by which DuMont acquired 3½% participation in gross royalties from Chromatic patent rights in Lawrence tube. This agreement replaced terms of Sept. 13, 1956 research & development contract by which DuMont was assured 10% stock interest in Chromatic "if it successfully completed the program" for commercial mass production of tube to permit simpler & cheaper color set. Chromatic has since been dissolved, is operated now as Paramount div.

Columbia Pictures enters record business July 1 with own div., last of major Hollywood studios to diversify into field. Announcement this week by Columbia, previously dickering to buy Imperial Records (Vol. 14:5, 8) said its music executive Jonie Taps will be gen. mgr. of new div.; ex-Columbia Records (CBS) v.p. Paul J. Wexler, operations director. Label name hasn't been chosen.

IT&T components div. will erect plant at Roanoke, Va. to manufacture new products developed in its labs.

Financial Reports:

OFFICER-DIRECTOR remunerations for 1957, as disclosed in proxy statements released this week, along with their company shareholdings:

Motorola—Paul V. Galvin, chairman, $85,000 (owns 98,153 shares, is co-trustee for 155,580 more, wife owns 13,227—representing 14.3% of aggregate shares); Robert W. Galvin, pres., $85,000 (183,923, plus contingent interest in aforesaid 155,580, plus 8965 held by wife, 9302 for children—14.3%); Daniel E. Noble, exec. v.p., $75,000 (5866); Frank J. O'Brien, v.p.-purchasing, $60,000 (5814); Walter B. Scott, v.p.-manufacturing, $55,000 (1958); Edward W. Taylor, exec. v.p.-consumer products, $75,000 (3560); Edwin P. Vanderwicken, v.p. treas. & secy., $60,000 (600); Elmer H. Wavering, exec. v.p.-auto products, $75,000 (20,900).

Admiral Corp.—Ross D. Siragusa, pres., $60,821; John B. Huarisa, exec. v.p., $59,659; Wallace C. Johnson, v.p., $38,570; Vincent Barreca, v.p., $44,061; Edmond I. Eger, v.p. $35,775 (resigned last month). Last reports showed these major shareholders: Siragusa, 252,667 (10.7%); Mrs. Siragusa, 421,520 (17.85%); Mr. & Mrs. Siragusa, as trustees, 242,480 (10.27%); Huarisa, 98,131 (plus 13,294 held by wife, 7200 in trust for daughter); Johnson, 2200 (wife, 120); Barreca, 435 (wife, 400). General counsel Frank H. Uriell, partner of Pope & Ballard, holds 1500 (wife 210); ex-v.p. Richard F. Dooley, 68,651 (wife, 12,260).

Allen B. DuMont Laboratories—Allen B. DuMont, chairman, $50,000 (32,901 shares plus 6500 common & 1200 pfd. held in trust for Allen B. DuMont Jr.); David T. Schultz, pres., $75,000 (5000). Other DuMont director shareholdings listed in call for May 5 annual meeting at Clifton, N. J. plant: Armand G. Erpf, partner, Carl M. Loeb, Rhoades & Co., 8000; Thomas T. Goldsmith, v.p.-govt. & research, 3100; Percy M. Stewart, partner, Kuhn, Loeb & Co., 1000. Note: Paramount Pictures Corp. owns 634,400 of the 2,361,092 shares outstanding, or about 26.9%, but its pres. Barney Balaban, v.p. Paul Raibourn & counsel Edwin Weisl, though directors, own no stock. [For 1957 annual report, see Vol. 14:11.]

Hoffman Electronics—H. Leslie Hoffman, pres., $30,000 under 5-year contract from Jan. 1, 1955 whereby deferred compensation of $30,000 per year is paid for life (owns, with family, 155,763 shares); M. E. Paradise, v.p., $56,000; C. E. Underwood, v.p. & treas., $62,550 (5500); James D. McLean, v.p., $42,525 (100). Also, $69,150 paid to law firm Adams, Duque & Hazeltine; H. S. Hazeltine was secy. of company throughout 1957. Mr. Paradise holds option on 5000 shares at $21.75, Mr. McLean on 4500 at $19.50.

* * * * *

More officer-director compensations for 1957, as revealed in current notices and proxy statements: **General Dynamics**—Frank Pace Jr., exec. v.p., now pres., $129,993 (owns 39,780 shares); J. Geoffrey Notman, pres.-gen. mgr., Canadair Ltd., $91,950 (15,064); Robert C. Tait, senior v.p. & pres. of Stromberg-Carlson div. (electronics, radios, hi-fi), $80,000 (13,437). On board is R. C. Patterson Jr., onetime NBC exec. v.p. **Whirlpool Corp.**—Walter G. Seeger, chairman, $75,000 (38,146 shares); Elisha Gray II, pres., $106,362 (30,400); Donald W. Alexander, v.p., $68,072 (exercised options on 800 shares at $9.51); John A. Hurley, v.p., $68,072. RCA's Frank Folsom & Charles Odorizzi, directors, own 200 & 1100 shares, respectively, and RCA as of Jan. 1, 1958 owned 1,158,563 shares (18.9%). During 1957, RCA divisions and subsidiaries purchased $20,560,000 of Whirlpool products for resale while Sears, Roebuck (with 2 members also on board and so-called Sears group owning 1,027,013 shares, or 16.77% of common and 55,878 shares, or 26.08% of 4½% cumulative conv. preferred) bought $237,909,320 worth, or approximately 59% of Whirlpool's 1957 sales. **Amphenol Electronics Corp.**—Arthur J. Schmitt, pres., $109,500 (29,858 shares); William H. Rous, v.p.-sales, $37,875 (500); John L. Woods, v.p.-controller (1225).

DATES & PLACES of annual shareholder meetings, as reported in recent notices and proxy statements and reported in issues of *Television Digest* indicated:

American Broadcasting-Paramount (Vol. 14:13)
May 20, Hotel Astor, N. Y., 11 a.m.
American Tel. & Tel. (Vol. 14:12)
April 16, 50 Varick St., N. Y., 1 p.m.
Amphenol Electronics (Vol. 14:13 & above)
April 28, plant, Cicero, Ill., 11 a.m.
CBS Inc. (Vol. 14:7, 12, 13)
April 16, 49 E. 52nd St., N. Y., 10 a.m.
DuMont Laboratories (Vol. 14:11 & above)
May 5, plant, Clifton, N. J., 11 a.m.
DuMont Broadcasting Co. (p. 15)
May 12, 205 E. 67th St., N. Y., 10 a.m.
General Electric Co. (Vol. 14:12)
April 23, State Armory, Schenectady, 10:30 a.m.
Hoffman Electronics (Vol. 14:12 & above)
May 5, Los Angeles offices, 10 a.m.
Motorola Corp. (Vol. 14:11 & above)
May 5, Graemere Hotel, Chicago, 5 p.m.
Muter Co. (Vol. 14:14)
April 15, 1255 S. Mich. Ave., Chicago, 11:30 a.m.
Oak Mfg. Co. (Vol. 14:12)
April 24, 1260 Clybourn Ave., Chicago, 10 a.m.
Radio Corp. of America (Vol. 14:9, 10)
May 6, RCA Bldg., N. Y., 11 a.m.
Sylvania Electric (Vol. 14:13)
April 24, Sheraton-Plaza, Boston, 10 a.m.
Webcor Inc. (Vol. 14:11, 14)
April 28, 7330 W. North Ave., Elwood Park, Ill., 2:30 p.m.
Wells-Gardner (Vol. 14:14)
April 15, 2701 N. Kildare Ave., Chicago, 2 p.m.
Zenith Radio Corp. (Vol. 14:14)
April 22, 6001 W. Dickens Ave., Chicago, 10 a.m.

Meetings already held, with references to dates of our financial reports: Admiral (Vol. 14:13); Avco (Vol. 14:4, 11, 13); Emerson Radio (Vol. 14:5, 8); General Tire's RKO Teleradio (Vol. 14:7, 14); Hazeltine (Vol. 14:12); National Telefilm Assoc. (Vol. 14:6); Philco (Vol. 14:9, 12); Raytheon (Vol. 14:6, 11); Storer (Vol. 14:8, 13); Tung-Sol (Vol. 14:10); Westinghouse (Vol. 14:6, 12, 14).

OFFICERS-&-DIRECTORS stock transactions as reported to SEC for March: **AB-PT**—E. Chester Gersten bought 400, holds 500. **C&C TV**—Walter S. Mack sold 4100, holds 186,200. **Columbia Pictures**—Alfred Hart bought 2000, holds 8067. **Corning Glass**—George D. Macbeth sold 3000, holds 16,000. **DuMont Labs**—Allen B. DuMont bought 1000, holds 33,901. **GE**—Robert L. Gibson sold 1400, holds 3910; Wm. V. O'Brien sold 1400, holds 4210; Gerald L. Phillippe sold 1000, holds 4619.

International Resistance—Edward A. Stevens acquired 200 in partial repayment of loan, holds 5900; C. D. Vannoy bought 400, holds 400.

IT&T—Robert F. Bender bought 200, holds 200. **Loew's**—Jerome A. Newman bought 100 personally, 125 through Graham-Newman & Co., holds 4530 personally, 5145 in Graham-Newman.

National Telefilm Assoc.—Edward M. Gray sold 4000, holds 2500. **National Theatres**—B. Gerald Cantor bought 1000, holds 108,-500.

Philco—Robert F. Herr sold 998, holds 24,954; Frederick D. Ogilby sold 370, holds 5005; H. T. Paiste Jr. sold 340, holds 8500; Leslie J. Woods sold 200, holds 7044. **Raytheon**—Carl J. Gilbert bought 200, holds 1000. **Republic Pictures**—Herbert J. Yates bought 7309, holds 74,469. **Siegler**—John G. Brooks sold 4889, holds 26,427. **Standard Coil**—John R. Johnson bought 2000, holds 2000.

Sylvania—Matthew D. Burns sold 100, holds 1295. **Trans Lux**—Harry Brandt bought 1300 personally, 300 through holding companies, 850 through foundations, holds 139,200 personally, 1700 in holding companies, 17,700 for wife, 25,370 in foundations. **Trav-Ler**—Joe Friedman bought 3000, holds 224,233. **Universal Pictures**—Preston Davie sold 100, holds 9. **Warner Bros.**—Serge Semenenko bought 23,000, holds 103,000 personally, 2000 in trust for daughter.

Gross Telecasting Inc., one of few publicly-held TV-radio station operations (see Stock Quotations column), reports its 200,000 shares of common stock now held by approximately 2000 shareholders in 36 states.

DuMont Stations in Black: DuMont Broadcasting Corp., proposing to change corporate name to Metropolitan Broadcasting Co. at May 12 shareholders meeting in its N.Y. offices, jumped its gross revenues to $10,293,587 in the 52 weeks ended Dec. 28, 1957 from $5,564,913 in 1956 and showed profit of $243,460 (15.8¢ a share) vs. preceding year's loss of $899,593 (95.3¢). In the 4 months of 1955 during which it operated as a separate entity, having been spun off Allen B. DuMont Laboratories, its loss was $665,883 after writeoffs of film inventory, etc.

Though there's no breakdown of individual station revenues & profits, it can be assumed acquisition last May of New York's big-earner 50-kw radio WNEW (Vol. 13:12, 17) accounted to large extent for new figures revealed by pres. Bernard Goodwin in this week's annual report. WNEW was acquired for $4,815,407 cash, 281,889 shares of DuMont Bcstg. (then 8½); it had grossed $4,116,836 in year ended Oct. 31, 1956 and $1,405,124 in the 3 months thereafter, showing profits of $709,167 & $104,920 for the respective periods.

Firm was spun off from DuMont Laboratories Inc. in 1955 (Vol. 11:33, 34) to operate TV stations WABD, N. Y. (Ch. 5) & WTTG, Washington (Ch. 5). Besides WNEW, it also operates WNEW-FM (purchased last year as WHFI-FM). Policy of diversification into radio also includes recent $700,000 cash purchase of *Cleveland Plain Dealer's* WHK, still awaiting FCC approval (Vol. 14:9).

Firm has 1,541,137 shares of $1 par stock now outstanding, traded over-the-counter. Its funded debt, $3,500,000 bank loan from Bank of N. Y. and Manufacturers Trust Co., is being amortized quarterly, was down to $3,150,000 as of Dec. 28, 1957, with $700,000 payable in 1958; no dividends can be paid until loan is fully discharged. Current assets are $5,613,182, current liabilities $3,746,236, deficit $5,944,080.

Proxy statement reveals that Dr. Allen B. DuMont, chairman, was succeeded as director last year by David J. Mahoney, pres. of Good Humor Corp., ex-pres. of ad agency bearing his own name and onetime pres. of Ruthrauff & Ryan. Other directors: Barney Balaban, pres., Paramount Pictures (owner of about 21% of stock); Richard D. Buckley, v.p. & pres. of WNEW div. & TV-radio programming chief (next largest stockholder, 12%); Armand G. Erpf, partner, Carl M. Loeb, Rhoades & Co.; Dr. Thomas T. Goldsmith, v.p., DuMont Labs; Bernard Goodwin, pres.; Robert C. Jones, senior partner, Jones, Kreeger & Hewitt, Washington (investments); Paul Raibourn, v.p., Paramount; Percy M. Stewart, partner, Kuhn, Loeb & Co.; Edwin L. Weisl Sr., partner, Simpson, Thacher & Bartlett, attorneys.

Raytheon's first quarter sales jumped to $80,393,000 from $52,270,000 in same 1957 period, earnings going to $1,734,000 (58¢ per share) from $1,143,000 (40¢) and backlog of govt. business at March 31 exceeding $325,000,000. Since Jan. 1, pres. Charles F. Adams told stockholders meeting this week, new military orders totaled $150,000,000, employment rolls increased 2000 to 30,000 (increase in 1957 was 8000). "The company has definitely been feeling the effects of the general business recession in certain areas of its commercial business," said Adams. "Overall, however, Raytheon expects a further increase in both sales and earnings during 1958." [For 1957 sales & earnings, see Vol. 14:5].

Reeves Soundcraft Corp., calling itself second largest manufacturer of magnetic recording media in the world, reports 1957 sales went to $4,678,801 from $3,304,356 in 1956, profits to $232,224 from $876. Recording products div. enjoyed 57.4% sales jump—"startling increase in magnetic tape sales encompassed all categories, from consumer products, professional products and magnetic film, to advanced instrumentation types." Also up was business of subsidiaries Bergen Wire Rope Co. and Reevesound Co. Inc. (recorders, reproducers & associated equipment), latter having equipped film production facilities of Army Ballistic Missiles Agency, Walter Reed Army Medical Center, Eastman Kodak, GE, USIA, Canadian Broadcasting Corp. and Pakistan Govt. movie lab. Company owns 453,441 shares of Cinerama Inc. out of 2,837,810 outstanding. It borrowed $500,000 from Prudential on 6% note last March 26, pledging its Cinerama stock as security and granting Prudential option to buy 150,000 Soundcraft common at $3. Pres. Hazard E. Reeves sees 1958 continuing 1957 growth pattern, reports current assets $1,608,711, current liabilities $484,539, earned surplus $2,295,434.

National Union Electric Corp., now mainly in heating & air conditioning (Eureka Williams) but still making special purpose electron tubes (miniature CR, pentode voltage amplifier), jumped its sales to $9,840,489 in 1957 from $2,706,805 in 1956 and low of $1,132,024 in 1955. Profits also went up in 1957 to $570,856 (33¢ per share) from $563,068 (32¢) in 1956, losses of $638,695 in 1955, $1,289,264 in 1954. Proxy statement for May 2 annual meeting in Wilmington shows no officer-director salaries as high as $30,000. Chairman C. Russell Feldmann, also chairman of Eureka Williams, which he controls, owns 398,200 shares of 1,747,286 outstanding; Herbert J. Allemang, v.p., 9900; Harry E. Colin, senior partner, Colin, Norton & Co., 219,000; Joseph V. McKee, secy.-treas., 2000; W. J. Armstrong, v.p., gen. mgr. of Armstrong Furnace div., 14,500.

Reports & comments available: On Raytheon, in memo by Paine, Webber, Jackson & Curtis, 25 Broad St., N. Y. On Ampex, in special report by Shearson, Hammill & Co., 14 Wall St., N. Y. On High Voltage Engineering Corp., in 8pp. analysis by Carl M. Loeb, Rhoades & Co., 42 Wall St., N. Y. On CBS & Zenith, in *Monthly Review* of H. Hentz & Co., 72 Wall St., N. Y. On Tung-Sol, in analysis by Filor, Bullard & Smyth, 39 Broadway, N. Y. On Philco, in review by Eastman, Dillon & Co., 15 Broad St., N. Y.

Philco, which ended 1957 with pronounced gains in sales & earnings over 1956 (Vol. 14:9), expects to show loss in first 1958 quarter vs. net profit of $1,107,000 (26¢ per share) in 1957 period (Vol. 13:18), pres. James M. Skinner Jr. told annual meeting in Philadelphia this week. He attributed decline to "over-all business slump," saw "no real upturn for some months." He said consumer goods now represent 60-65% of Philco sales.

Skiatron Electronics & TV Corp., traded on ASE, earned net profit of $15,380 on income of $613,728 in 1957 vs. $4301 & $449,178 in 1956. A prime mover for pay TV, Skiatron pres. Arthur Levy states in annual report that Congressional committees yielded to "unethical lobbying" of networks and movie interests and charged FCC with "partial abdication of its powers" in delaying tests.

IT&T had consolidated net income of $22,412,814 ($3.12 per share) on record domestic & foreign sales of $592,827,257 in 1957 vs. $28,109,946 ($3.92) on $501,405,379 in 1956. Lower earnings were attributed by pres. Edmond H. Leavey to 13-week strike at FTR's Clifton, N. J. plant, reassignment of product lines to other units.

CBS Struck—But Not Out: First major network-wide strike in TV's short history hit CBS this week, 1300 IBEW technicians walking out at 1 p.m. April 7 in 7 cities, (N.Y., Boston, Chicago, Milwaukee, Los Angeles, San Francisco, Hartford) in long-simmering contract dispute (Vol. 14:14). Results were disrupted schedules, substitution of film for live shows, overtime work by CBS staffers who filled in for strikers—but no chaos.

In N.Y. originating studios, lights, cameras, controls were manned by 300 executive & supervisory employes. In preparation for such emergency they had taken CBS primer lessons in TV engineering last Sept., generally did creditable jobs as amateurs in keeping shows on air.

Strike issues were confused in press statements by both sides. CBS management complained IBEW demanded "exhorbitant" wages. Leaders of union's militant local 1212—which spearheaded walkout with little apparent encouragement from national negotiators—said "job security" at CBS was big point. Jurisdiction over video tape—subject of increasing inter-union rivalry—was believed to be stickiest question in dispute, however.

NABET, engaged in parallel contract negotiations with NBC & ABC (Vol. 14:13), was standing by to see how IBEW makes out. At press time, CBS-IBEW negotiations—broken off last weekend despite pleas by govt. mediators that talks continue—were scheduled to be resumed in Washington.

MBS Operators Sued: Group ousted by owners of Mutual Broadcasting System (Vol. 14:9) has filed suit in N.Y. Supreme Court demanding that it be represented on new board of directors (Vol. 14:13)—but dismissal of suit was asked this week on grounds of no jurisdiction. Paul Roberts, ex-MBS pres., who helped engineer purchase of the radio network from RKO Teleradio (Vol. 13:30, 32), and colleagues are plaintiffs; Armand Hammer, oilman, art gallery owner and financier, who reaped fortune when he sold United Distillers to Schenley in 1950, heads defendant group. Suit claims Hammer, now pres., with George Vogel as exec. v.p., failed to live up to option agreements after purchasing network for about $550,000 and assuming obligations of $1,250,000. Hammer faction claims it financed entire deal, including new working capital, got rid of Roberts and associates because of alleged cut-rate policies. Roberts group had options of 50% of stock, its members including Bert Hauser & Abe Schechter, ex-MBS v.p.'s; Frieda Hennock & H. P. Seligson, attorneys.

Count 7-month-old WFGA-TV, Jacksonville, Fla. (Ch. 12) in on the colorcasting sweepstakes that already has 3 other domestic claimants to the distinction of carrying most color shows (Vol. 14:12). The NBC-ABC affiliate claims to be only station in Florida currently originating local live shows in color (13 hours, 10 min. weekly) plus 2 weekly 30-min. color film shows, many ID slides, in addition to 10 hours weekly of network color. And NBC's WNBQ, Chicago, reports that in April, 1956 it became first station to broadcast all local live shows in color, and its April 6-12 week carried 35 hours, 25 min. in color, of which 6 hours, 15 min. were color film. Writes WNBQ's Chet Campbell: "With 3 stations, including the independent WGN-TV, telecasting 40:10 of color per week in Chicago, this mark is probably the most colorful in the country." Any more entries?

"VERA"—Vision Electronic Recording Apparatus—is new TV tape recording system unveiled in London by BBC this week. It uses ½-in. tape vs. Ampex's 2-in. BBC says equipment has been under development 5 years, and BBC-TV deputy director Cecil McGivern termed performance "absolutely first class."

COMMON STOCK QUOTATIONS

Week Ending Friday, April 11, 1958

Electronics TV-Radio-Appliances Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg
9¼	7	Admiral	8½	+⅜
22⅝	19⅜	AmBosch .30e	21⅞	—⅛
16¾	13	AmBcstg-Par .1	16	+⅞
37⅞	32¼	AmMy&F 1.60	36	+⅝
174¾	167⅞	AT&T 9	174¾	+1¾
26½	22⅜	Amphenol 1.20	24½	—
29⅞	26	Arvin 2	26½	—
7¼	5⅝	Avco .10e	6	—
25¾	20¼	BeckInst 1¼t	21	+¼
53	44⅝	BendixAv 2.40	45½	—
32¼	27⅝	Burroughs 1	27¾	—¾
18⅜	15¾	Clevite ¼e	16¼	—¼
29¾	24½	CBS "A" 1b	29	+1⅜
28¾	24⅛	CBS "B" 1b	28½	+1⅜
16¼	12½	Col Pict ⅜t	14¾	—
35¼	27⅞	Cons Elec .40	30⅞	—⅜
26½	19½	Cons Electron	25½	+⅛
16½	13	Cor-Dub .20e	13	+¼
87½	74⅝	CornGlass 1a	80¾	+¼
3⅝	3	Davega	3⅛	—
35	30	Daystrom 1.20	31½	—½
16¼	13⅞	Decca 1	14½	—⅜
21½	14	Disney .40b	19⅝	+1⅛
107⅜	97⅛	EastKod 1.55e	103⅜	+2⅜
34⅜	29	EmerElec 1.60	33	+½
6⅛	4⅛	EmersonRadio	5½	—⅛
8½	7	Gabriel .60	8	—⅛
65¾	55¼	Gen Dynam 2	58	+1¼
64¼	59½	Gen Electric 2	57¾	—¾
6⅞	4⅝	Gen Inst. .15g	6⅛	—
41	34¼	GnPrEquip2.40	34¾	—½
30	22¼	Gen Tire .70b	23⅝	+½
44	40⅜	Gen Teleph. 2	44	+1
25⅜	21	HoffmanElec 1	25	+¾

1958 High	Low	Stock and Div.	Close	Wk. Chg
351¾	300	IBM 2.60	343½	+5¼
33¼	29¼	IT&T 1.80	32⅜	+⅝
41½	36⅛	I-T-ECirB .45e	37¾	+1¼
7⅞	6⅞	ListIndust ¼e	7⅛	+⅛
43⅞	36⅞	Litton Ind	39¾	+¼
15½	13⅛	Loew's	13	—⅛
37	30¼	Magnavox1½b	35⅝	+⅛
28¾	24⅝	Mallory 1.40b	25	—⅝
88¾	76	Mpls.H'll 1.60a	84	—¾
42¼	37	Motorola 1½	37	—¾
9	7⅜	Nat'l Thea ½	8¾	+⅛
38⅜	30⅝	Paramount 2	33⅛	—⅛
17⅛	12⅜	Philco	14	+1¼
35	30¼	RCA 1a	31	—⅝
26	21½	Raytheon 1¼t	25¾	+1⅛
7⅛	5	Republic Pic	5½	—⅜
34¾	32¼	SangElec 1.80	32¾	+⅜
16⅛	13¼	Siegler .80	13⅝	—¼
3⅞	2¾	Sparton	3⅛	+⅛
20⅝	17⅝	SperryRan .80	17¾	—
8¼	6	Standard Coil	7¼	—
18	14½	Stanley-War 1	17⅝	—⅜
32	29	Stew Warn 2b	29¾	—⅛
24½	20	StorBcstg 1.80	23	+¾
37½	31½	Sylvania 2	36	+⅜
33⅜	26¾	Texas Instru	33	—⅜
55¼	41⅜	ThomProd 1.40	45	+2½
26⅞	23¼	Tung-Sol 1.40b	24	—1
25½	21¾	20thC-Fox 1.60	25	+1¾
20½	15¼	UnitedArt 1.40	20⅛	+⅞
22⅝	19	Univ. Pict 1a	20½	+¼
19½	16⅞	WarnBros 1.20	19	—½
65½	57½	Westingh El 2	57¾	—
75¾	67½	Zenith new	71⅛	—⅜

AMERICAN STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg
3⅜	3	Allied Artists	3⅛	—
45	34½	Allied Con 1a	38	—⅛
15⅛	13⅜	AmElectro ½	13¼	—⅝
10⅛	8⅜	AssocArtProd	9⅝	—½
9⅞	7¼	AudioDev .05d	9⅞	+¾
10	7⅜	BelockInst ⅛t	10	+1⅝
½	⅜	C & C TV	7/16	+1/16
3¾	2⅞	Clarostat .15g	3	—¼
4⅝	3	DuMont Lab	3¾	+¼
4⅛	2⅞	Dynam Am	3¼	—
13⅛	10	EletcronicCom	11½	—½
7⅞	6⅜	Electronics Cp	7⅜	+¾
31⅝	19½	FairchCam½g	23⅝	—⅛
24⅞	17¼	General Trans	21⅜	+⅜
17¼	14⅝	Globe Un .80	16	+⅝
3⅜	2⅝	Guild Films	2⅝	+⅜

1958 High	Low	Stock and Div.	Close	Wk. Chg
37½	30½	Hazeltin 1.40b	33	+½
2⅞	2	Herold Ra .20	2¼	—
4⅝	3¾	Int Resist .20	4	—⅛
6¼	4¼	Lear	5⅜	+½
⅝	⅜	Muntz TV	½	—
3½	2½	Mnter Co. ¼t	3⅜	—⅛
7	5⅝	Nat'l Telefilm	6¼	+½
1⅝	1	Nat Union El	1⅜	+⅛
6⅞	2¾	Norden-Ketay	2¾	—⅛
3⅝	2⅞	Oxford El .10r	2⅞	—⅛
16	11	Philips El	14¾	+½
8⅝	6⅝	Servomech .40	7⅞	+⅛
6	3⅜	Skiatron	4⅛	—¼
4⅜	3½	Technicolor	3⅝	—⅛
4½	3½	Trans-Lux .20g	4	—⅜
4⅞	4⅝	Victoreen Inst	4⅝	—

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked
Advance Ind	1¾	2
Aerovox	4½	5
Airborne Inst	41	44
Altec Co. .80	7½	8½
AMP Inc .50	18	18½
Ampex	58½	60
Baird Atomic	8	9
Cinerama Inc.	1⅜	1¾
Cinerama Prod.	1 9/16	2
Cohu Electronics	6⅞	7½
Collins "A" .35	11½	12½
Collins "B" .35	11½	12½
Cook Elec. .40d	17⅝	19
Craig Systems	4⅜	4¾
DuMont Bcstg.	7¾	8¼
Eitel-McCullough (5% stk)	26	28
Elec Assoc (stk)	36	38
Erie Resistor .40b	6⅛	6½
Friden Ind. 1	48	50
Giannini, G. M.	14	15
Granco Products .05	1 3/16	1½
Gross Telecasting 1.60	18¼	20
Hewlett-Packard	26	28
High Voltage .10g	29	31
Hycon	2 3/16	2¾
Indiana Steel Prod. 1.20a	17¾	18⅛
Jerrold	1⅞	2¼
Ling Industries	2 7/16	2¾
Leeds & Northrup .60b	22	24

	Bid	Asked
Macblett Labs .25g	15½	16¾
Magna Theatre	2¼	2⅝
Maxson (W. L.) .05	4⅞	5½
Meredith Pub. 1.80a	29	31
National Co. (4% stk.)	11¾	12½
Oak Mfg. 1.40	14	14½
Official Films .10	1 1/16	1⅜
OR Radio	18	19
Pacific Mercury TV	5⅜	5¾
Packard-Bell .50	11⅜	12
Panellit	5⅛	5⅝
Perkin-Elmer	22¾	24
Philips Lamp (14% of par)	34⅝	36
Reeves Soundcraft (stk.)	2 11/16	3⅛
Sprague Electric 1.20	30	32
Taylor Instrument 1.20	27¾	29
Tele-Broadcasters	2⅞	3½
Telechrome .30	8⅝	9
Telecomputing	4	4½
Teleprompter (stock)	6¼	6¾
Time Inc. 3.75	59¼	62
Topp Industries (stock)	9	9½
Tracerlab	6⅜	7
Trav-Ler	1¼	1½
United Artists	4⅞	5¼
Varian Associates	15½	16½
Webcor .15c	11⅝	11⅞
Wells-Gardner	7⅛	7⅝
WJR Goodwill Sta. .50d	13⅝	14

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid after stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. • No trade

THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 14: No. 16

SUMMARY-INDEX OF THE WEEK'S NEWS — April 19, 1958

TV-RADIO AREN'T AS FREE AS THE PRESS: Mere fact that FCC has asked for a sort of "accounting of fairness" from TV networks and stations in their handling of the sur-charged pay TV issue (p. 4) would seem to support the thesis that TV & radio, while tremendously important as news media, simply aren't as free as the press -- yet.

There have been similar citations in the past, and the media are always fair game for disgruntled politicos and thwarted publicity seekers. Notably, there was the famous case of FCC in its early days setting CBS licenses for hearing because of a furore raised by Orson Welles' famous "Invasion from Mars" broadcast in the '30s.

Nothing came of that one, of course, for even a then none too friendly press laughed Chairman McNinch into reneging -- and it's our guess nothing will come of this one (Vol. 14:15) except possibly reprimand if someone really is proved unfair.

From the Fund for The Republic this week comes a report that does a real service for freedom of expression. Ford-funded group had commissioned a top-flight and seasoned newsman from a competing medium to do a solid job of reporting and analyzing CBS's argument-provoking Khrushchev telecast of last year (Vol. 13:20-37).

Herbert Mitgang, an editor of the New York Times Sunday dept., did the work -- and Fund has issued his 15-pp. "Freedom to See." (We'll vouch for Mitgang, incidentally, for we knew him well on Stars & Stripes in North Africa during the war.)

Through Mitgang's meticulous reporting, CBS's initiative is more clearly visible, and he discloses for the first time how carefully CBS newsmen checked with, but made no attempt to "clear" with, White House and State Dept. officials.

Essence of his conclusion is that TV-radio should be as free in handling news as the press -- but obviously isn't. He doesn't go into why it isn't, namely, limitation of facilities (less so now in radio than in TV); and, more particularly, the broadcasters' fear of Govt., in form of FCC, that gives them short leases on life by way of 3-year licenses. That plus govt.'s omnipresent "lifted eyebrow," as in the current case, implies constant surveillance if not jeopardy.

FCC in turn is always fearful of a few excitable Congressmen, who can turn a witness chair into a grill.

Considering journalism's long historical battle for freedom, however, you get the feeling from Mitgang's report that TV-radio (video-audio journalism) may be making far greater strides than we realize -- in such efforts as CBS's and in sporadic editorializing here & there (with adequate opportunity for reply, of course). After all, this industry isn't much older than a microsecond compared with printed press.

Full text of report may be obtained from Fund for The Republic, 60 E. 42nd St., N.Y. -- but we reprint guts of the thing, Mitgang's conclusions, on p. 5.

'DON'T KILL WITH KINDNESS,' SAY AFFILIATES: A very polite and very firm decline of govt. "help" in dealing with networks was presented to FCC in its hearings on Barrow Report this week. Sixteen experienced affiliates -- big & small, vhf & uhf -- took turns in witness chair, taking Report's recommendations one by one, and by example and educated guess gave opinions that staff's good intentions would very likely harm affiliates & public -- and put FCC in impossible role of day-by-day business control.

Mass of testimony against changes proposed in Report has by now mounted so high that next witness, Dick Moore, of KTTV, Los Angeles, faces most formidable job of attempting to counter-balance evidence to date. He takes stand April 22, after which hearing recesses to May 12. Then, stations represented by CBS and NBC Spot Sales go on, followed by Station Representatives Assn. Rep Edward Petry is next, followed by Committee for Competitive TV and 6 individual stations. This winds it up -- and FCC hopes finish will come by end of May.

* * * * *

"Theories" of FCC staff vs. "experience" of telecasters was theme of this week's witnesses. As one operator put it, Report is like diagnosis by bright medical student, compared with treatment by an experienced physician.

Affiliates' argument is that changes won't help anyone -- not even the few independent stations and film distributors who think they might -- because tampering with present delicate relationships would undermine network service which is backbone of TV, supporting entire industry.

Perhaps even more directly to heart of the matter was conclusion presented by last man to testify this week -- Lawrence H. (Bud) Rogers, pres. of WSAZ-TV, Huntington, W. Va. It's worth excerpting:

"Now let me ask a question of the Commission. Is this really what you want to do? Do you wish to sit in the seat of business judgment for every station licensee and every network? Can you really contemplate a Commission equipped and staffed to make all the business decisions required on a day-in-day-out basis of the TV station operators of the nation? The average day in the life of a broadcasting executive is fraught with complex decisions which must be made based upon personal opinion, market research, private prejudice, pressure from listeners & viewers, economic pressures, a personal sense of showmanship, and oftentimes snap judgment necessitated by an impossible situation. But whatever the basis for decision, it must be made, and made quickly. There is no time for a hearing and the taking of evidence, and all the adjuncts of an administrative decision.

"Multiply this by the hundreds of stations in the hundreds of markets in the country and 3 network organizations and countless program producers, national sales representatives and advertisers -- and you have an idea of the magnitude of the problem you would be taking on." [For digests of week's testimony, see p. 8.]

ALL ROADS LEAD TO NAB CONVENTION: There are 2 main tents again for the separate but concurrent management and engineering sessions of the 1958 NAB convention in Los Angeles' Statler and Biltmore hotels, starting next Sun. April 27 and running thru Thu. May 1. And there are so many coincident sideshows -- such as specialized group meetings, exhibits, socials and the like -- that you will have to allocate your time carefully to profit by this biggest gathering of the broadcast clan. Pre-registrations indicate more than last year's 2358, meaning well over 3000 will be on hand.

NAB convention is getting so huge, in fact, so demanding of time and energy, that important sessions on basic matters are all too often sparsely attended -- with result that through the year there are now many specialized conventions, strictly business, like those of the network affiliates, engineers, community antenna people, et al. Assn. of FCC Consulting Engineers is holding its annual meeting just ahead of NAB's (at Continental Hilton Hotel, Mexico City, Fri. April 25) with big turnout expected of air travelers routing themselves to Los Angeles via the Mexican capital. ABC primary affiliates also meet April 25 in Hollywood's Beverly Hills Hotel.

NAB's remains the most important annual conclave, however, and it will be well to consult its agenda beforehand for choice of the 30 speeches, 15 panels (with 50 panelists) you want to hear; also for the multifarious side meetings.

Most important management sessions, in our book: April 28, panels on films, FM, labor. April 29, sessions on business conditions, radio in defense, TV code; keynote address by CBS's Frank Stanton; luncheon address by McCann-Erickson pres. Marion Harper Jr. April 30, FCC panel (all members due to be on hand, all expenses paid by Govt. this time); sessions on business practices. May 1, conferences on music licensing, color, TvB. Daily engineering sessions, entirely technical, will feature luncheon address April 30 by Sir Harold Bishop, BBC director of engineering.

Side meetings other than those of private companies include: April 25, ABC primary affiliates; April 26, board meeting of AMST & Assn. for Professional Broadcasting Education. April 27, membership meetings of AMST & APBE, BMI board meeting & annual dinner, MBS affiliates, Clear Channel Broadcasters Assn., Daytime Broadcasters Assn. April 28, Television Pioneers, Quality Radio Group, TV Code Review board, Disneyland tour. April 29, GE junket to Tijuana, Broadcast Pioneers banquet. April 30, Small TV markets group, annual convention banquet in Hollywood Palladium.

Note: NAB membership now is 2112, plus 125 associates. Of these, 1440 are AMs (out of U.S. total of 3229); 327 TVs (out of 536), 338 FMs (total 540), 3 TV networks, 4 radio networks.

FCC STILL TARGET OF CONGRESS & COURTS: Harris subcommittee investigating FCC takes off again next week into a pretty wild blue yonder -- patent business. Chairman Harris (D-Ark.) said he expects hearing on subject to run April 23-24, maybe more later. First witness will be Wm. Bauer, retired FCC patent advisor, who tried unsuccessfully for years to get both Democratic & Republican FCC majorities to try to take RCA's patents apart.

If Harris really wants to get into the subject, he has a lifetime career. After long and careful study, FCC has continued to assert that questions of patent monopoly are job for Justice Dept. -- and Justice does have anti-trust suit pending against RCA (Vol. 14:8, 10).

Court of Appeals seems to have taken rather wary attitude toward FCC, too, in opinion of many attorneys evaluating court's action on Miami Ch. 10 case this week. FCC had asked court to remand WKAT's appeal of grant to National Airlines so that Commission could study impact of propriety of ex-Comr. Mack's vote and of allegations Airlines and WKAT sought to influence FCC improperly.

Court declined to remand case in true sense. It did send it back to FCC but only so that Commission can be fact-finding agency regarding foregoing questions of propriety and influence. Court asked Commission to find out:

"What circumstances formed the basis for the public charges that one of the members of the Commission should have disqualified himself in these proceedings; and whether any person or persons influenced or attempted to influnce any member of the Commission in respect to the present proceedings in any manner whatsoever except by the recognized and public processes of adjudication, and if so, the full facts and circumstances; and whether any party to the proceeding before the Commission directly or indirectly secured, aided, confirmed, ratified, or knew of any misconduct by the Commission to have occurred."

All original Ch. 10 applicants are allowed into the forthcoming FCC proceeding. FCC is directed to notify Attorney General about proceeding, allow him to participate if he desires. Court specifically retained jurisdiction of the appeals and ordered Commission to report on its progress in 6 weeks.

Quite a few Washington attorneys term court's action absolutely unprecedented, assert it indicates court's "mistrust" of Commission. It wouldn't be surprising at all if FCC took decision to Supreme Court.

Decision was by Judges Prettyman, Washington & Danaher, came same day they heard oral argument. During argument, judges seemed mighty disturbed that anyone could actually have tried to influence Commission outside the record.

Rep. Harris' "FCC housecleaning" bill, meanwhile, was filed this week, as promised (Vol. 14:14). HR-11886 would provide for elimination of "honorariums," suppression of possibility of "off the record" influencing, removal of commissioners for "neglect of duty or malfeasance in office, but for no other cause."

Rep. Reuss (D-Wis.) slipped an "FCC straightener" into hopper, too. His HR-11893 would provide for: (1) Selling CPs to highest bidder, but with automatic priority going to local owners with no other media ownership. (2) Increasing FCC members' terms to 14 years, salaries to $22,000 ($22,500 for chairman). (3) Cut commissioners' attendance to industry conventions to 2 a year. (4) Establish code of ethics regarding commissioners' discussion of post-FCC jobs, acceptance of gifts, social engagements, handling of personal business affairs, "ex parte" discussions.

* * * *

Former FCC Chairman McConnaughey's preparations to leave Commission, and with his asst. Robert L'Heureux, to join firm of George Sutton, were subject of some controversy this week. McConnaughey asked Harris subcommittee for permission to change his testimony in what he considered was minor technicality. Harris said he'd let McConnaughey file letters explaining the changes, wouldn't call him back to testify, but Reps. Moss (D-Cal.) and Mack (D-Ill.) want him back on stand. Sutton's client TV City Inc. obtained CP for Pittsburgh's Ch. 4 after McConnaughey left FCC, but only after fight for channel dissolved when all parties agreed on settlement.

FCC and the 'Lifted Eyebrow': It's been long time since FCC did much "questioning" of network station programming and presentation of controversial issues. It did some this week—but Commission sources say they're obliged to do nothing less, in light of hot publicity generated by complaints.

First is the pay-TV affair. As we indicated last week (Vol. 14:15), Commission felt impelled to seek facts behind allegations that networks and stations presented programs and comment "loaded" against toll TV. This week, it released copy of letter sent to ABC, CBS & NBC, said similar letter went to "certain network affiliated TV stations mentioned in the complaints." Neither complainants nor specific stations were identified; we understand there are 10-11 of latter.

FCC letter simply digests allegations, calls attention to its rules on editorializing which require broadcasters to give fair presentations on controversies, asks networks and stations to reply in 20 days. FCC seeks dates, length of programs, participants, documentation—and "the point of view expressed."

Basic complaint is that networks & stations weighted programs in such fashion as "to produce an avalanche of letters upon the House Interstate & Foreign Commerce Committee while they were considering the issue of subscription TV"—but timing such programs so that proponents of pay TV couldn't counteract effects even if given equal time.

There's no bitterly punitive attitude at FCC, though a couple stations are believed "to have gone overboard," in one commissioner's opinion.

Whatever stimulated House Commerce Committee's mail on pay TV, Chairman Harris (D-Ark.) is mighty impressed by it. He prepared filmed statement, offered it to stations, stating that if FCC goes ahead and authorizes pay-TV tests after Congress adjourns—as it says it will (Vol. 14:9)—"it will be my intention . . . to call the Committee back together in session and conduct hearings into the entire problem." That's about as direct a "don't do it" order as he could possibly have aimed at Commission.

This week's other inquiry went to DuMont Broadcasting Co. after AFL-CIO pres. George Meany complained that National Assn. of Manufacturers paid for and distributed to some 27 stations the kines of recent Senate hearings on Kohler strike—and stations ran kines without identifying donor, in violation of FCC rule Sec. 3.654(b).

Commission asks for: (1) "Facts concerning the origination of the transaction." (2) Copies of all correspondence between DuMont, NAM and anyone else concerned with matter. (3) Copies of pertinent agreements, written or oral. (4) List of stations, if any, which NAM wanted to get the kines. (5) Names of any intermediaries between DuMont & NAM. (6) Whether NAM paid for any of DuMont stations' telecasts of hearings, and whether these stations made proper donor identification.

Politicos in Ownership: More Senators and Congressmen identified directly or indirectly with TV and/or radio station ownership are listed in April 14 *Broadcasting Magazine.* These are the ones its researchers found that weren't in lists we published in Feb. (Vol. 14:5-6): Senator Robertson (D-Va.) is shown as non-stockholding director of firm owning WSLS-TV & WSLS, Roanoke. Sen. Scott (D-N. C.) who died this week in Burlington, N. C., was brother of Ralph H. Scott, v.p. & owner of 43 of 473 shares of stock in radio WBBB, Burlington, N. C. Rep. Cederberg (R-Mich.) owns 10 of 255 shares in radio WWBC, Bay City, Mich. Rep. Fountain (D-N. C.) is secy.-treas., owns 86 out of 300 shares of radio WCPS, Tarboro, N. C., his brothers each owning 107 shares. Rep. Lankford (D-Md.) owns 30 of 3936 shares preferred non-voting stock in radio WNAV, Annapolis. Rep. Mahon (D-Tex.) is brother of John B. Mahon and uncle of Eldon B. Mahon, owners of 50% each of radio KVMC, Colorado City, Tex. Rep. Mailliard (R-Cal.) is brother of John Ward Mailliard III, a director of educational KQED, San Francisco (Ch. 9). Rep. Prouty (R-Vt.) is cousin of 2 holders (one deceased) of one share each, out of 1643, in radio WIKE, Newport, Vt. Note: The *Television Digest* lists, which embraced former Senators & Congressmen as well, also included various other state & local politicos, has about 9 Washington names not in the *Broadcasting* list—so, between the 2 research jobs, the record is now quite complete.

TV now breaks the news about big events to more people than newspapers—but leads radio by only a scant margin. The Communications Research Center at Michigan State U found that an average of 37% in the Lansing, Mich. area first heard about President Eisenhower's recent illness, the Sputnik and Explorer satellites via TV, 33% via radio, and less than one-fifth through newspapers. Dr. Paul J. Deutschmann, director, concludes: "TV now appears to be not only an entertainment medium but an important element in news diffusion."

International pay-TV deal between Matty Fox's Skiatron TV and British Rediffusion Ltd., announced last Dec. (Vol. 13:50), has been called off, according to brief statement in London by Rediffusion: "The arrangements between ourselves and Skiatron International Corp. have not been brought into force." As first announced, 21-year agreement called for Rediffusion to give Skiatron technical knowledge & services of former's world-wide organization, Skiatron to acquire 50% interest in Canadian subsidiary Rediffusion Inc.

'Freedom to See' Elaborated: Analysis of CBS-TV's Khrushchev telecast (see p. 1), prepared for Fund for the Republic by *N. Y. Times'* Herbert Mitgang, concludes with language so apt that it warrants full quotation. Here it is:

"If a newspaper had published an interview with Khrushchev, no responsible person in any communications field would have thought of questioning the propriety of the publication. But when a TV network, after great precautions to protect the integrity of the performance and after making its intention known to the highest level of the Govt., telecast an interview with the Kremlin leader, the propriety was very seriously questioned.

"The President of the United States made a statement which at least implied criticism. Important members of Congress openly challenged the wisdom of the presentation. The press was ambivalent. Under the circumstances it is reasonable to assume that the networks will bear the criticism in mind when they are considering future 'controversial' telecasts of this nature.

"The issue raised is vital: Does American TV, in its role as news gatherer and broadcaster, have the same freedom as the American newspaper? On the answer to this question depends the ability of TV to use its great technical skills to increase the public's access to news and informed opinions. Editorial comment by stations is permitted by the FCC, but little exercised by the networks.

"The Khrushchev broadcast was a good example of acquainting the public with the face and mind of a significant world figure. A network tenaciously pursued a story for 2 years, and at some cost, in view of its unsponsored character. The program was presented fairly; fact and opinion were not mixed. The relationship between broadcaster and Govt. came unusually close at some stages.

"If enterprising newspapers and correspondents had to file notices of intent, formally or informally, with concerned govt. agencies every time they were going after controversial stories, freedom of reportorial maneuver as it has grown up in this country since Lincoln's time would be defeated—and responsible newspapers would not be where they are today. If influential men, in or out of the White House, question the propriety of printing interviews of the nature of the Khrushchev telecast, the newspapers would be under a restraint of serious proportions. Broadcasters are licensed, but this should not prevent them from proceeding in the same manner—and as part of—the free press under the First Amendment.

"The Federal Govt. licenses electronics; it does not license individuals who bring ideas to the public, and these individuals should not feel any necessity to get even informal governmental approval of any steps they might want to take. If TV is to be encouraged to pursue the news no matter where located, no matter how serious, no matter how controversial, what the Congress and Federal agencies concerned should provide is an atmosphere of freedom in which the flow of ideas to viewers here and abroad and the right of viewers to receive that flow of ideas are actively encouraged."

Committee for Competitive TV holds meeting in Los Angeles Hotel Statler April 27, prior to NAB convention. It will be addressed by TASO exec. director Dr. George R. Town. CCT has elected as 3rd vice chairman Louis J. Appell Jr., WSBA-TV, York, Pa.

Do You Know That . . .

WHERE ARE THEY NOW, the many other network bigwigs besides those we listed a few weeks ago (Vol. 14:13) as having gone into station management? You will find ex-presidents and v.p.'s of the networks in many, many occupations, if not in retirement. Their numbers are legion, surprisingly large when you consider that network radio is not yet a generation old and that TV networking began only after the war.

There are so many of them, in fact, that the findings of our survey must necessarily be split into several articles. We'll start with presidents and exec. v.p.'s who are no longer in the business:

Daddy of them all, of course, is famed **J. Andrew (Andy) White**, who was a newspaper and trade paper writer when the newly formed RCA made him director-general of broadcasting, 1921-23, and his voice became a byword among the DXers. After a turn at radio manufacturing, he became v.p. of the Columbia Phonograph Co.'s CBS, served as its pres. 1927-30, was in group that sold it to the Louchheim family of Philadelphia who later brought in the Paley-Levy money. (About that, more later.)

Andy White, now 69, is a practicing psychologist at 6617 Iris Dr., Hollywood, holds many degrees, is consultant on crime prevention to California's Attorney General.

* * * *

Richard C. Patterson Jr., who was NBC exec. v.p. 1932-36, in full charge latter 2 years [while late founder-pres. **Merlin Hall (Deac) Aylesworth** was detailed to the RKO receivership by RCA] went into the diplomatic corps, held several ambassadorships, sits on numerous industrial boards (including giant General Dynamics) and works at being New York City's Commissioner of Commerce & Public Events. He's official greeter—successor to Grover Whalen and you see him often in the newsreels.

Maj. Lenox R. Lohr was NBC pres. 1935-40, quit to become pres. of Rosenwald-endowed Chicago Museum of Science & Industry, which he still heads. **Mark Woods**, now 57, who went over as pres. of the Blue (now ABC) when it was spun off NBC, now lives on Longboat Key, Fla., works in Sarasota at realty and construction. **Joseph H. McConnell**, NBC pres. 1949-52, is now gen. counsel of Reynolds Metal Co., and at his Richmond office he has as gen. solicitor **Gustav B. Margraf**, ex-NBC v.p. & gen. attorney, 1948-53.

Frank White was CBS v.p.-treas. 1937-42, Columbia Records pres. until 1947 when he succeeded **Alfred J. McCosker** as head of MBS. McCosker built up WOR for Macy's and now, at 72, is retired in Miami. White went over to NBC as v.p., was made pres. 1952-53, left to become chairman of McCann-Erickson International, now is senior v.p. & treas. of that big agency.

His successor at MBS was **Theodore C. Streibert**, onetime asst. dean of Harvard Business School, who was treas. & director at Mutual's founding in 1935, v.p. 1938, chairman 1951-52, left when it was sold out to General Teleradio and for 3 years headed the U. S. Information Agency (Voice of America) with great distinction. He's now on Nelson Rockefeller's business staff in N. Y.

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Sylvester L. (Pat) Weaver, program prodigy when he started with CBS-Don Lee in 1932 at age 24, came East to join Young & Rubicam, went over to American Tobacco Co., became NBC-TV's first v.p. 1949-53, NBC pres. 1953-55, chairman 1955-56, now heads own Program Service Inc., 430 Park Ave., N. Y. His Hollywood v.p. is **Frederic William Wile Jr.**, an ex-NBC Hollywood v.p., son of the late great pioneer NBC & CBS radio commentator; Wile headquarters at 3620 Goodland Dr., No. Hollywood.

Niles Trammell, who rose from an RCA subaltern to NBC Chicago chief and NBC pres. 1940-49 (Vol. 14:13), now heads and owns part of the Cox-Knight newspaper combine's WCKT & WCKR, Miami. Also up from RCA was **Frank Mullen**, Iowa farm expert, who ran the Blue's original *Farm & Home Hour*, went from Chicago to N. Y. in the '30s, became an RCA v.p. and aide to David Sarnoff, was promoted to NBC exec. v.p.; he quit 10 years ago to acquire interest in the Richards stations (including KMPC, Hollywood), sold out, was involved in a uranium venture, now heads Mullen-Buckley Corp., 8949 Sunset Blvd., Hollywood, which owns rights to *Sabu*.

CBS-TV's first pres. was **Jack L. Van Volkenburg**, now 55, who rose from mgr. of KMOX, St. Louis, to TV v.p. in 1948 and was division pres. until his retirement a year ago; he divides his time between a home in Englewood, Fla. and offices at CBS as consultant, is one of group seeking Ch. 10 in St. Petersburg, Fla. (Vol. 13:51).

Edward J. Noble, now 76, was head of Life Savers Co. when he bought the Blue in 1943 (for $8,000,000); he still has major stock interest in AB-PT, is chairman of exec. committee of Beech-Nut Life Savers Inc., where ex-ABC v.p. **E. Earle Anderson** is now located. ABC's first secy.-treas. was **C. Nicholas Priaulx**, now retired in Norwich, N. Y. Noble chose a Washington newspaper columnist, **Robert F. Kintner**, to be exec. v.p. of ABC and Kintner later became pres.; he's now NBC exec. v.p. Another NBC exec. v.p., **Charles R. Denny**, who was FCC chairman 1945-47, recently was promoted to RCA v.p.-new products.

Edgar Kobak left McGraw-Hill in 1934 to join NBC as sales, program & adv. v.p., became exec. v.p. of the Blue Network 1941-44, left to be pres. of Mutual, 1944-49, retired in latter year to handle own affairs, including a small radio in Thomson, Ga. which he sold last year. He's now 63, runs own business interests from 341 Park Ave., N.Y.

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The old **DuMont Network**'s managing director until it folded in 1956 was **Ted Bergmann**, who had risen from the ranks to succeed **Chris Witting Jr.** Bergmann is now pres. of the successful Parkson Adv. Agency, N. Y. Witting is Westinghouse consumer products v.p. at Pittsburgh. Their "alumni" include **Don McGannon**, pres. of Westinghouse TV-radio stations subsidiary; **Jack Bachem**, now with CBS Radio Sales; **Gerry Martin**, now v.p. of Kenyon & Eckhardt, Detroit.

Note: We have dope on some 75 more ex-network top executives, who will be subject of later columns. At the moment, it seems apropos to report that, partly as result of recent shakeup at the networks, these are reported at liberty: **John Eastman**, ex-ABC Radio v.p.; **John H. Norton Jr.**, ex-NBC v.p., for 5 years ABC v.p. in charge of central div., until recently gen. mgr. of WMTW, Poland Spring, Me. (Ch. 8); **Jack Reber**, ex-NBC v.p. in charge of spot sales; **Davidson Taylor**, ex-NBC public affairs v.p.; **James L. Caddigan**, ex-DuMont director of programming & production, recently v.p. of Lowell Thomas' Odyssey Productions Inc.

Mrs. Scott Bullitt, pres. of Crown Group (KING-TV & KING, Seattle; KGW-TV & KGW, Portland; KREM-TV & KREM, Spokane), appointed a regent of the U of Washington.

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Personal Notes: Robert Milford promoted to gen. mgr. of CBS-TV network program dept., N. Y. . . . William R. Brazzil promoted to v.p.-sales for WTVJ, Miami . . . George Whitney Jr. named sales mgr. of new Los Angeles office, Wrather-Alvarez Broadcasting Inc. (KERO-TV, Bakersfield; KFMB-TV & KFMB, San Diego); John B. Stodelle promoted to sales mgr. of KFMB-TV . . . Jack DeLier promoted to sales mgr. of KWTV, Oklahoma City . . . Leonard Mosby promoted to program mgr. of WMBR-TV, Jacksonville . . . Charles Klug, music specialist of KDKA, Pittsburgh, promoted to FM program coordinator, Westinghouse stations . . . Alexander C. Field Jr., special broadcast service mgr. of WGN-TV, Chicago, also named program director, succeeding Edward J. Roth Jr., who has resigned . . . Harold C. Stuart, pres. of KVOO-TV, Tulsa, & director of Maximum Service Telecasters, visiting Moscow to offer TV-radio programs under cultural exchange program . . . Edward A. Roberts, ex-art director of Williams & London Adv., Newark, joins WTOP-TV & WTOP, Washington, as adv. director . . . Irv Lichtenstein, ex-ABN director of promotion, joins National Telefilm Assoc. under Martin Roberts, director of promotion & sales service . . . Stanley Rubin joins CBS-TV, Hollywood, as a producer . . . James Fonda, ex-CBS-TV, joins Screen Gems as a producer . . . Mel Dellar, ex-Warner Bros., appointed production mgr. for MPO Productions . . . Joseph F. (Dody) Sinclair elected to exec. committee, Outlet Co., big Providence dept. store; grandson of its founder, he's mgr. of its WJAR-TV . . . Charles Kelly promoted from operations mgr. to station mgr. of WCKT, Miami, reporting to pres. Niles Trammell; he's ex-program mgr. of WRC-TV, Washington, later was with WMAL-TV there and WSUN-TV, St. Petersburg . . . Richard M. Pack, Westinghouse stations v.p.-programming, named chairman of New York U's TV-Radio Summer Workshop, June 23-Aug. 1 . . . Peter W. Geiger, head of Bank of America's N.Y. TV-movie dept., directing distribution of its 30 bank-owned films, joins bank's Los Angeles staff May 1.

Dr. Frank Stanton, pres. of CBS Inc., will be featured speaker at U of Missouri School of Journalism Week, April 28-May 3.

Obituary

George T. Hyde, 91, father of FCC Comr. Rosel H. Hyde, died at Downey, Ida. home April 12. A businessman, farmer, churchman, he was a Mormon bishop for 17 years, state pres. 25 years, patriarch 17 years. Surviving are widow (first Mrs. Hyde died in 1915), 4 sons, daughter.

Herman H. Light, 61, onetime mgr. of NBC Opera, died at Medical Arts Center Hospital in N. Y., April 13. Surviving are widow, brother.

John H. Clay, 38, sales service mgr. of WOOD-TV, Grand Rapids, died April 1 from asphyxiation after fire in his apartment.

ADVERTISING AGENCIES: Donald R. Armstrong Jr., v.p.-corporate research for McCann-Erickson, adds duties of asst. to pres. Marion Harper, succeeding Peter G. Peterson who has joined Bell & Howell . . . Joseph A. Tery promoted to v.p. of Caples Co., Chicago . . . Sherman Slade, ex-Cunningham & Walsh, Los Angeles, named exec. v.p. & mgr. of Honig-Cooper & Miner, same city . . . Leonard Stevens named TV & radio director of Weightman Inc., Philadelphia . . . N. T. (Tom) Garrabrant promoted to media director, North Adv., Chicago . . . Edward V. Uhler, ex-program director, KENS, San Antonio, named v.p., Robinson, Adelman & Montgomery Inc., Philadelphia.

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Annual "Silver Nail" award for "Timebuyer of the Year" has been created by Station Representatives Assn. in honor of Frank Silvernail, retired BBDO station relations mgr. Silvernail was first recipient, receiving plaque —with a silver-plated nail—at SRA luncheon in N. Y. this week.

All-Canada Television, reps, becomes All-Canada Radio & Television Ltd., following consolidation with All-Canada Radio Facilities Ltd.

Michigan State U's Dr. Paul D. Bagwell, 44-year-old professor of communication skills (former title: prof. of speech, radio & dramatics), ex-state chairman of Citizens for Eisenhower and unsuccessful candidate for state auditor in 1956, has entered primaries for GOP nomination for Governor—presumably to oppose 5-term Gov. Mennen Williams. Also listed as a "token candidate" for GOP nomination is William L. Johnson, owner of radio WJMS, Ironwood.

Heywood H. Davis, 26-year-old son of Donald Dwight Davis, pres. of KMBC-TV & KMBC, Kansas City, becomes law clerk to U. S. Supreme Court Justice Charles F. Whittaker in Washington as of July 1; an honor student, he's married, is now completing his law courses at U of Kansas. Mr. & Mrs. Don Davis, who visited Japan last year, sail May 2 for month's European vacation.

Howard Pyle, deputy asst. to President Eisenhower for Federal-State relations, will quit his White House post within next few months, expects to return to Arizona where he was Governor for 4 years. Onetime program director of KTAR, Phoenix, still stockholder in firm which also operates KVAR (Ch. 12), he may rejoin KTAR-KVAR in an executive capacity.

Leo Max, pres. of Leo Max Films, Paris, has been named director of newly established continental operations for NTA. Offices are planned in Paris, Brussels & Rome. Filippo Ottavi heads Paris office at 21 Avenue Kleber; other addresses and personnel will be announced shortly.

Edward Allen, FCC chief engineer, and James Barr, asst. chief of Broadcast Bureau, due to leave May 16 for Moscow to attend International Telecommunications Union conference on TV standards, due back June 19.

Richard P. Doherty, ex-NAB v.p., now TV-radio management consultant, is co-author of new book, *Collective Bargaining for Executives*, just published by American Management Assn.

Cecil B. De Mille, the film producer, will be principal speaker at the annual banquet of Broadcast Pioneers at Los Angeles Statler April 29.

Deems Taylor elected ASCAP secy., succeeding John Tasker Howard, as Paul Cunningham is chosen for 3rd term as pres. Taylor is a past pres.

Sponsors Up! Opening of baseball season for TV fans this week was marked by heaviest money lineup of game sponsors yet—and by Congressional move to put crimp in future major league TV schedules.

Baseball sponsors will spend record $34,600,000 on TV to bring games free into homes this year—up $2,800,000 from 1957 (Vol. 13:12)—according to annual roundup in March 24 *Television Age*. Biggest sponsor outlay will be made despite absence of Los Angeles Dodgers & San Francisco Giants from TV, leaving only 12 clubs on list and 102 fewer TV games on air in 1958.

Threat to future wide-open TV scheduling by major clubs came closer April 17 with vote by House Judiciary Committee to approve amended bill (HR-10378) by Chairman Celler (D-N. Y.) authorizing "reasonably necessary" big league rules regulating TV & radio rights (Vol. 14:5). Purpose of measure is to protect minor clubs from big-game TV competition in their areas.

Breakdown by *Television Age* (publisher S. J. Paul is brother of Cincinnati Reds' mgr. Gabe Paul) gives these 1958 baseball figures: TV & radio rights, $11,200,000 ($5,300,000 for regular play-by-play telecasts, $2,700,000 for CBS-TV & NBC-TV weekly series, $3,200,000 for World Series & All-Star Game); time, talent & facilities, $8,300,000; pre-game & post-game expenditures by national, regional & local sponsors, $15,100,000.

This trend toward bigger & bigger TV outlays for baseball could be halted if Congress finally passes Celler bill as amended by Rep. Keating (R-N. Y.). It would place business aspects of pro sports under anti-trust laws. But major baseball clubs would be exempted from monopoly penalties if they agree on measures fixing geographic areas for themselves and limiting broadcasts of their games in minor league territory.

Major league officials had given sympathetic hearings to complaints by minors that TV is killing them off by cutting down gates for home games. But Justice Dept. has frowned on any agreements for TV restrictions as possible violations of present anti-trust rules.

Flat exemption from anti-trust controls had been sought by Keating and organized baseball's Washington legal battery headed by ex-FCC chairman Paul Porter. Fearing "reasonably necessary" qualification in Celler bill for TV game restrictions and other agreements would bring on flood of litigation, pose "major threat to survival of our national pastime," Keating tried to strike language from measure. His amendment was defeated in Committee, but Keating promised House floor fight for it.

Clear-Channel Clearance: First major effort to clean up its 13-year-old clear-channel radio proceeding was taken this week by FCC. Basically, it proposes to open 12 clear channels to assignment of more stations and to leave until later the possibility of increasing power of other 12 from 50 to 750 kw. When and if current proposal is made final, there will be another scramble, as existing stations and new applicants seek to upgrade old facilities or acquire new ones. Industry is given until July 15 to comment on proposal, 45 days more for counter-comments. FCC action was unanimous, by 5 members, Hyde absent.

On 5 channels, Commission proposes to put 50-kw stations in specific western states: Ariz., 1100 kc; Ida., 1180 kc; Mont., 660 kc; Wyo., 880 kc. Action on 770 kc is deferred pending resolution of current proceeding involving use of 770 or 1030 kc by KOB, Albuquerque. On these 5 channels, Class II stations may also later be authorized.

On 7 channels, FCC plans to allow addition of Class II unlimited-time stations in "underserved areas": 670, 720, 780, 890, 1020, 1120, 1210.

For 12 other channels, Commission holds status quo so that it can consider upping their power to 750 kw later—doesn't specifically propose it at this time, preferring to clean up the "duplication" rule-making on first 12, initially.

Stations whose channels would be duplicated are: WRCA, N. Y., 660 kc; WMAQ, Chicago, 670; WGN, Chicago, 720; WABC, N. Y., 770; WBBM, Chicago, 780; WCBS, N. Y., 880; WLS, Chicago, 890; KDKA, Pittsburgh, 1020; KYW, Cleveland, 1100; KMOX, St. Louis, 1120; WHAM, Rochester, 1180; WCAU, Philadelphia, 1210.

Here are the stations Commission says could best utilize higher power: KFI, Los Angeles, 640; WSM, Nashville, 650; WLW, Cincinnati, 700; WSB, Atlanta, 750; WJR, Detroit, 760; WFAA, Dallas & WBAP, Ft. Worth, 820; WCCO, Minneapolis, 830; WHAS, Louisville, 840; WWL, New Orleans, 870; WHO, Des Moines, 1040; KSL, Salt Lake City, 1160; WOAI, San Antonio, 1200.

Clear Channel Broadcasting Service, through director Hollis M. Seavey, made this brief comment on proposal: "CCBS regrets that the Commission proposes to duplicate half of the 24 Class 1-A clear channels since CCBS is convinced that duplication, as opposed to higher power, will lead eventually to less service. CCBS also regrets the Commission's proposal to defer consideration of authorizing higher power, sole available means of improving service."

Document is 27-pp., Docket 6741, Mimeo 57216, only limited number of copies available from FCC. *Federal Register* will carry text in couple weeks.

The Affiliates' Story: Virtual unanimity of affiliates' testimony in FCC network hearing this week (see p. 2), and they made it clear they spoke for virtually all affiliates, made considerable impression on Commission as they stressed "partnership" relations with networks, rejected any implication of coercion by networks.

Testimony of 15 witnesses was so voluminous that space limits us to highlights and flavor of each presentation. ABC-TV group led off:

Alexander C. Keese, managing director of WFAA-TV, Dallas—Devoted much of time to defense of option time. "If option time were prohibited, nothing in the world would prevent America's largest companies from holding within their own golden fences the top TV talent of the nation. The stations would either go back to programming generally unattractive local shows . . . or beat a footpath to the doors of the very rich advertisers who could control station clearance because they held under contract the best available talent."

Joseph C. Drilling, pres. of KJEO, Fresno—Option time is essential to networking, which builds audience for non-network syndicators. "Since the time I entered TV management in 1953, there are scads more suppliers of programs and film syndicators. They all seem to make money, too. But none of them have the ability of the network to supply a pattern—a format of a series of programs that will satisfy the public."

Martin Umansky, v.p.-gen. mgr. of KAKE-TV, Wichita—Option time is "vital," and ABC-TV "has never made a preemptory demand for clearance in option time." Publication of affiliation contracts and rate-making procedures "would undermine our bargaining power with the networks." For example: "The network could credit the station with a smaller circulation than the station actually has."

Charles B. Britt, exec. v.p.-gen. mgr. of WLOS-TV, Asheville, N. C.—Strong attack on AT&T's interconnection rates. "It is difficult for me to understand the justification of an AT&T interconnection charge for WLOS-TV of approximately $4500 per month when the facilities involved can be purchased on the open market for approximately $40,000, an installation charge of approximately $20,000 and a life expectancy of of least 8 years." He opposed proposed "Avco" procedure in station sale. Now selling WLOS-TV, he said that when he might seek to buy a new station new rule would make him face long hearing, competitive bids from multiple owners with ready cash.

* * * *

CBS affiliates opened with John S. Hayes, pres. of WTOP-TV, Washington, and WMBR-TV, Jacksonville—Network has right to option time, if stations have right to first call and territorial exclusivity. Network can't operate in "hope that the affiliate might have sufficient enlightened self interest to accept enough of the program the network offered to keep the network alive." Asked who might benefit from elimination of option time: "Perhaps there may be a handful of unaffiliated stations which believe they might benefit financially [but] the list of appearances in this proceeding shows that only one of these stations is sufficiently interested to appear here. There may be some spot representatives who have watched their revenues sky-rocket from the sale of adjacencies to popular network programs, but who are apparently willing to kill the goose that lays the golden egg because of a mistaken notion of what constitutes their own private interest. Certainly they do not speak for the stations whose agents they are."

F. Van Konynenburg, exec. v.p.-gen. mgr. of WCCO-TV, Minneapolis—"Must buy" is no problem for anyone, even Report agrees with that. There's no coercion from networks, no abdication of station responsibility. Loss of must buy would weaken networks, affiliates, service. Publication of rate data "is the first step toward Commission supervision of rates." Affiliates aren't worried about dealing with networks on affiliation criteria, "do not want the Govt. intervening in our business relationship with our network." Would like to bargain with CBS for affiliate agreement for "2, 3, 5 or 10 years." Advertiser would be in "driver's seat" if it controlled placement of programs with non-affiliate if affiliate in market didn't clear.

Francis E. Busby, exec. v.p.-gen. mgr. of WTVY, Dothan, Ala.—Sang praises of Extended Market Plan and Extended Program Service, said station couldn't have survived without them. Without network, station was on 6 hours daily, now operates 15 hours with EMP & EPS. Network has actually helped film syndicators, by attracting advertisers to excellent adjacencies. Under Report's proposals, programs now obtained free through EPS would begin to cost.

H. Moody McElveen Jr., v.p.-gen. mgr. of WNOK-TV, Columbia, S. C.—As uhf operator, it has got "tremendous lift" from CBS-TV. EPS gives station 4½ daytime hours weekly at no cost. "I very much fear that the advantages of EPS will be lost to us altogether if networks are required to furnish programs to unordered affiliates upon 'reasonable payment' by the station"—and Govt. would have job of determining what is "reasonable."

Murray Carpenter, pres.-treas. of WTWO, Bangor, Me.—Re option time: "The Report also states that non-network advertisers seeking access to TV in competition with network advertisers have been placed at a competitive disadvantage. Seeking access! In Bangor, Me. this is one of the funniest statements I have read in a long time. Where are these advertisers who are seeking access? Would one of them like to buy a ½-hour immediately following the most popular TV program in Bangor? I will hasten to oblige him if he will only telephone me." WTWO isn't a must-buy, but: "I know from my own experience that it is a darnsight easier to sell a coast-to-coast type advertiser on ordering a station the size of WTWO than it is to sell the spot-type advertiser." Avco rule would penalize small broadcaster. Stations should have right to use intercity relays instead of AT&T's.

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NBC-TV affiliates had phalanx of 6, led by chairman Jack Harris, v.p.-gen. mgr. of KPRC-TV, Houston—"Fatal omission" in Report is absence of anything on programming, "because as a consequence of it no proper consideration can have been given to the effect adoption of the various recommendations in the Report would have upon the quality of the programs available to the public. . . . How can a speculation be indulged in that the elimination of option time will encourage the development of more syndicated programs without knowing whether there is not already more than enough Class A time available for such programs and insufficient programs of adequate quality for that time?" Option time: "We have made a deal with the network which we think is a fair one. . . . The elimination of option time would not increase the number of high quality programs, but rather would merely tend to create a vacuum into which lower quality syndicated programming would fall . . . I have no great sympathy for the plight of the syndicators, who until this hearing have been the principal petitioners for the abolition of option time." In 1956, KPRC-TV paid $282,802 for their product; in 1957, $329,139; now running over $500,000 a year. "The Report says that the film syndicators want the abolition of option time, but those syndicators haven't even bothered to appear before you. The Report further says that a number of those in the national spot representation business want that abolishment, although by no means all of them do, and whether they will take such a position here we do not know. Certainly if they do then they are acting contrary to their position as agents for us stations."

Bernard C. Barth, v.p.-gen. mgr. of WNDU-TV, South Bend, Ind.—Modification of first call and territorial exclusivity will "place both stations and networks at the mercy of the sponsor, who has no licensee responsibility and no interest in the well being of TV broader than the popularity of the specific program in which he has invested and the impact of his commercial message associated with that program will make." Direct control of networks: "We also feel that increased governmental control over networks might tend to inhibit the free exercise by them of their responsibility to present news and opinions about public controversies."

Harold Essex, exec. v.p.-treas. of WSJS-TV, Winston-Salem—Publication of affiliation and rate data "would be the first step toward a complete, common-carrier type of regulation. NBC has more than 100 rate-card changes a year . . . If the Commission is to 'watch' the rate situation 'closely and continuously' it would have to investigate the details behind each of these hundreds of rate negotiations . . . If the thousands and thousands of man-hours and of dollars a year were expended on a study of network rate activities . . . the end result of that study would have to be either nothing or common carrier regulation. The first alternative would be a complete waste, and the second I assure you would be a disaster." On affiliations: "We do not support a network policy which would favor multiple owners over single-station owners in making affiliation or disaffiliation decisions [but we oppose a rule against the practice] because as a matter of principle we oppose Commission interference in this area of the business relationship between networks and affiliates."

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Edward C. Lambert, asst. to U of Missouri pres. in charge of TV—An economist and Ph.D. in journalism, he attacked Report's conclusions that TV and other media aren't really competitive. "I am frank to say that if a student of mine came back from a research project and said that his study of the relevant market in which network TV is located had been completed on the basis of talks with unspecified agency officers from 6 unspecified agencies, who told him things he couldn't tell me in detail, but here was the conclusion he had reached, I'd find his conclusion totally unacceptable . . . In my view the Barrow Report was completely wrong in brushing aside inter-media competition as a significant factor . . . There is fully effective competition in this industry, and if you tamper with its free play you will only cripple its proper operation." Option time: "We will take all of the reasonably acceptable non-network orders we can find, and we have plenty of good time for non-network programs."

Wm. C. Grove, treas.-gen. mgr. of KFBC-TV, Cheyenne, Wyo. and KSTF, Scottsbluff, Neb.—If KFBC-TV hadn't been permitted to be a "multiple owner" and establish KSTF as satellite, very likely neither station would have survived. "In these sparsely settled areas multiple ownership can be the difference between survival and failure, and the Commission should not adopt rules which would force failure or make people unwilling to build a station in the first place." Adoption of new "Avco" rule "would tend to force stations in marginal positions off the air when they could have been saved by a prompt transfusion of long green blood through an immediate transfer." Also: "If you will allow venturesome pioneers only the bitter fruits of failure and take away the sweet fruits of success, we will be put on notice of what the deal is in the future. And there will be no more pioneers in this industry."

Lawrence H. Rogers, pres. of WSAZ-TV, Huntington, W. Va.—"We suspect that these basic failures in the Report stem from the understandable inability of the Staff, through its lack of practical TV experience, to achieve real and complete comprehension of how the industry works, coupled, in the case of not having taken program quality into account, by the failure to complete the program study . . . The average broadcaster, and that includes me, had never heard of 'cross elasticity of demand' before the mellifluous phrase showed up in the Barrow Report, and it is my personal opinion, after due deliberation, that no economist should be paid the courtesy of serious attention so long as he continues to hide from the world of reality behind an incredible word like 'substitutability.' But like it or not, these people have their own jargon, the main purpose of which is to help persuade the general public that they are dealing in strange and occult lore and should not, therefore, be subject to criticism by mere laymen."

CBS Strike Settled: Biggest & longest network-wide strike ended this week, 1300 IBEW technicians voting to accept terms of new CBS contract offer and go back to jobs in 8 cities where studios were manned for more than 11 days by executives & staffers (Vol. 14:15).

Vote by IBEW locals in N. Y., Boston, Hartford, Chicago, St. Louis, Milwaukee, San Francisco, Los Angeles was not announced, but union spokesman in Washington said April 18 that rank-&-file ratification of settlement assured full return to work by midnight April 19.

New 3-year agreement calls for 6.4% wage increase retroactive to Feb. 1, expiration date of old contract, plus 2.4% raise effective Aug. 1, 1959, according to IBEW. Spelling out terms to stockholders at annual meeting April 16 in N. Y., CBS Inc. pres. Frank Stanton said base pay of technicians would be raised to $185.50 from $175 and later to $191 per week. He also told stockholders that first-quarter earnings this year were better than in 1957 period, when net profit was $5,907,323 (77¢ per share) on $95,946,323 sales—and that "assuming we can resolve our differences with IBEW promptly, I think you can count on another good year."

Beginning of end of walkout, which started April 7, was signaled April 17 when Federal mediator Gilbert S. McCutcheon announced "understanding" had been reached by CBS & IBEW to send terms to locals for referendum. There had been doubt, however, that all striking units—particularly N. Y. local 1212—would go along.

Presumably settled in addition to wage questions was stickier issue of jurisdiction over TV tape recordings—source of inter-union rivalry for jobs, particularly in N. Y., where powerful IATSE claims right to handle tape. CBS had given assurances that IBEW "has complete jurisdiction over all tape recordings made by CBS," but jurisdictional trouble still may arise from taped shows farmed out by network to independent packagers.

In Hollywood meanwhile Screen Actors Guild announced 5398-80 ratification of new contract with producers of TV commercials (Vol. 14:13), including provision for union's jurisdiction over taped commercials—except those made through network or station facilities. This provision is being disputed by AFTRA. Efforts by 2 unions to get together on jurisdiction have been unavailing.

And in Washington an echo of another union dispute was heard. U. S. Court of Appeals ruled that 3 technicians at KPIX, San Francisco, violated Federal Communications Act during 1954 strike by disabling equipment, putting station off air for 12 hours. Court upheld FCC charge that technicians violated section of Act prohibiting "damage" to TV or radio equipment. Technicians' licenses were suspended.

KPIX employes insisted they hadn't damaged transmitter—just adjusted it—but 3-judge panel said it was "highly sophisticated sabotage" and just as illegal. "Existence of a labor dispute, or even justification for a strike, is no license for hooliganism," Court warned.

Small Stations vs. CATV: Two western telecasters issued bitter blasts at FCC and community antenna systems this week, charging former is encouraging latter to drive small-town TV into the ground.

Frank Reardon, pres. of 21-month-old KGEZ-TV, Kalispell, Mont. (Ch. 9), announced suspension of operations and appealed to chairmen of Senate & House Interstate Commerce Committees —said he had to give up because FCC failed to regulate local CATV system, at same time helping system by granting it use of microwave "to import the signals of distant metropolitan TV stations." FCC recently ruled CATV systems aren't common carriers subject to regulation (Vol. 14:14).

Kalispell system, said Reardon, feeds 2000 homes, doesn't carry KGEZ-TV signal, doesn't pay the 3 Spokane stations for relaying their signals—whereas he had to pay KXLY-TV & KHQ-TV for rebroadcast rights. Furthermore, he said, CATV worked as "partner" of microwave "common carrier" to get Spokane signals—while he couldn't get microwave grant, had to buy service from the common carrier. "It adds insult to injury," he said, "to require the local broadcaster to utilize the services of the microwave company when this company is actually operating to the broadcaster's destruction."

FCC's policies, Reardon said, "may bring a species of TV service to a limited few in local communities. There can be no service, under this CATV system, outside the metropolitan area where the cables are installed. This policy will effectively preclude the establishment of local TV stations, or the continued existence of those already established."

Reardon said that local CATV operators had also filed for Ch. 9, and that he took them into corporation for 30% ownership to avoid long hearing & litigation. Then, he added, operators refused to advance more funds to operate and refused to allow sale of more stock. An appeal over KGEZ-TV brought in $38,000, but it had to be mailed back "because the CATV people would immediately own 30% of such funds without issuance of additional stock for same."

Other complaint came from Ed Craney, western telecaster who recently bought 49.98% of KFBB-TV, Great Falls, Mont. and KFBB in a $600,000 transaction (Vol. 14:14). "At the moment," he writes us, "we are not sure we will go through with the purchase because of the Commission's attempt to do away with small market TV stations by allowing big market station programs to be microwaved in cities for cable systems . . .

"At present, Great Falls is being ringed by cable systems fed by licensed microwave from Spokane stations. Plans are afoot to come up through Idaho with Salt Lake signals spreading all over that state and into Montana. One station has already folded in Montana and others may shortly follow. The Commission is substituting a system of cable TV to a few lucky ones with money enough to be able to get it for a free TV system in these parts."

ABC's WXYZ-TV & WXYZ, Detroit, start construction in next few weeks of $4,000,000 studio-office-transmitter facilities on 93-acre site on Ten Mile Rd., west of Northwestern Highway. Transmission from site is due in fall, building completion May 1959.

Upcoming KVKM-TV, Monahans, Tex. (Ch. 9) affiliates with ABC-TV, effective Aug. 15.

Toledo VHF for WTOL: Toledo's Ch. 11, possibly most sought after TV channel to date, was earmarked for WTOL this week, as FCC issued instructions to staff to draft decision. WTOL, headed by ex-Congressman Frazier Reams, is due to win over 6 others: Great Lakes Bcstg. (adman A. W. Reichert, pres.) which had examiner J. D. Bond's initial decision; Anthony Wayne TV (principals including Harold F. Gross, WJIM-TV, Lansing); Citizens Bcstg. (controlled by UAW); Maumee Valley Bcstg. (including Hulbert Taft & family); *Toledo Blade* (Wm. Block interests); Unity Corp. (Edward Lamb, owner of WICU, Erie).

In a final action, by Comrs. Doerfer, Lee & Craven, Commission affirmed its grant of Ch. 6 to KFDM-TV, Beaumont. Examiner had recommended giving channel to KRIC after latter had persuaded Court of Appeals to remand case.

In another post-remand decision, FCC granted ABC-TV authority to affiliate XETV, Tijuana, Mex.—over objections of San Diego's KFMB-TV.

Examiner Millard F. French, in supplemental initial decision, again recommended grant of Ch. 5, Lubbock, Tex. to Texas Tech. He concluded there was nothing improper in donations to college from city's KDUB-TV and KCBD-TV or in competing applicant C. L. Trigg's acceptance of $25,000 on dismissal of his application.

CPs granted: Gainesville, Fla., educational Ch. 5, to U. of Fla.; Oklahoma City, Ch. 19, to Malco Theatres—plus 3 translators on Ch. 72, 76 & 80 to Navajo Tribal Council, for Ariz. towns of Window Rock, Ft. Defiance & St. Michaels.

Allocations petitions: (1) By ABC, to substitute Ch. 9 & 11 for Ch. 8 in Syracuse, WHEN-TV to move to Ch. 9, Canada to agree to shifts. (2) By Ga. State Dept. of Education, to reserve Ch. 8 in Waycross for educational use, adding Ch. 19 commercial. [For details of foregoing, see *TV Addenda 26-L* herewith.]

ETV Fund Set by RCA: Establishment of $100,000 educational TV workshop at NYU, sponsor of local Emmy-winning daily 6:30-7 a.m. *Sunrise Semester* on WCBS-TV, N. Y. (see p. 13), was announced April 19 by RCA pres. John L. Burns at National School Boards Assn. convention in Miami Beach.

"Massive upgrading of our educational standards" can be accomplished through TV, Burns said. In NYU workshop program RCA will support a TV professorship, equip laboratory studio and maintain it for year, draw on NBC talent "to provide guidance in graphic arts presentation & broadcast techniques."

In other ETV developments this week: (1) WCNY-TV, Carthage-Watertown, N. Y., started elementary in-school science series. (2) WJBK-TV, Detroit, offered American history course as second ETV series for U of Detroit credits. (3) WBAP-TV, Ft. Worth, reported 557 Texans enrolled in teacher-training course financed by Ford Foundation's Fund for Advancement of Education. (4) National Assn. of Educational Broadcasters scheduled recording workshop May 5-9 at WTTW, Chicago, and seminar for educational broadcasters July 21-25 at U of Ill. Allerton House, Monticello, both under Ford Foundation grants.

GE plans junket to Tijuana, Mexico from NAB convention April 29, taking group by bus to inspect new 50-kw plant of radio XEAK there; transmission is latest GE, designed for remote control and using germanium rectifiers instead of conventional mercury vapor.

New and Upcoming Stations: A Montana vhf left air and another vhf began operation in Canada this week. KGEZ-TV, Kalispell, Mont. (Ch. 9), which began operation July 9, 1957 wrote FCC April 7 that it was leaving air (see p. 11), bringing U. S. on-air total to 535 (92 uhf).

CKTM-TV, Trois Rivieres, Que. (Ch. 13), 51st Canadian outlet, began April 15 as affiliate of CBC French network. It has GE transmitter and 300-ft. Wind Turbine tower at Mont-Carmel. Henri Audet, ex-CBC regional engineer, Quebec, is pres. & gen. mgr.; Louis Beliveau, ex-radio CHLN, Trois Rivieres, regional sales mgr.; Claude Blain, ex-CKRS-TV, Jonquiere, production mgr.; Yves Hamel, ex-CBC, Quebec, chief engineer. Base hour is $255. Reps are Weed, Jos. A. Hardy & John N. Hunt.

* * * *

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

KCIX-TV, Nampa, Ida. (Ch. 6), hasn't ordered transmitter yet, but plans July 1 start, reports owner Burl C. Hagadone. It has 310-ft. Blaw-Knox tower and building completed at site 3.5-mi. S of Meridian, Ida. Rep will be McGavren-Quinn.

KNME-TV, Albuquerque, N. M. (Ch. 5, educational), now hasn't specific target, but is in process of rendering proof of performance required for program test authorization, writes Bernarr Cooper, director of TV-radio for grantee U of New Mexico. RCA 2-kw transmitter, formerly used by KOB-TV (Ch. 4), has been hooked up with KOB-TV auxiliary tower on Sandia Crest. Microwave connection between campus studio and transmitter, housed in same building with KOB-TV's new 6-kw unit, also is ready.

WEDU, Tampa-St. Petersburg (Ch. 3, educational), hasn't delivery date yet for 5-kw RCA transmitter, but still plans fall start, reports gen. mgr. C. W. Mason, ex-program mgr. of WSUN-TV, St. Petersburg. Construction of studio-transmitter building has started, but tower awaits CAA approval on height. RCA 3-bay antenna will be used.

Radio KWK, St. Louis (1380 kc, 5 kw) has been sold for $1,025,000 to new KWK Radio Inc., as aftermath of deal wherein CBS bought Ch. 4 KWK-TV (now KMOX-TV) for $4,000,000 (Vol. 14:1, 9). KWK Radio is 74% owned by WEMP, Milwaukee, 26% by Robert T. Convey, former pres. of KWK Inc. Broker: Blackburn & Co. Note: Tentative KWK Feb. 28 balance sheet shows $2,564,854 surplus as of May 1, 1957, with net income in 10 mos. thereafter of $621,617. Also shown is $1,487,354 prepaid expenses, $170,717 capital assets, $152,270 other assets, $712,634 current liabilities.

DuMont's purchase of radio WHK, Cleveland, with WHK-FM, for $700,000 (Vol. 14:9) was approved this week by FCC. Seller is *Cleveland Plain Dealer*, which retains its 40.63% interest in WKBN-TV, Youngstown (Ch. 27) & WKBN. DuMont Broadcasting Co.'s other properties are radio WNEW, N. Y.; WABD, N. Y. (Ch. 5); WTTG, Washington (Ch. 5).

FCC hearing div. is re-established in broadcast bureau after having been a branch under broadcast facilities div. since Feb. 6, 1956. There's no change in staff; Robert J. Rawson remains chief. Reason given for change is "efficiency"—broadcast facilities div. being too pressed with other duties to give hearings adequate attention.

Corinthian station executives hold own meeting with pres. C. Wrede Petersmeyer in Palm Springs May 1-4, following NAB convention.

New county-by-county sets-in-use estimates will be issued by Advertising Research Foundation in June or July, according to managing director A. W. Lehman. Estimates will be as of March 1958, based on Census Bureau's latest survey and Nielsen estimates (Vol. 14:15). Last ARF county-by-county figures were as of March 1956 (*Television Digest* Special Report, Sept. 29, 1956). Meanwhile, NAB, networks & stations are working to persuade Census to include TV-radio questions in 1960 census—in face of present disinclination of Bureau to do so. During April 10 meeting of 70-industry advisory Council of Population & Housing Census Users, NAB research mgr. Dick Allerton made vigorous representation—urging questions in next census cover TV, AM, FM, uhf, color. The 1950 census covered TV & radio. Chances of TV & radio in 1960 nose-counting seem slim unless industry goes to work on Congress. Census would be happy to cover many more topics—but it has only $110,000,000 earmarked for 1960.

NBC-TV revises discount structure effective Oct. 1, first time since 1953—giving better terms to advertisers using alternate weeks, daytime-nighttime combinations and year-around programs. Among provisions: (1) User of alternate-week daytime and alternate-week nighttime programs can now get 10% discount. (2) All year-around multiple-program sponsors can get 15%. (3) Maximum 25% can be earned by users of 1½ hours weekly, instead of previous 2. (4) Daytime sponsors may earn up to 5% greater discount by using more than 100 stations. NBC spokesman said new structure is more competitive with CBS-TV, which he said had 9% advantage in some cases.

Rate increases: KRCA, Los Angeles, March 1 raised base hour from $3600 to $3800, 20 sec. remaining $800. KMOX-TV, St. Louis, March 1, hour from $1500 to $1750, min. remaining $330. WMAL-TV, Washington, April 1, hour $1500 to $1750, 20 sec. $300 to $330. WOC-TV, Davenport, April 1, hour $800 to $900, 20 sec. $200 to $225. KONO-TV, San Antonio, April 1, hour $560 to $700, min. $140 to $175. KIMA-TV, Yakima, April 1, hour $500 to $550, min. $100 to $110. KWTX-TV, Waco, March 1, hour $300 to $375, min. $60 to $75. KMID-TV, Midland, April 1 added Class AA hour (7-10 p.m. daily) at $300, min. at $60, Class A hour going from $250 to $275. KDIX-TV, Dickinson, N. D. April 1 raised hour from $150 to $175, min. $30 to $35. CHSJ-TV, Saint John, N. B. July 1 raises hour from $300 to $340, min. $70 to $85.

NAB changed its by-laws to restrict annual convention registration to "ownership, management and officers of active members, limit exhibits to associate members who are manufacturers of broadcast equipment, tailor fall conferences to operational phases of station management," starting in 1959. Mail referendum approved Jan. 24 resolution of Board of Directors recommending change 947 to 59. Principal effect will be to bar film producers from annual spring convention, shifting their participation to fall conferences.

Practice of "loading" program schedules with best programs during "rating week" is attacked by Mitchell Wolfson, pres. of WTVJ, Miami, in full-page ads in April 19 *Sponsor* and April 21 *Broadcasting* and *Advertising Age.* He says WTVJ will cancel all special programming and promotion during April rating week in Miami.

WTWO, Bangor, Me. (Ch. 2), being sold for $600,000 to owners of WCSH-TV, Portland (Ch. 6) and 3 Maine radio stations by Murray Carpenter (Vol. 14:12), shows Dec. 31 balance sheet of $11,534 deficit, $87,003 cash, receivables & inventories, $52,036 accounts payable, $174,187 plant equipment, $191,113 notes payable.

Reprieve for BMI: Broadcaster-controlled BMI fought back in force this week before Senate Commerce subcommittee against ASCAP-supported death-sentence bill by Sen. Smathers (D-Fla.) to prohibit TV & radio stations from engaging in music business (Vol. 14:8). Fair bet at week's end: Death sentence itself will die in subcommittee.

In 3 swift days of defense—and counter-attack on ASCAP's once-entrenched music publishing & licensing position—BMI marshalled 25 witnesses headed by attorney Sydney M. Kaye, BMI chairman, to refute charges by ASCAP members of Songwriters Protective Assn. that BMI monopolizes broadcast music. They encountered few challenges from communications subcommittee—and Smathers himself was conspicuously absent from hearings.

Subcommittee Chairman Pastore (D-R. I.) interrupted Kaye's testimony once to ask: "Why is BMI good and in the public interest? Why doesn't it injure the public interest?" But for most of 3-day hearings pro-BMI witnesses had floor to themselves. And other subcommittee members—Senators Monroney (D-Okla.), Thurmond D-S. C.), Bricker (R-O.), Potter (R-Mich.)—either didn't show at all or displayed little interest when they did.

When last of first squad of 25 BMI defenders—broadcasters, spokesmen for state TV & radio organizations, songwriters, performers—had been heard, Pastore recessed hearings until May 6. BMI then will bring up representatives of networks, music publishers, record manufacturers to resume counter-offensive. Kaye summed up BMI's case:

"The testimony of the principal [ASCAP] proponents of this bill makes it clear that they still thirst for the monopoly they once enjoyed, and that their sole purpose is to eliminate effective competition in the field of music licensing. They have not shown the slightest evidence of conspiracy between broadcasting licensees & BMI."

BMI's chairman was reinforced by such witnesses as James L. Howe (radio WIRA, Ft. Pierce, Fla.), pres. of Fla. Assn. of Broadcasters. Speaking for TV & radio operators in Smathers' home state, he denounced bill as measure which would "directly jeopardize the future of the small hometown radio stations." Subcommittee had no questions.

In 43-pp. point-by-point rebuttal of ASCAP-SPA charges against BMI last month, Kaye said "contentions are false in fact and untenable in theory." He ridiculed complaints that "ownership of BMI stock by a small minority of broadcasters [624 of 4000 stations] has caused discrimination against the music of ASCAP by the entire broadcasting industry"—that "even if such discrimination has not occurred in the 18 years since BMI has been in business, the stock ownership is likely to cause discrimination in the future."

Other BMI defenders included: Gov. Clement of Tenn.; Dean Harrison Kerr of Okla. U., ex-secy. of American Composers Alliance; Pres. Elden Harvard Shute Jr. of Me. Radio & TV Broadcasters Assn.; Pres. Leo Morris of Okla. Broadcasting Assn.; Pres. W. Randall Davidson of S.C. Radio & TV Broadcasters Assn.; E. R. Vadeboncoeur, ex-pres. of N.Y. State Assn. of Radio & TV Broadcasters; Pres. Grover C. Cobb of Kan. Assn. of Radio Broadcasters; Ben Strouse, ex-pres. of Md.-D.C. Radio & TV Broadcasters Assn.; Pres. Milton Mitler of R.I. Broadcasters Assn.; John Frank Jarman, ex-pres. of N.C. Assn. of Broadcasters.

Songwriters and/or performers defending BMI included Gene Autry, Eddie Arnold, Pee Wee King, Roy Acuff, Sammy Kaye, Ray Bloch.

The 1958 Emmy Awards: Jack Benny (CBS) and Dinah Shore (NBC) led Emmy winners in annual National Academy of TV Arts & Sciences ceremonies. Benny took trophy for best continuing male performance plus special Trustees Award for contribution to TV. Miss Shore was named best continuing female performer and her *Dinah Shore Show* was given Emmy for best musical, variety, audience participation or quiz series. Other awards for 1958 in 90-min. N. Y. & Hollywood show sponsored by Pontiac and Lilt Permanent on NBC-TV April 15:

Single program of the year—"The Comedian," *Playhouse 90* (CBS)
Continuing dramatic series—*Gunsmoke* (CBS)
Musical contribution—Leonard Bernstein, *Omnibus* (NBC)
Continuing performances by leading actor & actress in dramatic or comedy series—Robert Young & Jane Wyatt, *Father Knows Best* (NBC)
Actor in a single role—Peter Ustinov, "Life of Samuel Johnson," *Omnibus* (NBC)
Actress in single role—Polly Bergen, "Helen Morgan Story," *Playhouse 90* (CBS)
New Series—*Seven Lively Arts* (CBS)
News Commentary—Edward R. Murrow, *See It Now* (CBS)
Public service program—*Omnibus* (NBC)
Comedy series—*Phil Silvers Show* (CBS)
Supporting actress in series—Ann B. Davis, *Bob Cummings Show* (NBC)
Supporting actor in series—Carl Reiner, *Sid Caesar Show* (ABC)
Dramatic anthology series—*Playhouse 90* (CBS)
Direction (30-min.)—Robert Stevens, "The Glass Eye," *Alfred Hitchcock Presents* (CBS)
Direction (60-min. or more)—Bob Banner, *Dinah Shore Show* (NBC)
Teleplay writing (30-min.)—Paul Monash, "The Lonely Wizard," *Schlitz Playhouse* (CBS)
Teleplay writing (60-min. or more)—Rod Serling, "The Comedian," *Playhouse 90* (CBS)
Comedy writing—Hiken, Friedberg, Sharp, Ryan, Jacoby, Rosen, Zelinka, Russell & Webster, *Phil Silvers Show* (CBS)
Unscheduled news coverage—Riker's Island airliner crash, *World News Roundup* (CBS)
Art Direction—Rouben Ter-Arutunian, "12th Night," *Hallmark Hall of Fame* (NBC)
TV cinematography—Harold E. Wellman, "Homo the Magnificent," *Bell Telephone Science Series* (NBC)
Live camera work—*Playhouse 90* (CBS)
Engineering or technical achievement—*Wide, Wide World* (NBC)
TV film editing—Mike Pozen, "How to Kill a Woman," *Gunsmoke* (CBS)

Fellowships in TV-radio field, providing for study up to one year at institutions of their choice, have been awarded by Fund for Adult Education to following: James W. Sanders, Ala. Polytechnic Institute; Colin D. Edwards, KPFA, Berkeley, Cal.; Sidney Roger, KROW & KPFA, Berkeley; Claud P. Mann Jr., KSBW-TV, Salinas, Cal.; Richard E. Mansfield, Jr., educational WTTW-TV, Chicago; Sam L. Becker, State U of Iowa; Mrs. Doris Karasov, volunteer community leader, St. Paul; Dennis A. McGuire, WOW-TV, Omaha; Ethelbert A. Hungerford, Metropolitan Educational TV Assn., N. Y.; Elmer W. Lower, CBS; John S. Clayton, U of N. C.; Mrs. Elisabeth M. Alford, WALD, Walterboro, S. C.; Wayne M. Carle, Brigham Young U; Miss Dorothy E. Miniace, U of Wis.

Add awards: Sigma Delta Chi, national journalism fraternity, announced 1957 awards for "distinguished service" in TV to Jim Bennett, news director of KLZ-TV, Denver, and to WBZ-TV, Boston. In radio, winners were Jerry Resholt, news editor of WCCO, Minneapolis; Dave Muhlstein, news director of KLIF, Dallas; KNX, Los Angeles.

American Women in Radio & TV holds annual convention in San Francisco's Fairmont Hotel, April 24-27.

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING WASHINGTON 5, D C. • TELEPHONE STERLING 3-1755
Trade Report
April 19, 1958

CALL TO ARMS IN TAX BATTLE: An aroused industry, beset by declining sales, profits and employment, pressed its tax offensive on two fronts this week -- and won a minor skirmish. Internal Revenue Service postponed indefinitely proposal to add manufacturers' co-op advertising allowances to 10% excise tax base (Vol. 14:14), extended to May 21 time for filing formal protests, tentatively scheduled hearing for May 27.

Industry leaders watched for break in the general tax cut situation to press for reduction or elimination of excise tax on TV, radios, phonos (Vol. 14:12). Their efforts and everybody else's stalled at weekend on Administration's announced reluctance to seek a general tax cut at this time.

Industry needs widespread, grass-roots support if it is to stave off threat of added taxes on co-op advertising, other promotional allowances, which have become the life-blood of distribution system. Same support will be required to push bill through Congress to reduce excise taxes. Spearhead of industry leaders, with Lewis D. Spencer at the head as chairman of EIA's tax committee, is now circulating the industry's membership soliciting active support for their endeavors.

Protests to IRS against co-op ad tax came from manufacturers, distributors and dealers alike. Federal Excise Tax Council asserted rule would reverse long-standing policies, impose a new tax burden which is economically unsound during a period of recession. National Electrical Manufacturers Assn. added its weight to the flood of protests, asserting any added tax would defeat President Eisenhower's plea for an aggressive selling campaign to promote consumer buying. National Appliance, Radio & TV Dealers Assn. protested:

"Now is no time to put a crimp in time-proven methods of stimulating sales."

TV-Radio Production: TV set production was 76,954 week ended April 11 vs. 70,309 preceding week & 94,866 in 1957. Year's 14th week brought production to 1,297,238 vs. 1,681,000 last year. Radio production was 183,461 (61,024 auto) vs. 148,040 (41,698 auto) preceding week & 287,682 (91,885 auto) last year. For 14 weeks, production totaled 2,786,937 (916,776 auto) vs. 4,530,000 (1,831,000 auto).

MOVES TO COUNTER JAPANESE IMPORTS: Sentiment for prompt tariff protection against a threatening influx of radios & transistors from Japan was crystallizing this week (Vol. 14:6,12). Ways & means of accomplishing this prodigious feat, however, were still under consideration by industry leaders.

The statistics gathering dept. of EIA -- recognized as one of the best in all American industry -- readied a status report and recommendations for early consideration by special tariff committee chairmanned by Motorola's Paul Galvin. We learned from EIA gen. counsel Wm. L. Reynolds that the committee will meet prior to EIA's convention in Chicago May 21-22, and that tariff matters will be high on the agenda. Committee also includes H. Leslie Hoffman, Hoffman Electronics; Russell F. Cramer, Radio Condenser Co.; Ray Ellis, Raytheon.

Initial move should be appeal to Tariff Commission for more specific import categories, report states, since present broad classifications make it impossible to pinpoint items where imports really hurt. Step 2: Formal request to Commerce Dept. for first-hand, up-to-the-minute information from its commercial attache in Tokyo about Japanese exports and production plans. Step 3: Representations to top echelon at State Dept. for govt.-to-govt. negotiations for a "voluntary quota" on exports of transistorized radios, transistors and some other components.

Committee has backed away from idea of direct petition to Tariff Commission for higher duties on these items. Procedure is long & complicated, prospect of persuading officials industry now seriously hurt is slim while trade balance in broad electronic category strongly favors U.S. Best estimates are Japan will export about 1,000,000 transistor radios to U.S. this year -- probably less than 10% of U.S. production -- but enough, perhaps, to take the profit out of booming transistor radio market now estimated at 30% of total 1958 home radio sales. Also putting damper on direct Tariff Commission appeal is current Administration attitude favoring greater U.S.-Japan trade to block a Japan-Soviet trade agreement.

"Voluntary quota" approach will probably hold most appeal for industry tariff committee members. Reynolds' report points out this already has been accomplished for textiles and stainless steel flatware. In both instances, however, Tariff Commission had already recommended to the President a boost in tariffs; Japanese merely "pulled the rug" from under formal U.S. action by applying voluntary restrictions.

Basis for tariff protection appeal will be EIA preliminary findings that the retail sales of TV & radios continued to slide in March. While the figures are not available to us, they will be cited to State & Commerce Dept. officials, members of Congress, as indicating the critical condition of the industry, as well as the probability of a further decline in employment.

For additional details on export-import situation, with particular reference to booming Japanese production, see our story Vol. 14:12. Only major development since then has been visit of group of Japanese electronics manufacturers seeking new outlets for radio, transistors and other components, as well as license agreements with electronic firms in this country.

Admiral Afoul FTC Again: Admiral, which only recently settled its TV advertising case with Federal Trade Commission (Vol. 14:14), was charged this week with favoring some customers with lower prices and more generous advertising allowances in violation of Robinson-Patman Act. FTC issued 2-count complaint that:

(1) Admiral discriminates in prices charged retail customers for TV, radios and major appliances. (2) Fails to make advertising and promotional allowances to all retailers on proportionally equal terms. Milwaukee retailers were said to have been classified in 4 categories, charged different list prices for goods of like quality and grade, with result some paid 1% to 10% more than favored competitors. Complaint also alleged discriminatory discounts resulted in non-favored retailers paying higher net prices ranging from 1% to 15%. Similar practices were said to have occurred in other areas.

Payments ranging from 50% to 100% of the cost of retail newspaper advertising and varying sums for floor and window displays were alleged in violation of the Robinson-Patman Act. Company has until May 17 to reply, hearing before FTC examiner being scheduled for June 2 in Chicago.

Symposium on "Methods of Contracting" is sponsored by EIA committee on Military Systems Management (formerly Guided Missiles committee) at Statler Hotel in Washington April 22. Speakers: James D. McLean, pres. of Hoffman Labs, on "Group Contracting"; W. M. McFarland, exec. v.p. of Hazeltine, on "Leader-Follower Contracting"; S. C. Donnelly, Western Electric asst. works mgr., on "Prime-Subcontracting"; Chairman F. R. Lack, Western Electric v.p., on "Management Contracting."

Federal Reserve Bank of Chicago reports TV owners spent about $850,000,000 on set repairs last year, up from $140,000,000 in 1948.

"Color TV Principles & Practices" is new 135-pp. GE manual for servicemen, available for $5 through tube distributors.

DuMont Labs has established "Spacetronics" operation to direct research, development and manufacture of astronautical devices and systems. Frederick H. Guterman, v.p. for industrial & military equipment, said group of specialists will direct all activities in connection with guidance & reconnaissance systems, instrumentation and test equipment in missiles, rockets, satellites, hypersonic aircraft and space vehicles. He said DuMont management believes astronautic development must receive top priority to gear crash programs to best interests of national defense.

CBS-Hytron signs manufacturing agreement with Continental Electric Co., Geneva, Ill., to market latter's complete line of industrial tubes. Hytron pres. Arthur L. Chapman says agreement is first in series of planned expansions into industrial field by CBS tube div., predicts industrial sales will reach $400,000,000 by 1965, exceeding entertainment sales. Continental Electric withdraws from domestic distribution.

TV-radio tube misrepresentation complaint was issued by Federal Trade Commission this week against Concord Radio Corp., its officers and subsidiary Fay-Bill Distributing Co., all N.Y., alleging companies advertised as "First Quality" and "All Brand New" tubes which in reality were factory rejects or had used envelopes or shells. Complaint said deceptive practices give electronic servicemen and dealers means to mislead public.

Hoffman Electronics has acquired 30% of Humphrey Inc., San Diego manufacturer of electronic equipment. Joint announcement says Hoffman will manufacture, under license, precision electronic and electromechanical equipment developed by Humphrey for aircraft and missile industries.

"Electronics Week" May 17-42 has been designated by Chicago, in connection with May 19-21 Electronic Parts Distributors Show at Conrad Hilton Hotel. Week encompasses conventions of EIA, NEDA and "The Representatives" of Electronic Product Mfrs. Inc.

Trade Personals: D. F. Johnson named to new post of Hotpoint marketing mgr. for TV & air conditioners . . . Aurel G. Petrasek promoted to merchandising mgr., receiving tubes, RCA electron tube div. . . . James H. Carmine, ex-Philco pres., named special consultant in sales, adv. & marketing for Fram Corp., Providence (oil filtration equipment) . . . James E. Sullivan named gen. mgr. of new Cable & Wire div., Amphenol Electronics . . . James J. Cassidy resigns as trade editor of *Television Digest,* future plans to be announced . . . Samuel Olchak, ex-DeWald Radio, Long Island City, named sales mgr. for Paramount Enterprises Hallmark div. . . . Andrew Schwartz named sales mgr., Westinghouse Appliance Sales, N. Y. . . . Arthur Howard, ex-Sonic Industries, named national sales mgr. of Hinners-Galanek Radio Corp., N. Y. . . . Richard O. Morris, ex-Booz, Allen & Hamilton, appointed controller of Howard W. Sams & Co., Indianapolis . . . Tom Mack promoted to v.p. of Dot Records, succeeding as director of albums Henry Onorati, now pres. of 20th Century-Fox Records.

Comdr. E. F. McDonald Jr., pres.-gen. mgr. of Zenith Radio, was due to be released this week from Albert Merritt Billings Hospital, Chicago, planned to convalesce a short time in Florida before returning to office.

Don G. Mitchell, Sylvania chairman & pres., will address annual convention of American Federation of Advertisers at Statler Hotel, Dallas, June 8-11.

ELECTRONIC PERSONALS: William Carlton Allen, ex-Westinghouse, named director of manufacturing for IT&T . . . Joseph J. Holley promoted to manufacturing mgr. of IT&T Federal Instruments group . . . H. W. Jamieson, co-founder of Litton Industries with Charles B. Thornton, resigns as v.p.-engineering, will continue as advisor . . . Patrick F. Haggerty, former exec. v.p., elected pres. of Texas Instruments, succeeding J. E. Jonsson, named chairman; co-founder & former chairman Eugene McDermott named exec. committee chairman . . . Donald B. Morse promoted to director of sales, service & adv. for Bendix Aviation Scintilla div.; Donald L. Quinney succeeds him as sales mgr. . . . William Glasgow Thompson, v.p. of Bell Telephone system, retires May 31 after 43 years with company . . . Kenneth W. Klise (USAF ret.) joins Page Communications Engineers, Washington, as product mgr. . . . Fred R. Lack, v.p. Western Electric Radio div., will retire Aug. 31 after 47 years with the company. C. Raymond Smith will succeed him.

Obituary

Ludwig Arnson, 75, retired pres. of Radio Receptor Co., reputed to have sent first wireless distress message from an American vessel, died at his home in N. Y. April 12. His widow survives.

Dr. Karl Lark-Horovitz, 65, head of Purdue U physics dept., pioneer in transistor research, died in Lafayette, Ind. April 14. Surviving are widow, son, daughter.

DISTRIBUTOR NOTES: Sylvania appoints Fridley Bros., St. Louis, for TV-radio-hi-fi; Sylvania has canceled Household Appliance Corp., Newark, successor not yet named . . . Motorola appoints K and K Co., Omaha, for Neb., part of Iowa . . . Sid Weiss, ex-West Coast sales mgr. for American Electronics, forms Sid Weiss Assoc., Los Angeles, to market hi-fi . . . Mark Simpson, founder of Mark Simpson Manufacturing Co., and Alex Sherlow, ex-sales mgr. Electronics Manufacturing Co., form Elcraft Industries Inc., N. Y. (41 W. 57th St.) to market phonos . . . J. P. Majors promoted to mgr. of Graybar, Jacksonville . . . Columbia Records appoints 4 for phonos: Vining Sales, Greenville, Mich.; Graybar Electric Cos. in Louisville, Evansville, Cincinnati . . . Majestic-Grundig appoints Empire Enterprises Inc., Philadelphia, for hi-fi, phonos, radios & components.

DuMont appoints 7 firms to handle closed-circuit industrial TV: Burdett Sound & Recording Co., Tampa; Custom TV, Houston; Electronic Equipment Supply, Lincoln; Florida Communications, Cocoa, Fla.; Jay Huckbee Co., Snyder, Tex.; Kansas City Sound Service, Kansas City, Mo.; Southern Radio Supply, Little Rock.

Evolution of stereophonic discs—with sketches to show basic differences in cutting and playing stereo vs. monaural records—is traced in layman's language in Feb. issues of *High Fidelity* and *Audiocraft,* in March *Radio & TV News.* They are typical of educational material being beamed at hi-fi enthusiasts far in advance of anticipated fall marketing of stereo discs and players.

Conference on Electronic Standards & Measurements will be held at Bureau of Standards Labs, Boulder, Colo. Aug. 13-15, sponsored by Bureau, IRE, AIEE.

Flat color tube being developed by Dr. D. Gabor, Imperial College, London, is described briefly in April 14 *Electronic Week.*

Ceramic-type insulating material for electronic components, high temperature resistant up to 1200 degree F, has been developed by Secon Metals Corp., White Plains.

Recipients of David Sarnoff Fellowships for 1958 (worth $3500 each), as announced by RCA v.p. & technical director C. B. Jolliffe: Raymond J. Campion, RCA tube div., candidate for Ph.D. in chemistry, Washington U, St. Louis; Edward Kornstein, defense electronic products div., Ph.D., physics, Boston U; Walter F. Kosonocky, Princeton Labs, Ph.D. engineering, Columbia; Gerome D. Sable, Moorestown defense dept., Ph.D. electrical engineering, U of Pa.; R. A. Schmeltzer, semiconductor & materials dept., Ph.D. engineering, Columbia; Hugh W. Stewart, defense electronics products div., M.Sc. electrical engineering, Rensselaer Polytech; Edward L. Balinsky, NBC, Ph.D. economics, Columbia; Paul Potashner, RCA International sales, M.Sc. business administration, Harvard; Earl R. Sage, TV div., M.Sc. business administration, Harvard; James L. Steffensen Jr., National Broadcasting Co., Ph.D. fine arts, Yale.

Seven new recommended standards for electronics industry have been mailed to EIA members; are obtainable by non-members from EIA engineering dept., 11 W. 42nd St., N. Y. The standards: circular waveguides (RS-200), 30¢ each; microwave transmission systems (RS-203), $1.30; minimum standards for land-mobile communications, FM or PM receivers (RS-204), 90¢; electrolytic capacitors for use primarily in transmitters & electronic instruments (RS-205), 80¢; preparation of basing or terminal diagrams (RS-206), 60¢; definition and register, printed wiring (RS-208), 25¢; electron tubes (RS-209), $3.50. Minimum charge of $1 on all orders.

EIA issues following recommended standards and military components specifications with industry-wide approval: RS-170—*Electrical Performance Standards, Monochrome Television Studio Facilties* ($1.10 each); RS-198—*Ceramic Dielectric Capacitors, Classes 1-2* (80¢); RS-201—*Recommended Standards for Export Receivers* (25¢); SMC-1—*Fixed Ceramic High Reliability Capacitors* ($1.10). Copies are available from EIA Engineering Dept., 11 W. 42nd St., N. Y. ($1 minimum charge).

Financial Reports:

GE earnings dropped 23% to $49,184,000 (56¢ per share) on sales of $964,966,000 in first 1958 quarter vs. $64,006,000 (73¢) on $1,048,000,000 sales in same period of record 1957 (Vol. 14:8). Decline was attributed by pres. Ralph J. Cordiner to: (1) Reduced sales volume in most commercial products, including TV & radio sets which have been slumping many months. (2) Higher proportion of defense business with low profit margins. (3) Rising employment costs. (4) Higher raw materials costs. Cordiner said total sales billed in March increased sharply, but that it was too early to tell whether upward trend would hold for rest of 1958.

General Precision Equipment, whose TV products include industrial, military, educational, underwater & special broadcasting equipment, earned $4,263,949 ($3.03 per share) on record sales of $185,093,842 in 1957 vs. $2,394,729 ($1.64) on $153,261,864 in 1956. Sales to commercial broadcasters stayed at 1956 levels, but industrial, military & educational TV orders "increased substantially" last year, according to annual report, which saw "good prospects" for 1958.

Eitel-McCullough sales rose 13% to about $15,800,000 in 1957 but net income slipped below $1 per share vs. $1.60 year earlier, when earnings were $1,254,488, v.p. Edward E. McClaran of big tube maker told *Wall St. Journal* this week. He said nearly all of 1957 sales increase came from research & development contracts. Backlog at end of 1957 was down to about $4,800,000 from $5,600,000 year earlier, but was up to around $5,500,000 as of March 31.

Texas Instruments upped earnings to $1,109,000 (34¢ per share) on sales of $20,480,000 in first 1958 quarter from $790,000 (25¢) on $15,252,000 year earlier. Results reflected continuing gains by electronics equipment firm since 1946 (Vol. 14:12), pres. J. E. Jonsson told annual meeting in Dallas. He predicted further 1958 advances, particularly in semi-conductor and apparatus divs.

Standard Coil Products Co. 1957 sales totaled $61,330,530, net income $802,862 (56c per share) vs. $59,168,450 sales and $1,819,371 loss ($1.96) in 1956. Year ended with $10,631,450 working capital, up about $250,000, pres. James O. Burke stating tuner business had improved despite cessation of TV set production by such customers as CBS, Raytheon, Crosley, Spartan.

Dividends: AB-PT, 25¢ payable June 14 to stockholders of record May 23; Magnavox, 37½¢ June 16 to holders May 23; Avco, 10¢ May 20 to holders April 24; Indiana Steel Products, 30¢ June 10 to holders May 23; National Theatres, 12½¢ May 1 to holders April 17; United Artists, 35¢ June 27 to holders June 13.

Muter Co., whose 1957 profits rose to 50¢ per share from 4¢ in 1956 (Vol. 14:14), earned $23,549 (3¢ per share on 762,729 shares) on sales of $2,628,721 in quarter ended March 31 vs. $25,586 (3¢ on 727,000) on $2,999,707 year earlier.

WJR, The Goodwill Station Inc., Detroit, which had 8-year record sales & earnings in 1957 (Vol. 14:6), reports net income of $110,303 (19¢ per share) on sales of $853,737 in first 1958 quarter vs. $150,813 (26¢) on $947,080 year earlier. [For 1957 report, see Vol. 14:6.]

Muntz TV Inc. earned $164,236 (15¢ per share) on sales of $2,491,135 in 6 mo. ended Feb. 28 vs. loss of $151,694 in same period year earlier. Company lost $561,236 in fiscal year ended Aug. 31, 1957 under Chapter X reorganization (Vol. 14:4).

United Artists, which released 52 features (including 39 post-1948 movies) to TV last year for reported $5,000,000 gross (Vol. 13:21, 27, 29), had record 1957 earnings of $3,262,466 ($3.05 per share) on world-wide revenues of $70,008,242 from rentals & related items. In 1956, last full year of private ownership of UA (Vol. 13:15), company earned $3,106,497 ($2.90) on gross of $64,167,164. Bright report in otherwise generally gloomy movie industry (Vol. 14:15) also indicated gross for first 1958 quarter was ahead of $14,389,000 year earlier.

Paramount Pictures 1957 earnings from operations were $5,425,000 ($2.80 per share on 1,939,716 shares outstanding) vs. $4,283,000 ($2.17 on 1,976,316) in 1956. But total net income last year, including $642,000 investment adjustment item, dropped to $4,783,000 ($2.47) from $8,731,000 ($4.43) in 1956 when special non-recurring items totaling $4,448,000 (principally profit from film sales to TV) lifted net. "Substantial profits" from TV sales are being realized this year, Paramount stockholders were told in preliminary annual report.

Decca Records consolidated earnings in first 1958 quarter were "down considerably" from $974,958 (61¢ per share) year earlier, decline due to sharp drop in operations of 81.4%-owned Universal Pictures (Vol. 14:12), pres. Milton R. Rackmil of both firms told Decca stockholders' meeting in N. Y. recently. He said first-quarter profit of Decca's record div. was only "slightly less" than in 1957 period, that Decca's quarterly 25¢ dividend is "safe" this year. Universal, however, lost $426,900 in 13 weeks ended Feb. 1 vs. net income of $163,786 year earlier.

National Telefilm Assoc. earned $422,006 (41¢ per share) on film rentals of $7,962,992 in first 6 fiscal months ended Jan. 31 vs. $508,631 (50¢) on $4,511,670 year earlier. NTA pres. Oliver A. Unger said income before amortization & income taxes totaled $5,588,639 vs. $2,711,438, but deductions for film costs, film distribution rights & print costs increased to $4,646,000 from $1,725,000 year earlier. Contracts writen in 6 months totaled $8,528,651—up 18% from $7,178,392 in previous period.

Big AT&T, regarded by many as a barometer industry, reports first quarter earnings up to $178,440,000 ($2.76 a share) from $165,912,482 ($2.63) in same 1957 period. For 12 months ended March 31, AT&T had record earnings of $698,590,000 ($10.88) vs. $634,347,055 ($10.66) in preceding 12 months. Shares outstanding numbered 64,648,178 as of Feb. 28, up about 1,650,000 in year.

Loew's Inc. earned $1,800,000 (34¢ per share) in second fiscal quarter ended March 31, reversing trend of earlier periods (Vol. 14:5). In first 28 weeks of fiscal year earnings were $509,000 (10¢). Change in accounting methods prevented comparisons with year earlier.

Technicolor earned $95,946 (5¢ per share) on sales of $24,674,620 in 1957 after non-recurring capital gain of $563,994 and $446,368 charge-off of abandoned graphic arts div. Company earned $1,226,149 (60¢) on $29,445,950 in 1956.

Trans-Lux Corp. earned $224,539 (40¢ per share) in 1957 vs. $234,621 (42¢) in 1956.

Howard W. Sams & Co., Indianapolis electronic engineering, research & publishing firm, enjoyed record first quarter sales of $510,358, profits of $52,177, bringing 9 months of its fiscal year to $3,316,772 sales and $364,447 before-tax profits vs. $3,005,426 & $327,712 for preceding period. Associated Waldemar Press Inc. sales were 17% up for first quarter, also a record.

More on BBC Video Recorder: BBC's new "VERA" video tape recorder (Vol. 14:15) may give Ampex and RCA recorders a run for their money with British standards—but U. S. engineers don't see it cutting much ice as competitor for other standards. They say that British might get by with high-speed VERA, 200 in. per sec., because their 405-line, 25-frame system has only 10,500 lines-per-sec., using 2½-mc bandwidth—compared with U. S. 525-line, 30-frame, 15,750 lines-per-sec., 4-mc bandwidth.

Longitudinal recording employed by VERA was tried by U. S. engineers for long time, but discarded when Ampex perfected horizontal recording with rotating head, permitting 15-ft.-per-sec. speed.

VERA has advantage in that it uses ½-in. tape instead of RCA-Ampex 2-in., is therefore cheaper to run. It also offers simultaneous recording-monitoring, though U. S. engineers say they can provide same if customer will stand extra cost. VERA also is easier to splice.

VERA employs 3 tracks—1-100 kc video (frequency modulated), above-100 kc video (not FM), sound (FM). Equipment is in 3 racks—about 5x5x3 ft. It carries 15 min. of programming on 20½-in. reel.

BBC doesn't offer color, but director of engineering Sir Harold Bishop (who will be in U. S. this week for speech at NAB convention engineering conference in Los Angeles, April 30) says there's "no fundamental reason" why equipment can't be adapted to color.

Another advantage of U. S. equipment cited is fact it can be speeded up for re-running, etc., while VERA runs at maximum in regular operation.

* * * *

Tape's impact on TV industry will have a lot of ramifications. In April 14 *N. Y. Herald Tribune*, Joseph Kaselow reports trepidation of one maker of commercial film, Martin Ransohoff, pres. of Filmways Inc., who plans to tape his first commercial in 60 days:

"Ransohoff says advertisers should not kid themselves that tape will be great money-saver. The cost of film processing will be saved, but consider this: the cost of tape will have to be borne even though few stations will be set up to use it for some time; the equipment is very sensitive and there are more technical problems involved in maintaining it; there are not 5 guys outside the networks who know how to repair tape; problems of optical effects and editing are not yet solved; the equipment is bulky and not so easy to transport as film . . . the practical reasons for going to a given location still exist, tape or no tape; the tape itself is about 3-in. wide [actually 2-in.] and somewhat harder to handle, and there'll be a lot of initial expense because of all the equipment and experimentation involved."

Attention, NAB Conventioneers

If you want your *Television Digest* to follow you to your hotel in Los Angeles during the NAB Convention (April 27-May 1), we'll be glad to send it to any subscriber via air mail at no extra cost. Let us have your hotel address ahead of the April 26 issue. We'll also send on the May 5 issue to any address you designate if you're not going to be back to your office by then.

COMMON STOCK QUOTATIONS

Week Ending Friday, April 18, 1958

Electronics TV-Radio-Appliances Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
9¼	7	Admiral	8¼	—¼
23	19⅜	AmBosch .30e	23	+1⅛
16¾	13	AmBcstg-Par .1	16¾	+⅞
37⅞	32¼	AmMy&F 1.60	35	—1
177½	167⅞	AT&T 9	177½	+2¾
26½	22⅜	Amphenol 1.20	24¾	+¼
29⅞	26	Arvin 2	27¼	+¾
7¼	5⅝	Avco .10e	6⅛	+⅛
25¾	20¼	BeckInst 1¼f	21½	+⅜
53	44⅝	BendixAv 2.40	47½	+2
32¼	27⅝	Burroughs 1	28¼	+½
18⅜	15¾	Clevite ¼e	16¼	—
29¾	24½	CBS "A" 1b	29½	+½
28¾	24⅛	CBS "B" 1b	29	+½
16¼	12½	Col Pict ⅜t	14⅞	+⅛
35¼	27⅞	Cons Elec .40	33¼	+2⅜
26½	19½	Cons Electron	25¾	+¼
16½	13	Cor-Dub .20c	13⅛	+⅛
86¾	74⅜	CornGlass 1a	82¾	+⅜
3⅝	3	Davega	3½	+⅜
35	30	Daystrom 1.20	31½	—
16¼	13⅞	Decca 1	15¼	+¾
21½	14	Disney .40b	19⅜	—¼
107⅜	97⅛	EastKod 1.55e	106¼	+2⅞
34⅜	29	EmerElec 1.60	34¼	+1⅛
6⅛	4⅛	EmersonRadio	5⅞	+⅜
8½	7	Gabriel .60	8	—
65¾	55¼	Gen Dynam 2	57⅜	+⅝
64¼	59½	Gen Electric 2	58	+¼
7⅝	4⅝	Gen Inst. .15g	7½	+1⅜
41	33½	GnPrEquip2.40	33½	—1¼
30	22¼	Gen Tire .70b	23½	—⅛
44¼	40⅜	Gen. Teleph. 2	44¼	+¼
26¼	21	HoffmanElec 1	26¼	+1⅜

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
351¾	300	IBM 2.60	347¾	+1¼
33¼	29¼	IT&T 1.80	32	—⅜
41½	36⅛	I-T-ECirB .45e	37¾	—
7⅞	6⅞	ListIndust ¼e	7	—⅛
43⅞	36⅞	Litton Ind	39⅞	+⅛
15½	13⅛	Loew's	13⅝	—½
37	30¼	Magnavox1½b	35½	—⅛
28¾	24⅝	Mallory 1.40b	24⅞	+⅛
88¾	76	Mpls.H'll 1.60a	83	—1
42¼	37	Motorola 1½	37	—
9	7⅜	Nat'l Thea ½	8	—¾
38⅜	30⅝	Paramount 2	34⅛	+⅝
17⅛	12⅜	Philco	14¾	+¾
35	30¼	RCA 1a	31¾	+⅝
26	21½	Raytheon 1¼t	26	+¼
7⅛	5	Republic Pic	5	—½
34¾	32¼	SangElec 1.80	32¼	—½
16⅛	13¼	Siegler .80	14	+⅜
3⅞	2¾	Sparton	3⅞	+¾
20⅝	17¼	SperryRan .80	17⅝	—⅛
8¼	6	Standard Coil	7¼	—
18	14½	Stanley-War 1	17¼	—⅜
32	29	Stew Warn 2b	30⅜	+⅝
24½	20	StorBcstg 1.80	23	—
37½	31½	Sylvania 2	36½	+⅜
34⅜	26¾	Texas Instru	34⅛	+1⅛
55¼	41⅜	ThomProd 1.40	46	+2⅛
26⅞	23¼	Tung-Sol 1.40b	24⅛	—
27	21¾	20thC-Fox 1.60	27	+2
20½	15¼	UnitedArt 1.40	19¾	—⅜
22⅝	19	Univ. Pict 1a	20½	—
19½	16⅞	WarnBros 1.20	18⅞	+⅛
65½	57½	Westingh El 2	58¾	+1
75¾	67½	Zenith new	74¼	+2¾

AMERICAN STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
3⅜	3	Allied Artists	3	—⅛
45	34½	Allied Con 1a	39⅛	+1⅛
15⅛	13	AmElectro ½	13	—¼
10⅛	8⅜	AssocArtProd	9⅞	+¼
9⅞	7¼	AudioDev .05d	9¾	—⅛
10	7⅜	BelockInst ⅛t	9⅝	—⅜
½	⅜	C & C TV	7/16	—
3¾	2⅞	Clarostat .15g	3⅛	+⅛
4⅝	3	DuMont Lab	3¾	—
4⅛	2⅞	Dynam Am	3⅜	+⅛
13⅛	10	EletcronicCom	11⅞	+⅜
7⅞	6⅜	Electronics Cp	7	—⅜
31⅝	19½	FairchCam½g	21	+⅜
24⅞	17¼	General Trans	23⅝	+2¼
17¼	14⅝	Globe Un .80	15¾	—¼
3⅜	2⅝	Guild Films	2⅝	—

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
37½	30½	Hazeltin 1.40b	33⅞	+⅞
2⅞	2	Herold Ra .20	2¼	—
4⅝	3¾	Int Resist .20	4⅛	+⅛
6¼	4¼	Lear	5⅜	—
⅝	⅜	Muntz TV	⅝	+⅛
3½	2½	Muter Co. ¼t	3½	+⅛
7	5⅝	Nat'l Telefilm	7	+¾
1¾	1	Nat Union El	1¾	+⅜
6⅞	2¾	Norden-Ketay	2¾	—
3⅝	2⅞	Oxford El .10r	3⅛	+¼
16	11	Philips El	13	—1¾
8⅝	6⅝	Servomech .40	7¾	—⅛
6	3⅜	Skiatron	3⅞	—¼
4⅜	3½	Technicolor	4⅜	+¾
4½	3½	Trans-Lux .20g	4	—
4⅞	4⅝	Victoreen Inst	4½	—⅛

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked
Advance Ind	1 15/16	2½
Aerovox	4½	5
Airborne Inst	41	44
Altec Co. .80	7	8
AMP Inc .50	17⅞	18½
Ampex	56¼	59
Baird Atomic	8¼	9
Cinerama Inc.	1⅜	1⅝
Cinerama Prod.	1¾	2
Cobu Electronics	8⅛	8½
Collins "A" .35	11⅜	12
Collins "B" .35	11	11¾
Cook Elec. .40d	17⅞	18½
Craig Systems	4½	5
DuMont Bcstg.	7⅞	8½
Eitel-McCullough (5% stk)	24½	26
Elec Assoc (stk)	36	38
Erie Resistor .40b	6⅛	6⅝
Friden Ind. 1	50¾	53
Giannini, G. M.	13¾	15
Granco Products .05	1	1¼
Gross Telecasting 1.60	18½	20
Hewlett-Packard	25¼	26
High Voltage .10g	33	35
Hycon	2 3/16	2⅜
Indiana Steel Prod. 1.20a	17	18
Jerrold	1⅞	2¼
Ling Industries	2 7/16	2¾
Leeds & Northrup .60b	22½	24

	Bid	Asked
Macblett Labs .25g	15¾	17
Magna Theatre	21⅛	21½
Maxson (W. L.) .05	4⅞	5½
Meredith Pub. 1.80a	29	31
National Co. (4% stk.)	11½	13
Oak Mfg. 1.40	14	14½
Official Films .10	1 1/16	1⅜
OR Radio	17½	19
Pacific Mercury TV	5¼	5¾
Packard-Bell .50	11⅜	11¾
Panellit	5⅛	5½
Perkin-Elmer	23¼	24
Philips Lamp (14% of par)	35	36
Reeves Soundcraft (stk.)	2 15/16	3¼
Sprague Electric 1.20	29¼	31
Taylor Instrument 1.20	28¾	30
Tele-Broadcasters	2⅞	3½
Telechrome .30	8⅝	9
Telecomputing	3⅞	4⅜
Teleprompter (stock)	6¼	7
Time Inc. 3.75	59½	62
Topp Industries (stock)	8⅞	9½
Tracerlab	6⅜	6¾
Trav-Ler	1¼	1½
United Artists	4⅝	5
Varian Associates	15⅜	16
Webcor .15c	11	11½
Wells-Gardner	7	7½
WJR Goodwill Sta. .50d	13¼	13¾

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid after stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. * No trade

THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

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SUMMARY-INDEX OF THE WEEK'S NEWS — April 26, 1958

'HOLLYWOOD: SAVE THE FLOWERS': Foregoing caption on the Saturday Review article by Arthur Mayer, published as a Special Supplement herewith, would seem to be somewhat misleading in view of the doldrums besetting the motion picture industry and in view of Mr. Mayer's own splendid job of appraising the state of the movies -- with particular emphasis on the impact of the 12-year-old upstart TV.

There's no disposition on anyone's part to gloat over the hard days that have befallen yesterday's movie industry. Rather, the inclination is to probe and understand -- hence our decision to reprint the Mayer article, which seems particularly apropos at this time of foregathering of the TV-radio clans in Los Angeles.

Shorter and easier reading, more penetrating sociologically if not as well-bolstered statistically, the Mayer report is a natural concomitant to the recent Hollywood AFL Film Council study (Vol. 14:15) which reported that theater attendance fell from average of 90,000,000 a week in 1946 (Mayer insists figure was more nearly 75,000,000) to 46,530,000 in 1956; revenues, from $1,692,000,000 to $1,298,000,000 (latter counting popcorn, candy & refreshment sales, presumably); feature films, from 356 in 1949 to 272; employment of production workers, from average of 21,775 a month to 12,593; net earnings (10 companies), from $121,000,000 to $32,000,000.

Number of theaters remains about same, oddly enough, at around 19,000 -- but some 5000 are the drive-ins that replaced conventional houses after the war.

Survey hasn't yet been made on how far TV has taken up the slack, but that it's now a dominant factor in Hollywood is evident. The revolution that TV wrought upon the movie industry began when it made "Every Home a Newsreel Theater" (our own headline in Vol. 3:44 of Nov. 1, 1947) -- and it's now more apparent than ever that

TV has taken over the quantitative aspects of Hollywood production, just as Samuel Goldwyn predicted it would in our interview some 10 years ago.

As for qualitative output, which Goldwyn said would remain with theater and screen, that would seem to remain the movie industry's best hope. That, and export trade right now. Even oldies, some very good, keep people from bestirring themselves to go to downtown or neighborhood theaters in the same numbers as of old.

Mr. Mayer is one of moviedom's great veterans, a former N.Y. theater owner, sometimes called "dean of the movie industry." With Richard Griffith he recently authored "The Movies," a highly praised book, published by Simon & Schuster.

[For further data on current upswing in movie attendance, etc., see p. 6.]

NO MORE RIDING THE GRAVY TRAIN! The furious rate of TV's growth has slowed down to a steadier pace -- and that goes for sales, rates, profits, even station prices. One of our favorite industry economists, Richard P. Doherty, ex-NAB employer-employe relations v.p., now a highly successful management consultant, is authority for this conclusion, which he documented this week before a district Advertising Federation of America meeting in Tampa.

As for radio, it's also shaking down -- and Doherty spells that one out, too.

TV networks and stations combined, said he, should show a 1958 increase in revenues only 4-6% over 1957. That's not bad, for 1957 jumped well over $100,000,000 above 1956, and the years before that showed even more phenomenal increases. Point is, that the ship's speed is leveling off to a steadier if continuingly high pace.

There will be spotty showings, some better but few worse, among individual stations -- and some of the gross increase will be attributable to more stations on the air. Since advertisers spent $1,315,000,000 on the TV medium as a whole last year [see TV Factbook No. 26, p. 27, for year-by-year figures for TV as well as the other media], you can figure out for yourself whether your station is keeping up with the national average. At least, Doherty concedes an increase, no decline.

Relatively few rate increases are being effected this year, bringing to halt the meteoric rises of the last few years. Reason for halt is not only the recession, but simple fact ceiling was bound to be reached. As for profits and station sales:

"The gravy train for most TV stations came to a halt by 1957, even though many owners and managements haven't yet appreciated this fact. Big profit margins on investments have shrunken to modest percentages, a trend accentuated by high station investments involved in purchase prices paid over the last 3 years by new buyers. After 10 years of lusty profit growth, TV has entered the era of moderate station expansion and modest station profit margins -- perhaps 10-20% for the industry as a whole, though 25-40% may still exist among a selected group of stations."

* * * *

More stations will go on the air in the next 2-3 years, says Doherty, notably as a result of additional drop-ins and directional grants. [Our own records indicate not more than 40 in prospect for this year, 15 having already started since Jan. 1.] That means more cities are likely to get stations. Therefore, he suggests:

"1958 should be the Big Year for the majority of stations to take a long hard look at their operations, reappraise operating costs and examine future prospects. TV station operating costs have continued to expand out of proper proportions, and many stations have built up an unwarranted break-even point."

All this is quite aside from the current recession, which both TV and radio seem to be riding out better than most businesses. But, in Doherty's opinion, station buyers "will unquestionably continue to experience a tight financing market via banks and financial institutions, because most of these lending agencies persist in classifying the majority of broadcasting loans as venture capital."

Radio's gross revenues will probably rise 2-3% above record $648,000,000 of 1957, according to Doherty, but most stations will experience a decline of profits this year. "Despite the much touted rise in national radio spot, practically all of this money goes to 850 or 950 stations located in the first 85-95 markets, with the lion's share going to 500 stations in the first 50 markets. Fully 1250 to 1500 stations [of the nearly 3200 now on the air] will undoubtedly show a 5-15% decline in revenues, these being the ones depending almost exclusively on local accounts."

* * * *

As for advertising as a whole: "During the next few months, total advertising expenditures will probably dip below the comparable level of 1957, but they will increase enough after Sept. to provide an over-all 1958 about equal to 1957 -- plus or minus 2%." [Last year's total ad expenditures, all media: about $10.5 billion.]

On govt. efforts to combat the current recession, Doherty observed: "Very little recovery is likely to crystallize during the next few months, and there's real danger that retarded recovery may generate an adverse consumer and business psychology and knock business levels even lower than prevail today...

"When the public gets worried about the immediate future, there is invariably generated a powerful additional depression factor. One thing is certain, and that is that we cannot argue people into spending the nation out of a recession. And govt. economic expedients are not likely to have a recovery effect before next fall, an effect which could be nullified by adverse public psychology."

HARRIS GROUP NOT EXCITED ABOUT PATENTS: Very little stomach for patent squabbles was evidenced by Harris subcommittee as it listened this week to retired FCC patent advisor Wm. Bauer, who argued that FCC has helped RCA to maintain a patent monopoly by failing to consider patents in its TV & FM engineering standards.

Few Congressmen attended -- and they were considerate of Bauer, willing to let him have full say on "RCA's patent monopoly," topic that has engrossed him for much of his govt. career. However, their leanings are obviously toward letting Justice Dept. and courts handle monopoly questions -- and indeed latter are doing just that, as in Feb. 21 criminal anti-trust indictment against RCA handed down by N.Y. Federal grand jury (Vol. 14:8).

No more witnesses are scheduled on patent matters, though Chairman Harris (D-Ark.) says there may be more later and "it would be good to have FCC testify on this, too." Currently, subcommittee has no more hearings on tap on any phase of its probe of FCC "misconduct." Harris merely says: "We'll go into other things when we decide to do so." There's considerable recurring talk that group will explore some more comparative TV decisions -- Boston, Pittsburgh, Indianapolis, perhaps others. But Harris won't confirm what it will do next. Subcommittee is also studying Federal Power Commission and Securities & Exchange Commission. No dates for next subcommittee meetings or hearings have been set.

[For further details of this week's patent hearing, see p. 9.]

OPPOSITION AT BAT IN NETWORK HEARING: One of mainsprings of whole network investigation, Richard A. Moore, pres. of KTTV, Los Angeles, finally got to witness stand this week -- and did good job of presenting his views. His was the only testimony to date supporting FCC's staff report and contradicting the scores of witnesses and thousands of pages of testimony in favor of networks' position.

Hearing has recessed until May 12, resumes with stations represented by CBS and NBC Spot Sales. They'll be followed by the only other organization supporting Barrow Report -- Station Representatives Assn.

Option time and must-buy are Moore's bugaboos. He asserted that they're not in public interest -- and even if FCC believes they're in public interest they've got to go anyway, because they're illegal per se as "restraints of trade."

Here are non-affiliated KTTV's reasons for opposition: (1) Option time ties up best time of most stations in country, thus freezes out non-network program producers from best market for their product, thus stymies production of high-quality programs that KTTV needs. (2) Must-buy freezes out KTTV from access to network programs, regardless of advertisers' desires: "The advertiser must reject KTTV, even if we offer better time at half the price and at half the cost-per-thousand."

Moore claimed that networks and affiliates wouldn't be hurt if option time and must-buy were outlawed; everyone would gain because "pure competition" would take over and all programs would stand or fall on their merits.

Moore was on stand all day April 22, gave his views in well-worded 62-pp. statement and long cross examination. His presentation was accompanied by 42-pp. "memorandum of law" charging option time and must-buy are automatically violative of anti-trust laws -- prepared by attorneys Lloyd N. Cutler & Samuel A. Stern. Here's Moore's wrap-up statement of his theme:

"Mr. Chairman, the option time and the 'must-buy' are instruments of nationalization of TV. They are unlawful, they are contrary to the public interest, they are unnecessary, and the 3 objective and thorough studies have found them so. From its very first moment, the young TV industry has never known a situation where the prime evening hours were open to competition -- on the simple American principle of 'may the best man win.'" [For more details of Moore's testimony, see p. 5.]

NATIONAL ASSN. OF BROADCASTERS actually completes 35 years of existence this year—with pres. **Harold E. Fellows** filling out the longest term in office of any past president (7 years). His predecessor as fulltime paid pres. was Judge **Justin Miller**, onetime justice of the Court of Appeals of the District of Columbia, who served from 1945-51, and now at 70 lives in semi-retirement in Pacific Palisades, Cal. Preceding him, for the 6 years 1938-44, was **Neville Miller**, now 64 and a highly successful Washington attorney. **J. Harold Ryan** served an interim term 1944-45; he's now 73, lives in Toledo, is a Storer v.p. and brother-in-law of George B. Storer.

First president, interestingly enough, was **Eugene F. McDonald**, 1923-25, pres. of Zenith Radio, then operator of WJAZ, Chicago, now one of TV-radio's arch critics. Then there were: 1925-26, **Frank W. Elliott**, WHO, Des Moines, now a leading Denver chiropractor; 1926-27, **Earle C. Anthony**, KFI, Los Angeles, now retired at 73; 1928-30, **William S. Hedges**, WMAQ, Chicago, an NBC v.p. nearly 25 years; 1930-31, **Walter J. Damm**, WTMJ, Milwaukee, still running that station and WTMJ-TV; 1931-32, **Harry Shaw**, WMT, Waterloo, Ia., deceased; 1932-34, **Alfred J. McCosker**, WOR, Newark, now retired in Miami; 1934-35, **J. Truman Ward**, WLAC, Nashville, now 59, operating big Maryland Farms, Brentwood, Tenn., also a bank and insurance company director, member of Nashville Power Board, director of Cumberland Horsemen's Assn.

Leo J. Fitzpatrick was pres. 1935-36; he was gen. mgr. of Detroit's WJR, then WGR, Buffalo, now at 63 has various business enterprises, will always be rémembered as popular m.c. for Kansas City Nighthawks on WDAF in the DX days of the '20s. There followed: 1936-37, **Charles W. Myers**, KOIN, Portland, Ore., deceased; 1937-38, **John Elmer**, 73, pres. of WCBM, Baltimore, managed by son-in-law George Roeder; 1938 (interim), **Mark Ethridge**, now publisher of *Louisville Courier-Journal* (WHAS-TV).

■

Second annual convention of National Community Antenna TV Assn. of Canada is scheduled for May 1-3 at Alpine Inn, Ste. Marguerite, Que. with sessions on business practices, Bell System relations, govt. relations, closed-circuit, antenna design, etc. Exhibitors: Benco TV Assoc., Entron Inc., Jerrold Electronics, Times Wire & Cable, Westbury Electronics.

Do You Know That . . .

THERE'S A BIT OF "HAM" in nearly all of us, which is perhaps one reason for such intense devotion to the broadcasting business—partaking as it does of show business, journalism, advertising, etc. all rolled into one. But it's a curious fact that performing talent doesn't very often rise to management in TV and radio. We know some exceptions, however.

Take NAB's president Harold Everett **Fellows**, for example. Did you know that, in his twenties, he played one-night stands as a singer, toured the Keith vaudeville circuit for 3 years with a trio, was a professional m.c. and toastmaster when he was lured into radio in Boston? Maybe that's why he loves speechmaking so much, does it so well that he even wowed the Latin American broadcasters, themselves a very effusive and ebullient sort, at the Inter-American Conference in Montevideo last month.

And did you know that FCC's recent new member, attorney **Frederick W. Ford**, a very boyish-looking 48, was until recently active in the Alexandria (Va.) Little Theatre? Despite his age and 6-ft. height, he not long ago played lead opposite a 21-year-old in *Arsenic & Old Lace*. For that same group, FCC examiner **H. Gifford Irion** has written and played roles in several one-act plays; he's also a novelist, with one published book to his credit, 2 others on the way.

Comr. Bartley's legal asst. Max Paglin has also been active in dramatics for many years—as writer, producer, actor. He played the "borscht belt" as a hoofer during and after his college days (City College of N. Y. '36, Columbia Law '39), has taught drama at summer camps and at the YMCA & YWCA, is still identified with various Little Theatre groups and plays charity benefits.

Barry Wood, the NBC v.p. in charge of prize-winning *Wide Wide World*, is the same chap who sang solo on radio's early *Lucky Strike Hit Parade*; he's often confused with the Harvard All-American back of the same name, actually was chosen All-American intercollegiate water poloist, 1928-30, captaining the Yale team of 1930.

Shakespeare, of all things, was the dramatic forte of **Mortimer W. Watters**, gen. mgr. of WCPO-TV & WCPO, Cincinnati, who under the right circumstances can still be persuaded to render a soliloquy or two or perform his original choreography while singing *Silvery Moon.* Mort played minor Shakespearean roles as a youth, did a short tour as a faun in *Midsummer Night's Dream,* then was half of a song-&-dance team that played vaudeville in 1928, sharing billing with the great Gallagher & Shean and with Fink's Mules in a Rochester (N. Y.) playhouse when he was attracted to WHEC.

Dan Seymour, now a TV-radio bossman at Young & Rubicam, is the same who announced *We the People* for many years, and famed ex-announcer **John Paul Reed** is now an executive of McCann-Erickson. An ex-disc jockey and a professional singer for some 30 years is Washington radio attorney **Dwight E. Rorer;** he still sings publicly, has for 16 seasons been a bulwark of the Gridiron Club shows and the shindigs of Friendly Sons of St. Patrick.

Storer v.p. **Gayle V. Grubb,** an ex-station mgr., is a songwriter of considerable accomplishment. So is **John Soell,** mgr. of Milwaukee's WISN-TV, who tells us that while he's no Liberace, he has tails, will travel. He's a longtime member of ASCAP; his best earner was *So Tired,* ranked 4th top jukebox nickel-puller in 1948.

* * * *

Ex-disc jockeys, announcers and musicians are quite numerous in top TV-radio management positions. For example, NTA's **Ted Cott,** ex-DuMont and NBC v.p., is reputed to be radio's first classical disc jockey, having run *Symphonic Varieties* on N.Y. municipal station WNYC before going to CBS to m.c. *So You Think You Know Music.*

Everyone in Texas still thinks of the venerable, keen-minded, whimsical **Harold Hough** as WBAP's noted "Hired Hand," cognomen he used when he did his Will Rogers type of announcing on the Ft. Worth station 30 years ago. He's boss there now; and WBAP-TV's gen. mgr., **George Cranston,** broke into radio as a singer and choir director. Over in Dallas, WFAA-TV gen. mgr. **Alex Keese** was a house orchestra violinist on WFAA 28 years ago, rose first to music director, then to program director.

Howard Lane, pres. of Portland's KOIN-TV & KOIN, was a *Fresno Bee* reporter after graduation from Leland Stanford in 1930; he was picked to do the 5 a.m. news on McClatchy's KMJ because nobody else on the newspaper wanted the job, soon became mgr., then went up in other stations and at CBS as director of station relations before launching out on his own.

Among other old-time performers, though they seem to dislike talking about it, are onetime singer **Worth Kramer,** v.p.-gen. mgr. of WJR, Detroit; ex-actors **Don Davis,** pres. of KMBC-TV, Kansas City & **Joe Bryant,** pres. of KCBD-TV, Lubbock, Tex.; ex-trumpeter **Rex Preis,** commercial mgr., WOAI, San Antonio; ex-vaudeville banjoist **Rex Schepp,** former Indianapolis broadcaster.

Note: We've missed a lot of others, we're sure; let us know about them for perhaps another column.

Hometown News Center has been set up for NAB convention in Los Angeles by public relations dept., first such setup for NAB convention. Ampex is taping radio stations' reports for broadcasting back home, while UP Movietone and Telenews supply film facilities for TV.

Investigation of FCC by Harris subcommittee of House was lauded by American Civil Liberties union this week, and it urged group to go deeper to determine the "dangers, diversions and complexities" involved in TV license awards.

NBC plans own convention of TV-radio affiliates in N. Y., Oct. 22-24.

The Non-Network Case: Painstaking presentation in network hearing by Richard A. Moore, pres. of independent KTTV, Los Angeles (see p. 3), was designed primarily to show not only that option time and must-buy cripple independents' program sources but that networks really don't need them.

With considerable relish, Moore beat CBS pres. Frank Stanton over the head with use of word "shield," quoting from Stanton's testimony that option time is a "shield against natural economic forces which would otherwise threaten the destruction of the network." Moore used word at least a dozen times, his claim being, of course, that networks want an unnatural advantage.

"Saturation" of prime evening time by networks (93.7% on 108 NBC affiliates, 89.9% on CBS's), according to Moore, forces non-network producers to sell their best output to networks, with independents taking the leavings. He gave examples of KTTV's contracting with film producers for *Rin Tin Tin, Halls of Ivy, Robin Hood* and *Captain Gallant*—only to have the programs shot out from under him when networks bought them.

With plenty of local outlets, Moore said, local & regional advertisers spend heavily. He compared Los Angeles with Philadelphia. In L.A., local revenues, with 7 stations, were $15,400,000 in 1956 vs. $4,400,000 for Philadelphia with 3 stations. Reason, he said, was that networks preempted best time on all Philadelphia stations.

Why 3 hours of evening option time? Moore wondered: "Perhaps with higher or lower rates or different programs, 2 hours of option time would be enough or perhaps with different management personnel and policies, no hours of option time are necessary. Such a decision would indeed be within the 'delicate areas of business judgment' which the Commission and its staff should not enter unless they are prepared to go all the way and become 'active operating participants in broadcasting and advertising business.'"

Moore harked back to 1941, when NBC pres. Niles Trammell and CBS pres. Wm. Paley swore that networking would be doomed if the subsequently adopted chain regulations were promulgated.

* * * *

Networks' need for station ownership was disputed by Moore. "The network which has been most successful and has achieved the number one position in programs, audience, revenue, net profit and probably in public service and prestige, operated during its entire first decade with first one and never with more than 3 wholly-owned vhf stations. Today, CBS is the largest advertising medium in the world."

Moore didn't ask that networks be divested of owned stations: "KTTV is willing and believes it is able to compete with the networks whether they own one station or 5, so long as our chance to compete is not fenced out by restrictive tying practices . . . The Commission cannot possibly determine that option time is a necessary element for the economic welfare of a network without first passing judgment on the appropriateness of every other element that makes up the complex structure of the network—programs, rates, salaries, practices, salesmanship, etc. Mr. Salant and Mr. Sarnoff were correct in stating that the Commission must enter into all these areas or not enter into any of them."

Is option time needed for clearances? Moore cited following, as examples of programs in non-option time, or straddling option time, which obtained clearances as good as, or better than, programs in option time: *Studio One, Lassie, You Are There, Air Power, 20th Century, What's My Line?, Person to Person, Your Hit Parade, Jane Wyman, Suspicion, Gillette Calvacade of Sports, Doug Edwards and the News.* "We leave it to the Commission," he said, "to decide whether success of a program depends more on time options or on the quality of the program.

"Dr. Stanton's imaginary example of program rejection without option time," Moore said, "is completely incompatible with the long-standing acceptance record in the top markets of the better CBS programming efforts in non-option time." Moore used *Life Magazine* as example: "*Life* has no agreements with newsstands in each city, under which the newsstands agree to exhibit *Life* only and push the other magazine under the counter during the rush hour periods when purchases are at their height. *Life* might like to have a shield of this type, but the anti-trust laws forbid it, both for *Life* and for the networks."

Moore also pointed to ABC: "ABC made huge commitments for programs like *Disneyland, Ozzie & Harriet, Wyatt Earp* and then went out and sold them"—until recently "without advance assurances of clearance of any kind in cities like Pittsburgh, Boston, Providence, St. Louis, Louisville, Birmingham, Toledo, Buffalo, Albany, San Antonio, Rochester, Tampa, Omaha, Syracuse, New Haven and many more."

"The myths of simultaneity and audience flow" were blasted by Moore. "Some half of network programs are already on film," he said, "and could have been played all these years at times best suited to the community. Now tape offers the same potential for live programs . . . Let us not freeze an old radio pattern under a concept of non-existent simultaneity at the very moment when American inventiveness has given us a tool for serving the local convenience in a manner which the industry has never known before."

Is there such a thing as "audience flow," and is option time needed to maintain it? "The notable successes have all won that success purely on program appeal regardlesss of what preceded them or follow them. From the earliest days this has been true. *Milton Berle, I Love Lucy, Dragnet, Ed Sullivan, Phil Silvers, Gunsmoke* and, in more recent days, the notable ABC programs: *Disneyland* on Wed., *Ozzie & Harriet* on Fri., *Lawrence Welk* on Sat., *Wyatt Earp* on Tues. and now *Maverick* on Sun. Each of them was or is on a program island with programs of little popularity before and after them."

During cross-examination later, Moore said: "If you have a stinker, [audience] will stay with you 10 seconds." Chairman Doerfer remarked: "My problem is that all the good ones are on at the same time." Moore's answer. "That is one of the problems that the Report will correct immediately. The licensee can avoid those angry viewers. Why do you put Steve Allen and Ed Sullivan on at the same time? You tell me."

* * * *

Case history on must-buy was offered by Moore. Gulf Oil didn't want *Life of Riley* in western markets. NBC granted waiver of must-buy, offered it on syndicated basis in West. Results: "(1) A fine program has been produced for the past 6 years and presumably returns a good profit; (2) A company without national distribution was able to buy a top program on a top network in prime time without having to place the program in markets where the sponsor had no distribution; (3) Non-affiliated stations (of which KTTV was one) had an opportunity to acquire a top program in their own markets and (4) In these same markets non-network sponsors had access to a top program on the one hand and to a prime half hour on the NBC affiliate on the other."

In cross-examination, Moore made these points: (1) National Telefilm Assoc. asked for option time only because networks have it. NTA got clearance in 126 markets for features, without option time. (2) He doesn't object to first-call & territorial exclusivity. (3) He doesn't oppose "minimum-buy" practice in lieu of must-buy. (4) MGM's 25% ownership of KTTV has nothing to do with its position, which was taken before any consideration was given to selling stock to MGM. (5) Without option time, independents will get benefit of non-network producers' best output in 2-3 years.

Upturn in Movies? Gradually but perceptibly, movie theatres are beginning to recapture audiences they lost to TV (see p. 1 and Supplement), reports April 21 *Wall St. Journal* in roundup by Stanley Penn noting 2.7% increase in movie-going in March vs. year earlier, nearly 3% increase in total attendance (33,700,000) in week ended April 12 as compared with same 1957 week.

Reasons for brightening picture in movie houses, according to newspaper account: (1) "Blockbusters" such as *Sayonara, Peyton Place, The Bridge on the River Kwai, Raintree County.* (2) "Wide promotional push," including free tickets in workers' pay envelopes, drive-in nursery service, dinner-jacketed managers and free coffee to give festive air to theatres. (3) Stepped-up advertising—including movie commercials on TV to get families away from home. (4) Recession paradox by which worried wage-earners "get away from it all" by going out to movies.

"Many exhibitors," says authoritative financial paper, "believe an upturn in their business points up the public's reaction against TV, the medium that's received most of the blame for the movie industry's plight." And mgr. Mickey Gold of Chicago's downtown Oriental Theatre is quoted: "The public is disgusted with TV. It's black-&-white. Show a color picture and you do business."

That screed in weekly *Beeville* (Tex.) *Bee-Picayune*, blaming the recession and other social and economic ills on TV, which we reported under heading "Tall Tale from Texas" in Vol. 14:15, turns out to have been placed as an ad by Henry Hall, of Hall Industries Inc., who owns a chain of small theatres in southern Texas. Our investigator reports: "There is no evidence that this thing is spreading way down in this part of the country, and I think probably it is a local effort confined to that area. All I can say is, the people of Beeville must sure love television!"

Muzak saves money for companies which pipe its music to employes, according to survey by management engineers Stevenson, Jordan & Harrison Inc. for Muzak, which was bought last Sept. by telecaster Jack Wrather & investment banker John L. Loeb (Vol. 13:38). Before-&-after studies showed piped tunes raised productivity of Prentice-Hall direct-mail dept. 8%, reduced typing errors in Lever Bros. accounts payable dept. by 38.6%, lowered turnover in Eastern Air Lines reservations office by 53.3%.

Full Paramount package of 750 feature films, recently acquired by MCA's Revue Productions for $50,000,000 (Vol. 14:6), is now being offered stations—first buyer this week being Omaha's KETV, managed by ex-WOR sales mgr. Eugene Thomas.

CATV-Station Fight (Cont.): Plenty broke loose this week, following shutdown of KGEZ-TV, Kalispell, Mont., pres. Frank Reardon blaming demise on local community antenna system (Vol. 14:16).

Northwest Video Inc., owners of the CATV system who also own 30% of KGEZ-TV, promptly went to FCC and requested it to set for hearing Reardon's application to transfer control of station from KGEZ Inc. to him.

Northwest told Commission that it "believes that under proper management the station could be operated profitably"; that it recently offered to take over station, giving Reardon all the $60,000 he'd put in so far, or to give him its 30% in exchange for $12,000, but that Reardon refused; that it refused to advance more money to operate "because of what it considered improvident management under Mr. Reardon's employes."

"If KGEZ-TV Inc. will not reactivate the station," Northwest Video stated, "[we] will petition to revoke the KGEZ-TV license and will file an application for a construction permit and all necessary authority to acquire and operate the TV station to furnish a first-class TV service, including live network service, to the area."

Sen. Mansfield (D-Mont.) hopped into fracas on side of telecasters, urged FCC and Senate & House Commerce Committees to investigate, got hold of FCC Comr. Hyde in Ida., had him meet with western telecasters—urged FCC & Congress to "save free TV for Montana, furnish jobs for our people, outlets for our advertisers, continuity of stations and taxes for our counties and our state."

Northwest Video also stated that, "As a minority stockholder, it has no knowledge that KGEZ-TV ever applied to FCC for intercity relay authority, it appearing to be more economical to buy the service from the existing common carrier. It cannot fairly be said that CATV caused KGEZ-TV to go off the air. NWV desired, and still desires, to operate a TV station in Kalispell. But the size of the market dictates that it must not be a costly facility. Since the CATV system has been in operation since July 1953, being the first TV service in the state of Montana, and since the agreement with Mr. Reardon for 30% ownership was made openly and in full knowledge that NWV operated a CATV system with over 1500 subscribers, it hardly seems that the demise of KGEZ-TV could be blamed on CATV activities."

* * * *

Another festering feud broke out this week when KLTV, Tyler, Tex. (Ch. 7) petitioned FCC to set for hearing the applications for microwave filed by Glenn H. Flinn & Raymond H. Hedge, owners of Tyler CATV system.

KLTV asserted the application for $200,000 microwave system, designed to bring better signals to CATV system from stations in Dallas, Ft. Worth & Shreveport, "will enable an unregulated group to flood northeastern Texas . . . when such action may well mean that Tyler-Longview and northeast Texas will be left without a TV station of its own."

KLTV argued that CATV system, with its 7100 subscribers, carries KLTV on cable but carries it poorly; that national advertisers see little reason for ordering KLTV on network if bulk of TV set owners get programs as bonus from big-city stations; that CATV pirates signal while KLTV has to pay for film, music rights, news, etc.

KLTV said it isn't challenging FCC's recent ruling that CATV systems aren't common carriers (Vol. 14:14): "But when CATV systems seek microwave facilities (which can only be utilized under license granted by this Commission), they become subject to the Commission's jurisdiction and where such grants impinge upon services established in furtherance of Sec. 303(g) and 307(b) of the Communications Act, the Commission cannot blithely ignore their impact on such services . . .

"In the recent pay-TV controversy, as we read the pronouncements of the Commission and the testimony of its individual members before Congress, the Commission was agreed that no new use of radio frequencies should be sanctioned which might destroy the free system of broadcasting which this Commission is under a statutory duty to encourage and foster . . . CATV systems are a form of pay TV."

KLTV said it doesn't have answers to problem but that a hearing should explore possibilities, such as requiring CATV (1) to carry good KLTV signal, (2) to carry no programs being telecast by KLTV, (3) to carry no network program that would prevent KLTV from selling adjacencies for local show, (4) to carry no program of any kind unless it has written permission of program owners. KLTV appended copies of letters from NBC, KTBS-TV, Ziv & NTA—which had asked CATV system not to carry their programs on grounds such program distribution is "an unlawful appropriation of our property." System has taken traditional CATV position—that it's not a retransmission system, is merely an antenna service performing for subscribers what they can't economically do for themselves.

New Kansas City Owners: Kansas City's pre-freeze WDAF-TV (Ch. 4) and pioneer WDAF (5-kw, 610 kc), both NBC affiliates, change hands within a few weeks as result of FCC approval April 23 of $7,600,000 cash sale by *Kansas City Star* to National Missouri TV Inc., newly formed subsidiary of National Theatres Inc. Sale was required under consent decree in govt. anti-trust suit against newspaper for alleged monopolistic practices (Vol. 13:46-48). Big theatre holding company headed by Elmer C. Rhoden operates 313 theatres in 20 states, last year did $59,000,000 business, earned $2,266,000, had surplus of $22,000,000 (Vol. 14:13), plans other TV-radio station acquisitions. New subsidiary is headed by Charles L. Glett, ex-CBS west coast v.p., who also heads companion subsidiary National Film Investments Inc. He leaves Los Angeles office for Kansas City shortly to arrange final transfer, states no changes in present personnel are planned with exception of long-planned retirement of H. Dean Fitzer, managing director. TV station mgr. is Bill Bates, radio mgr. is Judson Woods. Properties grossed $2,470,000 and netted $1,050,000 in 1956, did even better in some earlier years (Vol. 13:47).

Unique step toward helping end the recession: Mrs. Hugh (Mickey) McClung, head of Golden Empire Broadcasting Co. (KHSL-TV & KHSL, Chico & radio KVCV, Redding, Cal.) this week handed each employe a $10 bonus with stipulation it be spent at once with a local merchant. "Business is good," said she, "and the outlook for the year is good. But it's easy to talk ourselves into a depression."

Community antenna system brokerage firm, Daniels & Associates, has been organized by Bill Daniels, operator of systems in Casper & Laramie, Wyo. and Farmington, N.M. He's ex-pres. of National Community TV Assn., has offices at Mile High Center, Denver (Amherst 6-3636).

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Personal Notes: John B. Poor, v.p. & director of RKO Teleradio, adds new duties of gen. mgr., RKO Radio Pictures div. . . . Tom O'Neill, chairman of RKO Teleradio, reelected chairman of Brand Names Foundation, on whose board also are Louis Hausman, CBS Radio v.p.; Norman Cash, TvB pres.; Kevin B. Sweeney, RAB pres. . . . William S. Paley, CBS chairman, left for Europe this week, returns in mid-May . . . David W. Tebet appointed gen. program executive, NBC-TV network programs, including present duties of mgr. special programs . . . William D. Stiles promoted to gen. mgr. of KLRJ-TV & KORK, Las Vegas; Mark Smith to TV station mgr.; Ralph W. Johnson to commercial mgr., TV & radio . . . Lawrence P. Fraiberg promoted to sales mgr. of KPIX, San Francisco, succeeding Richard Burns who recently joined Westinghouse stations . . . James A. Schulke, recently named to head Paramount Sunset Corp., moves to v.p. in charge of Paramount TV Productions, owner-operator of KTLA, Los Angeles, succeeding Lew Arnold, resigned . . . David E. Cassidy resigns as mgr. of Los Angeles office of Pearson rep firm to join Adam Young there . . . Charles D. Miller, ex-production mgr. of WCCO-TV, Minneapolis, named production mgr. of KMOX-TV, St. Louis . . . James E. Kane, ex-KAKE-TV, Wichita, named chief engineer of upcoming KAYS-TV, Hays, Kan. (Ch. 7), due next summer; E. T. Felts, from radio KAYS, named traffic mgr. . . . Monte Gurwit, ex-WTVT, Tampa, named program director of KOMU-TV, Columbia, Mo., succeeding Allen Scollay; Jacqueline Mullin promoted to promotion mgr., succeeding Milton E. Gross . . . Dr. Mark Munn promoted to director of research for WGN, Chicago . . . William R. Murray appointed resident mgr. of WHTN-TV studios, Charleston, W. Va. . . . Allan Land, gen. mgr. of WHIZ-TV, Zanesville, elected TV v.p., Ohio Assn. of Broadcasters . . . Morton H. Wilner, Washington counsel, elected a director of National Jewish Welfare Board . . . Jerry King, ex-Hollywood partner of Standard Radio Transcription Services, now with Gross-Krasne Inc., TV film producers-syndicators . . . Lou Shainmark, ex-Guild Films, named pres. of Gilmark Features, news photo syndicate . . . Paul C. Baldwin, pres., and Nathan Levy, v.p. of Masterpiece Recording Co., N. Y. are partners with J. Elroy McCaw, owner of KTVW, Tacoma, Wash. and chief owner of radio WINS, N. Y., in new Major League Network Inc., formed to provide late-evening "re-creations" of San Francisco Giants home game to radio stations on sponsored basis; Western Union wires are used for network.

Richard M. Pack, Westinghouse v.p. for programming, accompanied by public relations director Michael R. Santangelo, returned this week from Brussels' World's Fair, where they arranged recording of 10-hour-long Benny Goodman concerts and TV documentary titled *Benny in Brussels*, for broadcasts over WBC stations. Pack has just been named chairman of TV-radio workshop at NYU.

ADVERTISING AGENCIES: Emerson Foote returns to McCann-Erickson as director, senior v.p., member of operations committee, after 7 months as chairman of the board, Geyer Adv. . . . J. Davis Danforth, BBDO exec. v.p., elected chairman of the board of American Assn. of Advertising Agencies . . . James G. Cominos, TV-radio v.p. of Needham, Louis & Brorby, elected chairman of AAAA central region board of governors . . . Dr. Seymour Banks, Leo Burnett Co., Chicago, named chairman of audience concepts committee, Advertising Research Foundation . . . James M. Loughran, ex-Erwin Wasey, Ruthrauff & Ryan, named a v.p. of Donahue & Coe, Los Angeles . . . Ralph Smith promoted to a v.p. of Sullivan, Stauffer, Colwell & Bayles . . . Nat Land promoted to v.p. Newman, Stern & Mandell, Miami Beach . . . David Levy, creative development v.p. of Young & Rubicam, N. Y., named associate director of TV-radio dept. . . . Gilbert Lea, ex-*McCall's*, named a v.p. of Ogilvy, Benson & Mather . . . C. L. Smith promoted to senior v.p. for administration, Lennen & Newell . . . Arkady Leokum, v.p. of Grey Adv., retires at year end, continues as consultant . . . Frank J. Bernhardt elected a v.p. of Conti Adv. . . . Henry Bretzfield & Robert E. Wolfe promoted to v.p.'s of Lawrence Fertig & Co., N. Y. . . . Wm. J. Peterson elected a v.p. of Cunningham & Walsh, Hollywood.

Nomination of John S. Cross to FCC (Vol. 14:10-11) still hasn't been acted upon by Senate Commerce Committee, but Chairman Magnuson (D-Wash.) says there are only routine reasons—such as Easter recess—for the delay. "As far as I know," he said, "there's nothing against him personally." He said nomination probably would be considered at next committee meeting April 30. Sen. Morse (D-Ore.) introduced into April 21 *Congressional Record* letter to *N.Y. Times* from John M. Carmody—labor arbitrator who has been a govt. trouble-shooter, serving on NLRB, REA, numerous other top jobs—extremely critical of Cross nomination. "Here indeed," he wrote, "the office should seek the man, and search widely for him. His name is not likely to be found quickly among applicants, as the name of Mr. Cross, hastily nominated by the President, seems to have been found on someone's White House desk. Jumping an obscure man from a salary of $8000 or $9000 a year to one of $20,000 overnight is not likely to clothe him with qualities of leadership or judicial acumen necessary to protect the larger public interest." Asked about such criticism, Magnuson said: "We have to consider what the Administration sends us."

Rep Branham Co. establishes John M. Branham and John Petrie Memorial scholarships to mark 50th anniversary. College-bound employes, children or grandchildren of employes of Branham represented TV, radio stations or newspapers are eligible.

Henry C. Cassidy, NBC, named first v.p. of New York's Overseas Press Club; Cecil Brown, ABC, succeeded as pres. by AP's Thomas P. Whitney.

New rep: KSHO-TV, Las Vegas, to Forjoe April 1 (from McGavren-Quinn).

Grant Advertising, Chicago, merges Burke Adv., Seattle, to push annual billings over $100,000,000.

Obituary

Margaret Marnell, 37, ABC literary rights mgr. since 1948, died April 25 in N.Y. home. Prior to joining network she was CBC commentator & script writer. Surviving is husband, Carl Eldridge.

Congress & Patents: Reactions of Chairman Harris (D-Ark.) and Rep. Flynt (D-Ga.), during this week's hearings on FCC's handling of patents (see p. 3), pretty much exemplified Harris subcommittee's attitude. When retired FCC patent advisor Wm. Bauer opined that U.S. has "the finest black-&-white and color standards in the world," Harris was quick to state: "We ought to understand that before we start tearing them down." And Flynt gave as his firm opinion: "The FCC derives its powers from the Communications Act. Unless specific powers [on patent matters] are given in the Act, there are no inherent powers there. There's no specific delegation to the FCC. It's up to the courts."

Bauer acknowledged that capable and honorable commissioners have differed on FCC's patent role, noting that some Commission majorities have gone along with him, others not. He praised, though not by name, former chairmen Fly & Coy.

Even courts and Justice Dept. differ on FCC's anti-trust role. Last Jan. 10, Philadelphia Federal Court Judge Kirkpatrick threw out Justice's suit which claimed RCA-NBC coerced Westinghouse into Philadelphia-Cleveland station swap (Vol. 14:2). He did it on grounds FCC had already found no anti-trust violation. This week, Justice appealed decision to Supreme Court, asserting. "There is nothing in the Communications Act which indicates that Congress intended that Commission approval of a transaction as in the public interest confers anti-trust immunity."

RCA's reaction to Bauer's testimony this week was to say that it would be "inappropriate" to comment because of court proceedings and that "RCA's intensive research activities and policy of offering licenses to competitors and others on reasonable and non-discriminatory terms have contributed substantially to the dynamic growth and development of radio-TV industry."

Question about color patent situation was broached to RCA by subcommittee counsel Robert Lishman, and RCA v.p.-gen. attorney Robert L. Werner responded in letter stating that: (1) "Disposition of the eventual patent strength on apparatus manufactured to transmit and receive color TV signals under [FCC] standards is highly uncertain." (2) "Under the present FCC standards there neither is nor can there bè any monopoly position in color TV patent licensing."

Werner listed following patents which "appear to be called for by the FCC color standards": Bedford, 2,554,693, titled "simultaneous multi-color TV," owned by RCA; Ballard, 2,678,348, "color TV interlacing system" (RCA); Bedford, 2,728,812, "synchronizing system" (RCA); Loughlin, 2,773,929, "constant luminance color TV system" (Hazeltine). Werner noted that Patent office has declared an interference between Ballard 2,678,348 and Bedford 2,728,812 and Philco patent applications. In addition, he stated, Farnsworth patent 2,246,625, which expires June 24, appears to be needed by both color and black-&-white and "other companies in the industry own other important color TV patents, the use of which may be or become of substantial significance in the manufacture of color TV apparatus."

Drys Never-Say-Die: Biennial election-year drive by never-say-die dry forces to prohibit interstate advertising of alcoholic beverages started again in Congress this week, TV & radio commercials coming under particularly furious attack. But like similar campaigns in last 20 post-Prohibition years, this one—rallying around bill (S-582) by Sen. Langer (R-N. D.) in overflow Senate Commerce Committee hearings—had almost no chance of getting anywhere.

As Chairman Magnuson (D-Wash.) told pres. Charles X. Hutchinson Jr. of National Temperance & Prohibition Council, Committee can't report on bill—favorably or unfavorably—until 8 of 15 members vote on it, and majority never seems to develop. Drys marshaled big & vocal list of witnesses to denounce beer & wine commercials as damaging to public morals.

Committee did not hear opponents, scheduled another go-around April 29. Among those waiting to appear against bill was NAB pres. Harold E. Fellows. He wanted to point out that 1954-56 surveys by broadcasters showed: "Only 2.99% of all programs on TV, only 3.53% of all TV spot announcements, only 1.62% of all radio programs and only 2.85% of all radio spot announcements represented beer & wine advertising."

First commercial film producers to receive Ampex videotape (Vol. 14:16), all shipments due by end of April, are Telestudios Inc., 1418 Broadway; Elliot, Unger & Elliot, 414 W. 54th St.; Filmways Inc., 241 W. 54th St., all N.Y., and Videotape Productions of N.Y. Inc., new firm formed by ex-CBS v.p. Howard S. Meighan (Vol. 14:13).

Three translators, operated by Air Force at Holloman Air Force Base, near Alamagordo, N.M., are due to start May 1 on Ch. 75, 78 & 83, repeating KROD-TV, KTSM & KILT, El Paso.

Does TV Cost Too Much? Question is posed by April 19 *Business Week* in special marketing survey of next season's TV advertising schedules, for which networks & agencies now "are selling into a tough situation." Noting that average 30-min. network evening show costs $78,100 (time $44,200, talent $33,900) in 1957 vs. $20,550 ($10,150 & $10,400) in 1951, magazine says sponsors "make it plain they aren't questioning TV's value"—but wonder: "Is TV on the point of pricing itself out of the advertising market?" Weekly gives no sure answers. On one hand, NBC research & planning v.p. Hugh M. Beville cites 11.3% reduction in audience average cost per 1000 on 3 networks —$3.54 in Dec. 1957 for evening program vs. $3.99 in Dec. 1955. On other hand, TV-radio v.p. Philip L. McHugh, Campbell-Ewald, points to 83% TV saturation of U. S. homes, says: "Circulation can't increase at the same rate forever, and costs can't keep going up & up." At any rate, advertisers "are staying in the medium, and the best evening hours are in demand"—although they're said to be getting more flexible & shorter contract commitments, looking for shows with proven audience appeal.

Impact of TV on newspapers in Britain, as reported in April 25 *Wall St. Journal:* London dailies' ad volume rose only 6.8% to $76,700,000 last year, compared with 20.4% gain in 1956; Sunday ads rose 17.6% to $35,300,000 vs. 20% previous year. Report quotes Brian McCabe, head of major ad agency: "Some 40% of British homes will be in range of commercial TV by the end of 1958, compared with 30% now. By then, I think it will really begin to hurt the national newspapers."

Storer Broadcasting Co. appoints Hume, Smith, Mickelberry Inc., Miami (formerly August Dorr Adv.) for all national advertising.

"Breakthrough" on ETV? Unprecedented Federal aid to educational television bill (S-2119) sponsored by Chairman Magnuson (D-Wash.) of Senate Commerce Committee (Vol. 13:20-21; 14:-13), providing $1,000,000-per-state equipment subsidies, sped through 2 days of enthusiastic hearings this week—and into Eisenhower Administration opposition.

With few reservations, dozen professional TV educators endorsed Magnuson measure, which he described as "breakthrough" for financially-starved ETV. Speaking "personally," FCC Comr. Craven testified: "I am in favor of the bill. I think it is a very wonderful thing." Magnuson also had bipartisan committee support, Senators Bricker (R-O.) and Payne (R-Me.) coming out strongly for bill.

But in formal statement filed with Committee, drafted as long ago as last Sept., Administration through Under Secretary John A. Perkins of Dept. of Health, Education & Welfare said flatly that "we recommend that S-2119 not be enacted." Statement cited "administrative & other difficulties," asserted:

"We have no information indicating that a Federal program, such as this bill would provide, is necessary to assure continuing development of educational TV, or that there is an inability to finance the acquisition & installation of transmitting equipment."

Only other expressed opposition to measure at hearings came from Sen. Thurmond (D-S.C.). He praised "noble motives" of Magnuson, but as states' rights advocate said he wants "states to assume more responsibility" for ETV. "Where is the Federal Govt. going to get this money?" Thurmond wanted to know. Obviously irked by Administration's position on bill, Magnuson suggested to Thurmond that subsidies could be taken out of HEW's $241,000,000 budget.

Magnuson ended hearings April 25 after calling in HEW's Dr. Franklin Dunham, radio-TV service chief, for cross-examination on what 7-person Dept. staff was doing to further educational TV. "The Dept. has been sitting by and letting this thing struggle along," Magnuson said, adding: "If we're going to do anything, I want to do it now."

He ordered testimony at hearings to be printed immediately for action by Committee "within a month," indicating he thought he'd get favorable Committee vote on bill. "It's born under as favorable a star as I've seen around here for some time," he told us, but wouldn't predict ultimate approval by Congress.

As originally drawn, Federal ETV appropriations would be handled only by official state educational agencies. Before it reaches Committee vote it will be revised to authorize county, city or non-profit civic organizations to supervise funds to spread ETV beyond present 31 stations (7 uhf). FCC has reserved 256 channels (170 uhf).

In addition to professional educators, witnesses who testified in general support of bill included one manufacturer, pres. Ben Adler of Adler Electronics Inc., New Rochelle, and one commercial broadcaster, pres. Raoul A. Cortez of KCOR-TV, San Antonio.

Adler said that in addition to money, ETV needed some FCC changes in rules governing TV translator stations to: "(1) Permit local origination. (2) Increase maximum power from 10-watts to 100-watts. (3) Remove taboos on station spacing. (4) Increase the number of channels available for this class of service."

Cortez suggested that "we are overlooking the possibility of doing much of the job by cooperation of commercial broadcasting stations." He urged relaxation of FCC opposition to share-time station operation.

Procession of ETV professionals on witness stand included exec. director Ralph Steetle of Joint Council on Educational TV, exec. director Henry Chadeayne of St. Louis Educational TV Assn., TV-radio director Richard Hull of Ohio State U, exec. director Franklin Bouwsma of Detroit Educational TV Foundation, supt. Wm. Brish of Hagerstown (Md.) schools, pres. Alan Brown of N.Y. Metropolitan Educational TV Assn., treas. Wm. A. Richardson of Me. Educational TV Assn., pres. Wm. Friday of N.C. Consolidated U, gen. mgr. Raymond D. Hurlbert of Ala. Educational TV Commission.

FCC Pre-NAB Cleanup: FCC uncorked no blockbuster on eve of NAB convention, though it frequently does, and it cleaned up fairly routine agenda.

Losers of decision for Shreveport's Ch. 12 (KSLA-TV) again lost out in effort to crack the decision—which has been through courts and back. Commission denied petitions for reconsideration filed by KRMD and KCIJ, saying former had lost its rights by dismissing earlier in the game and that latter still hasn't persuaded it that it's a superior applicant to KSLA-TV.

Commission finalized rule-making, dismissing proposals to shift Ch. 12 out of Erie and Flint. It said that "deletion of Ch. 12 from Erie would probably deprive a number of isolated communities of their best, or of their only, dependable TV service" and that Flint needs Ch. 12 far more than do Saginaw-Bay City or Ann Arbor.

WKTV, Utica, which is shifting from Ch. 13 to Ch. 2 was ordered to keep to site it proposed originally but to cut height to 2049 ft. above sea level instead of the 2381 ft. it proposed. Commission rejected other sites as too close to other stations, and it accepted that Airspace Panel height limitation.

Grant of Ch. 13, Alliance, Neb. to KCOW is on the way, FCC directing staff to draft final decision approving application.

Two CPs were authorized: Ch. 27, San Diego, to Los Angeles theatreman Sherrill C. Corwin, part owner of KAKE-TV, Wichita; Ch. 8, McCook, Neb., to owners of KCKT, Great Bend, Kan. (Ch. 2).

Allocations petitions filed: (1) By radio WKJB, Mayaguez, P.R., to substitute Ch. 10 for 13 in Fajardo, Ch. 12 for 11 in Caguas, Ch. 11 or 13 for 12 in Arecibo-Aguadilla, add Ch. 11 or 13 to Mayaguez, delete Ch. 10 from Virgin Islands. (2) By "Syracuse Group" (Daniel W. Casey Sr. et al) to add Ch. 5 to Syracuse, substitute Ch. 9 for 8 in Syracuse, substitute Ch. 8 for 5 in Rochester, add Ch. 27 to Rochester. (3) By Community TV Corp., Grand Forks, N.D., to add Ch. 12 to Hallock, Minn.-Pembina, N.D. area. [For details of foregoing, see *TV Addenda 26-M* herewith.]

Only application for TV station filed this week was for Ch. 6, South Miami, Fla. by Coral Television Corp., consisting of local businessmen headed by print shop owner Leon McAskill. Number of applications outstanding is now 117 (29 uhf).

Television Digest with ELECTRONICS REPORTS
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Trade Report
April 26, 1958

THE HOUR OF DECISION APPROACHES: Time is running out if the TV trade is to realize even the more pessimistic production estimates for 1957. So say component & tube makers we queried this week as a follow-up to our rather lugubrious sizeup 2 weeks ago (Vol. 14:15). They give set makers no more than 2-3 weeks to firm up plans for the balance of the year, or face possible shortages in items where inventories are already at danger point.

And, if production is to come anywhere near optimistic predictions of over 6,000,000 sets, industry may already have passed the point of no return.

It's simple matter of arithmetic. If production in 2nd quarter equals the first quarter's 1,200,000 (an unlikely prospect, definitely contrary to past experience), first half total will be about 2,200,000 sets. That means 3,100,000 sets must be made in 2nd half to reach 5,500,000 -- or 3,600,000 to reach 6,000,000. Industry, therefore, would have to produce at an annual rate of between 6,200,000 and 7,200,000 sets the last half of the year. Historically, the 2nd half production is accomplished in 5 months due to July-Aug. vacations, Christmas layoffs.

Current retail sales figures make laggard planning equally dangerous. RCA's components exec. v.p. W.W. Watts pointed out to us. Should first quarter retail sales hold up for the entire year, or increase, total production will have to exceed 6,000,000, and facilities of the industry will be hard put to meet the pace. A sizeable part of component capacity has been curtailed -- even shut down -- in the last few months due to lack of orders. This capacity cannot be brought back into full production on a moment's notice, will require time to get under way.

Watts described present situation as "volatile," said RCA is playing it by ear, ready to "swing on a dime" whichever way the business winds blow.

Confirmation of need for prompt steps came, too, from Sylvania pres. & chairman Don G. Mitchell at annual meeting of stockholders: "Necessity for replenishing components inventories is clearly evident, particularly in view of the fact that the new 1959 TV lines must soon go into production."

We talked to quite a few others, too. One large tube component maker, preferring not to be quoted, said he is "perplexed" by current lack of planning by set makers, actually predicts a shortage come next fall which he said can be "mighty cheerful" if business picks up just a bit. If set makers are as confident as they sound in public, they should be getting orders in now -- and he means right now.

Retail Sales: First quarter retail TV set sales were 1,470,000 vs. 1,710,000 for corresponding period last year, a decline of 14%. March sales were 422,000 vs. 534,000 for the same month last year, a decline of 23%. Radio sales at retail (home radios only, excluding auto radios and radio-phono combinations) for first quarter were 1,414,000 vs. 1,719,000 for the corresponding quarter last year. Retail radio sales in March were 543,000 vs. 730,000 in March 1957.

Dealer TV inventories were in excellent condition at quarter's end. Whereas dealers cut inventories 200,000 units during first 3 mos. of 1957, cut in the same period this year was only 75,000 units. As a result, distributor TV dealer sales declined only slightly this year as compared with the same period of 1957.

TV-Radio Production: TV set production was 76,118 week ended April 18 vs. 76,954 preceding week & 78,269 in 1957. Year's 15th week brought production to 1,373,356 vs. 1,671,895 last year. Radio production was 158,588 (42,605 auto) vs. 183,461 (61,024 auto) preceding week & 266,707 (94,406 auto) last year. For 15 weeks, production totaled 2,945,525 (959,381 auto) vs. 4,366,807 (1,831,554 auto).

ZENITH'S McDONALD, ILL, SHIFTS JOBS: Comdr. Eugene F. McDonald Jr., the 68-year-old founder and for more than 35 years pres.-gen. mgr. of Zenith Radio Corp., who with his ubiquitous press agent Ted Leitzell has kept both TV-radio manufacturing and the telecasting industries in controversial dithers for a dozen years or more, stepped over into the newly created posts of chairman & chief executive officer this week -- apparently due to persisting illness.

Hugh Robertson, exec. v.p., who is 71, was elected president at stockholders meeting, 47-year-old v.p.-general counsel Joseph S. Wright elected executive v.p. It's generally assumed Wright is being groomed for the presidency for the only other operating executive named to the board was E.M. Kinney, v.p.-gen. mgr., hearing aid div., along with Hays MacFarland, chairman, MacFarland, Aveyard & Co., ad agency.

Another remarkable first quarter of sales and profits, in face of recession and industry trends, was reported to stockholders meeting (see p. 15), continuing the record of 1957 which pres. Robertson reported should "at least" be matched in 1958. [For further data on Zenith executive setup, see p. 14.]

STOCKHOLDERS IN THE DARK ON COLOR'S FUTURE: Stockholders could savor little hope of near-future profits from color TV, in the words of 1957 annual reports of key TV and components manufacturers (which we digest below). Even RCA's abiding faith in the eventual emergence of color TV as a great new business was toned down from enthusiastic predictions of its 1956 report.

Conspicuous by their absence were color comments by such major manufacturers and broadcasters as Admiral, AB-PT, CBS, GE, Westinghouse, all of which previously had at least recognized color as a coming thing. Some put themselves on the record as ready and willing to move in when the mass market, now staunchly underwritten and promoted by RCA and NBC alone, makes its appearance.

Everyone shied away from predicting color set production in 1958, didn't even estimate 1957 production. (Sylvania's research director Frank Mansfield says about 200,000 color sets were made in 1957, predicts 160,000 in 1958.)

DuMont Labs, which acknowledged it spent $242,000 in 1956-57 on development of the Lawrence single-gun color tube (Vol. 14:15), told stockholders its efforts hold "promise" of lower cost, better quality color set. RCA said color "gained momentum" as a result of more color programs and stepped-up promotions, but did not choose to be specific. Magnavox stockholders were told company is "optimistic" about color but "growth will be gradual."

LATEST Color Comments: Following are quotes about color TV from 1957 annual reports of key TV & components companies.

CORNELL-DUBILIER—"Color TV made some additional progress during the year, and it is hoped that this large market will again increase."

DuMONT—"Engineering development work has continued on the Lawrence single-gun color TV tube and receiver under the company's arrangement with Chromatic TV Laboratories. Results to date appear promising for the design of a color TV receiver of lower cost and improved performance than is now available in the industry."

EMERSON—"While the profitable production and sale of color TV receivers are not in the immediate prospect, Emerson still is prepared, by its continuing program of engineering, sales and service of color sets, on a modest scale, to participate in the potentially large and profitable market whenever it becomes a reality."

HAZELTINE—"The public acceptance of color TV during the last year did not fulfill the high promise that it held out earlier. Broadcasting of color TV programs did increase moderately during the year, but the number of color receivers sold to the public increased only to about 175,000 during last year from the 125,000 reported for the previous year. The general feeling in the industry seems to be that large-scale public acceptance of color TV is inevitable, but that its relatively modest rate of growth is due to the high cost of the receivers, for which no quick solution is in sight. Long-range developments looking toward the reduction in the cost and improvement in the performance of color TV receivers are continuing in the company's research laboratories."

MAGNAVOX—"We are still optimistic as to the future of color TV and are introducing two new models this fall. We continue to feel, however, that there will be no revolutionary switch from black and white to color TV receivers but that the growth will be gradual."

MOTOROLA—"We continued to produce limited quantities of high quality, fine performing color TV receivers. While public interest and consumer demand showed some increase over the preceding year, it is clear that a strong demand for color is still somewhat in the future."

PHILCO—"Although at present there is no strong demand for color TV, Philco is keeping itself alert to the market situation. During 1957 the company did not believe that sales potentials warranted placing Philco color receivers on the market. Should this situation change, however, Philco is prepared to begin manufacturing."

SYLVANIA—"Various types of color tubes continued in development, but production was on a limited basis, pending increased demand."

RCA—"Color TV gained momentum and increased sales to consumers reflected its growing popularity following sucessful 'Carnival of Color' promotion campaigns throughout the country . . . Color TV sales to consumers [were] aided by increased public interest stimulated by expansion in color programming and by a large number of dealers actively promoting color. Of the 515 TV stations on the air, 324 are equipped for network color programming."

Trade Personals: Harry Schecter, ex-Motorola & CBS-Columbia, named merchandising asst. to Zenith v.p. L. C. Truesdell . . . Robert L. Shaw promoted to gen. marketing mgr., Sylvania home electronics div.; Harry H. Martin to gen. mfg. mgr. . . . John K. Russell named midwest district sales representative for Zenith, succeeding James Shoop, recently killed in airplane crash . . . Howard Hibshman, ex-Hotpoint TV sales mgr., joins O. A. Sutton Co., Wichita . . . George Mikasen promoted to customer relations mgr., Motorola . . . . Martin Richmond promoted to works mgr., Emerson Radio, Jersey City . . . Ira L. Joachim, ex-Fisher Radio, named adv. mgr. of Pilot Radio, N. Y. . . . E. A. Freiburger, ex-RCA Victor Distributing Co., named gen. mgr. of Concertape, Wilmette, Ill. (stereo recordings) . . . Edwin G. May resigns as sales mgr. of Trav-Ler Radio . . . Edwin L. Bacon promoted to Graybar national adv. & sales promotion mgr. . . . Thomas D. Meola appointed v.p. & European mgr., RCA Communications; Carl V. Bradford promoted to director of RCA regional offices.

DISTRIBUTOR NOTES: Sylvania establishes factory branch at Teterboro to serve Northern N. J., replacing Household Appliance Corp, Newark (Vol. 14:16) . . . Du Mont appoints Shepherd Electric Co., Baltimore; Lifsey Distributing Co., Flint, Mich., for TV-radios-hi-fi . . . Motorola appoints Carroll Co., Mobile, Ala., for all consumer products . . . IT&T appoints John G. Twist Co., Chicago, for components.

Irving Green, pres. of Mercury Records, elected pres. of Record Industry Assn. of America. Other officers: senior v.p. Harry C. Cruse, exec. v.p. of London Records; v.p. Arnold Maxim, pres. of M-B-M Records; v.p. & treas. John Stevenson, pres. of Children's Record Club; exec. secy. John W. Griffin.

ELECTRONICS PERSONALS: Wilbur R. Hankes, Washington, named director of military relations for Avco Research Lab, Everett, Mass. . . . Robert W. Meier named govt. sales mgr. for Ampex, with headquarters in Washington . . . Sheldon Williams, ex-JFD Mfg. Co., N. Y., named personnel director of Blonder-Tongue Labs, Newark . . . John K. Campbell promoted to mgr. for govt. sales, Philco govt. & industrial div. . . . James A. Elliott, ex-Collins Radio, named quality control engineer, Rixon Electronics, Silver Spring, Md. . . . Lloyd R. Crump heads new Telepower, 12108 Atherton Dr., Silver Spring, Md., planning to produce radio assembly kits, antenna unit, etc.

General Electric's new pres. is Robert Paxton, 56, ex-operations v.p., Scottish-born career man with company since 1923 graduation from Rensselaer Polytech, elected at directors meeting in Schenectady this week. Ralph J. Cordiner, at 58, becomes chairman, suceeding Philip D. Reed, who continues as chairman of finance committee but retires next year.

Benjamin B. Bauer named a v.p. of CBS Labs to head new dept. of acoustics & magnetics; v.p. Joseph Bambara heads new dept. of reconnaissance & electrical systems; v.p. John W. Christensen, physics dept.

Obituary

Killed in plane crash near Las Vegas, April 21 were Robert Hight, 36, treas., and Wm. H. Torrans, 43, mathematics specialist, of Ramo-Woolridge, Inglewood, Cal. Also, W. A. Simons, v.p., Ralph Keene & John Petrie, engineers, of Gilfillan Bros., Los Angeles. Another casualty was Jack R. Fedrick, 37, partner of Fenske, Fedrick & Miller, Los Angeles.

Bright Spots on the Horizon: Gleaned from this week's business news, we offer you the following optimistic comments as possible portents of better times ahead for the TV-radio industry.

Zenith—Newly elected pres. Hugh Robertson at annual meeting: First quarter profits increased 23%, sales 15% over corresponding period last year. Factory sales of TV were up 12%.

GE—Newly elected chairman Ralph J. Cordiner at annual meeting: "Some of the first signs of a possible upturn are beginning to appear. The trend in orders in March and so far this month seems to indicate that the low point has been passed." He announced "Operation Upturn," a company-wide program "focused on bringing the customer the better service & values already available."

Westinghouse—Chris J. Witting, v.p. & gen. mgr. for consumer products: "In New York, distributor sales to dealers were 6 times volume achieved in same period last year, and Chicago & Detroit results were nearly as impressive. Consumers are well positioned to buy and will do so if dealers aggressively merchandise splendid values they have to offer."

Packard-Bell—Report to stockholders: "Sales of home products div. were down slightly because of general economic situation [for 6 fiscal months], but div.'s profits increased substantially due to production efficiencies & economies."

Sylvania—Pres. & chairman Don G. Mitchell at annual meeting: "We anticipate an early upturn in this area of our business (components), with consequently improved sales and earnings." Predicted about 6,000,000 TV sets will be produced this year.

EIA—TV inventories are in splendid shape. Any increase in consumer buying will be reflected promptly in increased production.

CBS-Hytron—Pres. Arthur L. Chapman: "Orders are up in April and May, and will be reflected in factory production six weeks from now. Last half looks good."

Muter Co.—In quarterly report to stockholders: "Inventory within industry is at low point and should be promptly reflected in business with return of public confidence and normal production."

National Assn. of Purchasing Agents—"New order situation remains one of the bright spots. This month [April] there is again a slight improvement from last month's figures."

Muter Co. merger talk was aroused this week by report group led by director Sol M. Zweifach of Scranton Lace Co., acquired 100,000 shares—about 13%—of stock of Chicago components manufacturer. Group plans to ask board representation, seeks 150,000 additional shares at $5 per share. Stock has been selling around $3.50. Muter earned 3¢ per share in quarter ended March 31 (Vol. 14:-16).

National Convention on Military Electronics, under IRE sponsorship, takes place at Washington's Sheraton Park Hotel, June 16-18—with 96 papers, 43 exhibitors. Pres. of convention is Brig. Gen. W. B. Larew (USA ret.), asst. to v.p. of Melpar, Falls Church, Va.

Industrial Communications Assn. holds annual convention in San Francisco May 21-23.

IRE schedules annual Electron Devices Meeting at Shoreham Hotel, Washington, Oct. 30-31.

Wright May Head Zenith: This week's intra-company moves, whereby Zenith Radio's longtime pres.-gen. mgr. Eugene F. McDonald Jr. becomes chairman and chief executive officer while exec. v.p. Hugh Robertson takes over the presidency and v.p.-gen. counsel Joseph Wright the executive vice presidency (p. 12), appear to bear out industry scuttlebutt that Wright is the probable next president of the industry's most phenomenally successful entity. He's apparently the heir apparent choice of both McDonald, who controls about 10% of the company's stock, and Robertson, who has been his right-hand man nearly 25 years and with the company since 1924.

Joseph Sutherland Wright, born in Portland, Ore. in 1911, son of a Havre, Mont. physician, attended George Washington U law school in Washington, D.C. while acting as secy. to Senator Burton K. Wheeler (D-Mont.), 1933-36. Wheeler is now a Washington attorney and represents Zenith. Wright became an attorney for the Federal Trade Commission, then its asst. gen. counsel, was FTC chief of compliance 1947-52 when he resigned to become asst. gen. counsel for Zenith. He became gen. counsel & director in 1953, is also director of Zenith tube-making subsidiary Rauland Corp., serves on board of governors of one of McDonald's favorite charities, Chicago's Henrotin Hospital.

As did McDonald in World War I, Joe Wright became a Navy lt. comdr. in World War II. Comdr. McDonald also was USNR officer with the MacMillan Arctic expedition of 1923, second in command of MacMillan's National Geographic expedition of 1925, later headed other explorations.

* * * *

McDonald's great genius has been merchandising and publicity. He has always surrounded himself with top-grade executives, all highly paid, one of the best of them —credited with many of Zenith's product innovations— being his engineering v.p. Gilbert E. Gustafson. "Gus" has been with Zenith since 1925, was chief engineer of its pioneer radio station WJAZ when it jumped an unassigned wavelength in 1926. McDonald had disputed Secy. of Commerce Hoover's authority over radio, the Dept. of Justice sued, McDonald won—leading to enactment by Congress of the Radio Act of 1927 which set up the old Federal Radio Commission.

McDonald, incidentally, was an organizer and first pres. of the National Assn. of Broadcasters, 1923-25.

Gustafson is 53, widely known and highly regarded in the industry. So also is Zenith's v.p.-treas. Sam Kaplan, now in his late forties, who has been with the company since boyhood. They stay in present posts, as do sales v.p. Leonard Truesdell, distribution v.p. C. J. Hunt, production v.p. Donald McGregor. None of these is a director.

Comdr. McDonald's public relations office has tried assiduously to keep secret the facts of his illness, his hospitalizations, his convalescences in Florida. It last reported he was recovering from a "minor ailment" after it was disclosed he had been confined in Chicago's Billings Hospital. Friends were told his ailment was merely lumbago. He has 2 children—a married daughter, son Eugene F. III, now in prep school. His last-reported beneficial stockholdings in Zenith were 93,786 shares out of 984,928 outstanding and he and Robertson drew down 1957 compensations which were highest in the industry (Vol. 14:14).

* * * * *

Veteran of many a quarrel with the broadcasters, especially noted for his much publicized campaigns for pay TV and against commercial TV, McDonald first drew the ire of the sponsored TV proponents in 1946 when he referred to them as "televisionaries" in an article in *Collier's*. Our report stated (Vol. 2:25):

"Zenith's ebullient Gene McDonald still can't see advertisers footing the bill for adequate TV, insists the public will gladly pay for TV programs, calls those who think in terms of sponsorship 'televisionaries.' That's his thesis in an article in June 29 *Collier's*, in which he suggests TV be wired to home or theatre, or a picture scrambler device be employed [he later came up with Phonevision decoder] so public can pay for programs. Zenith holds recently granted CP for low-band TV station but makes no low-band receivers, McDonald insisting they'd be obsolete in year or two. In article, he discloses his company is about to go on air with experimental color, is making color receivers for its own use."

Is Recession Automated? Thrice told tale of the "evils of automation" was heard again this week—with a new twist. AFL-CIO research staffer David Lasser said the country is suffering from its first "automation recession". He told delegates to a labor union conference on technological change in Washington this week that more and more jobs would disappear unless job-security clauses are written into contracts. James B. Carey, pres. of International Union of Electrical Workers, said companies should cut prices on electrical appliances 10% as an anti-recession measure. He said union representatives would make the suggestion to manufacturers, urge an end to layoffs, seek company-paid health insurance premiums for unemployed workers, improved jobless benefits and a temporary end to executive bonuses.

RCA's closed-circuit color installations in Strategic Air Command headquarters, Omaha, and at Walter Reed Army Medical Center, Washington, are described in company's April *Electronic Age*. SAC installation, less well known than Walter Reed's, includes 5 live color cameras, a 3-V film system, black-&-white industrial camera, complete associated equipment.

Military Electronic Applications Committee is new name of EIA's Reliability Committee in reorganization under chairman L. M. Clement, of Avco, which establishes 3 subcommittees: reliability, Clement, chairman; maintainability, Maj. Gen. F. L. Ankenbrandt, RCA, chairman; value engineering, Rear Adm. R. S. Mandelkorn, Lansdale Tube (Philco), chairman. Reliability subcommittee is further broken down into groups on standards & definition, headed by C. M. Ryerson, RCA, and reliability education, by Craig Walsh, McGraw-Hill.

Fair Trade Up Again: House Commerce Committee opens hearings April 29 on Harris Bill (HR-10527) to provide new Federal price maintenance law (Vol. 14:9-10). Proponents aim to circumvent court decisions virtually nullifying fair trade in many states. Congressional action this year doubtful in view of Senate apathy, Justice Dept. opposition. Note: Senate Small Business Committee earlier this year promised review of fair trade situation but so far has not scheduled hearing.

Philco and Leeds & Northrup join to develop and produce new electronic digital computer designed primarily for applications in industrial process control.

Financial Reports:

SECOND HIGHEST PAID executive in the broadcasting business is American Broadcasting-Paramount's pres. Leonard H. Goldenson, whose 1957 remuneration is disclosed as $181,000, including $25,000 expense allowances, in proxy statement for annual stockholders meeting in New York's Astor Hotel, May 20. The industry's highest salaries are the $300,000 drawn each by CBS's chairman Wm. S. Paley and pres. Frank Stanton (Vol. 14:13).

Edward L. Hyman & Sidney M. Markley, AB-PT v.p.'s & directors, drew $55,000 each last year; Robert H. O'Brien, ex-financial v.p., now a Loew's v.p., drew $36,000 up to his resignation as of Aug. 2; John Balaban, director who died last Aug., drew $30,800.

Report discloses elections of James G. Riddell, pres. of WXYZ Inc. and newly named exec. v.p. of ABC, and Simon B. Siegel, new financial v.p., to board. Mr. & Mrs. Riddell own 980 shares of AB-PT common (out of 4,149,226 outstanding); Siegel, 3100 shares. Riddell has option to purchase 1500, Siegel 1750, up to March 23, 1963 at $25.18 per share. Director Robert Hinckley, Washington, v.p., holder of 1000 shares, also holds options at same price for 1500; v.p. Sidney M. Markley, holder of 500 shares, holds options for 2500. Pres. Goldenson exercised option last July 30 to buy 3000 at $16.63.

Other directors and their stockholdings: Earl E. Anderson, v.p.-secy., Beech-nut-Life Savers Inc., 1700, also trustee with Edward Noble of Edward John Noble Foundation which owns 15,740 pfd., 337,304 common; A. H. Blank, Tri-State Theatre Corp., 1887; John A. Coleman, partner of Adler, Coleman & Co., investments, 1000; E. Chester Gersten, Bankers Trust Co., 500; Robert L. Huffines Jr., Worth Fund Inc., 1000; Walter P. Marshall, pres. of Western Union, 200; H. Hugh McConnell, v.p., Metropolitan Life, 100; Mr. Noble, 8949 (plus 225,028 pfd.); Robert B. Wilby, Alabama Theatres Inc., 1018.

Note: AB-PT net operating profit for first quarter 1958 was $1,854,000 (43¢ a share) vs. $1,743,000 (40¢) in same 1957 quarter; including net capital gains, consolidated earnings were $1,958,000 (45¢) vs. $1,779,000 (41¢). Gain was largely attributed to 36% rise in TV billings. Six more theatres were disposed of in quarter.

Allied Artists will show loss in third fiscal quarter ended March 31 "well in excess" of $172,000 profit in first 6 months (Vol. 14:10), exec. v.p. George D. Burrows told *Wall St. Journal* this week. He said troubled state of movie industry (see pp. 1 & 6 and Supplement), makes company pessimistic about erasing red in full fiscal year, but loss should be "substantially" less than $1,783,910 reported year earlier. Bright hope: Partnership by Allied's subsidiary Interstate TV Corp. with ABC in upcoming pilot production of *The Barbary Coast*, along with other Interstate TV ventures including *Adventures of Marco Polo* (in partnership with W. Lee Wilder) and 190 *Phineas T. Fox—Adventurer* 4-min. cartoons.

Board of Ampex Corp., Redwood City, Cal., planning expansion of its videotape operations with ex-CBS Hollywood v.p. Howard S. Meighan as partner in new distribution companies (Vol. 14:13), has voted to split stock 2½-for-1, making 2,500,000 authorized shares as against 1,000,000 now with 734,265 presently outstanding. Firm's fiscal year ends April 30; in last fiscal year it earned $1,087,000 on sales of $18,737,000.

P. R. Mallory earnings slid to $434,721 (27¢ per share) in Jan.-March quarter from $1,019,406 (67¢) year earlier.

Sylvania earnings dropped to $1,167,818 (30¢ per share) on sales of $72,132,543 in first 1958 quarter vs. $3,069,944 (84¢) on $87,549,674 in 1957 period, chairman & pres. Don G. Mitchell attributing decline largely to drastic inventory adjustment by TV-radio customers. He said sales of receiving & picture tubes to other TV & radio set manufacturers "have been affected far more deeply than our other lines," that $140,000,000 increase in defense business will come from recent orders. He foresaw upturn in electronic component market, gradual increase in volume in other lines, improved second quarter, third & fourth quarters comparing favorably with last year, when Sylvania had record sales (Vol. 14:8).

Communications and electronic equipment companies ranked among 48 U. S. firms which exceeded $1 billion sales in 1957, with comparison with 1956, as surveyed by United Press. Topping whole list is General Motors, just under $10 billion, next Standard Oil of N. J., just under $8 billion. Third (000 omitted) is AT&T, $6,313,833 in 1957 vs. $5,825,298 in 1956; 7th, GE, $4,335,664 vs. $4,090,016; 14th, Western Electric, $2,480,614 vs. $2,376,726; 18th, Westinghouse, $2,009,044 vs. $1,525,376; 35th, RCA, $1,170,905 vs. $1,121,060. In addition, companies on list doing partial electronics work are: General Dynamics, $1,562,539; North American Aviation, $1,243,767; United Aircraft, $1,232,919; Douglas Aircraft, $1,091,366; IBM, $1,000,432.

Zenith Radio continued its rise in first quarter 1958, attributing it mainly to civilian goods, in the face of the industry recession. Sales totaled $42,173,732 vs. $36,658,510 for same 1957 period, $37,915,318 for same 1956 period. Net income for quarter is estimated at $2,036,759, equal to $4.14 per share on old stock (recently split 2-for-1) and $2.07 on new vs. $1,650,590, or $3.35 on old stock, $1.67 on new. Figures were revealed at stockholders' meeting by exec. v.p. Hugh Robertson who presided in the absence of pres. Eugene F. McDonald due to illness. [For report on record 1957 calendar year sales and earnings, see Vol. 14:12.]

Philco, which scored big 1957 comeback in profits (Vol. 14:9), lost $1,027,000 (28¢ per share) on sales of $74,016,000 in first 1958 quarter vs. earnings of $905,000 (20¢) on $100,374,000 year earlier. Philco has continued to gain increased share of consumer products market, said pres. James M. Skinner Jr., "but this improvement is not apparent in these interim results because the appliance & TV-radio industries have suffered sharper contraction in total volume than has been registered by consumer durables as a group and the economy as a whole." Inventory position was called "satisfactory."

Packard-Bell earned $412,935 (60¢ per share) on sales of $16,918,971 in first fiscal half ended March 31 vs. $403,981 (59¢) on $16,360,556 year earlier. Sales of home products div. (black-&-white & color TV, radios, hi-fi equipment, electronic door openers) were down slightly, but new military contracts boosted technical products div. sales 27% over 1957 half, reports pres. Robert S. Bell.

Dividends: Zenith, 50¢ payable June 30 to stockholders of record June 12; P. R. Mallory, 35¢ June 10 to holders May 9; Siegler, 20¢ June 2 to holders May 15; Whirlpool, 25¢ June 10 to holders May 23; Canadian GE, $2 July 2 to holders June 16.

Webcor Inc. earnings, which hit record high for hi-fi maker in 1957 (Vol. 14:11), slipped to $146,462 (23¢ per share) in first 1958 quarter from $354,914 (55¢) year earlier.

Newspapers vs. TV-Radio: They're competitors, all right—but cooperating and interlocking competitors, in many cases. That's conclusion to be drawn from developments at American Newspaper Publishers Assn. convention this week in N.Y.

First, there was report by Charles T. Lipscomb Jr., pres. of ANPA Bureau of Advertising, that its current promotion is keynoted "Beat Competition"—the competition obviously being TV-radio, for, he said, "For every good radio or TV success story, we have dozens of documented newspaper success stories . . ."

Newspaper advertising is the most economical medium to deliver a message and make a sale, he added, and noted that broadcasters themselves increased their newspaper advertising last year by 25.3% to total of $17,987,000. National advertisers, he said, spent about $810,000,000 in newspapers, up 2.6% from 1956, according to Media Records Inc. [They spent $667,000,000 on network TV, $367,000,000 on national spot TV, $64,000,000 on network radio, $204,000,000 on spot radio, according to preliminary McCann-Erickson figures, *TV Factbook No. 26*, p. 27.]

As for interlocking interests, retiring ANPA pres., now a director, William Dwight, publisher of *Holyoke* (Mass.) *Transcript* and *Northampton Daily Gazette*, also heads WHYN & WHYN-TV, Springfield-Holyoke; new v.p. Mark Ferree, is exec. v.p. of E. W. Scripps Co., related to Scripps-Howard stations; secy. Walter J. Blackburn, pres. of *London* (Ont.) *Free Press*, heads CFPL & CFPL-TV there; treas. J. Hale Steinman, *Lancaster* (Pa.) *New Era & Intelligencer-Journal*, is one of owners of Steinman group of stations.

One of 2 new directors is Joyce A. Swan, *Minneapolis Star & Tribune* (Cowles stations). Among other directors are Irwin Maier, *Milwaukee Journal* (WTMJ & WTMJ-TV); Franklin D. Schurz, *South Bend Tribune* (WSBT & WSBT-TV; Chesser M. Campbell, *Chicago Tribune* (WGN & WGN-TV). [For newspaper ownership of TV stations, see *TV Factbook No. 27*, pp. 381-383.]

Note: Blamed on business slump was 8.1% reduction in newspaper linage first quarter 1958 (8.7% in March) from same 1957 quarter, as reported this week by Media Records. All major classifications were down, biggest drop being 18.8% in automobile advertising, smallest 2.2% in financial group.

Health of TV, despite "anti-TV campaign" by some elements of the press, was theme of report by TvB pres. Norman E. Cash to board meeting in Lubbock, Tex. April 24. He noted: (1) Average evening network program reached 11% more homes in 1958 first quarter than in 1957, average daytime program 15% more. (2) Average 30-min. evening network program reached 93.4% of U. S. TV homes March 1, 1958 vs. 84.1% year ago. (3) Average evening hour show moved from 91.5% to 96% of TV homes. (4) Average viewing is at all-time peak, 6-11 hours daily. (5) Jan.-Feb. network billings are up 13.7% from year ago. (6) March spot sales were up about 6%. In contrast, Cash said, 79 monthly magazines were down 117,000 advertising lines in March vs. year ago, 25 weekly magazines down 147,000, bi-weeklies down 3000, business publications down 3641 pages. Newspapers' ads, he said, dropped 7.7% in Jan.-Feb. from same 1957 period.

Latest word on TV spot advertising expenditures in 1957 is released in TvB's annual report, out this week, including expanded list of top 100 spot advertisers (Vol. 14:11), listing of 1287 national & regional spot advertisers with estimated expenditures over $20,000, table of expenditures by product classification. New list of TvB members shows 211 stations, 3 networks, 15 reps.

COMMON STOCK QUOTATIONS

Week Ending Friday, April 25, 1958

Electronics TV-Radio-Appliances Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg	1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
9¼	7	Admiral	8¾	+½	351¾	300	IBM 2.60	352⅝	+4⅞
23	19⅜	AmBosch .30e	21¼	−⅝	34¼	29¼	IT&T 1.80	34¼	+2¼
17¾	13	AmBcstg-Par 1	17¾	+1	41½	36⅛	I-T-ECirB .45e	37¼	−½
37⅞	32¼	AmMy&F 1.60	35¼	−¼	7⅞	6⅞	ListIndust ¼e	6⅞	−⅛
177⅝	167⅞	AT&T 9	177	−½	43⅞	36⅞	Litton Ind	40¼	+⅜
26½	22⅜	Amphenol 1.20	25	+¼	15½	12⅞	Loew's	14¾	+1⅛
29⅞	26	Arvin 2	26⅞	−⅛	37	30¼	Magnavox 1½b	35¼	−¼
7¼	5⅝	Avco .10e	6½	+⅜	28¾	24⅝	Mallory 1.40b	24½	−⅜
25¾	20¼	BeckInst 1¼1	21⅞	+⅜	88¾	76	Mpls.H'll 1.60a	82¾	−¼
53	44⅝	BendixAv 2.40	47	−½	42¼	36¼	Motorola 1½	36⅞	−⅛
32¼	27⅝	Burroughs 1	29⅜	+1⅛	9	7⅜	Nat'l Thea ½	8¼	+¼
18⅜	15¾	Clevite ¼e	16¾	+½	38⅜	30⅝	Paramount 2	36½	+2⅜
29¾	24½	CBS "A" 1b	29⅛	−⅜	17⅛	12⅜	Philco	14½	−¼
29½	24⅛	CBS "B" 1b	29⅛	+⅛	35	30¼	RCA 1a	32½	+¾
16¼	12½	Col Pict ⅜t	15⅛	+¼	26¾	21½	Raytheon 1¼t	26	—
35¼	27⅞	Cons Elec .40	32⅝	−⅝	7⅛	5	Republic Pic	5⅝	+⅝
26½	19½	Cons Electron	25	−¾	34¾	29	SangElec 1.80	29	−3¼
16½	12¾	Cor-Dub .20e	14⅛	+1	16⅛	13¼	Siegler .80	13⅞	−⅛
86¾	74⅝	CornGlass 1a	82⅞	+⅛	3⅞	2¾	Sparton	3¾	−⅛
3⅝	3	Davega	3¼	+⅛	20⅝	17¼	SperryRan .80	17½	−⅛
35	30	Daystrom 1.20	31¼	−½	8¼	6	Standard Coil	7⅜	−¼
16¼	13⅞	Decca 1	15⅜	+⅛	18	14½	Stanley-War 1	17¼	—
21½	14	Disney .40b	19¾	+⅜	32	29	Stew Warn 2b	33⅛	+2¾
107⅜	97⅛	EastKod 1.55e	107	+¾	24½	20	StorBcstg 1.80	23	−⅛
35	29	EmerElec 1.60	35⅛	+⅞	37½	31½	Sylvania 2	35⅝	−⅞
6⅛	4⅛	EmersonRadio	6	+⅛	35⅞	26¾	Texas Instru	35	−⅞
8½	7	Gabriel .60	8⅛	+⅛	55¼	41⅜	ThomProd 1.40	44⅝	−1⅜
65¾	55¼	Gen Dynam 2	56⅞	+¾	26⅞	23¼	Tung-Sol 1.40b	24¼	+⅛
64¼	57	Gen Electric 2	59¾	+1⅝	27	21¾	20thC-Fox 1.60	26½	−½
7⅝	4⅝	Gen Inst. .15g	7¼	−¼	22	15¼	UnitedArt 1.40	22	+2¼
41	29½	GnPrEquip2.40	30¾	−2¾	22⅝	19	Univ. Pict 1a	22¾	+2¼
30	22¼	Gen Tire .70b	23	−½	19½	16⅞	WarnBros 1.20	19⅛	+¼
45¼	40⅜	Gen. Teleph. 2	45¾	+1½	65½	57¼	Westingh El 2	58⅝	−⅛
26⅝	21	HoffmanElec 1	25¾	−½	77	67½	Zenith new	77	+2¾

AMERICAN STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg	1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
3⅜	3	Allied Artists	3	—	37½	30½	Hazeltin 1.40b	34¾	+⅞
45	34½	Allied Con 1a	38½	−⅝	2⅞	2	Herold Ra .20	2⅛	−⅛
15⅛	12⅞	AmElectro ½	13⅞	+⅞	4⅝	3¾	Int Resist .20	4	−⅛
10⅛	8⅜	AssocArtProd	9¾	−⅛	6¼	4¼	Lear	5¼	−⅛
11¾	7¼	AudioDev .05d	10¾	+1⅝	⅝	⅜	Muntz TV	⅝	—
10⅛	7⅜	BelockInst ⅛t	9½	−¼	3½	2½	Muter Co. ¼t	3¾	+¼
½	⅜	C & C TV	7/16	—	7	5⅝	Nat'l Telefilm	8	+1
3¾	2⅞	Clarostat .15g	3¼	+¼	1¾	1	Nat Union El	1⅝	−⅛
4⅝	3	DuMont Lab	4	+¼	6⅞	2¾	Norden-Ketay	2⅞	+⅛
4⅛	2⅞	Dynam Am	3¼	−⅛	3⅝	2⅞	Oxford El .10r	3⅛	—
13⅛	10	EletcronicCom	11½	−⅜	16	11	Philips El	13⅜	+⅜
7⅞	6⅜	Electronics Cp	6⅝	−⅜	8⅝	6⅝	Servomech .40	8⅛	+⅜
31⅝	19½	FairchCam½g	25¼	+⅞	6	3⅜	Skiatron	3⅞	—
24⅞	17¼	General Trans	22⅝	−1	4⅜	3½	Technicolor	4½	+⅛
17¼	14⅝	Globe Un .80	15⅜	−⅜	4½	3½	Trans-Lux .20g	4	—
3⅜	2½	Guild Films	3	+⅜	4⅞	4¼	Victoreen Inst	4¼	—

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked		Bid	Asked
Advance Ind	1¾	2⅛	Machlett Labs .25g	16¾	18
Aerovox	4⅝	5	Magna Theatre	1⅞	2¼
Airborne Inst	42½	44	Maxson (W. L.) .05	5	5½
Altec Co. .80	6¾	7½	Meredith Pub. 1.80a	29½	32
AMP Inc .50	18¾	19¾	National Co. (4% stk.)	11½	12¾
Ampex	58¾	62	Oak Mfg. 1.40	14	15
Baird Atomic	7½	8½	Official Films .10	1⅛	1⅜
Cinerama Inc.	1⅜	1⅝	OR Radio	18	19
Cinerama Prod.	1¾	2	Pacific Mercury TV	5¼	5¾
Cohu Electronics	8⅛	8½	Packard-Bell .50	11¼	11¾
Collins "A" .35	11¾	13	Panellit	5⅛	5⅝
Collins "B" .35	11⅝	12⅞	Perkin-Elmer	23	25
Cook Elec. .40d	18⅛	19½	Philips Lamp (14% of par)	36½	38
Craig Systems	4⅜	5	Reeves Soundcraft (stk.)	3	3¼
DuMont Bcstg.	7⅞	8½	Sprague Electric 1.20	28½	30
Eitel-McCullough (5% stk)	24	26	Taylor Instrument 1.20	30	32
Elec Assoc (stk)	40	42	Tele-Broadcasters	2¾	3½
Erie Resistor .40b	6	7	Telechrome .30	8¼	8¾
Friden Ind. 1	53½	55	Telecomputing	4	4½
Giannini, G. M.	14½	15½	Teleprompter (stock)	6⅛	7
Granco Products .05	1⅛	1⅜	Time Inc. 3.75	60¼	63
Gross Telecasting 1.60	18	19	Topp Industries (stock)	9⅛	9½
Hewlett-Packard	24¼	25	Tracerlab	6⅝	7⅝
High Voltage .10g	32	34	Trav-Ler	1⅜	1⅝
Hycon	4½	5½	United Artists	4¼	4¾
Indiana Steel Prod. 1.20a	17¾	18	Varian Associates	16⅝	17
Jerrold	1⅞	2¼	Webcor .15c	10⅛	10¼
Ling Industries	2½	2¾	Wells-Gardner	7⅛	8
Leeds & Northrup .60b	24½	26	WJR Goodwill Sta. .50d	13	13¾

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid alter stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. • No trade

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Special Supplement
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Hollywood: Save The Flowers

By ARTHUR MAYER

Author with Richard Griffith of recent book "The Movies" (Simon & Schuster, $15)

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AN APOCRYPHAL story is going the rounds about a potential patron who called a movie theatre to inquire what hour the next show started. "When can you make it?" asked the manager. With similar, less than subtle jocularity, the usually staid *Wall Street Journal* opens a lengthy analysis of the prevalent box office woes with this gloomy comparison: "In the Hollywood movie, the lovely lass is about to fall off a cliff when the hero arrives in the nick of time. The movie industry is . . . teetering on a cliff, with no certainty it will be saved." And with no pretense whatsoever of humor, or for that matter of accuracy, a recent CBS program on "Hollywood Around the World" announced: "Americans simply do not go to see movies—not even good ones."

On the contrary, "Around the World in Eighty Days" has in only 210 theatrical engagements already amassed box-office receipts of close to 32 million dollars. "The Ten Commandments" is well on its way to establishing an alltime record of over 65 million dollars in worldwide film rentals. Of the nine most popular pictures ever made, all except "Gone With the Wind" have been produced since 1952. Currently, several films such as "The Bridge on the River Kwai," "Peyton Place," "Sayonara," "Old Yeller," "Raintree County," "Don't Go Near the Water," and "A Farewell to Arms" are doing business that would have been regarded as sensational in the movies' most opulent days. Give the public what it wants—don't ask me what it is—and it will not only go to the movies, but it will do so in unprecedented numbers. The former habit of regular weekly attendance, however, has disappeared with this growing selectivity, which should not be confused with growing maturity.

APPROXIMATELY 75 million people went to American movie theatres weekly ten years ago. The commonly quoted figure of 90 million was a figment of a mad publicist's imagination, which by dint of repetition became accepted as a fact. Last year's attendance averaged 42,220,000 weekly. This constitutes a startling decline, even taking into consideration the increased admission prices, but nonetheless is more people than go to baseball games, listen to concerts, or own television sets.

Actually, a greater number of Americans are watching movies today than ever before in the fifty-three years that have elapsed since the first nickelodeon took in its first nickel. Unfortunately for the exhibitors and the producers, who still depend on theatre grosses for their groceries, not to mention their Mercedes', swimming pools, and other necessities of Hollywood life, the majority of film patrons are watching them while comfortably and inexpensively seated in their living rooms, rather than less comfortably and more expensively in theatre auditoriums. Sindlinger and Company, the leading authority on motion picture statistics, estimate that "the public is spending four times as many hours looking at old movies on television as it is in attending new ones in theatres."

CONFRONTED by such pessimistic tidings from so reliable a source, it is scarcely surprising that a large percentage of the public is under the impression that Video is about to liquidate the motion picture theatre and, possibly, the entire motion-picture industry. Personally, I do not think anything of this nature is going to happen. The next three years may well require that stiff Anglo-Saxon upper lip, to which the movies have so often paid tribute and so rarely displayed. Out of the ordeal, however, of fire and firing, the closing of theatres no longer necessary and of distribution offices (referred to in the industry as exchanges) that never were necessary; out of mergers, liquidations, and studios reduced in size and number, there will emerge a possibly less profitable, but surely healthier, saner, better organized film business than we have ever previously known.

Thanks to a survey prepared by the Opinion Research Corporation for the Motion Picture Association of America on the size and character of the movie audience, a prophet can rely less on intuition and more on information on this matter. The motion-picture audience is overwhelmingly a youthful one. Seventy-two per cent of the admissions during the survey week were people under thirty years of age; 52 per cent were under twenty. Frequent movie-going is concentrated in a comparatively minute segment of the population. Those who attend theatres once a week, or oftener, constitute only 15 per cent of the public. Possibly the most serious problem today confronting picture-makers is whether they will follow the course of least resistance, and seek primarily to retain and increase their hold on this small and largely immature group; or whether they will seek to broaden their appeal to a larger and more demanding segment of the public. In other words, will we have more pictures like "Baby Face Nelson" and "Jailhouse Rock" or like "Twelve Angry Men" and "Time Limit"?

In deciding whether to go to the movies, people are more influenced by the story than by the cast. Forty-five per cent ask: "What is the picture about?"; 18 per cent, "Who is in it?" and 20 per cent regard these two elements as equally important. Preferences for single and double features are evenly divided: 50 per cent of the public want one feature with short subjects; 49 per cent want two regular length features. Fifty-four per cent of the public report that their attendance at movies has declined in recent years; 34 per cent go about as often as formerly, and only 8 per cent attend more frequently. Of the 54 per cent who go less frequently, 22 per cent ascribe this to television; only 4 per cent complained of the cost, and only 3 per cent complained that "movies are not as good as they used to be."

Ten years ago, when the first faint rumbles of television began to disturb the air waves of the nation, movie magnates and minions alike pontificated that the American folk were gregarious by nature. They would never, never stay home for their entertainment. Ma wanted to get out of the house, to see and be seen. Pa needed company to really enjoy a belly laugh. Junior wished to hold hands with his girl friend in a darkened balcony, surrounded by his fellows, and not by an unsympathetic older generation. This lack of faith in the omnipotence of Home was as inaccurate as it was unpatriotic. In a comparatively brief period of time, 41,500,000 TV sets have been installed, and the housetops of the land disfigured with antennae, symbolic of the dawn of a new day—or at least of a new night. One television producer alone—Desilu—partially owned by Lucille Ball, purchased the two RKO studios, where once she had worked, and in 1957 produced more film footage than all of the five major motion-picture companies combined. Revue, an MCA subsidiary, has an annual production budget of $70,000,000. Republic Studio is now a hive of Video activity, turning out television subjects in greater quantity, and not much worse quality, than the fifty-two it formerly produced annually for theatrical showing.

It would be oversimplification to hold television wholly responsible for the decline in theatre attendance. The Opinion Research Survey, conducted during the summer of 1957, ascribes to TV a decrease of approximately 20 million theatre patrons weekly. What has happened to the other 30 million, who might be expected with an increased population and unprecedented national prosperity to be going to the movies? Parking fees, baby-sitters, obsolescent theatres are undoubtedly partially responsible for this lost audience. In addition, the current do-it-yourself movement—whether it consists of sailing a boat, building a hi-fi set, or painting a house—is undoubtedly a healthy social manifestation, but a very unhealthy one for motion-picture exhibitors.

But what really rocked, if it did not wreck the industry was the decisive victory of the Government in its anti-trust suit against the major companies. Movie-makers and exhibitors might have adjusted themselves to the consent decrees imposed by a triumphant Department of Justice on the prostrate tycoons, but not at the same time as they were meeting the first brunt of the Video onslaught. These twin disasters reacted upon each other in a manner reminiscent of the remark of the old lady who said: "It's too bad the 1929 Depression and unemployment both had to take place simultaneously."

UNDER the terms of the decrees, the major companies were compelled to divest themselves of their theatre holdings just when the theatres, big and small, circuit and independent, most urgently required their support. No longer were the producers under any economic obligation (and few producers worry unduly about moral obligations any more than exhibitors would have worried had the situation been reversed) to protect the customers with whom they had done business for fifty years; nor were they under pressure because of their investment in a limited number of theatres to furnish a continuous flow of product to all theatres. As a consequence, the number of pictures released by the major companies collapsed from 654 in 1951 to 378 in 1957, an inadequate supply of film to maintain competitive houses with two or three changes of program weekly.

Simultaneously, the decrees abolished block booking, long a bugaboo of blockheaded reformers who were under the impression that, once pictures ceased to be sold in groups, the tawdry and trashy ones would automatically be eliminated. Nothing of the sort happened, as the titles of a few of the more successful Bs released in 1957 indicate: "Love Slaves of the Amazon," "I Was a Teenage Werewolf," "Nude Invaders," "The Viking Woman vs. The Sea Serpent," "Attack of the Crab Monsters," "The Curse of Frankenstein."

Once block booking was eliminated, the emphasis turned to a different kind of block—the blockbusters. The industry concentrated its attention not on the intensely risky, but essential task of developing new writers, directors, and stars, but on buying successful books and plays, and reinforcing their box office appeal with celebrated names, regardless of the ravages of time and temperament. Inevitably, the price of stories, dramas, and top performers vaulted to Sputnik heights. This created the anomalous situation of a business whose production costs were increasing 50 per cent, while its receipts were declining close to the same degree.

UNDER our existing tax laws, however, the added remuneration paid to members of the talent guilds did not linger long in their bank accounts. They scarcely needed their agents or analysts to suggest that the loophole of capital gains made it expedient for them to cease to be wage slaves and to become entrepreneurs. As a consequence, in 1957 only 116 pictures were made by the major studios, as compared with 260 independently produced. Bing Crosby, Burt Lancaster, John Wayne, Gregory Peck are today not so much glamorous personalities as incorporated institutions. One of them—Frank Sinatra—reputedly croons an annual $4,000,000 lullaby from his various entertainment enterprises.

Based on the great tradition of the pioneer independents—Goldwyn, Selznick, and Disney—a great deal of wishful thinking has been written about the advantages of independent production: its artistic freedom; its maturity; its courage to film controversial and experimental subjects. One might ask: What independents have had the hardihood to make films like Twentieth Century's "Grapes of Wrath," Warner's "Life of Emile Zola," Metro's "Fury," Paramount's "Lost Weekend," or Columbia's "From Here to Eternity"?

Actually, the present crop of independents, with few exceptions, have never cut the umbilical cord that binds them to the major companies. They are dependent upon their former employers for financing and distribution. Before a camera can roll, their stories, casts, directors, and budgets must be approved by studio or home-office executives—frequently the same men who for many years have been making similar decisions, some right, some wrong, as to how to invest their companies' money.

Moreover, from an industry point of view, independent production has one insuperable handicap. With a few exceptions like Hecht-Hill-Lancaster, who have grown to something approaching major company proportions, with plans for spending $25,000,000 on their productions in 1958, independents cannot indulge in long-range planning. An immediate profit, rather than future welfare, is imperative for their continued existence. The type of starbuilding which marked Metro and Paramount in their halcyon days, with scouts scouring the countryside for promising youngsters, followed by years of careful training, casting, suitable story selection, and continuous rather than intermittent publicity, has almost disappeared from the West Coast. The number of glamorous new film luminaries uncovered since the rise of the independent system is comparatively small, and partially responsible for the industry's present travail.

The younger generation is justifiably an angry one when elderly (at least, in their eyes) gentlemen, such as Gary Cooper or Clark Gable, are cast in the roles of irresistible young lovers. Among last year's most resounding flops were costly, promising productions such as: "Spirit of St. Louis," with Jimmy Stewart; "Love in the Afternoon," with Gary Cooper and Audrey Hepburn; "The Pride and the Passion," with Cary Grant, Frank Sinatra, and Sophia Loren; "Designing Woman," with Gregory Peck and Lauren Bacall; "Desk Set," with Spencer Tracy and Katharine Hepburn. On the other hand, popular young men of limited talents, fresh from radio and television, like Elvis Presley and Pat Boone, scored striking successes in insignificant minor pictures.

With mounting expenses and declining receipts, the bankers who now dictate the fiscal (and some of the production) policies of the leading companies were faced with the alternatives of cutting or entirely eliminating dividends, or selling or renting their old negatives to TV. With little hesitation, they proceeded to cut the throats of their ancient customers, not to mention their own, by disposing of over 8,000 features of pre-1948 vintage. These are now being given away nightly in a bowdlerized form, cut to conform to the time limitations of Video, and interspersed at regular intervals with the advertising spiels of their sponsors. For those of us who happen to be deeply attached to the cinematic masterpieces of the past, what has occurred is equivalent to slashing the Mona Lisa, while announcing that her enigmatic smile is due to her failure to use the correct dentifrice.

The blighting effect on the theatres of the TV showing of old movies became immediately apparent when, in the second half of 1957, the treasures of the past were first released on the air. Movie attendance, which had been creeping upward approximately 5 per cent from the previous year, plummeted close to 18 per cent. "If," predicts Sindlinger, "the national level of theatre receipts for the next nine months follows the trend of the past six months, it would mean that the theatres will have a $200 million annual loss in net gross, and production will have an annual loss of $73 million in film rental."

The situation, however, is even more precarious than these figures indicate. At least 2,500 negatives made since 1948 still remain unsold. Reassuring statements from the presidents of the major film companies denying that they have any present intent of disposing of these properties are accepted in the industry with the mingled satisfaction and skepticism that customarily greets the official utterances of business and political potentates. Tom Pryor, *The New York Times*'s West Coast correspondent, reports that "No one seriously believes the post-1948 pictures will not ultimately be playing the living-room circuit." Joe Hyams, the *New York Herald-Tribune*'s more trustful representative, headlines his front-page story "Hollywood Won't Sell Post-48 Films to TV." You pay your five cents to your newsdealer and you take your choice.

If the Marines land in time, they will consist of actors, authors, and directors who have reserved the rights to strike if they are not consulted before these additional negatives are sold down the TV river. The screen directors are demanding 25 per cent of their original salaries on any future sales, and their fellow-artists are not going to be bashful in presenting their claims. In other words, the cut may not be large enough to satisfy anybody, and the salvation of the industry may rest upon its cupidity rather than its sagacity. On the basis of forty years of business experience, I would not be inclined to sell cupidity short.

Over the heads of the embattled exhibitors hangs another Damoclean sword—toll-TV. This is an ingenious, electronic device by which pictures can be sent over the air-waves in a distorted form, and only made intelligible by the use of a home decoder. Much as I should like to join in the current Donnybrook Fair concerning the questionable advantages and the unquestionable dangers of pay-TV, this is a piece in which I should hold my peace. Suffice it to say that its adversaries are apparently so convinced that the public will rush to pay for what it now receives gratis that they are moving Heaven and earth (as represented in Congress) to prevent the tests authorized by the FCC. Its proponents, on the other hand, are so dubious of its merits, outside of a substantial financial return to themselves, that they pretend it will ban commercial advertising and raise the cultural level of TV programming, both highly desirable objectives which there is not the slightest evidence that toll-TV could or cares to achieve.

The early advent of toll-TV, however, does not appear imminent. As Jack Gould of *The New York Times* points out: "There are enough problems, social, legal, technical, and economic, to keep the idea tied up for years."

To avoid these interminable delays, it has been proposed that films be carried by cable from a central location onto the home screen. This would require no approval from anyone, except the local authorities, and would have the substantial advantage over air transmission that it would not, even temporarily, pre-empt existing channels. An experiment in the use of wired TV has been conducted since last September in Bartlesville, Oklahoma. According to Senator William Langer of North Dakota, a staunch opponent of pay-TV in any form, a postal card survey conducted by him indicates a majority of ten to one in Bartlesville against the project.

The plight of the movie theatres, even if they escape the Scylla of post-1948 films on TV and the Charybdis of toll-TV, does not greatly concern the picture-going public, except as it affects the nature of future films and the conditions under which they will be displayed. The industry has discovered that, with the exception of gimmick films, fashioned for undemanding addicts of rock 'n' roll, science fiction, or horror, it can only successfully compete with TV through the magnitude of its screens, the costliness and care of its productions, and its unrivalled capacity to reproduce the supreme achievements of God and man.

The incredible success of pictures such as "The Ten Commandments," which cost $13,000,000 to produce, and "Around the World in Eighty Days" is stimulating the production of more such pictures, far beyond the financial or physical potentialities of television. A hard-pressed M-G-M management, for example, is planning to gamble what remains of its once heavy bankroll on "Ben Hur." These super blockbusters, including "The Bridge on the River Kwai," are shown at high admission prices, with reserved seats, and only one or two shows a day.

Less colossal colossals, such for instance as "Farewell to Arms" or "Raintree County," are now charging admission prices ranging up to $2.50.

They retain the ancient industry device of continuous showing, while discarding the equally hallowed tradition of exclusive first-runs in the big downtown theatres. These obsolete de luxe palaces were carefully located by myopic men—myself included—where the traffic was thickest thirty years ago. Now, paralyzed by the growth of that traffic to unanticipated proportions, they have become white elephants.

As a consequence, picture distributors are beginning to ponder the example set by the department stores and discount houses in their invasion of the suburbs. In the New York area, for instance, important films of the future will, I am convinced, hold their premieres simultaneously in key theatres in all of the five boroughs, as well as in Newark, Westchester, and Long Island; and the same procedure will be followed in metropolitan centers all over the country.

In smaller communities first runs are already being played "day-and-date" between the old four-walled theatre on Main Street and the new outlying "drive-ins." Of these there are now 4,397 in the United States and the number continues to increase. They are no longer what *Variety* once called "passion pits with pix" but highly respectable family institutions doing a rushing business in hot dogs, pop, and pizza-pie. According to the Opinion Research Survey, 72 per cent of the public have been to a drive-in, 32 per cent of them prefer a "hard-top" theatre, 30 per cent the drive-in, and 10 per cent have no preference.

The pattern of saturation first-run showings will not apply to the pictures produced on specialized wide screen processes, such as Todd-AO and Cinerama. The number of such semi-third-dimensional films will mount, and they will be shown in an increasing number of theatres, equipped exclusively for their proper projection, as well as for stereophonic sound, now sadly neglected in most theatres and unavailable on the home TV set. Todd-AO has "South Pacific" ready for release, and is negotiating with Sam Goldwyn for his forthcoming production of "Porgy and Bess." Cinerama will reluctantly discard its hitherto successful policy of gigantic travelogues and move into the field of fiction films. And there are other exciting new processes, like Cinemiracle, shortly to be unveiled.

Another form of specialized theatre which continues to flourish in the face of declining business is the so-called art house. Once disparagingly referred to as "sure-seaters," they now have long waiting queues when they play such less than artistic offerings as "And God Created Woman" (unless Brigitte Bardot is regarded as a work of art). Even, however, when they confine themselves to less aphrodisiac fare, with distinguished importations like "La Strada" or "Gervaise," they appeal to substantial audiences. Occasionally, American pictures such as "Lili" or "Lust for Life" are booked into these theatres and demonstrate that Hollywood, when it cares to do so, can hold its own with France, Italy, or Japan on their own grounds. Unfortunately, there are no indications on the horizon of many pictures of this nature. United Artists, which financed and distributed the two best low-budget films of recent years, "Marty" and "Twelve Angry Men," evidences little interest at present in similar projects. There's more gold in them thar blockbuster hills!

In 1930 there were 23,000 theatres in the United States. Today there remain 17,809, including the drive-ins, of which 6,000 are reportedly losing money. Unless conditions improve substantially, few of these marginal houses can hope to survive. If business grows worse, the fatalities will extend into a second group of approximately 8,000 theatres, which are now making a limited return on their investment. Some may regard these closings unconcernedly as the inexorable working of economic laws. To those of us, however, who are acquainted with the old showmen who have invested their lifetime savings and their years of experience in brick and mortar, each such situation represents a heartbreaking personal tragedy.

Regardless of the number of theatre closings, it is evident that existing conditions no longer warrant (if they ever did) the nationwide system of thirty-two exchanges maintained by each of the remaining seven major companies. Already, sales offices in some cities are being abandoned, and in others, consolidated shipping and receiving offices are being established.

Even more urgent than the curtailment in distribution facilities is the streamlining that will have to be effected in production. The days of the huge studios covering hundreds of acres, with thousands of high-salaried employees, are numbered. It costs Twentieth Century-Fox, for example, approximately $1,000 a day just to operate the cars and trucks which transport people and properties around the lot. One hundred and seventy-six acres of the studios are about to be set aside to be converted into a dream city, with a modern business center, skyscrapers, apartment houses, and a 4,000 seat auditorium. The company will still not be hard-up for space; it has a 2,300-acre ranch in Malibu. Universal is considering, it is said, a $35,000,000 offer to sell Universal City for a housing development. Rumors are in circulation of a possible consolidation of the Metro and Warner lots, and the subsequent disposal of their surplus properties. Even if this deal is not consummated, some similar combinations are inevitable.

The pretentious film factories of the fat 1940s are no longer suitable for the needs of the slim 1950s. Only half as many pictures are being produced as formerly, and of these a substantial percentage are being made abroad. Already fifty-two pictures are scheduled for foreign production in 1958, and there will be more. The sun never sets on American cameras, frequently handled by an Englishman, with a Hungarian producer, a German director, a French author, and a cast consisting of a dozen different nationalities. Foreign productions were originally designed to convert blocked funds, representing the earnings of American pictures abroad, into good American dollars. They met with unanticipated success. Audiences enjoyed their authenticity and their exotic backgrounds, actors liked to travel, producers valued their lower labor costs. Aside from these considerations, foreign film production is bound to remain an important element in an industry which today realizes some 50 per cent of its income outside of the domestic market.

It is possible that even the economies outlined will still not be adequate to salvage some of the more vulnerable producers. At Loew's, long the top dog, or rather lion, of the industry, a desperate race is being run by its energetic new president to revitalize his disorganized empire before the bankers insist on liquidation, new management, or a merger—maybe with the rejuvenated United Artists which, unhampered by a studio or heavy contractual obligations, is running rings around its less agile rivals. Other mergers are also under consideration. By 1962 there will not only be fewer studios, fewer exchanges, and fewer theatres, but also fewer major picture-making companies. There will also be fewer pictures. Some of them, as in the past, will be good, some will be bad. The percentage of good to bad should serve as a reasonably clear reflection of the conflicting forces in American life.

THE AUTHORITATIVE
WEEKLY NEWS DIGEST
FOR EXECUTIVES OF THE
VISUAL BROADCASTING
AND ASSOCIATED
RADIO & ELECTRONICS
ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

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SUMMARY-INDEX OF THE WEEK'S NEWS — May 3, 1958

NAB MAIN TENTS AND SIDE SHOWS: You name the subject -- and we'll warrant that you would find it somewhere on this week's NAB convention agenda. But the multi-ringed circus into which this annual conclave has evolved -- "the convention on a bicycle," as Variety so aptly characterized the awkward situation in Los Angeles wherein delegates had to scurry between one hotel and another, or one assembly hall and another, and had to make choices of so many concurrent business and social events -- obviously needs some sort of overhaul.

Simple fact is these NAB conventions are getting too big, too sprawling, too unwieldy, for the members' own good. This was more evident than ever this year, even though registrations dropped to something under 2000, of which 360 were for the separate engineering conference. Last year's total was 2358. There were, of course, almost as many more non-registered exhibitors, local citizenry, hangers-on.

There's no gainsaying, though, that it was by and large a successful meeting, despite the absence of so many who felt the distance and cost were just too great or who were just plain disinterested. It was well organized, despite countless conflicts of meetings and entertainments, and the sessions were generally well conducted and certainly worthwhile. Some old-time and should-be leaders were absent, but many more were on hand -- and the big operators were far from ascendancy. It remains to be seen whether the new taboo on film folk as delegates and exhibitors, deeply and loudly resented, will stick for next year.

According to their specialties, your ubiquitous trade press will detail the manifold facets of the convention. As a digest, we've picked and chosen what we regard most important subjects for treatment by our staff. In our book, the more significant matters were these:

(A) The striking evidences of videotape's coming of age, including color tape, with its vast implications (see below). And exciting development of automation techniques in TV-radio station operation.

(B) The heightened spirit of radio operators, both station and network, as they reported a happy upsurge in business (p. 7). But it cannot be overlooked that easily half of this year's station-network attendance came from the 536 TV stations on the air, even considering that the uhf people were few and far between.

(C) The assurances from FCC members, in their panel remarks, that they mean to do right by the industry, want to help it grow & prosper -- this despite actions and delays that sometimes would seem to belie such policy. They promised to attack the perpetual problems of allocations, to speed up application processing, to reduce silly paper work in connection with program requirements, etc., etc. (p. 10).

(D) The exhortation to editorialize on the air, the promise that there will be no reprisals now or "even in 1968" by succeeding Commissions -- theme of main address and later panel remarks by FCC chairman John Doerfer (p. 5). This, at very time FCC is calling networks and stations to account for editorializing on pay-TV.

(E) The war against community antenna services which certain smaller vhf operators, who claim they're being hurt badly, have declared and the prospect that this may be one of TV's and FCC's causes celebres in immediate future (p. 4).

(F) The surprising absence of pay-TV discussion, rank and file apparently satisfied, rightly or wrongly, that the issue has been resolved by Congress, at least for the time being (p. 10).

(G) The apparent disinterest of rank & file in Washington problems, prevailing attitude continuing to be "let the networks worry about that." That the networks are worrying plenty about the latest Justice Dept. aspects of Barrow study hearing (p. 4) is quite apparent despite extraordinary and spontaneous support from respective affiliates they're all enjoying.

(H) The high-level speeches of CBS's Dr. Frank Stanton, keynote award winner, and McCann-Erickson pres. Marion Harper Jr. (p. 6), which lent a lofty tone to the proceedings, in marked contrast with the noisy promotions and extensive partying in hospitality suites and night spots.

(I) The heartwarming, spontaneous ovation accorded veteran FCC Comr. Rosel H. Hyde and enthusiasm over news of Comr. Bartley's renomination (p. 3). Also the fine tributes paid by the broadcast pioneers to movie-radio pioneer Cecil B. DeMille and by the engineering conference to the venerable Dr. Lee de Forest.

THE TAPE AGE—TELECASTING REVOLUTION: TV's greatest technological development since the picture tube itself -- video tape recording -- this week began fulfilling early promise in hour-by-hour, day-by-day operation -- wiping out Daylight Saving Time differentials in Standard Time zones. It's now clear this is only the beginning -- that in sight now is goal of almost complete independence from motion picture film. Indeed, it's easy to visualize the feature film industry eventually leaning on video tape for quick production because rushes can be seen in a matter of minutes.

In 2 short years since first TV tape demonstrations at the 1956 Chicago NARTB convention, video recording equipment has become a practicable working tool for the broadcasters. In less than 2 more years, it will be a necessity.

What tape can do for stations -- now -- has been treated in our past reports. Now, networks and tape-equipped stations testify enthusiastically to its value. At this week's NAB convention in Los Angeles, where video tape stole spotlight third year in a row, the true dimensions of its fabulous promises and potentials became even more apparent.

Vast new storehouse of programming material for local stations, to upgrade programming and help replace dwindling supply of feature film, is now on horizon -- the possibility of syndicated tapes. TV film producers and distributors are eyeing tape developments closely, but keeping their mouths shut. Yet, they know revolution is on. The main unanswered question is: How soon?

Need for large quantities of new programming was hinted at -- unwittingly or not -- by NTA pres. Oliver A. Unger, when he told NAB film panel that TV has dissipated feature film supplies "like a drunken sailor" and warned that availability of new features must decline from now on, that even the 2831 features produced from 1948 through 1957 "would be consumed in short order" if stations use them up at the same rate they did 8-9000 pre-1948 films already in distribution. He also warned that post-1948 features, because of participation of talent guilds, would be priced far higher than earlier movies.

Producing features on tape especially for TV would be an enormously expensive venture and probably won't be essayed to any great extent in foreseeable future.

But tape's big syndication value will be this: Nothing on live TV ever need be lost again. At no extra expense -- except talent fees -- all live network shows may be preserved for future reruns or syndication. Productions which originated on Playhouse 90 or Kraft TV may someday largely replace feature film in station time. Comedy shows, musicals, spectaculars need not be lost after one performance, may be played again and again with live quality.

When most or all outlets are tape-equipped, it's not outlandish to suppose that first-run syndication properties will be offered on tape. It's also sensible guess that network lines -- during off hours -- may someday be used to "deliver" taped programming to stations, the local outlet making duplicates off network feed.

For live-quality commercials, implications are obvious. In fact, 2 companies already are prepared to tape commercials for advertisers.

[For other reports on tape revolution, see p. 6.]

COMMISSION'S BOB BARTLEY RIDES AGAIN: The highly respected Comr. Robert T. Bartley, who has survived both the multiple joys and occasional discomforts of being House Speaker Sam Rayburn's nephew, is in line for another 7 years on FCC as result of renomination by President Eisenhower this week.

White House's announcement was graciously timed, coming when Bartley was attending NAB convention in Los Angeles -- for his term doesn't expire until end of June. It's expected Senate Commerce Committee will endorse him solidly.

Some segments of industry have been irked at times by the Texas Democrat, because he has constantly worried about multiple, absentee and newspaper ownership. But he's been open about it and he hasn't been blindly rigid about it.

There had been fears that Bartley might be hurt when Bernard Schwartz, the ousted counsel of House subcommittee, then headed by Rep. Moulder (D-Mo.), leaked blanket charges of misconduct against commissioners. In due time, however, Bartley came out smelling like a rose of Texas.

One of Bartley's strongest suits is ability to utilize a competent staff. Legal asst. Max Paglin and engineering asst. Horace Slone are among ablest men at Commission. And, incidentally, Bartley has an uncanny knack of corralling some of the most attractive secretaries in town.

Bartley is 46, was appointed to Commission in 1952. His background is business administration (Southern Methodist U). He was on FCC staff 1934-38, served as SEC securities analyst before joining Yankee Network where he became a v.p., later worked for NAB, then on Rayburn's staff, before FCC appointment.

Confirmation of another Democrat, State Dept. official John S. Cross, still hangs fire (Vol.14:10-11,17) -- since Senate Commerce Committee hasn't yet weighed his nomination. It will come up May 14 unless Chairman Magnuson (D-Wash.) calls a special meeting earlier. Approval is expected.

FIERCE STATION vs. CATV INFIGHTING: Looks like a declaration of war on community antenna systems by small-town telecasters. Group of latter, whose lobby strength is greater than their apparent size, met during NAB convention this week, formed organization dedicated to putting crimp in CATV's cables.

Stations were really working hard, buttonholing commissioners at convention, contacting Congressmen, pleading with networks and film producers to fight property rights issue, etc. Current frenzy of action was precipitated by shutdown of KGEZ-TV, Kalispell, Mont. on grounds it can't compete with local CATV system, and petition by KLTV, Tyler, Tex. that it's being squeezed out by local system (Vol. 14:17). Stations warn that unless FCC acts "some of us will have to turn our licenses in."

Newly formed group has taken temporary name of "Committee for Preservation of Free Hometown TV," with organizing committee headed by Wm. C. Grove, KFBC-TV, Cheyenne, Wyo., and including Ed Craney, KXLF-TV, Butte; Marshall Pengra, KLTV, Tyler, Tex. Craney in particular is no slouch at lobbying. He was the man who, when Sen. Wheeler (D-Mont.) headed Senate Commerce Committee, got Senate to pass resolution blocking radio stations from increasing power beyond 50-kw.

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Chairman Magnuson (D-Wash.) of Senate Commerce Committee appears to have given group an attentive ear, for he has scheduled May 27-30 hearings on "general question of TV channel allocations," including "adequate TV service to small and isolated communities and the use of community antennas, satellite stations, etc." He has recalled as special counsel Kenneth Cox, Seattle attorney who handled previous allocations hearings.

Community antenna operators aren't without resources, either. Their leaders are well aware of problems, have sailed into fight. Like their opponents, they also cornered Comr. Hyde in Los Angeles, gave him their side of story. Minority stockholders of KGEZ-TV, who operate town's CATV system, assured him they really mean to put station back on air if given chance (Vol. 14:17). They were aided by several broadcasters who also operate CATV systems.

[For further details on station-CATV struggle, see p. 9.]

JUSTICE DEPT. HOT ON OPTION TIME & MUST-BUY: Role of Justice Dept. in FCC's network hearings is worth very close scrutiny for simple reason that Asst. Attorney General Victor Hansen is convinced that option time and must-buy are illegal. He said this 1½ years ago in testimony before Congressional Committees -- and this week, after staff had studied matter for the intervening period, he reiterated that conviction to us, flatly. His network investigation is still going on.

Justice Dept.'s views are no secret to FCC. Just last week, 5 Commission members (all save Hyde & Lee) met with Justice officials for exchange of legal views -- first time commissioners themselves have been in on the inter-agency discussions.

Justice's stand poses host of questions. FCC can accept its opinion, outlaw option time and must-buy at end of current hearings. Or, it can disagree, and hold that practices are necessary in public interest. Or, it may hold the practices are illegal but needed, ask Congress to create exemption by new law. Or, it can hold they're legal but not in public interest. Or, it can seek legal compromise.

Suppose Commission declares anti-trust matters aren't its concern, in effect telling Justice: "Sue, if you think you should." Many observers assume Justice would go to court -- in light of Hansen's views. And some lawyers think Justice would be out for real blood, divestiture of stations and the like.

Then there's possibility of compromise (Vol. 14:15). This presumes FCC could come up with formula which would placate Justice. It's recalled that Justice in 1943 dismissed suit against networks after FCC adopted present network regulations. Prior to then, networks had unlimited option time -- and Justice was satisfied to see option cut to present level. Now, speculation goes, Justice may be mollified with another slice. It's impossible to tell what Justice will do. Hansen feels strongly about it; so does his asst. Robert Bicks, an active man eager to make trust-busting reputation. But will Attorney General Rogers go along?

At least one strong camp in FCC isn't inclined to let Justice's opinions divert attention from overall public interest considerations. But Justice isn't being ignored. Recent Supreme Court decision, Northern Pacific Railway Co. v. U.S., March 10, is held by attorneys of KTTV, Los Angeles, to be proof that option time and must-buy are illegal per se -- as prohibited "tying" arrangements, a la outlawed block-booking in Paramount Picture case. KTTV attorneys argue that latest decision knocks props out of networks' reliance on Supreme Court's decision in Times-Picayune Pub. Co. v. U.S., of 1953. Northern Pacific case is getting mighty close study nowadays by FCC lawyers and attorneys for parties in network hearing.

* * * *

As if networks didn't have enough on their minds, Sen. Magnuson (D-Wash.) this week scheduled week of June 2 for hearings on Bricker network regulation bill (S-376). Sen. Bricker (R-O.) hailed Magnuson's move: "I am convinced the interests of the American viewing public can best be served if the FCC has some sort of regulatory control over the TV networks." Called in as committee counsel is Kenneth Cox, capable Seattle lawyer, who handled previous allocations network hearings. He is due in Washington latter part of May.

FCC, FAIRNESS, AND FREEDOM OF THE AIR: FCC Chairman Doerfer's call to editorialize, in speech at NAB convention this week, is something less than clarion but a good effort nonetheless. On one hand, he urges broadcasters to exert the right to editorialize, as granted by FCC. On other hand, he acknowledges that Commission will call them to task if they aren't "fair." He then speaks bitterly of newspapers that are "unfair," says that "fair" broadcast editorials would be "a refreshing experience for people who have been the captive readers of some local newspapers."

Fact is that broadcasters don't have freedom, can't be very effective as long as a govt. agency can determine what's "fair," and they'll continue to be mighty slow to exercise self-expression as long as that's true. Vigorous editorializing by stations can come only as it did with press, when they can even be "unfair," with their "editors" answerable only to the public.

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Old argument of "spectrum scarcity" is wearing thin as justification for FCC review of news and editorial presentations. Right now, public has greater access to potential diversity of broadcast voices than it has to varied daily newspaper views.

It's really that old govt. "lifted eyebrow" that inhibits stations. Though FCC has yet to take away anyone's station on score of "unfairness," it has made broadcasters mighty leary. Even such a carefully planned telecast as CBS's Khrushchev affair (Vol. 14:16), which provoked criticism from only an infinitesimal section of public, gives broadcasters cause for pause. Suppose a network took an editorial position favoring something FCC majority really didn't like; then imagine how it would fare in current network investigation.

FCC's current inquiries into "biased" telecasts on pay TV and National Assn. of Manufacturers' distribution of Kohler strike hearing kines (Vol. 14:16) probably couldn't be avoided under present Commission rules. But mere receipt of letters from Commission seems to be enough to scare broadcasters.

But Doerfer has done industry a good turn, anyway, by pushing stations to editorialize, even with strings attached. FCC's current policy was certainly a step forward in 1948, replacing Mayflower decision which pretty well blocked stations from editorializing. Next step is to interpret "fairness" more freely, then to dispense with "fairness" concept altogether, allowing true freedom of the air. [For digest of Doerfer's speech, see p. 8.]

Leaders Say 'Know Thyself': You could hear a pin drop in the assembly hall as NAB convention delegates listened to CBS pres. Frank Stanton urge upon broadcasters their enormous responsibilities in this space age, for they knew that he knew whereof he spoke from his experience as a panelist of the much-discussed Gaither Report. They were similarly attentive when Marion Harper Jr., pres. of McCann-Erickson, exhorted them to use their powerful facilities in the cause of combatting depression.

Stanton noted that the 4000 stations (TV, radio) today outnumber daily newspapers better than two to one; that broadcasting, alone among media, can reach all the people at the same time, and immediately; that "in an age over which hangs the threat of ICBM warfare, with all the speedy, unpredictable devastation that it implies broadcasters have a responsibility of critical importance."

They can meet this responsibility, he said, in obvious reference to the new New Dealish threats from Washington, only "if their essential strength and structure are not impaired and if we put our minds to it without qualification." He suggested four fronts on which networks and stations must move:

"First: We must resist with vigor and unity of purpose all shortsighted efforts—however well intended—to weaken the basic structure of broadcasting. Sound practices and economic health are the minimum essentials of getting the job done.

"Second: We must ourselves take a fresh look at the 'public interest, convenience and necessity,' never forgetting that without devotion to this basic element of our charter, we can become just another industry.

"Third: We must broaden our concept of what constitutes an adequate news service. By this, I do not mean adequate in quantity alone. I mean a program service fresh, imaginative, provocative and arresting in quality.

"Fourth: We must join the rest of the press in the fight for the right to get information and, without harassment, to report it. For this is the raw material from which sound public opinion is formed in a democracy."

It's up to the broadcasters to help keep the processes of democracy functioning, to keep people from drifting into passiveness and false confidence. "We are no longer merely an extension of other informational media. We have had leadership thrust upon us. Whatever the risks, whatever the harassments, whatever the discouragements, the survival of our freedom as an industry—as well as that of all of us as a people—may well depend upon how we exercise it."

* * * *

"Let Broadcasting Do It" was title and theme of Marion Harper's address—and he spoke not only as a veteran Madison Ave. TV-radio campaigner but as prime mover in the Advertising Council in urging the broadcasters to join wholeheartedly in Council's current all-media anti-recession campaign keyed to theme "The Future of America." Said he:

"The usual assignment of advertising is to build a favorable image of a product. This campaign concerns itself with a favorable image of America's future. Each advertisement, commercial, film and other message pursues the line 'your future is great in a growing America' . . . a country with more people, more jobs, more products—and more public and personal needs to be satisfied." He observed:

"I know of no greater testimonial to the versatility, impact and breadth of coverage of TV and radio than to say this: There is not a single major national need today which broadcasting cannot serve with some vital contribution . . . I urge each of you to give this program as much support and air time as you possibly can—not only as a matter of public interest but for obvious reasons of self interest. Your media have proved they can build sales—they can also build confidence in the country's future."

The Tape Revolution: Video tape's vast promise is now well on way to becoming a telecasting business reality. Bringing closer the day when taped TV pictures will be handled by every station in the land (see p. 2) are these 5 important new developments, all of which have taken place since last year's NARTB convention:

(1) Interchangeability of tapes from one machine to another.

(2) Start of deliveries of regular production units, Ampex having already shipped 112 recorders to 45 outlets and RCA due to begin production deliveries next fall. By year's end, Ampex says it will have equipped 100 stations, with output now well ahead of schedule.

(3) Development of color tape recorders and color conversion kits, first by RCA and then by Ampex.

(4) Development of quick and practical method of splicing TV tape for easy editing.

(5) Standardization of video tape and recorder specifications and characteristics, with RCA adopting principles developed by Ampex.

Needless to say, other inventions are still needed—e.g., a practical device for mass reproduction of tapes at the speed with which film prints are made and this is said to be on the way.

* * * *

Two "firsts" in TV color and tape were demonstrated at convention this week—but these were events which had been talked about so much before convention that they hardly seemed new:

RCA-NBC gave first non-laboratory demonstration of its color TV tape recorder, and Ampex showed its color tape adaptor for first time. RCA's color tape pictures, previously shown to press & industry in operation at Camden (Vol. 13: 43), was demonstrated this time in actual operation at NBC's "Tape Central" at Burbank, where bank of 11 Ampex and RCA machines, 8 of them capable of recording color, was shown in operation.

Ampex's first color demonstration was held in conjunction with GE, which showed its new live color camera, transistorized and compact (Vol. 14: 47), in action with Ampex tape.

Fact that color quality tended to be variable in both demonstrations doesn't detract from conclusion that color tape is here. One has but to compare quality of today's nearly perfect monochrome tape-recorded pictures with those of 2 years ago to realize that so far as color recording is concerned "this is it."

Some observers at convention were surprised at the vigor with which GE is pushing its live color camera—and speculating that GE is ready to ride the color horse as soon as it shows signs of breaking into a trot. Presumably same is true of GE's TV receiver manufacturing operations.

NBC currently is only network using color tape equipment, though CBS has 2 Ampex color converters on order. All 3 networks have tape centers on west coast for Pacific and Mountain Time repeats. ABC's eastern and central zone repeats are handled from Chicago, CBS's from New York and NBC's from Los Angeles.

AT&T came through with circuits required for Standard Time repeats, making continuity of program schedules possible in nearly all Standard Time zones when nation switched to Daylight Time. Only large section forced to continue schedule-change practice is Washington-Oregon, which remains on Standard Time in summer. All networks quote excellent preliminary reports from their affiliates on quality of the delayed telecasts.

That video tape already has become a station necessity is obvious to many far-sighted telecasters. Price of the recorders ($45,000 for Ampex's, $49,500 for RCA's black-&-white) has caused good deal of hesitation among station people, particularly since 2 machines are needed for best results.

Attitude of many telecasters brings to mind some broadcasters' first reactions to TV itself: We don't believe it; it's expensive; we can't make it pay off; let's wait and see. As in case of TV itself, a dozen years ago, it has been the more progressive stations with live-minded engineers which have pioneered use of video tape.

Emergence of video tape has catapulted youthful Charles P. Ginsburg, now mgr. of Ampex advance video development, into ranks of electronics engineering statesmen. Leader in development of TV tape, Ginsburg—onetime engineer for San Franscisco's radio KSFO—already has been awarded 2 of engineering's top honors: IRE's Zworykin TV prize and SMPTE's David Sarnoff Gold Medal.

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Another TV tape recorder, BBC-developed "VERA" (Vol. 14: 15, 16), has been put into practical use in London—though BBC is awaiting arrival of an Ampex machine for comparison purposes. U.S. broadcast engineers at NAB convention said VERA would be impractical for American TV since it currently is capable of taking only 2.5-mc bandwidth—inadequate for U.S. TV standards. It also has same drawbacks as early developmental RCA video recorders—high speed mechanism and inability to accommodate standard-length programs on convenient sized reels. Addressing NAB engineering luncheon, BBC engineering director Sir Harold Bishop gave this description of VERA:

"It employs ½-in. magnetic tape and a tape speed of 200-in. a sec. The tape is of the normal thin base sound-recording type and is not specially selected. There are 2 video tracks with a band-splitting system in which the video signal is divided into 2 frequency bands, 0-100 kc and 100 kc-3 mc. The 0-100-kc band is made to frequency-modulate a carrier so that the low-frequency difficulties inherent in the conventional magnetic recording system are avoided. What is even more important is that the amplitude limiting associated with the reception of frequency-modulated signals may be incorporated in the reproducing chain to eliminate undesirable amplitude fluctuations, and so overcome almost all 'dropout' difficulties. It does, in fact, work very well. The higher video band from 100 kc upwards is recorded simultaneously on a second track in a conventional manner. Separate recording and reproducing head-stacks are employed, so that continuous monitoring of the recorded picture and sound during the process of recording can be carried out."

'20th Century Phoenix': Foregoing titled significant talk on upsurge in network radio by Matthew J. Culligan, NBC v.p. in charge of radio network, at NAB convention—basic theme being along lines of pres. Robert W. Sarnoff's recent remarks reprinted by us (Vol. 14:13) under caption "Network Radio—No Time for Requiem."

Admitting TV inroads on night audience, Culligan noted NBC radio network (CBS's, too) has 14 of the 15 original radio advertisers back, though all quit at some time during last 5 years; that in 1956 NBC Radio had 26 clients, in 1957 it had 115; that 1958 payments to affiliates will be 2½ times those of 1956; that affiliates aren't quitting any more, 5 being added in last 6 months, 10 more shortly. Said he:

"The more dedicated radio station owners . . . recognize that by 1960 there will probably be over 4000 radio stations in America. About 3000 will be glorified juke-boxes, wallowing in hopeless mediocrity with the same weary rehashes of wire service news reports and rock 'n' roll or whatever fad music replaces it. There will be about 750 network affiliates who will stand head-&-shoulders above this hopeless mob of jukeboxes [bringing] world-wide and national news live to their audiences, along with the great name commentators . . . World Series, political conventions, outstanding sports [and] top stars.

"Their service will be appreciated. Their prestige will soar. Their adult audiences will enlarge. Their rates will rise. Their income from national spot, local sponsors and the network will increase . . . and the profit levels will exceed those attained in the pre-TV era."

Note: ABC Radio has announced no plans to change from curtailed schedule recently decided upon (Vol. 14:12-13), while MBS continues to report it's at break-even point (which NBC & CBS do not state yet) and that it has every intention of staying in business. New MBS chairman-pres. Armand Hammer and exec. v.p. George Vogel met with affiliates at Los Angeles this week, amid reports recently ousted Roberts-Hauser group (Vol. 14: 9) wants to sell its 50% stock and that Paul Roberts has already disposed of his share.

National spot radio business in multiple-station markets totaled $152,003,000 in 1957 vs. $119,994,000 in 1956—up average of 27%, according to Adam Young radio rep firm, which says estimates are based on FCC data for previous years and "firm's own first-hand knowledge of billing trends in the majority of the country's larger markets." Biggest increases (each at least 40%) were reported in Columbus, O., El Paso, Los Angeles, New Haven, Norfolk, Pittsburgh, Portland, Ore., Providence, San Francisco-Oakland, Springfield, Ill., Toledo, Wilmington.

President Eisenhower will address dedication ceremony of new NBC studios in Washington May 22.

Doerfer Editorializes: A healthy pitch to broadcasters, prompting them to editorialize, was made by FCC Chairman Doerfer in speech at NAB convention this week (see p. 5), but his remarks show why exercise of the "right" is still difficult.

"Having fought and won the battle for the right to editorialize," he said, "the broadcasters have failed to follow up this conquest—at least to extent expected by the Commission.

"Apparently, the shock of such an unexpected victory in 1948 has left the broadcasting industry too dazed to properly exploit the breakthrough. But 10 years is a long time to stand in stunned silence—especially when the press continues to appropriate this field unabated and virtually unchallenged by the only other effective medium of mass communication that exists."

Doerfer noted that 1400 cities have daily newspapers but only 100 have competitive papers. Despite need for more editorial voices, he said, only about 5% of radio stations editorialize on daily basis, only 35% occasionally.

Stations should have no fear of "reprisals by public officials," he said. Even if FCC reversed present policy of encouraging editorials, he stated, Communications Act prohibits censorship, and First Amendment of Constitution keeps Congress from curtailing free speech. He went on, however:

"It is true that a broadcaster must exercise more care than a press editor. After all, the newspaper publisher need not seek the renewal of a license every 3 years. He may be hasty, careless, vindictive or callous to accepted standards of fairness. Not so a broadcaster. He must use reasonable care to be fair and has an affirmative obligation to ensure the presentation of conflicting views by responsible elements in a community. But is this bad? It may be an innovation in many American communities. It promises to be a refreshing experience for many people who have been the captive readers of some local newspapers.

"This concept of an obligation to be fair and to actively seek out and present opposing views by responsible people may come as quite a shock to some newspaper editors.

"But that is one of the best opportunities a broadcaster has for performing a worthwhile local public service. If he uses reasonable diligence and establishes an overall pattern of fairness, he will have little to fear from any public officials on any level."

Newspaper ownership of stations concerns some members of Congress, Doerfer said. He noted "constant drum of criticism" against FCC's authorization of newspaper ownership—which was about 25% of TV in 1952, is still about same.

"Pressures are building up, Doerfer said, which may culminate in Congress establishing fixed criteria by which applicants in comparative cases are chosen. The diversification of mass media argument will, I am sure, be hotly debated. I hesitate to venture any guess as to the outcome . . .

"But whatever the merits of a proposed divorcement between the printed and the broadcast media, there is every indication that newspaper-owned facilities will be tolerated only if they establish a completely independent editorial staff for broadcasting their comments and, perhaps, even an independent local news staff—especially in view of the irresistible temptation on the part of some newspapers to editorialize through a selection of news, the wording of headlines, and the negligent or intentional omission of factual information from their news columns. In any event, the accent of the day seems to be upon more independence and fairness in the dissemination of news and views.

"Broadcasters have also, in some recent attempts to editorialize, displayed some peculiar ideas of what constitutes an adequate presentation of opposing views. In the recent flurry to editorialize on the merits and demerits of subscription TV, some broadcasters presented the position of opposing views to permit a test of subscription TV by a designated member of their staff. I suppose you could refer to him as the loyal opposition."

* * * *

Doerfer thus illustrated the opportunities and difficulties. Even newspaper-owned stations aren't too excited by prospect of editorializing. One reason, of course, is that they already have a "voice." Another is that they don't want to jeopardize the TV-radio profits which are increasingly important to sustain that voice. For example, *N.Y. Times* last week for first time disclosed its earnings, and despite fact it garnered $66,900,000 ad revenues in 1957, 30.6% of all advertising in N.Y. papers, its profits on publishing were $1,462,814 after taxes. From newsprint company it owns, *Times* netted $1,547,253 in 1957. Profits from publishing were only $71,985 in 1953, $61,346 in 1954, hit peak of $2,287,304 in 1956.

Times doesn't own TV, has radio WQXR, which isn't in a class with TV as an earner. But it may readily be seen that many a publisher gets far more out of TV than out of his newspaper and is content to treat station as source of income rather than as a personal "voice."

Accolade to the broadcasters from Edwin W. Ebel, General Foods v.p. & chairman of Advertising Council's TV-radio committee, speaking at NAB Los Angeles convention: "In the past 18 months, broadcasters and broadcast advertisers contributed more circulation, more time and talent to more information campaigns in the public interest than was contributed in any such period in the history of your industry, including wartime . . . Year-end figures show that the circulation given to Council campaigns in 1957 through network commercial programs alone increased 50% over 1956, rising from 10 billion to over 15 billion home impressions." Does this advertising work? Ebel's reply was a resounding "yes" as he cited Stop Accidents and Prevent Forest Fires campaigns. Currently, Council is campaigning for "Confidence in a Growing America" as means of combating recession.

American Research Bureau's "Arbitron" instant rating system (Vol. 14: 1) will probably go into daily operation in New York City area next week, ARB pres. James Seiler said at Los Angeles. It will start initially with slightly over 100 homes on hookup, increasing by about 15 homes daily. The service won't be offered for sale, however, until 225-home sample is operating—probably by end of May. Installations have been made in 300 homes, but difficulties in balancing telephone lines have caused delay. It's understood A. C. Nielsen Co. is also planning instant rating service and has ordered 100 devices to place in home sets due to be delivered next Dec.

Los Angeles will be host to triennial meeting of International Radio Consultative Committee (CCIR) April 2-30, 1959, at Biltmore Hotel. The meetings are held by govt. officials and industry representatives of 50 countries.

CATV-Station Battle Lines: Small-town telecasters appear to have made some impression on FCC, with their charges that community antenna systems threaten their existence (see p. 4). Comr. Rosel Hyde, with whom they conferred last week in Ida., stated at NAB convention that matter is "serious"; that FCC should study it.

They'll have tough time persuading Commission that systems are common carriers, though they plan to ask for reconsideration of recent adverse decision (Vol. 14:14). Latest effort is more indirect—to get at systems through their microwave licenses, which FCC does control.

Stations have long tried, with little success, to persuade NAB and bigger stations to take up cudgels in their behalf. But big-city stations haven't been able to get worked up about it, particularly since they enjoy the bonus coverage provided by CATV systems without cost. Even some small and uhf stations make much of this bonus in their sales pitches.

Small-town group has had somewhat better luck with Congress—getting ear of Sen. Magnuson (see p. 4) and Sen. Mansfield (D-Mont.), who spoke up last week (Vol. 14:17). Some western Congressmen are already sworn enemies of CATV systems because latter have fought to shut down or control illegal vhf boosters operated by their constituents.

Strategy of getting at CATV systems through program property rights is an uncertain one. Courts have never settled matter of signal ownership. For example, CBS pres. Frank Stanton says his lawyers believe it's doubtful that pickups by CATV systems can be stopped, as of now. And the small-town station operators don't want a court test (1) for fear they may lose, and (2) long delay, to say nothing of legal costs, might be disastrous to some.

First formal move of new small-station group was to resolve at this week's Los Angeles meeting to ask FCC to: (1) Require common carriers, translators, boosters and private microwave operators to file written consent from program property rights owners to relay originating station signals. (2) Allow stations liberal and permanent use of their own private microwaves in lieu of AT&T's or other common carriers'.

Broadcast Pioneers' "citations for distinguished achievement" were presented at group's 17th annual dinner April 29 in Los Angeles by pres. John Patt, WJR, Detroit, to Dr. W. R. G. Baker, EIA pres., Syracuse U research v.p. and retired GE v.p., for contributions to electronics industry and advancement of electronics engineering profession (in absentia); to FCC Comr. Rosel Hyde for his part in North American radio agreement negotiations; to pres. Earle C. Anthony, of Los Angeles' KFI, for public service and leadership; to Bing Crosby & Bob Hope for their service in making "a happier world." J. Walter Thompson v.p. John U. Reber was honored with posthumous Hall of Fame award for pioneering radio's commercial and entertainment possibilities; it was accepted by Mrs. Reber. Special citations were presented to CBS chairman Wm. S. Paley, accepted by pres. Frank Stanton, and to Cecil B. DeMille, who addressed dinner. New president of group, which has a prime project, the establishment of a Broadcasters Hall of Fame and Museum, like baseball's at Cooperstown, N. Y., is Frank Pellegrin, v.p., H-R Television.

British Color, UHF, FM: Progress of BBC in color, uhf and FM as outlined by Sir Harold Bishop, director of engineering, in luncheon address April 30 at NAB Los Angeles convention:

"As I understand it, the public acceptance of color TV in this country has been slower than was first expected. Three years ago, the BBC decided to carry out experimental color transmission to test the NTSC system modified for Britain standards and to give our manufacturers the opportunity of studying receiver problems. The results of these transmissions have been encouraging but we are uncertain when the public demand for color will build up, and no decision has yet been made to introduce a color service in Britain . . .

"We are not so far using the uhf bands. We have watched the problems you have encountered in this country in the use of these frequencies, and we shall read with great interest the final report of TASO . . . In view of the International Radio Conference at Geneva next year, it is very important that we should be fully informed about the potentialities and shortcomings of the uhf bands allotted for TV . . . We are investigating propagation over short and long distances and carrying out picture transmissions to provide a direct comparison between vhf and uhf, using a 200-kw ERP transmitter working on 654 mc. We have a number of mobile laboratories in the field and a statistical study of the results should be ready in the autumn . . .

"As a result [of departures from European AM allocations], all our medium-frequency stations suffer interference . . . We foresaw that this situation would get progressively worse and, some years ago, we decided to build a network of FM transmitters operating in the band of 88-100 mc to duplicate the programs given on medium frequencies and to provide facilities for local broadcasting. This task has been largely completed, and we are now covering some 98% of the population on FM. The sale of FM receivers is going well, although I do not myself believe that FM will ever replace the standard band completely . . . There is, incidentally, a marked trend towards incorporating FM radio facilities in TV receivers."

TASO Progress: Final report of TASO will probably be delayed until end of year, the allocations study's exec. director Dr. George R. Town told NAB Engineering Conference in Los Angeles this week. He revealed several modifications in TV standards are being considered, among them: (1) Circular polarization, which may provide better service in shadow areas, particularly for uhf. (2) Cross-polarization, to minimize co-channel interference. (3) Reduction in ratio of sound-to-picture power to reduce possibility of lower-adjacent-channel interference. He said TASO is well on way to developing more reliable methods for preparing propagation curves.

New low-cost vidicon camera and microwave unit, being offered to telecasters for first time, was demonstrated at this week's NAB convention by Ling Systems Inc., 11754 Vose St., N. Hollywood, Cal. Complete vidicon chain with microwave remote unit mounted in Volkswagen van is being offered on 60-mo. lease basis for about $500 a month.

Co-channel interference reduction possibilities are discussed in *Polarization Discrimination in TV Broadcasting*, new report of FCC's technical research div. (Report T.R.R. 4.3.10), available from the div.—or from us.

FCC Scans Industry Problems: In panel discussions, press interviews and informal conversations, FCC members spent Govt.'s money well by attending NAB convention in Los Angeles. Even Commission's strongest critics acknowledge value of their attendance at the "big one."

Scarcity of TV channels and the fallow uhf spectrum continue to gnaw most seriously at Commission's conscience. Commissioners continue to agree that "something must be done." Comr. Ford is particularly concerned, asserting:

"This is the most urgent problem we have at the Commission. We better look for an answer. We must find a solution or uhf will slip until there isn't any more uhf; 49% of the uhf stations have gone off the air. Patchwork answers won't do. TASO will come through with information, but we have a lot of work to do while waiting for it; we also have technical data. Uhf works where it's deintermixed. If we decide to go to all uhf, it would take a period of years to do so."

Chairman Doerfer: "We've got to have a fresh attitude on deintermixture."

Comr. Craven: "In the long range, we may have to go to all uhf or another part of the spectrum. We aren't twiddling our thumbs."

Comr. Bartley: "It's a local area problem. Uhf does well with deintermixture."

NAB pres. Harold Fellows noted that industry has invested some $500,000-$600,000 in TASO's work, urged that Commission weigh its findings which he termed "real evidence."

Uhf stations' Committee for Competitive TV noted sparse uhf attendance, held no general meeting. According to exec. director Wallace M. Bradley, ⅔ of on-air uhfs are not NAB members, and he said that informal discussions among uhf operators "indicated it is inevitable that one or 2 things will take place in the near future—either (1) the FCC switches to an all-uhf system, or (2) the FCC reduces mileage operations, reduces power, and directionalizes the vhf system."

Curiously, pay-TV was completely absent from agenda, except that anti-pay-TV filmed statement by Chairman Harris (D-Ark.) of House Commerce Committee, released last month for distribution to TV stations (Vol. 14:16), was shown at management session—and its significance wasn't lost. In the 3-min. clip, Harris warns FCC not to proceed with announced intention to consider pay-TV test applications after Congress adjourns—else he'll "call the Committee back together in session and conduct hearings into the entire problem."

In press conference, Doerfer stated Commission will go ahead with plans, assuming Congress doesn't take additional action by adjournment, and will weigh facts as they exist at the time. He said it is duty of FCC to move.

Slow processing of applications, a chronic ailment, was brought up again. Doerfer stated that Commission is trying to get more funds, more staff—and he reiterated that FCC is frustrated by the interminable "due process" provided by law. He again urged that Congress relieve Commission of "protest rule" burdens and permit fuller consultation with expert staff.

* * * *

Programming promises and plans of stations are very much on commissioners' minds. Ford said that present new-application form should be changed; that applicants can't be expected to "crystal ball" programming. Craven called application form "a kind of censorship," said that applicants should be permitted to cite local needs, tailor program representations in light of available service.

License renewal forms of TV & radio stations, being revised by FCC, come up for Commission consideration shortly. Industry has been seeking revisions permitting stations to make better showing on record of broadcasting public affairs programs. One change being considered by Commission is to permit stations to offer judgment as to what percentage of their programs may be considered "educational" even though they don't fall within FCC's educational category, which requires such programs be "prepared by or in behalf of educational organizations."

Fellows staunchly defended FCC's attendance at convention, declared: "If govt. officials must travel to observe, to learn and in other respects discharge their official responsibilities, as I believe they must, then let the Govt. pick up the tab and relieve industry of this responsibility." Commissioners are paying own expenses, using Govt. system permitting them to get up to $25 through itemization—but most were out-of-pocket on the trip, anyway.

FCC Seeks Clarification: "Errand boy" role assigned FCC by Court of Appeals in Miami Ch. 10 case, wherein Commission asked matter be remanded to it because of alleged improprieties (Vol. 14:16), isn't a proper one, Commission told court this week—and it asked for clarification of remand order. "The seriousness of the matter," FCC stated, "and the nature of the problem involved cannot, in our opinion, relieve the Commission of its obligation under the Act to determine initially the competence to participate of its individual members and the basic qualifications of applicants for radio & TV facilities. While such determinations are, of course, subject to review by the Court, we do not believe that it would be appropriate for them to be made, in the first instance, by the Court. Nor, assuming *arguendo* that one or more of these determinations could be made originally by the Court upon the basis of findings of fact developed at an evidentiary hearing, do we believe that any authority exists for directing the Commission to serve in the capacity of 'special master' for the Court." Meanwhile, grand jury continues Ch. 10 investigation, has called attorneys for applicants to appear in couple weeks.

Toll TV spokesman, the San Francisco-published *Pay-TV Newsletter & Digest*, which apparently had suspended publication for some weeks, came out last day of NAB convention May 1 with strongly worded third edition insisting all is going quite well despite pay TV's opponents and detractors, including Congress. Regardless of Washington edicts, despite Los Angeles revocation of Skiatron charter, it claims success for system in Bartlesville closed-circuit tests and in huge theatre turnout for Robinson-Basilio closed circuit (Vol. 14: 10). It announced ambitious plans for "first national conference on pay TV" it's calling in Los Angeles in early fall, listed agenda even more inclusive in topics of discussion than NAB convention with its 30 speakers, 15 panels.

Break-even point for 39-episode half-hour TV film series now averages $1,725,000, said TPA pres. Milton A. Gordon at April 28 NAB convention TV film panel. Average "negative cost" of 30-min. TV film program—exclusive of print costs, advertising, sales, overhead, etc.—is now about $27,625, he said, representing 30% increase in 3 years.

Television Digest with Electronics Reports
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Personal Notes: Joseph A. McDonald, NBC asst. gen. attorney & former ABC v.p., resigns, is expected shortly to become partner in Washington TV-radio law firm, Smith & Hennessey . . . Gayle V. Grubb, Storer v.p. in charge of San Francisco office and onetime ABC v.p. there, resigns . . . Charles Holden, from Hollywood, promoted to production mgr. of CBS-TV network programs, N. Y. . . . Arthur J. Johnson promoted to NBC-TV station sales mgr., N. Y., R. D. Daubenspeck to mgr. of NBC-TV network sales development & presentations, Chicago . . . Hugh Ben La Rue takes over radio KTIX, Seattle, buying it for $270,000 from Tele-Broadcasters Inc. (H. Scott Killgore), leaves post of exec. v.p.-gen. mgr. of KTVR, Denver . . . Bennet H. Korn, DuMont Bcstg. Co. public relations director, adds duties of program director for WABD, N. Y. succeeding John M. Grogan, who was named DuMont radio programming v.p. . . . Walter Bartlett, ex-*Indianapolis Times*, named sales mgr. of WLWC, Columbus, succeeding Gregory Lincoln . . . Fred L. Vance, ex-KWTV, Oklahoma City, named station mgr. of KVOA-TV, Tucson . . . Norman Cissna named NTA midwest sales mgr., 612 N. Michigan Ave., Chicago; Lionel Furst, Paul O'Brien, Augie Cavallaro join national sales dept. . . . Wm. L. McGee promoted to western v.p. of Interstate TV Corp. . . . E. Tillman Stirling, asst. U. S. attorney for District of Columbia, joins Washington communications law firm of Welch, Mott & Morgan . . . Dalton Danon named Guild Films western div. mgr. . . . Arthur Settle appointed public relations director for Metropolitan Educational TV Assn., N. Y.

New NAB TV board members elected at Los Angeles convention are G. Richard Shafto, WIS-TV, Columbia, S. C., and Dwight Martin, WAFB-TV, Baton Rouge, La. Members reelected: James D. Russell, KKTV, Colorado Springs; Joseph Baudino, Westinghouse; C. Howard Lane, KOIN-TV, Portland, Ore.; John E. Fetzer, WKZO-TV, Kalamazoo; Payson Hall, Meredith; Joseph J. Bernard, KTVI, St. Louis; Henry B. Clay, KTHV, Little Rock; C. Wrede Petersmeyer, Corinthian; Willard E. Walbridge, KTRK-TV, Houston. Network members reelected: Alfred Beckman, ABC; Wm. B. Lodge, CBS; Frank M. Russell, NBC.

David Lachenbruch, ex-*Television Digest*, joins staff of *Radio-Electronics*, N. Y., as associate editor.

Obituary

John S. Phipps, 84, father of John H. Phipps, owner of WPTV, Palm Beach and WCTV, Thomasville-Tallahassee, Fla., died at his Palm Beach home April 27. Surviving are two other sons, daughter.

John R. Gilman, 63, retired v.p. of Roy S. Durstine Adv., originator of *Lux Radio Theatre*, died at his home in Tiverton, R. I., April 30. Surviving are widow, son, 3 daughters.

ADVERTISING AGENCIES: Elliott W. Plowe, ex-BBDO, named senior v.p. of Calkins & Holden . . . Wm. J. McIlvain promoted to v.p. broadcasting dept. of Leo Burnett, succeeded as director of network relations by Paul A. Louis . . . Frank Clarke named v.p. of Erwin Wasey, Ruthrauff & Ryan, Los Angeles . . . Brooks Elms named a v.p. of Sullivan, Stauffer, Colwell & Bayles . . . John W. Connor promoted to v.p. of Cunningham & Walsh . . . A. Roy Barbier elected a v.p. of MacManus, John & Adams . . . Joel Kaplan, ex-Irving Serwer Adv., named exec. v.p. of Ashe & Engelmore, N. Y. . . . John J. Remillet promoted to v.p. and marketing director of D. P. Brother & Co., Detroit . . . Philip J. Kelly, ex-Calvert Distillers, elected a v.p. of Lynn Baker . . . Walter L. Niebling Jr. promoted to v.p. Dobbins, Woodward & Co., S. Orange, N. J.

Assn. of Federal Communications Consulting Engineers, at pre-NAB conclave in Mexico City, attended by many Latin America broadcasters and marked by entente cordiale, elected treas. George E. Gautney, Gautney & Jones, as 1958 pres., succeeding Kear & Kennedy's Robert L. Kennedy; Howard T. Head, A. D. Ring & Assoc., v.p.; Robert M. Silliman, secy.; Wm. E. Benns Jr., treas. Directors elected: David L. Steel of Page, Creutz, Steel & Waldschmitt; John H. Mullaney, head of own firm; Edward F. Lorentz, Commercial Radio Equipment Co.

Harry C. Butcher has sold his KIST, Santa Barbara, Cal. (250-w, 1340 kc) for $197,500 to group headed by his mgr. Carl Rembe, whose chief backer is A. C. Morici, head of Contadini foods, with A. R. Elman, Chicago accountant. Mr. Butcher, ex-CBS Washington v.p., wartime naval aide to President Eisenhower, will continue to reside in Santa Barbara but will devote fulltime to his wholly-owned KIVA, Yuma, Ariz. (Ch. 11).

Ward H. Quaal, gen. mgr. of WGN & WGN-TV, Chicago, reelected pres. of Quality Radio Group at Chicago meeting; W. H. Summerville, WWL & WWL-TV, New Orleans, v.p.; Wm. D. Wagner, WOC & WOC-TV, Davenport, secy-treas. New directors: Frank Gaither, WSB, Atlanta; John B. Taney, WRVA, Richmond.

Wm. S. Hedges, NBC v.p.-integrated services, onetime NAB pres., this week received 1958 plaque of "VIPs" as man "who has done most in the past year for the broadcasting industry". Group comprises 16 who went on then Col. Ed Kirby's Air Force junket to European warfront in 1944, has met annually since then at NAB conventions.

Joe Higgins, WTHI-TV, Terra Haute, Ind., a top industry golfer, won NAB-*Broadcasting* golf tournament April 29 at Los Coyotes Club (Los Angeles) with score of 74—sixth time he has won it in last 10 years (Vol. 14:15).

Robert Eastman, ex-pres. of ABC Radio, establishes own rep firm, first client being N. Y.'s WNEW for area outside N. Y. He plans offices in N. Y., Chicago, San Francisco, currently works out of home in Waccabuc, N. Y.

American Women in Radio & TV, at convention in San Francisco last week, elected Nena Badenoch, National Society of Crippled Children & Adults, Chicago, as pres.

Ralph F. Craig and Hale Rood, independent music producers, form Hardric Productions, 510 Madison Ave., N. Y., specializing in musical commercials.

New reps: WNEP-TV, Scranton, Pa. to Avery-Knodel (from Bolling); WINR-TV, Binghamton, N.Y. to Everett-McKinney May 1 (from Hollingbery).

Do You Know That . . .

WHEN MRS. SCOTT BULLITT was named recently to the board of regents of the University of Washington, it was something more than a tribute to one of the industry's grand and gracious ladies for the fine job of educational and public service broadcasting her Northwest TV-radio stations are doing. To many of us, it was a well-merited symbol of recognition of the coming of age of American TV & radio, for academic distinction generally comes with mature achievement.

With the season of commencements almost upon us, we'll soon be reading about more honorary degrees bestowed upon top people in TV & radio. As of now, the only holder of the more than the 21 held by RCA's David Sarnoff, age 67, is the great Owen D. Young, onetime head of GE, who now at 84 lives in graceful retirement in his hometown of Van Hornsville, N. Y. Mr. Young was actually Gen. Sarnoff's mentor in the founding of RCA and NBC, and they're fast friends.

CBS's William S. Paley is a life trustee of Columbia U but his biography shows no honoraries. Its pres. Dr. Frank Stanton, whose Ph.D. is an earned one, has them from his alma maters Ohio State and Ohio Wesleyan and from Birmingham-Southern College. Ed Murrow also won an honorary from his alma mater, Washington State '30, has them too from Temple U, Muhlenberg College, Rollins College.

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Allen B. DuMont, one of TV's great developers of the CR tube, holds honorary degrees from Rensselaer Polytech (where he was graduated in 1924) and from Brooklyn Polytech, New York U, Fairleigh Dickenson College—and he won the coveted 1947 American School & Colleges Award. RCA's Frank Folsom, a leading Catholic layman, has LL.D.'s from Notre Dame, Fordham, San Francisco U, Manhattan College, St. Joseph's College. Sylvania's Don G. Mitchell has them from Rensselaer, Stevens Tech, Northeastern U, Middlebury College, Parsons College; Motorola's Paul V. Galvin, from Loyola U, Chicago.

Dr. Alfred N. Goldsmith, the "engineer's engineer," onetime chief engineer of RCA, ex-editor of *IRE Proceedings*, made such a deep study of medical electronics that his friends sometimes think his doctorate (Columbia '11) is medical; he's also a Columbia and Lawrence College honorary, an honorary member of the N.Y. Medico-Surgical Society and honorary fellow of the International College of Surgeons.

RCA's Dr. Elmer W. Engstrom (Minnesota '23) holds a New York U honorary D.Sc., was recipient of Minnesota's award for outstanding achievement in 1950, is on advisory councils of Princeton and New York U electrical engineering colleges. Philco's British-born Leslie J. Woods was honored by Drexel Inst.; GE's retired v.p., Dr. W. R. G. Baker by Union College, his own school; ex-FCC chairman George McConnaughey, by Western Reserve, his alma mater; ex-FCC Comr. Robert F. Jones, also an ex-Congressman from Ohio, now a Washington attorney, by Ohio Northern; J. W. West, pres. of *Augusta Chronicle's* WRDW-TV & WRDW, by Augusta Law School; Paul M. Segal, Washington radio attorney, by Loyola U, New Orleans.

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Trustees or regents of colleges and universities from the industry's ranks include: H. Leslie Hoffman, Hoffman Electronics, U of So. California; Benjamin Abrams, Emerson, Long Island U; Ross D. Siragusa, Admiral, Loyola U, Chicago; Larry Gubb, Philco (retired), Cornell. Westinghouse's Gwilym S. Price is trustee of Carnegie Tech, Carnegie Library, Carnegie Institute as well as of Allegheny College; Westinghouse pres. Mark W. Cresap is trustee of Williams College.

The *Louisville Courier-Journal's* Barry Bingham is on board of trustees of Rockefeller Foundation, its pres. Mark Ethridge on board of Ford Foundation. Hulbert Taft Jr., of the *Cincinnati Inquirer* family, who runs its TV-radio stations, is a trustee of the Cincinnati Conservatory of Music. NBC v.p. Joe McDonald is a trustee of Webb Institute of Marine Engineering, Glen Cove, L. I., from which he was graduated as a naval architect in 1924.

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Earned Ph.D's are fairly numerous. Besides the aforementioned, to mention a few that come immediately to mind, there are DuMont v.p., Dr. Thomas T. Goldsmith; Washington consulting engineer, Dr. Frank Kear; Washington attorney, Vernon Wilkinson, who got his degree in international law, studied at the Sorbonne, never uses the title; Washington electronics consultant, Dr. Albert F. Murray; founder-owner of Hartford's WDRC, Dr. Franklin Doolittle.

Then there are Dr. O. H. Caldwell, member of original Radio Commission, now retired; Dr. George Town, on leave as associate dean of engineering, Iowa State College, to prepare the important TASO report; Dr. Irvin Stewart, onetime FCC commissioner, retiring in June as pres. of U of West Virgina.

Note: Dr. Lee DeForest, specially honored at this week's NAB convention, holds honorary degrees from Yale's Sheffield Scientific School, where he got his B.S. degree in 1896, Ph.D. in 1899, and from Syracuse U, Talladega College, Beloit College. At age 85, the inventor of the 3-electrode tube as detector, amplifier and feedback oscillator, is still very active in his lab at 1027 No. Highland Ave., Los Angeles.

Dissident Report on ETV: Reversing favorable finding last fall after first year of closed-circuit TV instruction at Los Angeles City College, faculty members conclude system has "devitalized" teaching, failed to alleviate teacher shortage. Report to city school board, which operates junior college, says second year of 3-year pilot TV experiment for 500 students in physics, geography, health education courses hasn't been worth $70,000 annual outlay. Faculty suggests TV techniques are no more effective than herding students into auditorium, lecturing them simultaneously. In other ETV developments: (1) D. C. area started first televised adult education course with 7:15-8 a.m. shorthand lessons on WTOP-TV, Washington. (2) April 26 *Business Week* said in special education roundup that ETV "verdict must remain open," but techniques "undoubtedly will spread—and probably spread rapidly." (3) April 27 *Parade* enthused over success of Russian language course on GE's WRGB, Schenectady.

EIA contribution to ETV in closed-circuit experiments in Hagerstown (Md.) schools (Vol. 13:35) won "national recognition award for association achievement in the public interest" from U. S. Chamber of Commerce at 46th annual meeting in Washington this week. EIA was cited for persuading manufacturers to donate equipment, cooperating with U. S. Office of Education and Joint Council on Educational TV to obtain participation of Ford Foundation's Fund for Advancement of Education in project.

New and Upcoming Stations: For its size, Albuquerque may be best served city in nation—now that educational KNME-TV (Ch. 5) has joined commercial KOB-TV, KGGM-TV & KOAT-TV. Debut of KNME-TV apparently infected educators in neighboring Ariz., for U of Ariz. this week applied for educational Ch. 6 in Tucson. The May 1 starter brings educational station total to 32—and overall total 536 (92 uhf).

KNME-TV has RCA 2-kw transmitter formerly used by KOB-TV (Ch. 4) installed in same building housing KOB-TV's new 6-kw unit. It's hooked up with KOB-TV auxiliary tower on Sandia Crest. Campus building has 2 studios, control room, film room & offices connected by microwave with transmitter. Bernarr Cooper is director of TV-radio; Mrs. Harris Hester, production asst.; Vorce McIntosh, ex-WTTW-TV, Chicago, chief engineer.

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

KAYS-TV, Hays, Kan. (Ch. 7) has begun construction of studio-transmitter building and 700-ft. Liberty tower, plans start next summer, writes Robert E. Schmidt, mgr. & 49⅓% owner. Standard Electronics 10-kw transmitter has been ordered for June 1 delivery; station plans to get ABC-TV programs via private relay from KAKE-TV, Wichita (Ch. 10). Base hour will be $150. Rep will be Katz on sales with KAKE-TV.

CFCL-TV-2, Elk Lake, Ont. (Ch. 2), planned as second satellite of parent CFCL-TV, Timmins, Ont. (Ch. 6), has GE transmitter due June 1, plans June 15 start, according to owner J. Conrad Lavigne. Satellite CFCL-TV-1, Kapuskasing, Ont. (Ch. 3), began last Dec. Foundation construction has begun, but work hasn't started on 400-ft. Wind Turbine tower. CFCL-TV plans to raise base hour from $180 to $200 when CFCL-TV-2 gets on the air. Reps are Paul Mulvihill & John N. Hunt.

Rate increases: WCBS-TV, New York, April 1 raised base hour from $8000 to $8250, 20 sec. remaining $2000. WJZ-TV, Baltimore, April 1 raised hour from $1400 to $1540, 20 sec. $300 to $350. KPRC-TV, Houston, April 1, hour from $1100 to $1200, min. remaining $250. WLWA, Atlanta, April 1 added Class AA hour (7:30-10 p.m. daily) at $1000, min. at $225, Class A hour remaining $900. KCRG-TV, Cedar Rapids, Ia. March 15 raised hour from $425 to $500, min. $85 to $100. KFYR-TV, Bismarck, April 1, hour $275 to $350, min. $60 to $75. Spot increase: WCPO-TV, Cincinnati, April 15 raised min. from $275 to $290, 10 sec. $137.50 to $145. Rate cut: WTTV, Bloomington-Indianapolis, May 1 cuts hour from $1000 to $700, min. $180 to $100, but rate for news & special events programs remains $1000 per hour.

Shift of Ch. 2 from Springfield, Ill. to St. Louis in deintermixture case was upheld by Court of Appeals this week. In very brief decision, Judges Edgerton, Fahy & Bastian stated: "Upon the basis of a full hearing the Commission weighed the various factors involved and reached a reasoned decision within its competence. We find nothing arbitrary, capricious or otherwise illegal in the decision."

CP for WHK-TV, Cleveland (Ch. 19) was dropped this week by *Cleveland Plain Dealer*, after FCC notified owners applications for extension of time and for transfer of CP to DuMont Bcstg. indicated necessity for hearing. Sale of WHK & WHK-FM to DuMont for $700,000 was approved two weeks ago (Vol. 14:16).

Assn. of Maximum Service Telecasters, in Los Angeles, meeting, reelected Jack Harris, KPRC-TV, Houston, as pres.; Charles H. Crutchfield, WBTV, Charlotte, first v.p.; Donald D. Davis, KMBC-TV, Kansas City, 2nd v.p. Newly elected secy-treas. was Harold Essex, WSJS-TV, Winston-Salem. New board members elected: Essex; C. Wrede Petersmeyer, Corinthian (Whitney) group; Alex Keese, WFAA-TV, Dallas. Exec. director Lester W. Lindlow announced MST has just completed study of TV signal characteristics in Fresno, Cal. area, fifth such survey to be completed and submitted to TASO. Next project will be technical study of TV directional antennas. He said MST is taking no position on ultimate use of DA's, only wants to make sure policy decisions are based on "solid factual technical data." Studies will be made using stations with co-channel spacings exceeding minima required by FCC. So far, MST's policy has been to oppose experimental work using DA's to drop in channels with spacings shorter than those in FCC rules.

Views on "antenna farms" (Vol. 14:5) were elaborated upon this week by CBS station relations & engineering v.p. Wm. B. Lodge. He said CBS goes for principle of farms but suggests FCC proposed rule be modified to: (1) Relieve applicant of need for making "adequate showing" that his structure won't be "an undue hazard to air navigation." (2) Relieve applicant from making expenditures in anticipation of undetermined needs of possible future broadcaster who may want to use his tower. (3) Define "antenna farm area" to relieve applicant of expense of special aeronautical study. (4) Require "aviation interests" to "compromise their needs to the fullest extent possible in order to provide tower heights required to deliver the maximum broadcast service to the public."

Fully transistorized miniature TV camera, designed to provide broadcast quality picture, was offered to telecasters for first time at NAB convention by Dage TV div., Thompson Products Inc. Tiny camera chain weighs 4 lbs., requires only 8 watts power, may be operated for 30 min. from hearing-aid battery. Of modular construction and using plug-in printed circuit strips, camera sells for about $8000. Transistorized pocket-sized sync generator, part of the camera unit, will also be offered separately at $2500. New broadcast camera is outgrowth of similar industrial-type camera developed by Dage for military, having been sold to Signal Corps.

Two TV applications filed this week: For Ch. 8, Moline, Ill., by Iowa-Illinois TV Co., 65% owned by Peoples Bcstg. Corp. (KVTV, Sioux City, Ia. and 4 radio stations), 20% by Kingsley H. Murphy (family is 40% owner of KRNT-TV, Des Moines), 5% by Moline Mayor Arnold R. Smith; for educational Ch. 6, Tucson, Ariz., by U of Ariz. Application for Ch. 2, Terre Haute, Ind., was dismissed by Cy Blumenthal, leaving competition between Wabash Valley Bcstg. Corp. and Illiana Telecasting Corp. Number of applications pending is 118 (29 uhf). [For details, see *TV Addenda 26-N*.]

CBS's purchase of WCAU-TV & WCAU, Philadelphia for $20,000,000 (Vol. 13:51) is being held up pending FCC's investigation of rules violations, isn't likely to be acted upon for 4-8 weeks. In addition to violations alleged in Barrow Report on networking, Commission is investigating charges that networks and stations presented biased pay-TV programs (Vol. 14:16). Commission has responses from networks on the charges of network rules violations, is getting them from stations. Networks & stations have 20 days from April 16 to respond to toll TV charges.

The Trouble with Color: No amount of local programming and promotion can put color TV over without far more support from set makers and networks. That was consensus of three colorcasting pioneers this week in Los Angeles at NAB's first color panel since 1956.

However, there was no inclination to throw in the sponge—the telecasters agreeing in their unabated belief in color and outlining further promotional efforts.

"Our enthusiasm for color has not waned," said commercial v.p. Louis Read of New Orleans' WDSU-TV, "but until people have seen color they are not interested." He said interest of advertisers had dropped considerably, and blamed "general apathy" for failure of manufacturers and dealers to promote color sets.

Pres. Clair R. McCollough of Lancaster's WGAL-TV added: "Color won't take off until all networks are behind it with at least 2½ hours nightly in prime time, and until all manufacturers make and promote sets and reduce the cost by $100-$150." Exec. v.p. Owen Saddler, KMTV, Omaha, expressed opinion that present prices are low enough but that the bottlenecks are distributors and dealers who refuse to push color sets. Gen. mgr. Harold See of San Francisco's KRON-TV asserted "salespeople aren't interested in color, they don't know how to tune the sets and they show customers a poor picture."

RCA broadcast & TV equipment dept. mgr. Edwin C. Tracy commented that cost of colorcasting equipment "is not likely to decrease" and that "tremendous progress has been made in decreasing the actual cost of sets" so that both dealer and distributor now enjoy satisfactory profit margin. He said he knew of no prospects for reducing retail prices.

In other aspects of local color picture: (1) Saddler said most important points for colorcaster to bear in mind are compatibility (good monochrome picture), heavy promotion, commercial salability of color shows. (2) Read stated that WDSU-TV is eliminating the 10% premium charge for color in some cases until set circulation increases; it's now about 5000 in area. (3) McCollough said WGAL-TV will estimate premium charge for color on basis of color set circulation delivered, rather than "cost-plus" basis. Basic initial cost for local color equipment is about $200,000, he said, and operating costs are considerably higher than for monochrome.

Hoover Scores TV, Movies: "Film trash mills" are operating in TV & movie industries to "flaunt indecency and applaud lawlessness," FBI director J. Edgar Hoover said in May *Law Enforcement Bulletin*, published by his agency. He conceded "many responsible leaders" in both industries produce wholesome entertainment, but asserted others put "money above morals" to "picture criminals as heroes for youth to idolize." FBI chief was promptly answered by NAB pres. Harold E. Fellows in closing remarks at Los Angeles convention: "To the best of my knowledge, and that of the members of the TV Code Review Board, there have never been released any authoritative studies, made by accepted scientific methods, supporting the contention that TV contributes materially to juvenile delinquency. On the other hand, there have been many studies by educators, librarians & others showing that TV is a constructive influence on our young people."

IATSE, NABET Threats: Two major TV labor disputes—one unexpected—exploded May 2, disturbing peace which followed settlement of 11-day IBEW strike against CBS (Vol. 14:16). IATSE was reported on verge of video tape jurisdictional walkout from 35 member firms in N. Y. Film Producers Assn. which make TV filmed commercials and industrial & other films. NABET balked at signing master contracts for engineers, technicians, others employed by NBC & ABC (Vol. 14:15) despite reported overwhelming rank-&-file ratification of new 3-year agreements along lines of IBEW-CBS settlement. Long-smoldering IATSE video tape dispute began blazing when FPA rejected "too broad" jurisdictional demands by union which were submitted by IATSE east coast council of locals. Walkout would involve cameramen, stagehands, film editors, etc. Trouble at NBC & ABC was not so acute, NABET refraining from immediate strike call over demand that networks sign separate pacts for engineering groups which voted 906-401 to accept new terms and for small units of editors & publicists who rejected them. Networks insisted on signing overall agreements for 1600 employes at NBC, 1200 at ABC.

Shutdown of Hollywood motion picture & TV film production at major studios was threatened this week by Screen Directors Guild following rejection by Assn. of Motion Picture Producers of contract demands, including higher residual payments for TV reruns of theatrical movies, participation in earnings from any pay-TV productions. First steps toward walkout by directors were scheduled to be taken at Guild membership meeting May 4. Already beset by AFM strike which started Feb. 19 (Vol. 14:9), dispute with Writers Guild of America (West) over extra pay for movies on pay TV (Vol. 14:8), studio managements nevertheless were reported adamant against SDG. "If we give [directors] anything on pay TV all the other unions will move in and what the directors got would have to be multiplied many times," spokesman said. "We might just as well go out of business."

TV & radio news reporting have brought "exciting new dimension to journalism," CBS pres. Frank Stanton said in speech at U of Mo. School of Journalism May 2. "Combining sight, sound & action, TV has brought the world into almost every American home, giving remote places reality and revealing the important figures of the world as both more & less than legendary names," he said. "Moreover, by their very natures, radio & TV are the media that often first trigger the interest of people in new events, new personalities, new problems." School presented Stanton with its Honor Award for "distinguished service in journalism."

New CBC governing body of 5 full-time members drawn from judiciary, finance & broadcasting, replacing present 11-man board of governors in TV-radio control, will be proposed by Conservative govt. after Canadian Parliament convenes in Ottawa May 12, according to reports this week Last year Royal Commission headed by R. M. Fowler (Vol. 13:13) urged revamped CBC system under 15-man board.

New community antenna system for Alliance, Neb. is in the works with grant of franchise to Denver's Collier Electric Co.—operator of string of CATV systems in Colo., Wyo. & Neb. (see *TV Factbook No. 26*).

Ampex videotape shipments: one to KDUB-TV, Lubbock, Tex.; 2 to Associated Rediffusion, England; 2 to Osaka TV Bcstg. Corp., Japan; one to WRAL-TV Raleigh; one to WFLA-TV, Tampa.

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING WASHINGTON 5, D C. • TELEPHONE STERLING 3-1755

Trade Report
May 3, 1958

NEW RADIO SERVICE—FM STEREO? FM broadcasters and equipment makers, riding biggest wave of optimism in 7 years, were engrossed in a hot new debate at this week's NAB convention in Los Angeles: Standards (or lack of them) for a 3-D hi-fi service.

Stereophonic or binaural FM makes use of the 2 phenomena which FM broadcasters credit for the resurgence of their medium -- multiplexing and the rage for hi-fi (Vol. 14:13). For nearly 10 years, FM-AM stereophonic broadcasts have been aired intermittently -- but with a definite parlor game flavor. Another recent novelty is FM-FM stereocast -- requires cooperation of 2 competing FM outlets, but now actually attracting sponsors in Los Angeles.

Drawbacks of both AM-FM & FM-FM systems is that they require 2 stations. The logical answer is multiplexing, where 2 or more carriers may be transmitted on one FM channel. Two-channel multiplex receivers can be manufactured relatively inexpensively, manufacturers say, and there's talk of a converter to be offered at $29.50.

* * * *

Stereo broadcasting bears directly on radio & phono makers' plans to mass produce & market packaged stereo for the fall market. First, it opens up a potential new market for the light FM radio business. Or, if the music lover already has one FM radio or hi-fi system, it opens the market for an additional speaker and components necessary to pipe in stereo broadcasts.

Right now, the home-record player industry is struggling with several stereo problems: compatibility, tape vs. discs, cartridges, changers, etc. While these are being ironed out by the engineers, stereo broadcasters may build a stereo audience on which the industry can capitalize in the not too distant future.

Multiplexed stereo cannot be broadcast on regular basis without change in FCC rules, which classify multiplexing as a private service. Many FM stations already offering functional music argue that a home stereo-multiplex service would touch off wave of piracy of their background music. Proponents of stereo-now retort that the security of functional music can be safeguarded by special set of FCC stereo standards augmented by simple modification in functional music transmitter.

"Subscription radio" is proposed by some functional music operators as a home stereo service, with fees paid either on annual or one-shot basis -- the money going to the broadcaster in exchange for the stereo service.

Two basic systems of stereo-multiplexing are being pushed: (1) Narrow-band system, which proponents say would provide good reception and still permit stereo broadcaster to offer functional music on a third channel. (2) Wide-band system, said by its backers to provide higher fidelity, particularly in fringe areas.

Wide-band system backers generally are in favor of new FCC rule-making for stereo FM now. In fact, petition has been filed by multiplex equipment manufacturer Dwight Harkins, Phoenix, Ariz., asking Commission to standardize on wide-band system developed by Crosby Laboratories Inc.

Most proponents of narrow-band system are urging against quick Commission action, arguing that broadcasters should wait for further equipment development, for availability of home stereo phonograph systems, etc. Adoption of wide-band standard, they point out, would force FM broadcaster to choose between stereo and functional music for subcarrier channel, whereas he could have both with narrow band.

This is the background of the stereo FM discussions -- in both management and technical sessions, and particularly in the corridors -- at NAB convention.

Though FCC is in no hurry to act on standards, there's no question that you'll be hearing more -- much more -- about stereophonic FM as a companion to, or integral part of, the stereophonic phonograph hi-fi systems due to come on the market in large volume next year.

EXCISE TAX CUT—IS IT A 'SLEEPER'? Wise politicos on Capitol Hill who usually can call the turn on big legislative issues say an excise tax cut is "sleeper" to watch for next 60 days. So, TV-radio industry which has worked long and ineffectually to halve -- or eliminate -- 10% levy on TV sets, radios, phonos and some components may get its way this year after all.

Splinter groups seeking individual excise tax cuts now have rallying point -- anti-recession. With a little logrolling and back-scratching they can get together and push an excise tax cut through. A sizable group of Congressmen wants to help the distressed railroads by cutting tax on fares and freight; the automobile industry -- Peck's Bad Boy of the current business slump -- has a wide following for its tax cut plan; another group wants to help the hard-hit movies by taking off the admissions taxes; still another group wants to boost household appliance sales; and, the TV-radio-phono industry is not without its partisans in Congress.

No one group has enough votes to pass a tax cut. Add them all up, however, and the votes are there -- and to spare.

An excise tax cut makes political sense, too. A Democratic Congress wants credit in an election year for cutting taxes; the tax-cut-shy Administration might figure it can take an excise tax cut without raising the bugaboo of inflation, or as a compromise to a much broader tax measure.

The Demos got backing from their party leader -- Adlai Stevenson -- who said a tax cut is necessary as an anti-recession measure -- "especially a cut in excise taxes on business." Organized labor would lend its backing if only on theory that half a loaf is better than none.

Prompt, united action is required. Already there are reports that a "buyers' strike" is in the wind while consumers wait for lower prices after the tax cut. And, when Congress really starts talking about excise tax cuts there will be period of a month or so when it will be mighty hard to move goods without promise of a rebate in the event of a tax cut.

TV-Radio Production: TV set production was 84,999 week ended April 25 vs. 76,118 preceding week & 78,269 in 1957. Year's 16th week brought production to 1,458,355 vs. 1,750,000 last year. Radio production was 162,421 (48,574 auto) vs. 158,588 (42,605 auto) preceding week & 266,707 (94,406 auto) last year. For 16 weeks, production totaled 3,107,946 (1,007,955 auto) vs. 4,797,000 (1,925,000 auto) in same 1957 period.

GE Backs Fair Trade: Climbing back on fair trade bandwagon it abandoned in Feb. (Vol. 14:9-10), GE came out this week for bill (HR-10527) by Chairman Harris (D-Ark.) of House Commerce Committee providing for a new Federal price-maintenance law.

Statement filed with Commerce subcommittee on commerce & finance by Robert C. Walton, representing GE's housewares & radio receiver div., suggested some textual changes in Harris measure—attacked at hearings by FTC as possibly unconstitutional—but otherwise gave support.

Walton related how company's long-standing list-price structure had been weakened by court decisions against state fair trade laws under McGuire Act, leading to GE dropping its fair trade policy. But he reaffirmed GE's belief that brand-name marketing system has advantages for consumers and thousands of small dealers.

Similar backing for Harris bill came from pres. Joseph Fleischaker of National Appliance & Radio-TV Dealers Assn. He said it was "best device that has yet been proposed" in fair trade legislative field, urging enactment to help small independent merchants "against the ravages of mail order discount firms."

FTC chairman John W. Gwynne, however, put Administration damper on bill. He opposed it—as FTC has opposed all resale price maintenance since 1917—as being "unsound economically," tending to destroy competition and favor big companies. Gwynne said "there would appear to be some doubt" of measure's constitutionality. Hearings under Rep. Mack (D-Ill.) continue next week.

Webcor tripled hi-fi phono sales last year and set a new record in tape recorders, sales v.p. H. R. Letzer told annual meeting in Chicago this week. He said company has "completely redesigned [record] changer with significant improvements," and plans introduction of new line of tape recorders.

British TV sales in Feb. were 98,000 vs. 94,000 in Feb. 1957, up 4%; radio 87,000 vs. 78,000, up 12%.

Trade Personals: Gibson Kennedy promoted to gen. sales mgr. for all Philco consumer products; in reorganization of field staff, 4 new area sales mgr.'s are: James McMurphy, Philadelphia; John Ramsey, Atlanta; Reese Llewellyn, Chicago; Paul Burks, Los Angeles . . . Richard J. Sargent, Westinghouse mgr. for marketing, consumer products div., elected a v.p. . . . Donald W. Collins named sales mgr. of new Sylvania factory branch, Teterboro, N. J. . . . Robert B. Means named sales mgr., western district, RCA electron tube div. . . . Frederick G. Reiter promoted to pres. of Philco Finance Corp. . . . Robert C. Sprague, chairman of Sprague Electric, named Hotchkiss School Alumni "Man of the Year" . . . Harold Schulman resigns as asst. to pres. Joseph Friedman of Trav-Ler Radio . . . Edward F. Taylor Jr., named south central district sales mgr., Sylvania home electronics div. with headquarters in New Orleans . . . Wm. J. Geiger named sales mgr. of Admiral Distributing Co., Philadelphia . . . Leo Hahn promoted to field sales mgr. for Emerson; Eugene Van Cleve to adv. & sales promotion mgr. . . . Milton A. Schindler, ex-Snyder Mfg. Co., Philadelphia, named pres. of Continental Electronics Corp., Los Angeles . . . John Sanabria, ex-American Television, acquires Kine-Lab, Chicago, manufacturer of closed-circuit TV . . . Morton K. Tillman resigns as sales mgr. of Pentron's premier div.

ELECTRONICS PERSONALS: Arthur F. Vinson, GE v.p., heads new apparatus & industrial div. . . . John W. Simpson, Westinghouse mgr. of Bettis atomic power div., elected a v.p. . . . Arie Vernes elected pres. of Philips Electronics, succeeding Pieter van den Berg who becomes chairman . . . Milton N. LaPidus elected chairman of Pyramid Electric, North Bergen, N. J., Ralph M. Scarano, pres. . . . Donald Parris, director electronics div., Commerce Dept. business & defense services administration, left April 28 for international conferences in Europe, returns in about a month . . . Ames G. Giordano, ex-Federal Telecommunications, named chief engineer of Blonder-Tongue, Newark . . . Carl L. Lang, ex-IT&T, named joint-ventures mgr., Page Communications Engineers, Washington . . . Allen B. Anderson, ex-Lear, appointed adv. & public relations mgr. of Motorola military electronics div., Phoenix.

DISTRIBUTOR NOTES: RCA Distributing Corp. establishes branch in Atlanta, Gordon H. Bahl, mgr. . . . DuMont opens Boston distribution branch, Wm. A. Cheever, ex-L. J. McAllister, mgr. . . . Hoffman appoints Fowler Distributing, Portland, Ore., for TV, radio, hi-fi . . . Columbia Records appoints K-B Columbia Co., Peoria, for records, phonos.

Robert Ferree, of International Resistance Co., has been elected pres. of Producers of Associated Components for Electronics. Other new officers: first v.p., Howard Saltzman, Alpha Wire Co.; 2nd v.p., Martin Roth, South River Metal Co.; secy-treas., Walter Jablon, Mark Simpson Mfg. Co.; exec. v.p., David Susser, N. Y. attorney.

Dr. Harold S. Black, Bell Labs, awarded AIEE Lamme gold medal.

Obituary

Gilbert Gustafson, 52, Zenith v.p. for engineering, died April 24 at Billings Memorial Hospital, Chicago. Surviving are widow, 3 sons, daughter.

Adolph L. Gross, 49, pres. of Adolph L. Gross Assoc., N. Y. hi-fi manufacturers' rep, died in London hospital April 25. Surviving are widow, son.

Financial Reports:

Paramount Pictures hopes for "early solution" to mass production of color TV receiver using Lawrence single-gun tube, said pres. Barney Balaban this week in annual report. He said work on tube by DuMont Labs and Paramount's Chromatic TV Labs (Vol. 14:14, 15) has progressed to point where DuMont is "confident final pilot models for field testing will be produced in time to meet the 1959 market for color TV receivers." Balaban also said International Telemeter Corp. (90% Paramount-owned) plans to install wired closed-circuit pay TV system "in a few communities in the U. S. & Canada around the end of this year." As reported earlier, Paramount & consolidated companies earned $4,783,201 ($2.47 per share) in 1957 vs. $8,731,568 ($4.43) in 1956 (Vol. 14:16), but Balaban pointed out cash position was improved—$16,808,607 vs. $11,704,988—and film inventory was reduced to $50,712,877 in 1957 from $57,111,840.

TelePrompTer Corp. increased gross revenues in 1957 to $2,264,345 from $1,784,607 in 1956 but lost $212,694 (59¢ per share) last year vs. earnings of $206,841 (58¢) year earlier. Results for 1957 were adjusted for 2½-for-1 stock split in July. Balance sheet lists current assets of $651,479 as of Dec. 31, 1957 vs. $683,239 year earlier, current liabilities $381,435 vs. $185,128. Reorganization started late last year has put company "in a good position to operate again on a profitable basis," pres. Irving B. Kahn said. He saw "extremely sound basis for substantial growth" in such closed-circuit sports projects as TelePrompTer's theatre-TV handling of Robinson-Basilio championship fight (Vol. 14:14).

Westinghouse earnings—as predicted at annual meeting last month (Vol. 14:14)—dropped to $12,903,000 (72¢ per share) on sales of $449,329,000 in first 1958 quarter from $14,198,000 (82¢) on $475,686,000 year earlier. Backlog for atomic products was higher than at end of 1957 period, however, and negotiations for new apparatus, industrial & defense products business "are becoming more active," chairman Gwilym A. Price said.

Dividends: Westinghouse, 50¢ payable June 2 to stockholders of record May 12; Tung-Sol, 35¢ June 2 to holders May 12; International Resistance, 5¢ June 2 to holders May 15; Capitol Records, 25¢ plus 15¢ extra, both June 30 to holders June 16; Howard W. Sams, 20¢ June 30 to holders June 16; Stanley Warner, 25¢ May 26 to holders May 9; Television-Electronics Fund, 8¢ May 31 to holders May 1.

Meredith Publishing Co., whose Meredith Group subsidiaries own WHEN-TV & WHEN, Syracuse; WOW-TV & WOW, Omaha; KPHO-TV & KPHO, Phoenix; KCMO-TV & KCMO, Kansas City, and radio KRMG, Tulsa, earned $2,736,097 ($2.11 per share) in 9 fiscal months ended March 31 vs. $3 607,524 ($2.79) year earlier.

Tung-Sol earned $535,422 (52¢ per share on 893,800 shares) on sales of $13,730,470 in 13 weeks ended March 29 vs. $944,755 ($1.25 on 716,175) on $16,134,823 year earlier, when results did not include Chatham Electronics.

Hoffman Electronics earned $435,218 (59¢ per share) on sales of $9,960,064 in first 1958 quarter vs. $512,802 (70¢) on $11,493,599 year earlier.

Oak Mfg. Co. earned $30,653 (5¢ per share) on sales of $3,459,157 in Jan.-March quarter vs. $138,201 (21¢) on $4,736,847 year earlier.

Corning Glass earned $3,189,152 (47¢ per share) in 12 weeks ended March 23 vs. $3,872,798 (57¢) in same 1957 period.

Harris Throws Teaser: Naming no names or stations, Chairman Harris (D-Ark.) of House Commerce legislative oversight subcommittee said this week it has evidence improper "contacts" with FCC have been made by interested parties in comparative TV proceedings in addition to now-celebrated Miami Ch. 10 case—and he questioned legality of licenses won.

In speech to administrative law section of D. C. Bar Assn., Harris continued to avoid disclosure of just where his investigation of FCC will go next (Vol. 14:17). But—"in passing"—he said "our committee files now contain indication that . . . ex-parte contacts have been made in a number of other comparative TV cases," and:

"Since such contacts are prohibited by law, even though the Commission itself may have taken no action with respect to the parties making them, it is interesting to conjecture what may be the legal status of the licenses which were granted in such instances."

Harris speech otherwise was largely reiteration of charges & conclusions by subcommittee that over the years "some of the members of the Commission" and "some members of the industry and industry organizations" have engaged in "questionable conduct" which "has seriously undermined public confidence in the Commission."

"In the restoration of such confidence, the Commissioners may help themselves greatly, if they will," Harris said. "In the restoration of this confidence, the industry which has gone far beyond what it should have done, can do much, if it will."

Harris also swiped at subcommittee's dismissed counsel Bernard Schwartz. He promised that "no dubious methods will be used in developing information as has occurred in the past," said subcommittee now has "excellent staff" under Robert Lishman—"and I have no doubt as to the final results."

Suspension action against "several stations" will be initiated by NAB's TV Code Board, outgoing board chairman W. B. Quarton, WMT-TV, Cedar Rapids, told board meeting in Los Angeles this week. Principal violations involve advertising—multiple-spotting, excessive commercial time, personal product advertising, program-length commercials. This will be first such suspension action in code's history, although Quarton revealed that "a few stations have resigned, some by our request." Most stations found violating code, he added, have voluntarily corrected abuses. Monitoring program showed that 85% of all advertising violations were on 25% of stations. Roger Clipp, Triangle Stations, was installed as new chairman of Code Board.

Liquor ad ban bill by Sen. Langer (R-N. D.) was put quietly on legislative shelf again this week by Senate Commerce Committee, which wound up hearings on perennial measure (S-582), took no action. Attacks last week by dry forces on interstate advertising of alcoholic beverages (Vol. 14:17) were answered for record this week by brewers, distillers, advertisers. They used such terms as "unfair," "un-American," "unsound," "unnecessary," "unconstitutional" to describe proposed ban, which they said was "backdoor" attempt to reimpose Prohibiton.

Biggest TV program deal for single series of shows—$12,000,000 for 48 Desilu Productions films next season—was reported closed in Hollywood by Westinghouse this week. Series including comedy, musicals, drama, 7 *I Love Lucy* episodes is scheduled to replace *Studio One* on CBS-TV Mon. 10-11 p.m.

COMMON STOCK QUOTATIONS

Week Ending Friday, May 2, 1958

Electronics TV-Radio-Appliances Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg	1958 High	Low	Stock and Div.	Close	Wk. Chg
9¼	7	Admiral	8½	−¼	354	300	IBM 2.60	350	−2⅝
23	19⅜	AmBosch .30e	22	+¾	34¼	29¼	IT&T 1.80	31¼	—
17¾	13	AmBcstg-Par 1	17⅝	−⅛	41½	36⅛	I-T-ECirB .45e	37⅜	+⅛
37⅞	32¼	AmMy&F 1.60	34	−1¼	7⅞	6⅞	ListIndust ¼e	7	+⅛
177⅝	167⅞	AT&T 9	175¼	−1¾	43⅞	36⅞	Litton Ind	41⅝	+1⅝
26½	22⅜	Ampbenol 1.20	25⅜	+⅜	15½	12⅞	Loew's	15¼	+½
29⅞	25⅛	Arvin 2	25⅛	−1¾	37	30¼	Magnavox1½b	36¾	+1½
7¼	5⅝	Avco .10e	6¼	−¼	28¾	24	Mallory 1.40b	24	−½
25¾	19½	BeckInst 1¼f	19½	−1½	88¾	76	Mpls.H'll 1.60a	87¾	+5
53	44⅝	BendixAv 2.40	48	+1	42¼	36¼	Motorola 1½	36⅞	—
32¼	27⅝	Burroughs 1	29⅜	—	9	7⅜	Nat'l Thea ½	8⅜	+⅛
18⅜	15¾	Clevite ¼e	16¼	−½	38⅜	30⅝	Paramount 2	37¼	+¾
29¾	24½	CBS "A" 1b	29⅛	—	17⅛	12⅜	Philco	14⅜	−⅛
29½	24⅛	CBS "B" 1b	28¾	−⅜	35	30¼	RCA 1a	32⅜	−⅛
16¼	12½	Col Pict ⅜t	15	−⅛	26¾	21½	Raytbeon 1¼t	26⅝	+⅝
35¼	27⅞	Cons Elec .40	31¼	−1⅜	7⅛	5	Republic Pic	5⅝	—
26½	19½	Cons Electron	25⅝	+⅝	34¾	29	SangElec 1.80	29½	+½
16½	12¾	Cor-Dub .20e	15	+⅞	16⅛	13¼	Siegler .80	14	+⅛
86¾	74⅝	CornGlass 1a	81⅜	+1½	3⅞	2¾	Sparton	3⅜	+⅜
3⅝	3	Davega	3⅜	+⅛	20⅝	17¼	SperryRan .80	17¼	−¼
35	30	Daystrom 1.20	31	−¼	8¼	6	Standard Coil	7⅜	—
16¼	13⅞	Decca 1	15⅛	−¼	18	14½	Stanley-War 1	17¾	+½
21½	14	Disney .40b	20⅛	+⅜	33¾	29	Stew Warn 2b	33¾	+⅝
109½	97⅛	EastKod 1.55c	109½	+2½	24½	20	StorBcstg 1.80	24	+1
35	29	EmerElec 1.60	34⅞	−¼	37½	31½	Sylvania 2	34½	−1⅛
6⅛	4⅛	EmersonRadio	5⅞	−⅛	35⅞	26¾	Texas Instru	34⅝	−⅜
8½	7	Gabriel .60	8	−⅛	55¼	41⅜	ThomProd 1.40	44¾	+1⅛
65¾	55¼	Gen Dynam 2	55¾	−⅞	26⅞	23¼	Tung-Sol 1.40b	21⅝	+⅜
61¼	57	Gen Electric 2	59¼	−½	27	21¾	20thC-Fox 1.60	25¾	−¾
7⅝	4⅝	Gen Inst. .15g	7⅝	+⅜	22	15¼	UnitedArt 1.40	21¼	+¾
41	29½	GnPrEquip2.40	31¾	+1¾	22⅝	19	Univ. Pict 1a	20¼	−½
30	22¼	Gen Tire .70b	21	+1	19½	16⅞	WarnBros 1.20	18½	−⅝
45¾	40⅜	Gen. Teleph. 2	45¾	—	65½	57¼	Westingh El 2	58¼	−⅞
26⅝	21	HoffmanElec 1	25⅞	+⅛	77	67½	Zenith new	75¾	−1¼

AMERICAN STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg	1958 High	Low	Stock and Div.	Close	Wk. Chg
3⅜	3	Allied Artists	3	—	37½	30½	Hazeltin 1.40b	31¼	−½
45	34½	Allied Con 1a	37¼	−1¼	2⅞	2	Herold Ra .20	2⅜	+¼
15⅛	12⅞	AmElectro ½	13¾	−⅛	4⅝	3¾	Int Resist .20	4	—
10⅛	8⅜	AssocArtProd	9½	−¼	6¼	4¼	Lear	5¼	—
11¾	7¼	AudioDev .05d	10¾	—	⅝	⅜	Muntz TV	¾	+⅛
10⅛	7⅜	BelockInst ⅛t	9⅜	−⅛	3½	2½	Muter Co. ¼t	3⅜	−⅜
½	⅜	C & C TV	⅝	+3/16	9	5⅝	Nat'l Telefilm	9	+1
3¾	2⅞	Clarostat .15g	3¼	—	1¾	1	Nat Union El	1½	−⅛
4⅝	3	DuMont Lab	3⅞	−⅛	6⅞	2¾	Norden-Ketay	3	+⅛
4⅛	2⅞	Dynam Am	3⅜	−⅛	3⅝	2⅞	Oxford El .10r	3⅛	—
13⅛	10	EletcronicCom	11½	—	16	11	Pbilips El	13¼	−⅛
7⅞	6⅜	Electronics Cp	6¾	+⅛	8⅝	6⅝	Servomecb .40	7⅞	−¼
31⅝	19½	FairchCam½g	24⅛	−1⅛	6	3⅜	Skiatron	4⅜	+¼
24⅞	17¼	General Trans	21½	−1⅛	4⅜	3½	Tecbnicolor	4⅜	+⅛
17¼	14⅝	Globe Un .80	15⅜	—	4½	3½	Trans-Lux .20g	4	—
3⅜	2½	Guild Films	3	—	4⅞	4¼	Victorcen Inst	4¼	—

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked		Bid	Asked
Advance Ind	1 13/16	2	Machlett Labs .25g	16¾	18
Aerovox	4⅜	5	Magna Theatre	1¾	2½
Airborne Inst	43½	46	Maxson (W. L.) .05	4⅞	5½
Altec Co. .80	6¼	7	Meredith Pub. 1.80a	30½	33
AMP Inc .50	19¾	21	National Co. (4% stk.)	11½	13
Ampex	62½	65	Oak Mfg. 1.40	11¼	11½
Baird Atomic	7	8	Official Films .10	1⅛	1⅜
Cinerama Inc.	1½	2	OR Radio	18¾	19½
Cinerama Prod.	1 13/16	2¼	Pacific Mercury TV	5⅝	6
Cobu Electronics	8⅛	8½	Packard-Bell .50	11	12
Collins "A" .35	12⅜	13	Panellit	5⅛	5½
Collins "B" .35	12	12¾	Perkin-Elmer	22½	24
Cook Elec. .40d	17¾	19	Pbilips Lamp (14% of par)	36¾	38
Craig Systems	4½	5	Reeves Sonndcraft (stk.)	3 1/16	3½
DuMont Bcstg.	7¾	8½	Sprague Electric 1.20	27	29
Eitel-McCullough (5% stk)	24	26	Taylor Instrument 1.20	30	32
Elec Assoc (stk)	41½	44	Tele-Broadcasters	2⅝	3
Erie Resistor .40b	6	7	Telechrome .30	8¼	9
Friden Ind. 1	55	58	Telecomputing	4⅛	5
Gisnnini, G. M.	13⅛	14	Teleprompter (stock)	5⅝	7
Granco Products .05	11⅛	12	Time Inc. 3.75	61	64
Gross Telecasting 1.60	18¼	20	Topp Indnstries (stock)	9¼	10
Hewlett-Packard	25¼	26	Tracerlab	6½	7
High Voltage .10g	32¼	34	Trav-Ler	1	1⅜
Hycon	2⅛	2½	United Artists	4¼	4½
Indiana Steel Prod. 1.20a	17	18	Varian Associates	17¼	18
Jerrold	2	2½	Webcor .15c	9⅝	10
Ling Industries	2½	2¾	Wells-Gardner	7¼	8
Leeds & Northrup .60b	21½	26	WJR Goodwill Sta. .50d	13	13½

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated casb value on ex-dividend or ex-distribution date. g paid lsst year. h Declared or paid after stock dividend or split-up. k Declared or paid tbis year, an accumulstive issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. • No trade

THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 14: No. 19

SUMMARY-INDEX OF THE WEEK'S NEWS — May 10, 1958

FINANCIAL DATA ON TV-ELECTRONICS FIRMS: We waited until all 1957 calendar reports were in before updating our annual Special Report on "Financial Data on Television-Electronics Companies" which has proved to be one of our most popular services. By now, too, 65 first-quarter reports were also available -- and so they're included in the 20-pp. supplement made available herewith to our subscribers.

Exactly 104 companies are now detailed. The tabulations kept for us by Chicago financial consultant Edgar N. Greenebaum Jr. show where stock is traded, capitalizations, and for the years 1950 through 1957 each firm's sales, pre-tax earnings, net profit, net per share, dividends, total assets, price ranges. It's noteworthy that 1957 figures, with rare exceptions, reflect profit squeezes though in general sales held up; first-quarter 1958 shows many declines in sales & earnings.

Companies in TV-radio broadcasting whose financial data are listed are AB-PT, Avco, CBS, GE, General Tire, Gross, Meredith, Metropolitan (nee DuMont), National Telefilm, Paramount, RCA, Storer, Time Inc., Westinghouse, WJR The Goodwill Station.

In industrial fields, you will find all the majors -- with 9 companies added since our last Report a year ago. The new ones: Allied Control, Clevite, Emerson Electric, Hewlett-Packard, High Voltage, Machlett Labs, Howard W. Sams, Telecomputing Corp., Thompson Products. Eliminated are Unitronics (Olympic Radio), now part of Siegler, which is listed; also some firms outside scope of our circulation.

Extra copies of Report are available at $2 each; 10 for $12.50; 25 for $20.

REPS GEAR FOR ASSAULT ON NETWORKS: Flourishing station sales representative business is next phase of FCC network hearing -- resumption of which has been delayed from May 12 to Mon., May 19 because of press of other Commission business. After the reps come uhf Committee for Competitive TV and then spokesmen for 6 individual stations. Just ahead of reps are several CBS and NBC-represented station managers (see p. 6).

Dean Roscoe Barrow himself, with his economist Jesse Markham, will ring down curtain on whole hearing -- with rebuttal testimony -- probably in June.

Basic goal of reps is to get networks out of their business. Barring that, they'd like to freeze net representation at present lists. Besides CBS-owned stations, CBS-TV Spot Sales represents 8 others, NBC-TV Spot Sales 7; in radio, CBS reps 9, NBC 8. ABC isn't in rep business.

Aside from desiring the lush business they might get via stations now handled by NBC & CBS, reps fear networks have tremendous leverage because of vital nature of affiliations, especially when it comes to adding to their stables. Networks deny any big plans to expand, CBS having testified present list is just right, NBC that it might add a couple. They plainly aren't inclined to get out of the business, see nothing wrong with it -- and it's profitable.

It's common knowledge that, while networks stick to straight 15% commission, independent reps frequently make deals for less with their more important clients. And all reps aren't of one mind on all aspects of current hearings. While some may not like option time and must-buy, pressures from their stations may force them to remain silent on or straddle those issues.

Reps also face another hazard. They're presently unregulated and, if their plea to FCC is for aid on economic battlefronts, it's likely FCC will want to probe into their books, perhaps report on their combined earnings as it does on networks and stations every year. Rep business is sharing boom enjoyed by the better-placed stations since advent of TV, but faces none of the public service responsibilities that Washington demands of stations.

National spot now accounts for about 50% of station revenues on better-positioned stations, sometimes up to 60%; network, about 25%; local, about 25%. That's reversal of situation that obtained in radio's heyday, when rule-of-thumb was that affiliates got 50% from networks, 25% from national spot, 25% from local.

NAB CONVENTION—SOME AFTERTHOUGHTS: Rather too cruelly, we think, Variety captions genial George Rosen's convention post-mortem of May 7: "NAB -- Shoulda Stood in Bed." The ubiquitous Mr. Rosen makes some of the same points we did last week (Vol. 14:18) except that he maintains "nothing happened [to] make it worth while" -- which isn't quite fair when you consider some of the major items on the agenda, and particularly the highly important engineering sessions. Some were perhaps too high dome for the sales and showfolk element, most were too widely scattered for convenience, nearly all faced too many concurrent distractions to command the attendance they deserved.

"Perhaps the answer may lie," it's suggested, "in the projected plan of the NAB board to restrict attendance at future conventions to broadcasters operating strictly on a policy level, eliminating all of the extraneous folderol and thus making an effort to achieve the dignity, stature and uninterrupted let's-get-at-the-core-of-our-problems 'format' of the publishers' convention."

As for NAB board's decree that "the TV film boys, with their carnival of exhibits, must go," it's adduced now that "the vidfilm contingent" was at first bitter and then didn't care one way or another because their sales were nil, so now figure they can do better with a convention of their own. One thing apparent after L.A.:

NAB conventions are fading in importance so far as most management is concerned. But separate conventions of affiliates of the respective networks -- their attendance by invitation, their agendas usually down to earth, their delegates full of competitive zeal, and undistracted by sideshows -- are growing in importance.

COMMISSION PONDERS CATV COMPETITION: FCC tackled the tough and touchy station vs. community antenna argument this week (Vol. 14:18), hasn't decided what to do yet -- but it's aiming toward an "inquiry." Staff is drafting document for further consideration, but the Commission has yet to decide whether to conduct hearings, or what.

More the Commission gets into subject, the more complicated it becomes. One basic question is policy on competition between out-of-town stations, whose signals are piped to homes, and local stations who claim that loss of viewers this way can prove fatal. In a typical case, should public be deprived of 3 piped-in big-city signals so that local station can "monopolize" audience? On other hand, CATV systems serve only towns & villages, so should scattered rural viewers be deprived of their sole service because a small-town station's audience has been emasculated -- thus driving station off air?

And how about translators, illegal boosters, ordinary satellites? They also produce competition for local stations.

Overhanging whole problem is question of "economic protection." Commission has been split in recent years, but majority has generally ruled against intervening in economic disputes, notably in cases of uhf -- even if stations fear they may be forced to the wall. [For further details of controversy, see below.]

* * * *

CATV-station battle intensified this week, when purchasers of KFBB-TV, Great Falls, Mont. (Ch. 5) announced they're calling off $600,000 deal, as they had warned they might (Vol. 14:16), because of CATV competition and inability to get private microwave. Buyers, 50% each, are Ed Craney [KXLF-TV, Butte (Ch. 4), KXLJ-TV, Helena (Ch. 12) and 5 Mont. AMs] and group headed by A.W. Schwieder [KID-TV, Idaho Falls, Ida. (Ch. 3)]. Contract calls for each to forfeit $25,000 for canceling.

One station has already suspended operations -- KGEZ-TV, Kalispell, Mont. (Ch. 9) -- blaming local CATV system (Vol. 14:16-18). CATV operators, who also own 30% of KGEZ-TV, say they're willing to put KGEZ-TV back on air, claim station has been run uneconomically.

Where Does CATV Fit? FCC's last important ruling on community antenna systems (above) was to conclude they aren't common carriers, aren't under Commission jurisdiction (Vol. 14:14). Now, the small-station group that brought original complaint has asked for reconsideration of decision.

Current petition insists that FCC's reasoning was ill-founded; that its definition of "common carrier" is faulty; that CATV systems do handle "interstate commerce" in form of programs originated out of state; that "at the very least, the Commission would have the authority to require that the CATV systems establish practices which would cause the minimum harm to operating TV stations"; that FCC can regulate CATV systems through their microwave licenses; that a hearing should be held to resolve doubts; that Congress should be asked for new law, if present laws are inadequate to protect stations.

One of the slimmer reeds relied upon by stations is the "property rights" approach—a claim that owners of program rights can forbid CATV operators from using signals without permission. Courts have never ruled finally on issue, but even networks doubt they could win in courts (Vol. 14:18).

Illegal booster question is coming to head, too, what with Senate Commerce Committee conducting hearings May 27-30 on TV allocations, including small-town service. FCC has long had rule-making pending to "clean up" the unauthorized vhf boosters so as to protect existing services. Operators of illegal boosters haven't cared much for FCC's proposals, because they'd require expenditures for equipment & maintenance. Commission's proposal lost an important champion this week when equipment maker Ben Adler formally withdrew endorsement.

"The trend in illegal booster activities is so appalling," said Adler, "that unless checked immediately ,this cancerous growth threatens the foundations of all TV broadcasting as a public service."

Adler reported that number of illegal boosters had nearly doubled in last 6 months; that many operate with as much as 5-30 watts; that boosters are interfering with each other, "mother stations", translators, CATV systems; that booster operators "have no intention of complying with any rules short of ones that will permit them to do what they are now doing." He urged booster operators be required to switch to uhf translators, of which some 150 are operating.

NTA-Rhoden Group Merger? National Theatres Inc., which has acquired Kansas City's WDAF & WDAF-TV (Ch. 4) for $7,600,000 (Vol. 14:17) and which ended last fiscal year Sept. 24, 1957 with total assets of close to $55,000,000 is "exploring the question whether there would be a basis for an association" with National Telefilm Associates Inc., which owns WNTA-TV, Newark-N. Y. (Ch. 13), formerly WATV, radio WNTA and KMSP, Minneapolis (Ch. 9), formerly KMGM-TV. NTA ended 1957 with total assets of more than $32,000,000, largely in film library.

Joint statement by National Theatres pres. Elmer C. Rhoden and NTA chairman Ely A. Landau admitted conversations first reported in trade press, stating "exhaustive studies of the matter will be made by both parties during the next few months." But no further details were disclosed.

Such a merger would be in line with announced diversification program of National Theatres Inc., which operates more than 300 theatres in 20 states, is moving into various ventures, has big interest in current Cinemiracle blockbuster *Windjammer*, with ex-CBS west coast v.p. Charles L. Glett heading its subsidiary National Film Investments Inc. (Vol. 14:13). Big theatre company did $59,000,000 business fiscal year ended Sept. 24, 1957, earned $2,266,000 (84¢ per share on 2,699,486 shares outstanding) and ended year with surplus of $22,000,000. For next 26 weeks, ended March 25, 1958, it reported revenues of $26,482,791 & net profit of $743,897 (28¢).

NTA is partner with 20th Century-Fox in much-publicized NTA Film Network, had nearly $11,000,000 sales, $1,100,000 net profit ($1.07 per share on 1,020,350 shares outstanding) in fiscal year ended July 31, 1957; nearly $4,000,000 sales & $422,000 profit (41¢) in 6 months thereafter. Its stock in recent weeks has shown considerable flurry, with reports current that G. Gerald Cantor, of investment bankers Cantor, Fitzgerald & Co., a director, has been buying up its stock; proxy statement for its last annual meeting in Feb. indicated he owned 85,000 shares, second largest stockholder on board to Rhoden's 88,325.

National Theatres Inc. is traded on N. Y. Stock Exchange, NTA on American Stock Exchange.

* * * *

Such a merger was viewed by *N. Y. Times'* veteran Hollywood correspondent Thomas M. Pryor as "another step toward vertical integration of the 2 media [TV & films] . . . Investors interested in the entertainment business dream of the day when there might emerge a completely integrated organization that would produce, distribute and exhibit movies for theatres and TV. This could constitute an empire that would dwarf the old movie producer-distributor-theatre combines." He points out that such a merger would become "a matter of interest" to the Dept. of Justice anti-trust div., notably since National Theatres' former parent firm was 20th Century-Fox, which owns half of NTA's film network project, now comprising 63 stations. He might have added, too, that it will come under purview of FCC, which authorized ABC-Paramount Theatres merger but has licensed relatively few theatrical interests in TV as yet, mainly because so few have applied (for list of theatre interests owning TV stations, see *TV Factbook No. 26*, p. 380).

More Movies for TV: Another big sale of post-1948 movies to TV loomed this week with reports from Hollywood that United Artists has placed 65 feature films on block. This would make second major such sale, Republic having concluded first big deal early in year (Vol. 14:3-4).

List reportedly includes a number of 1953-56 hits such as *Foreign Intrigue, The Ambassador's Daughter, Moulin Rouge, Night of the Hunter.* Hollywood comment on rumored deal brought out that United Artists is a film distributing company, does not produce films, and consequently faces a different situation with respect to controversial issue of film release to TV than major studios.

Reaction to United Artist move was caustic from several top movie executives. Said Buddy Adler, head of 20th Century-Fox, staunch opponent of post-1948 film sales: "I am adamantly against this sale. It's a horrible thing which will have an adverse effect on our business."

Said Sol C. Siegel, MGM production head: "We are firmly against any such sales to TV and selling these pictures at this time is a great disservice to the industry." Said Abe Schneider, pres. of Columbia: "I'm strongly opposed to selling any post-1950 motion pictures for use on TV."

Meanwhile, Theatre Owners of America pressed its plan to keep post-1948 films off TV (Vol. 14:10-11). TOA pres. Ernest G. Stellings wrote film company heads suggesting they try an orderly program of re-issue as an antidote to the trend toward sales to TV. He said TOA and other exhibitor groups would urge theatres to book re-issues under most favorable circumstances.

MCA-TV's Paramount film package of 700 pre-1948 features was sold this week to WCBS-TV, N. Y.

TV Strikes Pend: One of two major TV labor disputes flared into a short-lived, one-day strike May 5 by IATSE against 35 member firms of N. Y. Film Producers Assn. over video tape jurisdiction (Vol. 14:18). Film craftsmen returned to work when FPA refused to negotiate on new contract until strike was terminated. Talks were still going on at weekend. Meanwhile, stalemate continued in the threatened NABET strike against NBC & ABC, where union still insists on bargaining rights for small units of editors & publicists seeking separate contracts. (Vol. 14:18). No strike call has been issued by NABET in this dispute although it was believed union members would refuse to cross picket lines should dissident groups set them up. Networks continued to insist on overall contracts for 1600 employes at NBC, 1200 at ABC.

Movie writers still earn more than do TV writers—but not much. Report this week by Writers Guild of America, West, Hollywood, said movie writers earned $11,028,500 in year ended April 1, or $122,700 less than preceding fiscal year. TV writers earned $9,224,000, up 26% from preceding year's $6,814,000. Radio writers declined 21%—to $300,000 from $467,000. Union's capital at end of March was $138,800, up from $83,100, with dues from TV-radio branch based on gross earnings rising to 46.5%, dues from screen writers going down to 53.5%.

Ampex videotape recorder use at KDKA-TV, Pittsburgh was "launched last week with a flourish," according to station, which recorded arrival of Pirates ball club 9 p.m., telecast it at 11:15 p.m.

TvB's latest selling aid—"Co-Op TV plans"—has been released to member stations. Pocket-size, 160-pp. loose-leaf booklet has 27 consumer product categories, co-op data for 321 companies, 345 co-op plans.

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TV and AM-FM Addenda Published Weekly

Personal Notes: Frank V. Bremer completed 48 years in radio when he retired May 6 as v.p. of WAAT (which he founded in 1926) and WATV (1948) when the Newark-New York stations were taken over this week by National Telefilm Associates under recent purchase deal (Vol. 14:10). He operated amateur "FB" in Jersey City in 1910. An engineer, residing at 12 Hamilton Ave., Arlington, N. J., he now acts as consultant for NTA, Marine Enterprises, Multiplex Research Inc. . . . Joseph W. Evans Jr., ex-KFJZ-TV, Fort Worth, named sales mgr. of WVUE, Wilmington-Philadelphia . . . Robert D. Daubenspeck promoted to NBC-TV sales development mgr., Chicago; Arthur J. Johnson to station sales mgr.; Ira Wolff to sales promotion mgr. N. Y., succeeding Ernest Fladell, resigned . . . C. Thomas Garten, ex-mgr. of radio WSAZ, Huntington, W. Va., elected v.p. & commercial mgr. of WSAZ-TV, with John L. Sinclair appointed mgr. of WSAZ-TV operations in Charleston; Thomas J. Murray named mgr. of WKAZ, Charleston & George R. Andrick mgr. of WSAZ, Huntington . . . Dwight Wheeler, ex-WAKR-TV, Akron, named operations mgr., WWTV, Cadillac, Mich. . . . John B. Sias elected v.p. of Peters, Griffin, Woodward rep firm . . . Clark N. Barnes, ex-Headley-Reed rep office mgr., Los Angeles, named mgr. of Pearson rep office there, succeeding David Cassidy, now with Adam Young . . . Thomas B. Campbell & Edwin C. Charney named v.p.'s of Branham rep firm . . . G. Warren Carhart, ex-*Standard Rate & Data*, joins Chicago office of Allen Kander, brokers . . . Myron Blackman, ex-Philco Distributors, named merchandising specialist for KTLA, Los Angeles . . . Arthur Spirt elected central div. v.p. of TPA . . . Herbert H. Greenblatt, ex-RKO Pictures, named gen. sales mgr. of NTA Pictures. . . . Fred S. Houwink, gen. mgr. of WMAL-TV & WMAL, Washington, elected to board of licensee Evening Star Bcstg. Co.

Andrew G. Haley, veteran Washington TV-radio-communications attorney, whose hobby interest for years has been rockets, is pres. of newly formed Missiles-Jets & Automation Fund, diversified investment trust which this week filed with SEC 500,000 capital shares to be marketed to investors at $10 a share by underwriting group headed by Ira Haupt & Co. Fund plans to become open-end mutual company about 30 days after registration is effective. Its chairman is Dr. Theodore von Karmen, who heads scientific advisory committee of General Motors' Allison div. and who is chairman of NATO's aeronautical research advisory group. Haley was a founder and former pres. of Aerojet Engineering Corp., is pres. of International Astronautical Federation, gen. counsel of American Rocket Society.

New ABC-TV affiliates board of governors: chairman, Joe Drilling, KJEO, Fresno; vice chairman, Wm. Walbridge, KTRK-TV, Houston; secy., Joe Herold, KBTV, Denver; treas., Joe Bernard, KTVI, St. Louis.

ADVERTISING AGENCIES: John B. Simpson promoted to new post of v.p. & national broadcasting director for Foote, Cone & Belding, N. Y., succeeded as Chicago broadcasting director by Homer Heck; v.p. Roger Pryor named head of broadcast production, all offices . . . Jere Patterson resigns as exec. v.p. of Erwin Wasey, Ruthrauff & Ryan to establish own agency . . . Sidney Garfield elected pres., Sanford L. Hirschberg exec. v.p., Peck Adv. . . . George Polk elected a v.p. of BBDO . . . Orrin Spellman, v.p. of Erwin Wasey, Ruthrauff & Ryan, Philadelphia, moves to N. Y. as assistant to pres. . . . Robert Guggenheim Jr. and Ralph Yambert named v.p.'s of MacManus, John & Adams, Los Angeles . . . William J. Lyons elected a v.p. of Dowd, Redfield & Johnstone . . . Charles S. Adorney elected a v.p. of Cunningham & Walsh . . . Henry Starr elected a v.p. of Leo Burnett . . . David B. McCall, Reva Fine, Clifford D. Field named v.p.'s of Ogilvy, Benson & Mather . . . Ralph Smith promoted to v.p. of Sullivan, Stauffer, Colwell & Bayles . . . James M. Loughran, ex-Erwin Wasey, Ruthrauff & Ryan, named v.p. of Donohue & Coe, Los Angeles . . . Douglas A. Lawrance elected a v.p. of O. S. Tyson, N.Y. . . . Richard St. John resigns as v.p. of Guild, Bascom & Bonfigli, San Francisco . . . Clark E. Zimmerman, ex-McCann-Erickson, Cleveland, named director of market research for Lang, Fisher & Stashower, same city.

Latest Film Directory: The authoritative *TV Film Source-Book, Series, Serials & Packages*, was published this week by Judy Dupuy's Broadcast Information Bureau, 535 Fifth Ave., N. Y., ($20). Formerly known as *TV Film Program Directory*, spring-summer 1958 edition is Vol. 3, issue 3, lists 7430 feature films, 1317 western features, 3405 cartoons now available, including Paramount's pre-1948 backlog of 700 features recently acquired by MCA. Miss Dupuy also published *Free Film* directory in Feb., plans *Feature Film* for June release. Note: Latest BIB volume states that New York, Los Angeles, Chicago, Philadelphia must pay at least one-third of income of any feature film release; also observes that there's "no dearth of advertisers willing to pay for a picture that will have a top draw."

Rep. Oren Harris (D-Ark.), chairman of House Commerce Committee, and Sig Mickelson, CBS v.p. for news & public affairs, speak at Conn. Broadcasters Assn. meeting, Waverly Inn, Cheshire, Conn., May 23.

FCC Comr. Frederick W. Ford makes maiden speech as commissioner at Federal Communications Bar Assn. meeting, Willard Hotel, Washington, May 27.

Radio newscaster Cecil Brown, having done stints on all the other networks, joins NBC June 1.

Obituary

Bill Goodwin, 47, ace TV-radio announcer who has handled Burns & Allen, Bob Hope, Frank Sinatra, Eddie Cantor, Paul Whiteman & Edgar Bergen shows, and who has appeared in pictures, died in his car May 9 near Palm Springs, apparently victim of a heart attack. His most recent show was TV's cartoon *Boing Boing Show*. Surviving are his widow, 4 children.

Elaine Sterne Carrington, 66, originator of radio soap operas, including *Pepper Young's Family* and *When a Girl Marries*, with record of more than 12,000 daily dramas since 1932, died in N. Y. May 4. Surviving: son, daughter.

James H. Skewes, 70, part owner of WTOK-TV, Meridian, Miss., editor & publisher of *Meridian Star*, died in that city May 6. Surviving are widow, son.

Irving H. Fitch, 66, retired adv. director of Gannett TV-radio-newspaper group, died in Rochester, May 4.

FCC's Heavy AM-FM Agenda: Most big TV cases and grants are pretty well worked out of FCC's system—but its AM-FM agenda is enormous. For example, after week's hiatus for NAB convention, Commission authorized 5 uncontested AM grants, all small town; 3 FM grants (for San Francisco, Austin, Tex., Haverhill, Mass.); 2 AM grants from hearing decisions—and it approved 15 radio station sales. These are just a fraction of its "facilities" work—which included setting numerous radio applications for hearing, etc. [For details of foregoing, see *AM-FM Addenda S*.]

Justice Dept. this week supplemented its appeal to Supreme Court in RCA-Westinghouse Philadelphia-Cleveland station-swap case (Vol. 14:2, 9, 10). In Jan., Philadelphia Federal Court Judge Kirkpatrick had ruled that FCC's approval of transaction settled any anti-trust questions; that Justice Dept. was foreclosed from taking further action. Justice then appealed directly to Supreme Court. This week, Justice added memorandum stating:

"The Commission is faced with the equally undesirable alternatives of either deferring action on any broadcast matter with anti-trust implications until the United States has proceeded in the courts or itself becoming a forum for anti-trust litigation . . . Thus, while the Commission may deny applications as not in the public interest where violations of the Sherman Act have been determined to exist, its approval of transactions which might involve Sherman Act violations is not a determination that the Sherman Act has not been violated, and therefore cannot forestall the United States from subsequently bringing an anti-trust suit challenging those transactions."

Memorandum was submitted by Solicitor General Lee Rankin, signed by FCC gen. counsel Warren E. Baker, asst. gen. counsel Richard A. Solomon, attorney Ruth V. Reel.

Court of Appeals this week ruled that WKST-TV, New Castle, Pa.-Youngstown, O. (Ch. 45) can keep its channel and its Youngstown transmitter location, deciding against appeals by CP-holder WXTV, Youngstown (Ch. 73), which sought crack at Ch. 45, and Ch. 45 applicant Jet Bcstg. (WJET, Erie, Pa.; WHOT, Campbell, O.). Judges Edgerton, Burger & Fahy held that WKST-TV didn't lose channel when FCC reassigned its channel from New Castle to New Castle-Youngstown and that WKST-TV didn't "abandon" channel by going off air for 2½ years. Appellants argued that WKST-TV became a Youngstown station without competing with Youngstown applicants, but Court stated:

"There is no evidence that the location of WKST-TV's studio in New Castle constitutes a sham, or that it is in reality a Youngstown station. We concede it may be hard to say whether a station with studios in New Castle, antenna and transmitter in Youngstown, covering both Youngstown and New Castle audiences, and competing with Youngstown stations for audiences, networks and advertisers, is a New Castle station. We find no basis for disturbing the conclusions reached by the Commission."

* * * *

Buffalo's Ch. 7 should still go to Great Lakes TV Inc., examiner H. Gifford Irion stated this week in "second supplement" to his initial decision which first favored the applicant Jan. 31, 1956. Record had been reopened after WKBW-TV Inc. was permitted to amend to higher antenna & power. Issues were coverage and WKBW-TV Inc.'s financial qualifications. This week, Irion concluded that all 3 applicants (3rd is WWOL) had about same proposed coverage; that WKBW-TV had adequate financing; that Great Lakes was still best. Great Lakes is combination of *Buffalo Courier-Express;* WPIT, Pittsburgh; Cataract Theatres, Niagara Falls; WKTV, Utica.

One CP for station, 4 for translators, were granted. Ch. 27, Portland, Ore. was awarded to Trans Video Co. of Ore. (Wallace J. Matson, operator of Portland CATV system). Translators were for Ch. 74 & 75, Chloride, Ariz. and Big Sandy Valley-Hualpai Mt. Park, Ariz.; Ch. 76, Canby, Cal.; Ch. 74, No. Warren, Pa.

KVAR, Mesa, Ariz. (Ch. 12) was granted waiver of rules to identify itself as both Phoenix & Mesa.

Allocation petition by radio KXJK, Forrest City, Ark. seeks shift of Ch. 8 from Jonesboro, Ark.

Agenda of Barrow Hearing: When FCC network probe resumes Mon., May 19 (see p. 2), first witnesses scheduled are 2 from CBS-represented stations—Jay Wright, KSL-TV, Salt Lake City; Glenn Marshall, WMBR-TV, Jacksonville. Then one speaking up for NBC Spot Sales —Nathan Lord, WAVE-TV, Louisville.

Then come Station Representative Assn. witnesses and the dissident Petry firm, which isn't a member. The SRA witnesses are Lloyd Griffin, Peters, Griffin, Woodward; Lewis Avery, Avery-Knodel; Frank Headley, H-R Television; Eugene Katz, The Katz Agency; John Blair, Blair-TV.

There may be some variations in their testimony, possibly on subject of option time, but they're all expected to oppose networks engaging in rep business and to offer some counter-proposals to the Barrow Report's recommendations. For Petry, exec. v.p. Edward Voynow is due to testify, followed by uhf spokesman John English, part-owner of WSEE, Erie (Ch. 35) and off-air WNAO-TV, Raleigh (Ch. 28).

The 6 stations due to send witnesses, as yet unnamed, are KVAR, Phoenix; WCSH-TV, Portland, Me.; WDSU-TV, New Orleans; WFLA-TV, Tampa; WLAC-TV, Nashville; KFDM-TV, Beaumont.

For lists of TV stations represented by network spot sales and other rep organizations, see *TV Factbook No. 26*, pp. 297-306. Radio stations additionally represented, besides affiliates of the TVs, are (by NBC) WHK, Cleveland & KGU, Honolulu; (by CBS) WCCO, Minneapolis & WRVA, Richmond.

Renewal Form Changes: FCC is finally proposing several changes to license renewal forms, accepting some industry recommendations. It now goes to Budget Bureau for approval of form, not substance, then will be put out for rule-making. Among changes proposed (1) AM and TV have different time periods. AM is to report on basis of programming 6 a.m.-6 p.m.; TV 6-11 p.m. Previously, both reported for entire day. (2) Former 14½-min. program segment has been replaced by 14-min. This permits 1-min. spot before and after sustaining program, yet permits program to be classified "sustaining." (3) Mechanical reproduction rule is being changed so that if less than half of program is recording, whole program may be classified "live." Previously, program had to be "primarily" live to be called "live"—and "primarily" was frequently considered ambiguous term. (4) Promotional spots, if not paid, will now be counted "sustaining."

Aug. is vacation month again at FCC, per custom. One meeting will be held in month, required by law, and individual commissioners will be available to act on motions, handle emergencies.

Network Television Billings

March 1958 and January-March 1958

(For Feb. report see *Television Digest*, Vol. 14:15)

NETWORKS CONTINUED to gain in March gross time billings which hiked first 1958 quarter to $143,704,116, or 13.5% over same 1957 period. ABC-TV billings led percentagewise, up 36.8% in quarter, NBC-TV billings went up 12.2%, CBS-TV's 6.8%. Complete TvB report for first quarter and March:

NETWORK TELEVISION

	March 1958	March 1957	% Change	Jan.-Mar. 1958	Jan.-Mar.* 1957	% Change
ABC	$ 9,402,407	$ 6,848,848	+37.3	$ 27,013,004	$ 19,739,917	+36.8
CBS	21,211,070	20,172,173	+ 5.2	62,715,826	58,712,735	+ 6.8
NBC	18,845,860	16,631,974	+13.3	53,975,286	48,087,546	+12.2
Total	$49,459,337	$43,652,995	+13.3	$143,704,116	$126,540,198	+13.5

1958 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January*	$ 9,168,609	$ 22,094,015	$ 18,344,111	$ 49,606,735*
February*	8,441,988	19,410,741	16,785,315	44,638,044*
March	9,402,407	21,211,070	18,845,860	49,459,337

* Figures revised as of May 2, 1958.

Note: These figures do not rcpresent actual revenues to the networks, which do not divulge their actual net dollar incomes. They're compiled by Leading National Advertisers and TV Bureau of Advertising on basis of one-time network rates, or before frequency or cash discounts, so in terms of dollars actually paid may be inflated by as much as 25%. However, they're generally accepted in the trade as an index.

Census of 1960 will include TV, Commerce Secy. Weeks advised Chairman Magnuson (D-Wash.) of Senate Commerce Committee. Count of radio sets, however, will be dropped first time since 1930 "because the 1950 census found radio in nearly every American home."

Free Nielsen audience analysis is offered by NBC-TV to advertisers adding spot schedule to their network programs. NBC reports recent Nielsen study shows audiences increased twofold or even fivefold with spot schedule addition.

Pay TV's Teco Reports: That Zenith is bearing most of cost of its vigorous pay-TV campaign, was made more evident this week when (1) it appointed Hill & Knowlton as public relations counsel, adding that important firm to its big list of special counsel and publicists, and (2) annual report of Teco Inc. was released in advance of shareholders meeting set for May 13 at its offices at 231 So. La Salle St., Chicago. Teco Inc. was formed about 10 years ago to promote and operate Zenith's Phonevision system commercially as and when authorized, and $1,000,000 was raised by permitting Zenith stockholders to purchase its 100,000 shares at $10 a share.

The Teco Inc. report shows it spent only $27,139 in 1957 and $24,263 in 1956, biggest item being $12,000 officers' salaries—presumably that of pres. S. I. Marks. It shows loss of $208 in 1957 and $874 in 1956. Its current assets are $965,216, of which $930,648 is in govt. securities on which interest of $26,931 was received in 1957, main source of income. Current liabilities include deficit since organization of $38,488 and the $1,000,000 capital stock.

Pay-TV appears quiescent at moment, but it would be idle to think Zenith publicity machine has halted or that proponents have given up simply because of lack of enthusiasm for idea in Washington, notably Congress. Last week, Actors Equity Council, headed by actor Ralph Bellamy, staunch pay advocate, endorsed tollvision in resolution asserting it means more jobs, more construction, etc., and slapping at "monopolistic controls" which it claims are exercised by advertisers who "dictate the trends of artistic expression."

Pros and cons of educational TV are subject of new book titled *Mass Communication and Education*, published this week by Educational Policies Commission ($1.50, 137 pp., National Education Assn., 1201 16th St. NW, Washington, D. C.). Book says TV "is another effective aid in teaching process," warns "it is not the educational revolution . . . won't solve teacher shortage."

Do You Know That . . .

NETWORK VICE PRESIDENTS have come and gone so frequently over the 30-odd years since chain broadcasting began that the Madison Ave. gagsters sometimes refer to them as "vulnerable persons," to their titles as "very precarious." Fact is, those who have not retired for age, disability or the sheer enjoyment of their well-earned competences are really doing quite well, for the most part, in a multitude of occupations.

We've already reported on those who went into station management (Vol. 14:13) and on all the ex-presidents and ex-executive vice presidents of the networks (Vol. 14:16). There are still a huge number of former v.p.'s around—and some notes on what happened to them ought to be particularly apropos these days of heavy turnovers at network top levels.

First, as to those who have retired: There's the ageless **John F. Royal**, NBC's beloved ex-program boss, as spry as ever at 72 (come next July 4) and reporting to his office in the NBC executive suite daily as a program consultant. There's "Judge" **A. L. Ashby**, NBC's first gen. counsel, now 72, who quit in 1947 to become president of his alma mater Olivet College, in Michigan, became pres.-emeritus in 1950, now lives at 7 Cathy Pl., Menlo Park, Cal. There's **Ken Dyke**, another NBC stalwart of old, who went off to war, rose to Brig. Gen., returned to join Young & Rubicam as pres., recently was retired, now does advertising consulting and is also consultant to USIA (Voice of America).

One of NBC's "orginals" in 1927 was **John W. Elwood**, now 63, who left his v.p. post in N. Y. to run KNBC, San Francisco, 1942-50, retired to head Radio Free Asia, and for last 4 years has been doing security work on radio for Govt. in Washington. He's a cousin of retired GE chairman Owen D. Young, one of NBC's founders. His wife, who was Lee Penrose, secy. to NBC's original exec. v.p., the late George McClellan, is now asst. mgr. of Washington's socialite Sulgrave Club.

CBS-TV's ex-pres. **Jack Van Volkenburg** was only 54 when he retired last year (Vol. 12:44); we reported on him in Vol. 14:16. And its onetime exec. v.p. **Joe Ream**, at 55, is back in Washington as CBS's v.p. there, succeeding retired v.p. **Earl Gammons**; Ream had retired about 5 years ago to run a cattle ranch in Florida, but was persuaded by Frank Stanton to take the capital post after his first wife died. Gammons does public relations work, represents Storer among others.

Adrian Murphy, another of the younger CBS v.p.'s who made their pile and retired, was last reported living in Tucson. Ex-CBS sales v.p. **Kelly Smith**, retired, makes his home at Winding Lane, Stoney Brook, Westport, Conn. And **Frank Falkner**, who went up in CBS from engineering ranks, now lives in retirement at Piney Point, Boiceville, Ulster County, N. Y. We reported on Sam Pickard in Vol. 14:7; he always had the Midas touch, made a fortune while CBS v.p., was last heard from as operating a swank fishing resort at Point Paradise, Fla.

* * * *

Advertising agencies and the program field naturally claimed a lot of network ex-v.p.'s. With the exception of the capable, popular William B. Lewis, now pres. of Kenyon & Eckhardt, all still have v.p. titles. "Bill" Lewis was CBS program director and then v.p. for 6 years before going with OWI for wartime service; he elected to go into agency work after the war.

At McCann-Erickson as TV v.p. is **Tom McAvity**, recently NBC v.p. for program sales; also **Harold Morgan** and **William Wylie**, both ex-ABC. **George Frey**, NBC careerist from WEAF control room days, was its first TV network sales v.p., is now v.p., Sullivan, Stauffer, Colwell & Bayles Inc. **Richard A. R. (Dick) Pinkham**, also an NBC career man, who as program v.p. produced the *Today*, *Home* and *Tonight* shows, has been for about a year TV-radio v.p., Ted Bates & Co. **John Lanigan**, ex-NBC, is now v.p., Compton Adv., N. Y., and **Merritt Schoenfeld**, ex-ABC Chicago v.p., is now with an agency in that city.

Another ex-NBC v.p. in charge of sales, **Edward D. Madden**, who quit in 1953, now heads very successful Keyes, Madden & Jones, Chicago, a div. of Russel M. Seeds agency. And **Don Searle**, who first ran his family oil company's KOIL, Council Bluffs, Ia., went on to become gen. mgr. of KGO, San Francisco for ABC in 1943, v.p. in 1944; he quit in 1948, helped found KOA-TV, Denver, still owns part of it as well as 3 midwest radio stations. Searle lives at 11950 San Vicente Blvd., Los Angeles, recently set up an adv. agency in Hollywood known as Special Events Inc. (Vol. 14:15).

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Robert O'Brien, one of youngest members of Securities & Exchange Commission in New Deal days and a crack lawyer, was with Paramount Theatres group that acquired ABC and set up AB-PT, left that company last year to become exec. v.p. & treas., Loew's Inc. (MGM). At MGM is **Jason Rabinowitz**, who quit ABC as administrative v.p. in latter 1957. In charge of subsidiary MGM-TV is **Charles C. (Bud) Barry**, who started as an NBC announcer in 1937, became Blue Network v.p., then ABC-TV v.p., rejoined NBC as radio program and then TV v.p., shifted to William Morris Agency in 1955. MGM-TV's program director is **Adrian Samish**, producer of the *Northwest Passage* series, ex-ABC-TV and radio programming v.p. 1943-47, NBC-TV exec. producer 1953-54.

Screen Gems Inc., subsidiary of Columbia Pictures, has **Harry Ackerman** as production v.p.; he was a CBS producer in 1948, its West Coast program v.p., producer of *Ford Star Jubilee* spectaculars, and quit CBS last June to produce own *Leave It to Beaver* and *Bachelor Father*. Also at Screen Gems, as director of international operations, is **William H. Fineshriber Jr.**, who held big jobs at CBS & MBS before becoming NBC network TV & radio v.p. 1953-54, then TPA v.p. 1955-56.

David Sutton started in radio as a salesman for WBBM, Chicago, went up in various CBS stations and, except for wartime hitch as a Marine captain, was with that network in sales before being made sales v.p. in 1950; 2 years later he went to MCA as v.p. in charge. Also at MCA is **Alexander (Sandy) Stronach**, ABC-TV program v.p. 1950, network v.p. 1951.

Michael Dann, NBC program sales v.p., left to become pres. of Henry Jaffe Enterprises, recently joined CBS as v.p. (Vol. 14:13). **Irving Fein**, ex-CBS v.p. in charge of adv., publicity & sales promotion, resigned to become pres. of J&M Productions, 366 No. Camden Dr., Beverly Hills, which produces the *Jack Benny Show*. **Donn Tatum**, ex-ABC, is now v.p., Walt Disney Productions, Hollywood. **Robert Saudek**, quit ABC to produce *Omnibus* for Ford Foundation, now runs it independently. **Leonard Reeg**, also ex-ABC, is now a Hollywood program producer with John E. Gibbs & Co.

Note: There are still several dozen ex-v.p.'s and managers whose whereabouts we've checked or are checking—and we'll report on them later.

Target Is ASCAP: Definitely, this was not ASCAP's week in Congress. In House, Rep. Roosevelt's (D-Cal.) Small Business subcommittee came up with report urging Justice Dept. to consider anti-trust action against ASCAP. In Senate, Commerce Committee heard long list of witnesses testify against the ASCAP-supported Smathers bill (S-2834) which would prohibit TV & radio stations from music publishing and record manufacturing businesses (Vol. 14:12-14).

Roosevelt subcommittee said there's serious question whether ASCAP is following "terms and spirit" of 1950 anti-trust consent decree. Group believes that ASCAP is dominated by 24-man board which gets disproportionate share of royalties. For example, subcommittee said, the 12 publisher members of board got $6,165,792 of the $10,342,368 distributed to all publisher members in 1957. Subcommittee also questioned ASCAP's complicated formulas for voting, counting and crediting performances of compositions, distributing royalties, handling grievances, etc.

In Senate hearing, witnesses praised BMI as an alternative to "monopoly" of ASCAP. Omar F. Elder Jr., ABC secy. & asst. gen. counsel, said ABC owns only 4½% of BMI, which pays no dividends, and only reason it owns stock is "so that each station will have its small share toward maintaining an adequate alternative competitive source of supply of music so that one organization will not have virtually a complete monopoly in this area." He said that ABC's Am-Par Record Corp. has both ASCAP and BMI subsidiaries; that at least 70% of music on TV-radio is ASCAP; that barring broadcasters from music publishing & recording would be "carrying discriminatory legislation to an unprecedented degree."

Typical of BMI support was testimony of Lewis R. Chudd, pres. of Imperial Records, who started 11 years ago, built up to 15,000,000 record sales in 1957. He said BMI had brought "genuine competition into the music business," asserted he'd never known disc jockeys to care whether record was ASCAP or BMI.

Novel witness was Mrs. John Axton, Jacksonville high school teacher who composes rock & roll; she expressed indignation at charges such music contributes to juvenile delinquency. She said BMI, unlike ASCAP, gives new composers a break.

Hearing resumes May 21 with testimony by CBS Inc. v.p. Richard S. Salant, Columbia Records pres. Goddard Lieberson, RCA Victor Record div. v.p. George R. Marek, NBC asst. gen. attorney Joseph McDonald, Motion Picture Assn. pres. Eric Johnston.

Clips from the Current Press—

(Digests of Noteworthy Contemporary Reports)

"Each medium—the newspapers, radio, TV—has its own individual capabilities . . . radio and TV brought an exciting new dimension to journalism. Ours is the strength of immediacy in reporting, often in transmitting the very event as it is happening. Combining sight, sound and action, TV has brought the world into almost every American home, giving remote places reality and revealing the important figures of the world as both more and less than legendary names. Moreover, by their very natures, radio and TV are the media that often trigger the interest of people in new events, new personalities, new problems —sending them to the printed media for further and continual information. In the decade or so that we have had TV as a new presence in journalism, we have organized ourselves to meet our job as reporters [and] have joined the older media in fulfilling the reporting function so that a certain level of performance is expected of us. We are getting the stories, and we are getting them to the people." —Frank Stanton, pres. of CBS, before Missouri School of Journalism May 2, upon acceptance of its Honor Award for Distinguished Service in Journalism.

"Whaddya mean the movies are going to pot? Blockbusters and specialized films are grossing all-time highs. In only 210 theatres, *Around the World in 80 Days* has grossed \$32,000,000. *The Ten Commandments*, reports Paramount, has brought in \$42,000,000 since its late 1928 release. Of the 10 fattest money-making pictures ever produced, all except *Gone with the Wind* have been produced since 1952 . . . *The Bridge on the River Kwai, Peyton Place, Sayonara, Old Yeller, Raintree County, A Farewell to Arms, Don't Go Near the Water* . . . One reason for all this is that the pictures are emphatically better than they were in the '40s. The public has been showing in no uncertain terms that if they're to be lured from their cozy TV sets there has to be something special."—Richard L. Coe, drama critic, *Washington Post.*

"Implications of tape recording almost stagger the human imagination. It is theoretically possible here and now—economics remain to be worked out—for viewer to record his favorite TV programs and play them back at his convenience again & again. Or, not inconceivably, housewife of tomorrow will stop at tape counter in supermarket and rent or buy for home showing new motion picture or spectacular reviewed in that morning's newspapers. Anyone who presumes to claim he knows now the shape and form of tomorrow's entertainment, education and culture has overlooked most elementary reality of contemporary civilization: the electron." — Jack Gould, *N. Y. Times.*

"Should a TV station editorialize? A station that has the mind to harbor an opinion and the courage to utter it just seems more important than a station that won't dare open its mouth. There is something awfully bland about news divorced from opinion. It encourages the notion that no improvement is possible in this best of all possible worlds."—John Crosby, N. Y. Herald-Tribune.

"Advertisers are idiots. Young & Rubicam is a madhouse, but it's the best of the agencies. The thing that louses up TV drama is the networks."—TV-movie playwright Paddy Chayefsky, in interview with James O'Neill Jr., *Washington Daily News.*

Giants, Dodgers on TV: Missing from early-season baseball TV lineup (Vol. 14:16), San Francisco Giants and Los Angeles Dodgers will be seen live on home screens after all. NTA's newly-acquired WATV, N.Y.-Newark, which became WNTA-TV May 7 (Vol. 14:14), signed former N.Y. clubs for total of at least 40 games to be fed into N.Y. area from St. Louis & Pittsburgh starting May 14. Probable sponsor: Budweiser. Dodgers and Giants also will be seen on WOR-TV, N.Y., when they play Phillies in Philadelphia. In addition, Westinghouse's KPIX, San Francisco, is offering to televise Giants-Dodgers games there on no-fee basis, but Giants pres. Horace Stoneham was reported turning down bid because of exclusive—but non-operating—pay-TV contract with Skiatron.

KULA-TV, Honolulu (Ch. 4), ABC-TV affiliate, is being acquired for \$685,000 by Henry J. Kaiser, who will dispose of his independent there, KHVH-TV (Ch. 13), after having operated since May 5, 1957. Sellers, owning 25% each, are Richard C. Simonton, Jack A. Burnett, Arthur B. Hogan, Albert Zugsmith. Zugsmith owns 25%, Hogan 10%, of WREX-TV, Rockford, Ill. (Ch. 13) and each owns 25% of radio KBMI, Henderson, Nev. Zugsmith controls radio KRKD, Los Angeles. In Honolulu deal, Kaiser retains radio KHVH; sellers keep radio KULA.

Commercial TV service in Ireland is proposed by its Govt., and a commission has been set up to consider proposals to establish system, including proposals by U. S. entrepreneurs. Prime requisite is that system shouldn't cost Irish Govt. anything but will be owned & supervised by Govt. Commission's address: Hamman Buildings, 11, Upper O'Connell St., Dublin. In West Germany, Assn. of West German Branded Goods Producers voted in favor of adopting British-type commercial system, run by independent corporation supervised by control board.

Suit against Mary Pickford & Buddy Rogers was filed recently by Piedmont Publishing Co. in Los Angeles Superior Court, to force them to sell their ⅓ interest in WSJS-TV, Winston-Salem, to Piedmont for \$126,812. Piedmont charged actress and her husband, buying the stock in 1953 for \$50,000, agreed to give Piedmont option to repurchase in 6 years—but now refuse to sell.

Radio WARM, Scranton, is being sold for \$195,000 under terms of merger bringing WNEP-TV, Scranton (Ch. 16), formerly WARM-TV, and WILK-TV, Wilkes-Barre (Ch. 34) under control of Transcontinent TV Corp. (Vol. 14:7). Buyer is WSBA-TV, York (Ch. 43) & WSBA, pres. Louis J. Appell Jr., holding 10% personally.

Balance sheet of KTUL-TV, Tulsa (Ch. 8) & KTUL shows \$255,829 defiicit, \$178,939 current assets, \$807,966 fixed assets, \$1,139,063 liabilities. Feb. 28 balance sheet of Tulsa Bcstg. Co. was filed with application to sell its radio KFPW, Fort Smith, Ark. to George T. Hernreich for \$75,000.

Cuban Ministry of Communications has assigned 3 channels in Pinar del Rio—Ch. 3 to Telemundo S.A., Ch. 5 to Circuito CMQ S.A., Ch. 8 to Radio Television Nacional.

FCC waived minimum-hour rules to permit only 2 hours daily operation by Spanish-language KCOR-TV, San Antonio (Ch. 41), which said it was unable to provide longer schedule.

WFLB-TV, Fayetteville, N. C. (Ch. 18), state's only remaining uhf, has cut on-air hours to 3-11 p.m., operating staff from 25 to 15.

Station Representatives Assn. moved May 1 to 366 Madison Ave., N.Y. (Yukon 6-9390).

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING WASHINGTON 5, D C. • TELEPHONE STERLING 3-1755
Trade Report
May 10, 1958

THE LEADERS ARE BALLYHOOING STEREO: There must be good reasons why 4 major companies in home entertainment apparatus field picked annual stockholder meeting to introduce latest stereophonic developments -- better reasons than merely to take shareowners' minds off gloomy profit picture. You'll be interested in enthusiastic comments on stereo at these meetings & elsewhere. We've kept you up to date on this brand new business, which we tagged "Bright Star for Fall" (Vol. 14:12), with our stories -- one almost every other week -- since first of the year.

Now, industry topkicks are filling up seats in the bandwagon. It looks like they'll all be aboard by time fall lines go to market. Here are latest comments:

(1) RCA pres. John Burns this week showed 1400 stockholders new stereophonic cartridge which he announced can provide full hour of stereo music -- "live 3-dimensional sound of unprecedented depth & clarity" -- and hailed it as one of 6 new products by RCA to "help beat recession" (p. 11). Then, he treated his stockholders to sample of stero music, got vigorous applause. Added Burns:

"We believe stereophonic tapes -- along with new stereo discs we are bringing out, mail-order clubs, other innovations -- will produce a continued rise in demand for classical & popular music. Stereo sound brings to the American home a thrilling musical experience, and does this at a price well in reach of the average family."

(2) Motorola chairman Paul Galvin got a similar reaction when he showed his stockholders hi-fi phono converted into stereo recorder in Chicago this week, said Motorola will show stereo to distributors in June, market players in July.

(3) Hoffman Electronics sales v.p. Paul Bryant showed stockholders in Los Angeles what he described as "new approach to stereo for the home" -- a conversion package to adapt Hoffman hi-fi for stereo, including amplifier-&-speaker unit, pickup cartridge for discs, wire & cable for simple modification. He said Hoffman would urge customers to "Buy Hi-Fi Now -- Convert to Stereo Later."

(4) Zenith sales v.p. Leonard Truesdell told Sales Executives Club in N.Y. this week stereo will be "shot in the arm" needed to boost sales and employment in overall radio industry, promised "full stereo line from Zenith in June."

(5) Westinghouse shareowners, meeting in Metuchen, N.J., last month got their first taste of stereo music, were told company would show stereo to distributors in June, have line on market this fall.

(6) It's also no secret GE is going into phono field for first time and can be counted on to give stereo every consideration. It's hi-fi component mfr. now. Admiral is super-enthusiastic about stereo and Allen B. DuMont has some interesting ideas up his sleeve for announcement in near future.

* * * *

Among majors, only Magnavox has stereo available now -- 2 factory-equipped models, conversion kits for all hi-fis. Among the smaller phono makers, Paramount Enterprises has released its Hallmark line of stereo equipment, advertises player and dual speaker system for $149.95. Webcor, Wilcox-Gay, Granco & Sonic are among those ready to go with stereo or planning fall delivery.

Indicative of keen industry interest in orderly development of stereo was the plea this week from Admiral pres. Ross Siragusa for industry standards to avoid the kind of confusion that has beset hi-fi.

And we learn our British cousins are taking serious note of stereo, may even be ahead of U.S. makers in some refinements. Big London Radio & Electronics Components Show in late April featured stereo by several makers. Garrard uncovered models for American market using 45-45 system. Pye & Decca promised stereo discs in June.

TV-Radio Production: TV set production was 77,344 in week ended May 2 vs. 84,999 preceding week & 81,408 in 1957. Year's 17th week brought production to 1,536,714 vs. 1,835,975 last year. Radio production was 149,604 (39,754 auto) vs. 162,421 (48,574 auto) preceding week & 275,067 (96,517 auto) last year. For 17 weeks, production totaled 3,258,318 (1,044,992 auto) vs. 4,894,124 (2,022,467 auto).

Upbeat Business Thinking: This week's quarterly reports (p. 13), and nearly all recently released annual reports for 1957 (see Special Report herewith) show downtrend in the electronics fields, notably consumer products such as TVs & radios —but there's a vital note of optimism running through the statements of industry leaders made this week at stockholder meetings or accompanying their reports. For example:

"We believe," said RCA pres. John L. Burns, "that the best way out of a recession is to sell your way out. That is exactly what we intend to do—to sell our way to higher volume and higher profits." He thereupon outlined expansion plans, showed or hinted at new products (p. 10)—evoking from *N. Y. Herald Tribune* business writer Donald I. Rogers this comment:

"This was not idle chit-chat. It was not—as so many president's reports are—idealistically promising. It was hard fact, and as such, newsworthy, for this is one of the first consumer goods industries to take positive action to bail the economy out of its temporary indisposition."

* * * *

Something of the same attitude is evident in several other reports of the week. Motorola pres. Robert W. Galvin, after noting the value of diversification, wrote stockholders this week:

"Within the next few months we conservatively anticipate a healthy step-up in our radio and TV volume and will be producing car radios for the new 1959 automobiles. As a result of these factors, and our anticipation of steady volume and profits in communications and military divisions, the first quarter decline is not representative of our expectations for the year."

Said H. Leslie Hoffman, pres. of Hoffman Electronics, whose first quarter also slumped (Vol. 14:18): "It used to be that the industry sold about 35% of its total [TVs] in the final quarter; about 25% in the third quarter; 18% in the second quarter; 22% in the first quarter. Last year, we sold as many [TV] receivers in the first quarter as in the last. This year will probably see us go back to the old pattern." He predicted industry production of 5,000,000 sets this year, and his consumer products v.p. P. E. Bryant said his company's second quarter TV sales would run 20% or better than first. Hoffman stockholders also were given hint that company may undertake new acquisitions this year, may float more stock to finance them. Pres. Hoffman was quoted on Dow-Jones ticker May 9 as stating one large acquisition is in the works which will place his company high up among producers of over-all systems.

DuMont seemed to have had tougher luck than most, the first quarter loss figures being greater than indicated by upward trend shown in 1957 (p. 13) when, pres. David T. Schultz told stockholders, firm made money on its TV sales. He attributed poor quarter to "the lowered level of the national economy—particularly as it applies to consumer goods [and to] the slowness with which defense contracts are being let." DuMont is known to be planning big things in stereo, and Schultz foresees good prospects ahead for TV also. This week, DuMont's TV picture tube div. added third shift, went on round-the-clock basis, mgr. William Carlin stating this was due to big increase in orders.

* * * *

One of the few majors showing sizeable gain in 1957, and an excellent first quarter (Vol. 14:17), Zenith Radio had its sales v.p. Leonard Truesdell at N. Y. meeting of Sales Executives Club May 6, where he commented:

"It is the experience of our management that sound and aggressive merchandising of quality products can beat the current sales slump. Firms which put quality first and have the courage to lead will not only stay healthy but will also continue to get their share of the market." He boasted, understandably, of Zenith's ability to run counter to the industry's downward spiral, revealed that its unit sales of portable radios (mainly all-transistor) had gone up 40% first 4 months of 1958 from like 1957 period, and that TV unit sales to dealers reached an all-time high in April.

Sylvania, which also reported sales & earnings declines in first quarter (Vol. 14:17), told stockholders this week: "When all factors are taken into consideration—the upturn that we foresee in the markets for electronic components, our greatly increased defense business, and the gradual resumption of higher volume in our other product lines—we anticipate that sales in the second quarter will be better than the first, and that the third and fourth periods will compare favorably with last year."

Siegler pres. John Brooks told *Wall St. Journal* this week he thinks business recession "has leveled off, at least as far as we can see." He said Hallamore electronics div. had received $5,000,000 new orders in last 15 days. He estimated first quarter net has declined to about $207,000 or 14¢ a share on 1,515,306 shares now outstanding, from $207,474, or 27¢ on 746,200 shares in third quarter of fiscal 1957. Results include operations of Unitronics div. (formerly Olympic Radio) and Hufford Corp., El Segundo, Cal., merged into Siegler last Sept.

* * * *

Note: Philco has cut salaries of some 4000 employes because of business decline, informing them May 8 that those earning $5-10,000 were being cut 5%, those more than $10,000 cut 10%. Most of those affected are in 5 Philadelphia area plants, though cuts apply also to 5 other plants. At same time, it was disclosed that production workers at 2 Philadelphia plants agreed, through their IUE union, to one-year contract giving them 5¢ an hour wage increase. Their average wage is now $2. Philco met a strike-caused slump 4 years ago by same salary-cutting device. Standard Coil also cut salaries and perhaps others did, but didn't make it known.

"Tape Strobe" device, used with 60-cycle light source to determine whether tape recorder or player is operating at correct speed, is offered at $21.50 by Scott Instrument Labs, 17 E. 48th St., N.Y.

Trade Personals: John L. Burns, pres. of RCA, and Charles M. Odorizzi, exec. v.p., sales & services, fly to Brussels Fair June 7 to visit RCA-NBC color TV exhibit, which Frank Folsom, chairman of exec. committee, is also due to visit shortly; Burns & Odorizzi plan to visit company's European operations, returning about end of June . . . Alan M. Glover elected v.p. of RCA semiconductor & materials div. . . . Arthur Freed, ex-Freed Electronics, named v.p. marketing of Servo Corp., Hyde Park N. Y. . . . Gordon E. Burns promoted to mgr. GE receiving tube & electronic components replacement dept. . . . John T. Thompson, ex-GE, named mgr. of new Raytheon distributor products div. . . . Kenneth M. Lord, ex-GE, named engineering director of Stromberg-Carlson electronics div. . . . Wilfred G. Caldwell promoted to gen. attorney for CBS-Hytron . . . Calvin Karnstedt, ex-KSTP-TV, St. Paul, joins Setchell Carlson, New Brighton, Minn., as national sales mgr. . . . E. Donald Burlingame promoted to mgr. of Sylvania's Batavia plant . . . F. W. McDonald promoted to mgr., Hotpoint Chicago district, succeeded at Milwaukee by E. W. Putz . . . Alfred D. Burke promoted to gen. sales mgr. of Westinghouse Electric Supply, Chicago . . . John W. Vogt appointed mgr. of Westinghouse Appliance Sales, Buffalo . . . I. Edelstein, v.p. of Trav-Ler Radio, adds duties of gen. sales mgr.

Sylvania chairman & pres. Don G. Mitchell estimated Govt. this year will spend record $4.3 billion for "electronic defense," speaking this week at opening of company's new Amherst Engineering Lab., Williamsville, N. Y. He said this sum would exceed "industry's total civilian & military business only 10 years ago."

Obituary

Edmour Frederic Giguere, 44, RCA electronics consultant, died of a heart attack at his N. Y. home May 5. Surviving are widow, daughter.

A Scattering of Color: Impromptu poll of some 1400 RCA stockholders at annual meeting May 6 wasn't conducive to warming cockles of its executives' hearts, dedicated as they are to putting over color TV. Bearing out disappointing findings of telecasters as reported at NAB Convention (Vol. 14:18), only a handful of people present raised hands when asked whether they owned color sets. "That's not enough," was all Gen. Sarnoff could say. One stockholder did recount how he had been told by dealers to go to RCA Exhibition Hall in Radio City if he wanted to see color, that he did so but was ignored by attendants, thus lost interest.

Though it's apparent dealer exposure of color isn't all it should be, the RCA official report still insists: "Color TV continues to advance not only in programming but also in merchandising. Sales of color sets to consumers are running well ahead of last year. Intensive color promotions in many parts of the country are producing excellent results. Dealers are becoming convinced that their greatest future profits will be realized in color TV receivers. The quality and performance of the RCA 1958 line are so good that color has been widely accepted, and RCA looks forward to future increases in sales during the rest of this year.

"Of the 515 TV stations on the air [actual count now is 536], 324 are now equipped for network color."

Color-tube patent interference case between RCA and Philco was settled in RCA's favor last week by decision of Court of Customs & Patent Appeals. It involves No. 310,944 of RCA's Arthur Liebscher and No. 219,093 of Philco's Wilson P. Boothroyd, deals with screen of one type of color picture tube. Philco claimed Liebscher patent applies only to screen with white phosphor and strips of colored filters, doesn't cover screens with strips of color phosphors. Court concluded Liebscher claims are broad enough to cover both.

DISTRIBUTOR NOTES: **Harry Schecter**, who was named asst. to Zenith v.p. L. C. Truesdell 2 weeks ago, now going to N. Y. as gen. mgr. of factory branch, succeeding Wm. E. Skinner, resigned . . . **Motorola** appoints 555 Inc., Little Rock, for all consumer products . . . **Sylvania** appoints G & W Distributing, Youngstown, for TV, radio, hi-fi . . . **Hoffman Electronics** appoints Fowler Distributing, Portland, Ore., for TV, radio, hi-fi . . . **Paramount Enterprises** appoints Ben Neutra for new Hallmark stereo systems in Philadelphia.

Price-discrimination charges against Hamburg Bros., Pittsburgh RCA distributor, were dismissed this week—FTC adopting recommendation of examiner Joseph Callaway. FTC concluded that Hamburg's lower prices to its bigger customers "were justified either on the basis of selling costs or sale of distress merchandise."

EIA holds semi-annual clinic on consumer products statistical data May 14-15 at Sheraton-Park hotel, Washington. RCA mgr. for market research D. J. McCarty is chairman. Representatives of 35 TV-radio-phono-tape makers will consider, among other matters, need for new FM and hi-fi statistics.

Increases in Mexican import duties on TV-radio-phono and allied equipment range from 20% on TV-radio chassis to 130% on tape recorders, according to official schedule received this week at Commerce Dept. Mexican tariff is compound duty, based on weight, valuation (invoice or official, whichever is higher) and surtax.

TV picture tubes with re-used bulbs, labeled "reprocessed," may be taboo, is inference of recent Federal Trade Commission ruling (No. 6702) on product as far removed as used oil. FTC Comr. Anderson told Royal Oil Corp., Baltimore, that selling purified crankcase drainings as "reprocessed oil" was deceptive, that "reprocessed" suggested new oil additionally processed for higher quality. FTC attorneys had been awaiting oil decision as precedent for crackdown on tube rebuilders.

Perennial advocates of fair trade, the National Assn. of Retail Druggists this week urged Congress to adopt price-maintenance bill (HR-10527) by Chairman Harris (D-Ark.) of House Commerce Committee (Vol. 14:18). NARD counsel Herman S. Waller testified at committee hearing that small businessmen need protection against bait-priced sales of brand name merchandise. Justice Dept. registered expected opposition to bill, questioned its constitutionality.

Factory sales of picture tubes for first 1958 quarter were 1,812,825 worth $36,195,858 vs. 2,322,480 worth $41,580,150 a year ago, drop of 21%. EIA reports March sales were 634,779 ($12,643,404) vs. 833,257 ($14,850,847) a year ago. Receiving tube sales for the first quarter were 84,990,000 worth $74,611,000 vs. 125,041,000 worth $104,808,000 for same 1957 period, a 32% drop. March totals for receiving tubes were 28,524,000 ($25,697,000) vs. 43,010,000 ($37,007,000) a year ago.

High-resolution radar CR tube, developed by Westinghouse, offers 667 lines per in.

Financial Reports:

RCA PRESIDENT John L. Burns really captured the headlines after the industry's biggest entity held its sometimes stormy annual stockholders meeting May 6—this despite report on reduced quarterly sales & earnings. During first 3 months of 1958, RCA sales declined 5.8% to $278,339,000 from $295,773,000 in same 1957 quarter; profit after taxes fell 29.7% to $9,004,000 (59¢ per share) from $12,810,000 (87¢). Nevertheless, all divisions of the company, chairman David Sarnoff told the gathering, are operating in the black at present.

For all 1957, RCA revenues were $1,176,277,000, net profit $38,549,000, or $2.55 per share (Vol. 14:9). As for full-1958 prospects, Mr. Burns said: "Our plans contemplate our business for the full year 1958 running ahead of the rate for the first 3 months, and we hope that economic conditions for the nation as a whole will so develop that we will be able to carry out these plans."

It was the optimistic note on future prospects, the promises of big new developments ahead, at a time when nearly all quarterly reports seemed to be downbeat, notably in the electronics industry, that garnered the headlines for RCA. Its 3-point program "to sell our way to higher volume and higher profits" embraced expansion of existing activities, creating new departments to go after business in certain key areas, introducing important new products & services that will create new markets.

For example, Burns announced a high-fidelity tape cartridge for home music players-recorders (see p. 10), said 5 other new products (undisclosed) will be revealed one at a time that will be applicable to national defense, in business & industry, in the home. He recapitulated the company's 7 new major units, notably its Astro-Electronics products division; educational electronics dept., dealing with closed-circuit TV and other school equipment; telecommunications div.; semi-conductor & materials div.; atomic energy services; Model C Stellarator Project; ballistic missile early warning system dept.

BMEWS dept. represents billings of more than $400,000,000, he stated. Defense orders first quarter went up $130,000,000 from same 1957 period, will be 10% greater for year than 1957's $267,000,000, which was 23% of RCA's total business last year. He told about 2-year $5,000,000 contract with Army Signal Corps for electronic miniaturization—and showed for first time a new RCA experimental radio the size of a fountain pen, complete with batteries, antenna, earphones; its 5 modules, each about one-tenth of a cubic inch, corresponded to tubes and circuits of a conventional 5-tube radio receiver, and it weighs only 2 oz.

[For further reports on RCA meeting, see pp. 10 & 12.]

Motorola sales slumped to $40,894,492, earnings to $677,782 (35¢ per share) in first quarter from $52,281,795 & $2,137,587 ($1.10) in 1957 quarter, pres. Robert W. Galvin reporting to stockholders this week that consumer products (TVs, radios) and auto radio divisions had suffered declines, along with semi-conductor div., while 2-way radio & microwave business, as well as military electronics, had increased sales and showed profit.

Allen B. DuMont Laboratories Inc., reflecting downturn in consumer product sales and slowness of defense contract awards, lost $943,000 on sales of $9,806,000 in first quarter 1958 vs. loss of $353,000 on sales of $10,059,000 for same 1957 period. First-quarter loss was greater than that of all 1957, which was $543,616 on sales of $43,582,435 vs. loss of $3,886,734 on $47,401,006 sales in 1956 (Vol. 14:11).

Midwestern Instruments Inc. reports first-quarter sales of $1,184,697, profit $58,558 after expenditures of $98,400 for product research & development—with Midwestern div. accounting for $782,252 sales & $55,282 profit, Magnecord div. $402,445 sales & $3276 profit. New orders totaled $1,284,922, up from $751,311 in 4th quarter 1957. Annual report of Tulsa manufacturer of magnetic tape & recording equipment, amplifiers, oscillographs, etc., also released this week, shows that in 1957 Magnecord div. sales were $1,371,890, loss $336,016, while Midwestern div. sales were $4,021,455, profit $503,743—making consolidated sales of $5,393,345, profit $167,727. Earned surplus at Dec. 31, 1957 was $175,749. Pres. G. R. Murrow called 1957 "year of transition," noting firm had acquired Magnecord with its $2,400,000 tax loss carry forward and had moved its plant from Chicago to Tulsa last year; that it had acquired Data Storage Devices Co., Los Angeles, last Nov., also moving it to Tulsa; that it has taken over Modern Art Finishing Co., Chicago.

Ampex Corp. fiscal year ending April 30, 1958 will show sales of about $30,000,000, earnings after taxes around $1,500,000, or more than $2 per share, said pres. George L. Long Jr. in talk this week to Los Angeles Society of Security Analysts. Big video tape developer (Vol. 14:18) had net income of $1,087,000 ($1.51 a share) on sales of $18,737,000 in fiscal year ended April 30, 1957, expects to show profit of about $2,100,000 on $40,000,000 in 1959 fiscal year, which, would mean about $2.85 a share on 734,000 shares presently outstanding.

Paramount Pictures reported income of $6,947,000 in first 1958 quarter from instalment sales of film, principally to TV, and other special transactions. In addition, it had operating income of $1,405,000, making quarter's total $8,352,000 ($4.43 per share on 1,884,916 shares) vs. $1,299,-000 (66¢ per share) for the same period last year.

Stanley Warner Corp., whose diversified operations include theatres, International Latex Corp. and WTRI, Albany, earned $506,429 (24¢ per share) in 13 weeks ended March 1 vs. $1,038,153 (48¢) year earlier. In 26 weeks ended March 1 earnings were $1,310,960 (63¢) vs. $2,007,757 (93¢) year earlier.

Decca Records earned $168,117 (11¢ per share) in first quarter after allowing for its share of undistributed profits of its subsidiary Universal Pictures (Vol. 14:16). This compares with $974,958 (61¢) in 1957 quarter.

International Resistance Co., for 15 weeks ended April 13, reports sales of $3,430,009, net loss of $150,287, vs. $4,515,277 sales and earnings $117,845 (9¢ per share) in same 1957 period.

Correction: Howard W. Sams & Co., Indianapolis, has record first quarter sales of $1,177,470, before-tax profits of $83,181, bringing 9 months of fiscal year to $3,316,772 sales & $364,447 before-tax profits vs. $3,005,426 & $327,712 for same period preceding year. Figures as published in Vol. 14:16 related to associated printing concern, Waldemar Press Inc. Note: For Sams Co. fiscal records, see *Financial Supplement* with this issue.

Dividends: Westinghouse, 50¢ payable June 2 to stockholders of record May 12; IBM, 65¢ June 10 to holders May 12; Storer. 45¢ June 13 to holders May 29; Erie Resistor, omitted May 5; Paramount Pictures, 50¢ June 13 to holders May 26; WJR The Goodwill Station, 10¢ June 4 to holders May 21.

Corning Glass has moved its electronic components sales dept. to Bradford, Pa.

COMMON STOCK QUOTATIONS

Week Ending Friday, May 9, 1958

Electronics TV-Radio-Appliances Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg
9¼	7	Admiral	8¾	+¼
22⅝	19⅜	AmBoscb .30e	21¼	−¾
18	13	AmBcstg-Par 1	17⅛	−½
37⅞	32¼	AmMy&F 1.60	34¾	+¾
177⅝	167⅞	AT&T 9	175⅞	+⅝
27⅞	22⅜	Amphenol 1.20	26⅜	+1
29⅞	24½	Arvin 2	24¼	−⅞
7¼	5⅝	Avco .20e	6⅜	+⅛
25¾	19	BeckInst 1¼f	19½	—
53	44⅝	BendixAv 2.40	47⅞	—
32¼	27⅝	Burroughs 1	31¾	+2⅜
18⅜	15¾	Clevite ¼e	16⅜	+⅛
30½	24½	CBS "A" 1b	29⅞	+¾
30⅜	24⅛	CBS "B" 1b	29½	+¾
16¼	12½	Col Pict ⅜t	15⅜	+⅜
35¼	27⅞	Cons Elec .40	29⅞	−1⅜
26¾	19½	Cons Electron	26	+⅜
16½	12¾	Cor-Dub .20e	15	—
86¾	74⅝	CornGlass 1a	84½	−¾
3⅝	3	Davega	3⅜	—
35	30	Daystrom 1.20	31¼	+¼
16¼	13⅞	Decca 1	14⅝	−½
21½	14	Disney .40b	21⅝	+1⅜
107⅞	97⅛	EastKod 1.55e	107	+½
36⅜	29	EmerElec 1.60	36⅝	+1¾
6⅛	4⅛	EmersonRadio	6	+⅛
8½	7	Gabriel .60	7⅞	+⅛
65¾	55	Gen Dynam 2	57⅛	+1⅜
64¼	57	Gen Electric 2	59⅜	+⅛
7⅝	4⅝	Gen Inst. .15g	7⅜	−¼
41	29½	GnPrEquip2.40	31¼	−½
30	22¼	Gen Tire .70b	23⅝	−⅜
45¾	40⅜	Gen. Telepb. 2	46⅞	+1⅛
26⅝	21	HoffmanElec 1	26¾	+⅞
354	300	IBM 2.60	354½	+4½
35⅛	29¼	IT&T 1.80	34⅝	+⅜
41½	36⅛	I-T-ECirB .90e	37½	−⅛
7⅞	6¾	ListIndust ¼e	6⅞	+⅛
43⅞	36⅞	Litton Ind	42⅛	+½
17½	12⅞	Loew's	17⅜	+2⅛
37	30¼	Magnavox1½b	36½	−¼
28¾	23⅝	Mallory 1.40b	25¼	+1¼
88¾	76	Mpls.H'll 1.60a	87½	−¼
42¼	35	Motorola 1½	36¾	+⅜
9	7⅜	Nat'l Thea ½	8¾	+⅜
38⅜	30⅝	Paramount 2	37½	+¼
17⅛	12⅜	Pbilco	14⅝	+¼
35	30¼	RCA 1a	33¾	+1⅜
27¼	21½	Raytbeon 1¼t	26⅞	+¼
7⅛	5	Republic Pic	5⅜	−¼
34¾	29	SangElec 1.80	28⅜	−1⅛
16⅛	13¼	Siegler .80	13⅞	−⅛
4	2¾	Sparton	3⅜	—
20⅝	17¼	SperryRan .80	18¾	+1½
8¼	6	Standard Coil	7⅞	+½
18	14½	Stanley-War 1	16¾	−½
34⅜	29	Stew Warn 2b	33⅞	+⅛
24⅞	20	StorBcstg 1.80	24½	+½
37½	31½	Sylvania 2	36	+1½
36¾	26¾	Texas Instru	36⅝	+2
55¼	41⅜	ThomProd 1.40	44½	+¼
26⅞	23¼	Tung-Sol 1.40b	24¾	+⅛
27	21¾	20thC-Fox 1.60	27	+1¼
22⅞	15¼	UnitedArt 1.40	22	+¾
22⅝	19	Univ. Pict	19	−1⅝
19½	16⅞	WarnBros 1.20	18	−½
65½	57¼	Weatingh El 2	59	+1
77⅜	67½	Zenith ½h	75½	−¼

AMERICAN STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg
3⅜	2⅞	Allied Artists	3¼	+¼
45	34½	Allied Con 1s	41	+3½
15⅛	12⅞	AmElectro ½	13¾	—
10⅛	8⅜	AssocArtProd	9⅜	−⅛
12½	7¼	AudioDev .05d	12½	+1¾
10⅛	7⅜	BelockInst ⅛t	9¼	−⅛
¾	⅜	C & C TV	¾	+⅛
3¾	2⅞	Clarostat .15g	3⅛	−⅛
4⅝	3	DuMont Lab	3¾	−⅛
4⅛	2⅞	Dynam Am	3½	+⅛
13⅛	10	EletcronicCom	11	−½
7⅞	6⅜	Electronics Cp	6½	−¼
31⅝	19½	FairchCam½g	24⅝	+½
24⅞	17¼	General Trans	20⅜	−1⅛
17¼	14⅝	Globe Un .80	16¼	+⅞
3⅜	2½	Guild Films	3½	+½
37½	30½	Hazeltin 1.40b	35	+¾
2⅞	2	Herold Ra .20	2⅛	−¼
4⅝	3¾	Int Resist .20	4	—
6¼	4¼	Lear	5⅛	−⅛
11/16	⅜	Muntz TV	11/16	−1/16
3½	2½	Muter Co. ¼t	3½	+⅛
9¼	5⅝	Nat'l Telefilm	9	—
1¾	1	Nat Union El	1½	—
6⅞	2¾	Norden-Ketay	2⅞	−⅛
3⅝	2⅞	Oxford El .10r	3	−⅛
16	11	Pbilips El	14¼	+1
8⅝	6⅝	Servomecb .40	8⅜	+½
6	3⅜	Skiatron	4⅜	+¼
4⅜	3½	Technicolor	4⅜	—
4½	3½	Trans-Lux .20g	4	—
4⅞	4¼	Victoreen Inst	4¼	—

OVER THE COUNTER AND OTHER EXCHANGES

(Lotest Available Data)

	Bid	Asked
Advance Ind	1⅞	2⅛
Aerovox	4⅛	4½
Airborne Inst	45¼	47
Altec Co. .80	6¼	7
AMP Inc .50	19¾	21
Ampex	68	70
Baird Atomic	7	7½
Cinerama Inc.	1⅝	2
Cinerama Prod.	11 3/16	2¼
Cobu Electronics	8⅛	8⅝
Collins "A" .35	12¾	14
Collins "B" .35	12½	13½
Cook Elec. .40d	16⅛	17
Craig Systems	4½	5
DuMont Bcstg.	7¾	9
Eitel-McCullough (5% stk)	23	25
Elec Assoc (stk)	42	44
Erie Resistor .40b	5⅝	6¼
Friden Ind. 1	54	57
Giannini, G. M.	12⅝	14
Granco Products .05	1	1⅜
Gross Telecasting 1.60	18	19
Hewlett-Packard	24	26
High Voltage .10g	31	33
Hycon	2 1/16	2⅜
Indiana Steel Prod. 1.20a	17½	18½
Jerrold	2	2⅜
Ling Industries	2 7/16	2¾
Leeda & Northrup .60b	21	26
Machlett Lahs .25g	17	18
Magna Theatre	1¼	1¾
Maxson (W. L.) .05	4⅞	5½
Meredith Pub. 1.80a	30	32
National Co. (4% stk.)	11¼	12
Oak Mfg. 1.40	13	14
Official Films .10	1 1/16	1 5/16
OR Radio	21½	23
Pacific Mercury TV	6⅛	6¾
Packard-Bell .50	11⅛	11½
Panellit	5½	6
Perkin-Elmer	22⅜	23¼
Philips Lamp (14% of par)	37	39
Reeves Soundcraft (stk.)	3 1/16	3¼
Sprague Electric 1.20	26¾	28
Taylor Inatrument 1.20	29¼	31
Tele-Broadcasters	3	3½
Telechrome .30	8⅜	9
Telecomputing	4¼	5
Teleprompter (stock)	5⅝	6¼
Time Inc. 3.75	61½	64
Topp Industries (stock)	9½	10
Tracerlab	6⅝	7
Trav-Ler	1⅜	1¾
United Artists	3¾	4½
Varian Associates	17⅛	18
Webcor .15c	9¾	10
Wells-Gardner	7⅜	8
WJR Goodwill Sta. .50d	13	13½

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid after stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. * No trade

'VERA' Raises Problems: BBC's "VERA" video tape recording system (Vol. 14:16) poses not only question of competition in export market with RCA and Ampex but serious prospect of complicating international program exchange. Right now, film is standardized, offers no problems. But telecasters are scarcely likely to purchase 2 types of tape recorders. Subject is bound to come up in forthcoming Moscow conference on international TV standards late this month (Vol. 14:16).

BBC is very pleased with VERA. In Washington this week, its director of engineering Sir Harold Bishop told us he believes device could be adapted to U. S. standards with little difficulty. "We haven't done it," he said, "but we haven't had any need to do it. I see no unusual problems involved. Our people have come up with solutions in longitudinal recording, and I'm surprised that U. S. manufacturers didn't."

BBC does no manufacturing, but turns any new developments over to equipment makers. VERA uses more sq. in. of tape per program than RCA & Ampex recorders —100 sq. in. per second (½-in. tape running 200 in. per second) vs. U. S. 30 sq. in. per second (2-in. tape at 15-in. per second)—but Bishop says U. S. 2-in. tape costs about 10 times as much per sq. in. He acknowledges that mass production should bring price down.

Bartley a Shoo-in: Hearing on Comr. Robert T. Bartley's nomination to another FCC term, before Senate Commerce Committee May 7, was really a breeze. As acting chairman Pastore (D-R. I.) put it: "I can't speak for the committee, but I think you can sleep tonight." Short hearing brought out little new. Sen. Mansfield (D-Mont.) sent letter expressing fear small-town stations were being stifled by community antenna systems (see p. 3), asked for Senate and FCC investigations. Bartley said Commission is considering subject, opined that FCC has basic job of weighing advantages to public of multiple signals through CATV systems vs. single signal from local station. Sen. Monroney (D-Okla.) made pitch for continuance of educational TV reservations, and Bartley said he still endorses them, believes educators need plenty of time to utilize channels. Sen. Thurmond (D-S. C.) said he's "bitterly opposed to pay TV," has no objection to "cable theatre" subscription systems—but told Bartley he didn't need to comment on subject. Pastore congratulated President Eisenhower for reappointing a Truman appointee. He asked Bartley if he's an "Eisenhower Democrat." Bartley said: "No [but] I like him very much." Committee action on nomination is expected May 14, and it's assumed John S. Cross' appointment will be considered at same time.

Picture Salaries Still Good: Proxy statement for June 3 annual meeting of Paramount Pictures discloses Barney Balaban, pres., received 1957 remuneration of $124,800, which included $20,800 expense allowance, and is holder of 12,500 shares of stock. Y. Frank Freeman, v.p. in charge of West Coast studio, got $130,000, including $7800 expense allowance (holds 5200 shares); Paul Raibourn, v.p.-planning & budget, $59,800 (100 shares); George Weltner, v.p.-worldwide sales, $65,000 (245 shares, also 75 DuMont Labs, 40 DuMont Bcstg., now Metropolitan Bcstg.); Adolph Zukor, chairman, $78,000 (1000 shares). At 20th Century-Fox, top officer 1957 salaries and stockholdings were: Spyros P. Skouras, pres., $233,841 (10,000 shares, plus 37,766 owned by family); Joseph H. Moskowitz, v.p. $148,119 (not a director); W. C. Michel, exec. v.p., $100,360 (1393 shares); Murray Silverstone, v.p., $148,960 (not a director).

Television Digest with ELECTRONICS REPORTS

WYATT BUILDING WASHINGTON 5, D. C. • TELEPHONE STERLING 3-1755

Special Report
May 10, 1958

Financial Data on Television-Electronics Companies

Statistical Summaries of Reports of Leading Publicly-Owned Companies

Including Major Component Parts Makers and Broadcasters

Compiled as of May 9, 1958 for *Television Digest* by

Greenebaum & Associates, Financial Consultants in Electronics,
30 West Monroe St., Chicago 3, Ill., Financial 6-2137

NYSE—New York Stock Exchange · ASE—American Stock Exchange · Midwest—Midwest Stock Exchange · Pacific—Pacific Coast Stock Exchange

ADMIRAL CORP. (NYSE)

Capitalization
Debt: $12,000,000
Common: $1 par, 2,362,096 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$230,397,662	$37,775,281	$18,767,554	$7.95	$1.00	$ 67,960,665	39¼- 17¼
1951	185,925,058	18,725,621	9,586,833	4.06	.88	68,756,734	29⅜- 20¼
1952	190,724,326	18,942,133	8,711,133	3.69	.83	87,530,549	32¾- 24¾
1953	250,931,605	21,340,965	8,213,165	3.48	1.00+20% stk.	107,642,418	32¾- 18⅝
1954	219,565,089	15,581,974	6,547,974	2.77	1.00	109,126,766	29⅛- 18¼
1955	202,361,797	5,752,144	2,282,144	.97	1.00	104,823,433	30¼- 20¼
1956 (a)	185,880,606	2,740,024	1,504,024	.64	1.00	105,404,038	22⅛- 12⅝
1957	172,663,167	1,176,067	965,067	.41	none	102,115,752	14⅞- 6½
1958 (3 mo.)	....	....	......	..	none	....	9¼- 7

(a) Restated to include domestic real estate subsidiary and all foreign operations in Italy, Mexico and Brazil.

AEROVOX CORP. (Unlisted)

Capitalization
Debt: $3,717,000
Common: $1 par, 868,720 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$23,751,172	$3,428,572	$1,749,418	$2.51	$ .30	$11,682,140	12¼- 4⅛
1951	22,574,370	1,610,182	779,353	1.11	.60	12,640,361	10½- 6½
1952	22,460,917	1,987,215	940,440	1.35	.60	12,633,317	10⅝- 6½
1953	27,064,814	2,185,824	1,074,582	1.54	.60	14,314,803	12¾- 9
1954	28,016,539	1,520,120	860,828	1.04	.45	15,266,982	12 - 8⅞
1955	25,480,214	994,003	480,956	.55	5% stk.	15,896,999	13⅞- 8
1956	25,095,656	1,633,693(d)	909,893(d)	1.05(d)	none	15,379,924	8¾- 4
1957	20,892,597	409,778	276,272	.32	none	12,835,934	6¼- 2⅞
1958	....	......	......	..	none	....	5 - 3⅛

(d) Deficit.

AIRCRAFT RADIO CORP. (Unlisted)

Capitalization
Note: $700,000
Common: $1 par, 296,112 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$3,360,292	$ 596,214	$ 296,414	$1.06	$ .60	$2,852,417	6¾- 5
1951	7,444,324	1,731,828	348,856	1.25	.70	6,364,882	9 - 6⅛
1952	8,995,835	1,464,897	389,897	1.39	.75	6,094,349	8¾- 7¾
1953	9,424,869	1,590,611	390,611	1.40	.75	6,510,587	10 - 8
1954	8,460,347	1,551,127	576,127	2.05	1.05	5,507,435	17 - 7¼
1955	7,479,731	888,994	434,994	1.49	.90	6,176,995	21 - 12½
1956	8,685,054	1,181,784	581,784	1.96	.90	8,847,272	19 - 12
1957	10,159,185	1,384,493	594,493	1.95	.90	8,936,871	25 - 16½
1958 (3 mo.)	....	....	......	...	.20	....	23 - 17

ALLIED CONTROL CO. INC. (ASE)

Capitalization
Preferred: 7% cumulative preferred, $4 par, 91,980 shares
Common: $1 par, 225,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$1,890,156	$ 181,926	$ 121,926	$ .42	none	$1,254,251	....
1951	3,560,128	592,268	329,235	1.34	none	2,011,046	....
1952	7,146,610	796,532	257,910	1.02	none	2,680,725	4 - 2¾(a)
1953	7,105,272	584,304	184,304	.69	none	2,755,572	3½- 3 (a)
1954	6,907,705	710,177	322,177	1.28	$ .20	2,526,405	18½- 14¼
1955	7,362,112	651,124	384,721	1.55	.80	3,233,731	19 - 12½
1956	10,887,047	1,733,163	793,163	3.37	.80	3,603,247	21⅜- 12⅝
1957	13,883,587	2,604,716	1,234,716	5.34	1.15	4,183,479	52½- 19⅜
1958	....	....	....	...	1.10+5% stk.	....	45 - 34½

(a) Preferred stock.

AMERICAN BOSCH ARMA CORP. (NYSE)

Capitalization
Debentures: $1,214,000, 3¾s, due Nov. 1964
Preferred: 5% cumulative serial preferred Series A & B, $100 par, 18,550 shares
Common: $2 par, 1,866,599 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$35,643,481	$5,200,242	$2,545,242	$1.88	$1.05	$22,135,487	20 - 10¼
1951	75,898,047	7,894,820	2,607,820	1.91	1.20+20% stk.	45,580,299	17½- 12¾
1952	90,539,243	846,048(d)	509,708(d)	.54(d)	.90+ 2% stk.	48,983,258	15⅜- 10⅝
1953	79,367,771	3,648,439	1,678,439	1.02	none	43,783,734	12¾- 6¼
1954	74,416,211	4,938,370	2,570,370	1.58	4% stk.	39,951,806	15¼- 9
1955	73,805,025	6,533,568	3,383,568	1.86	1.00+ 2% stk.	44,290,499	22¼- 14¼
1956	122,237,735	9,666,357	4,626,357	2.43	1.00+ 5% stk.	54,593,088	23⅞- 16½
1957	134,339,863	10,510,387	5,080,387	2.67	1.05	66,114,872	27 - 16⅛
1958 (3 mo.)	27,018,890	1,826,708	886,708	.46	.30	....	22⅝- 19⅜

(d) Deficit.

AMERICAN BROADCASTING-PARAMOUNT THEATRES, INC. (NYSE)

Capitalization
Debt: $52,209,184
Preferred: 5% cumulative preferred, $20 par, 323,399 shares
Common: $1 par, 4,149,363 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950*	$ 45,879,660	$ 132,605	$ 84,605	$ .05	none	$ 26,491,261	14¼- 7⅞
1951*	58,983,129	741,943	368,943	.22	none	31,025,927	14⅛- 10⅛
1952	167,136,730	13,578,802	6,961,113	1.34	$1.25	141,124,092	21¼- 11½
1953	172,018,661	8,980,587	4,376,626	2.14	1.00	137,754,108	15⅞- 12⅝
1954	188,795,705	9,826,142(a)	4,721,787(a)	1.11(a)	1.00	138,376,649	25¼- 14½
1955	198,350,068	16,011,623(a)	8,218,017(a)	1.89(a)	1.20	138,593,905	33½- 22⅛
1956	206,915,705	15,724,544(a)	7,734,545(a)	1.78(a)	1.30	146,192,447	32½- 21⅞
1957	215,877,026	9,779,524(a)	4,894,524(a)	1.10(a)	1.00	154,125,813	24⅞- 11⅝
1958 (3 mo.)	....	3,913,000(a)	1,854,000(a)	.43(a)	.50	....	18 - 13

Merger of ABC and United Paramount Theatres, Inc. effective Feb. 1953. * 1950 and 1951 figures for ABC only.
(a) Excluding capital gains.

AMERICAN ELECTRONICS, INC. (ASE)

Capitalization
Debentures: $3,500,000, convertible subordinated 5¼s, due 1973
Debt: $1,748,166 notes
Common: $1 par, 850,119 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 340,000	....	....	....	none	....	....
1951	1,510,000	....	....	....	none	....	....
1952	2,518,964	$245,118	$ 62,774	$ .12	none	....	....
1953	3,900,300	452,489	180,879	.36	none	....	....
1954	6,109,380	583,957	297,783	.59	$ .22½	$3,204,561	15¼- 4
1955	5,935,104	519,013	265,013	.51	.50	4,110,513	17 - 10½
1956	10,379,641	758,109	376,128	.73	.50	7,879,677	13¾- 11
1957	17,908,135	1,180,042	603,650	.78	.50	14,484,448	21½- 11
1958	....	....	......	..	.12½	....	15⅛- 12⅞

AMERICAN MACHINE & FOUNDRY CO. (NYSE)

Capitalization
Debentures and Notes payable: $102,867,700
Preferred: 3.90% cumulative, $100 par, 63,670 shares
5% cumulative, $100 par, 17,956 shares
Common: $7 par, 3,266,217 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 27,577,242	$ 3,405,846	$2,015,846	$1.53	$ .80	$ 30,470,533	17¼- 12¾
1951	54,203,434	5,989,962	3,352,962	2.31	.80+2½% stk.	53,855,489	20⅜- 14⅛
1952	105,821,447	8,647,077	4,167,077	2.05	.80+5% stk.	78,872,791	24⅜- 16¾
1953	139,200,765	9,790,611	5,275,611	2.44	1.00+5% stk.	89,541,324	24⅞- 19⅛
1954	126,507,387	7,868,022	4,023,022	1.64	1.00+2½% stk.	105,826,171	28⅜- 21⅜
1955	145,000,977	9,789,016	4,774,016	1.66	1.00+2% stk.	132,788,863	35⅞- 23¼
1956	198,057,542	18,976,676	8,975,676	3.03	1.05+4% stk.	182,385,380	40¾- 24¼
1957	261,753,625	24,136,249	11,782,249	3.51	1.30	225,619,194	43¾- 29⅛
1958 (3 mo.)	51,357,594	6,212,265	2,683,271	.82	.40	....	37⅞- 32¼

AMERICAN TELEPHONE AND TELEGRAPH CO. (NYSE)

Capitalization
Debt: $5,688,000,000
Subsidiary preferred: $17,904,300
Common: $100 par, 64,648,178 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$3,261,528,032	$ 587,720,864	$346,962,051	$12.12	$9.00	$11,575,966,607	161¾-146¼
1951	3,639,462,365	704,221,388	364,874,176	11.00	9.00	12,774,216,000	161⅛-150
1952	4,039,644,218	798,087,900	406,661,306	10.43	9.00	13,997,345,000	161⅜-150⅞
1953	4,416,729,614	937,599,573	478,512,265	11.32	9.00	15,434,549,000	161¼-152⅛
1954	4,784,500,427	1,058,836,919	549,931,223	11.42	9.00	16,515,526,000	178¼-156
1955	5,297,043,174	1,291,183,107	664,243,416	13.10	9.00	14,479,641,983	187⅜-172¾
1956	5,825,297,685	1,451,160,747	755,933,854	13.16	9.00	16,206,571,233	187⅛-165
1957	6,313,833,200	2,098,371,577	829,779,296	13.00	9.00	17,677,875,672	179⅞-160
1958 (3 mo.)	....	....	178,440,000	2.76	4.50	....	177⅝-167⅞

AMPEX CORPORATION (Unlisted)
Year ending April 30

Capitalization
Debentures: $5,500,000, 5%, due 1972 (a)
Common: 50 cents par, 734,265 shares(a)(b)

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 387,514	....	$ 60,601(d)	$ .25(d)	none	....	....
1951	968,472	$ 129,931	114,931	.48	none	....	....
1952	2,301,707	167,823	76,823	.32	none	....	....
1953	3,548,593	202,020	88,520	.37	none	$2,156,234	....
1954	5,418,373	70,191	25,691	.06	none	3,769,231	....
1955	8,163,663	762,622	365,736	.69	none	4,749,525	20 - 14¼
1956	10,196,967	607,275	311,275	.58	none	6,301,532	43 - 17
1957	18,737,000	2,212,000	1,087,000	1.51	none	18,954,000(a)	60 - 30
1958	30,000,000(e)	....	1,500,000(e)	2.00(e)	none	....	63 - 44

(a) Pro-forma. (b) Shareholders to vote on 2½-for-1 split Aug. 26. (d) Deficit. (e) Estimated.

AMP, INCORPORATED (Unlisted)

Capitalization:
Notes: $1,100,000, 4½% Promissory Note due 1969
Common: $1 par, 2,017,496 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950................	$ 5,480,538	$1,342,201	$ 590,201	$ .31	none	....	....
1951................	10,188,612	1,776,868	458,868	.23	none	....	....
1952................	11,545,957	1,509,646	342,646	.17	none	....	....
1953................	15,312,235	1,644,021	409,561	.21	none	....	....
1954................	16,040,373	2,102,032	902,032	.46	none	....	....
1955................	21,647,301	3,709,128	1,605,588	.83	none	$12,108,805	....
1956................	32,299,301	6,587,742	3,227,742	1.66	none	15,411,029	19½- 16¼
1957................	36,097,574	6,312,779	3,350,779	1.66	$ .50+4% stk.	16,687,337	30 - 14½
1958 (3 mo.)........	....	....	....	...	.25	....	20 - 16¼

AMPHENOL ELECTRONICS CORP. (NYSE)

Capitalization
Debt: $1,200,000, 4½% notes, due 1967
Common: $1 par, 700,560 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950................	$12,944,833	$2,020,833	$ 920,833	$2.30	$ .70	$ 7,757,607	10⅜- 6⅛
1951................	25,495,624	3,441,866	941,868	2.35	.80	14,621,200	12¼- 9
1952................	36,406,697	5,687,347	1,279,290	3.19	.90	16,065,195	17⅜- 10¾
1953................	32,023,107	1,963,272	801,223	2.00	1.00	16,637,597	19 - 13
1954................	25,584,049	1,269,491	679,491	1.70	.75	15,066,063	15⅛- 9
1955................	23,263,702	1,669,687	952,687	2.38	.57½	13,540,996	19 - 12⅜
1956................	27,318,319	2,557,987	1,257,987	2.51	.95	15,705,915	19½- 15¼
1957 (a)............	31,410,903	3,501,594	1,686,594	2.41	1.15	22,442,042	33⅞- 19½
1958................	....	....	....	...	.60	....	27⅞- 22⅜

(a) Includes Danbury-Knudsen from Aug. 1, 1957, date of acquisition.

ARVIN INDUSTRIES INC. (NYSE)

Capitalization
Common: $2.50 par, 899,025 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950................	$53,684,138	$6,940,369	$3,605,126	$4.05	$1.67	$23,565,630	30¾- 18⅛
1951................	63,997,212	7,482,755	2,691,063	3.02	2.00	26,578,148	28⅜- 22¾
1952................	64,289,781	5,310,512	2,209,733	2.48	2.00	27,364,995	32¾- 25⅛
1953................	73,395,197	5,311,720	2,255,001	2.53	2.00	27,135,716	32¾- 25½
1954................	53,372,759	4,630,593	2,231,198	2.50	1.60	27,978,690	27 - 21
1955................	67,421,583	8,445,322	4,052,091	4.55	1.70	32,033,832	34 - 24
1956................	64,612,775	7,875,165	3,784,839	4.22	2.00	32,122,082	31⅜- 26⅞
1957................	69,705,700	7,676,373	3,689,976	4.10	2.00	31,346,329	36½- 28
1958 (3 mo.)........	11,188,072	66,662	37,498	.04	.50	....	29⅞- 24⅜

ASTRON CORP. (Unlisted)

Capitalization
Debt: $139,375
Preferred: 4% cumulative preferred, $10 par, 3,900 shares
Common: 10 cents par, 645,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1951................	$1,461,687	N.A.	$ 33,331	$ .05	(b)	(b)	(b)
1952................	2,421,216	N.A.	100,648	.05	(b)	(b)	(b)
1953................	3,164,983	N.A.	118,252	.18	(b)	$ 836,579	(b)
1954................	3,421,760	$569,231	287,431	.45	(b)	1,206,212	(b)
1955................	4,101,170	607,639	296,339	.46	$ .20	2,174,924	5 - 3½
1956................	5,128,525	460,519	227,519	.35	.40	2,281,279	4⅝- 3
1957................	4,841,129	352,708	185,708	.29	.20	2,202,612	3½- 1⅝
1958................	....	......	......	...	.05	....	2⅜- 1¼

N.A. Not available. (b) Privately owned.

AVCO MANUFACTURING CORP. (CROSLEY) (NYSE)
Year ending Nov. 30

Capitalization
Debt: $24,953,000
Preferred: No par cumulative conv. 127,727 shares
Common: $3 par, 9,075,846 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950................	$256,966,971	$28,735,633	$12,635,633	$1.47	$ .50	$222,980,159	9⅛- 5¾
1951................	286,598,113	22,089,214	10,089,214	1.10	.60	186,877,718	8⅝- 6⅞
1952................	326,585,641	21,578,927	11,028,927	1.20	.60	167,434,839	8¼- 6⅞
1953................	414,783,527	5,868,598	3,368,598	.34	.30	143,787,065	8¾- 4½
1954................	375,405,820	7,509,436	3,639,436	.37	.10	200,878,864	7 - 4⅝
1955................	299,332,434	2,168,311	758,311	.05	.20	198,417,760	8¼- 5½
1956................	320,556,285	18,112,847(d)	16,387,847(d)	1.84(d)	none	181,728,051	7⅝- 5
1957................	314,882,677	10,552,601	12,832,794	1.38	.10	159,752,919	7¾- 4⅞
1958 (3 mo.).......	70,580,470	2,847,723	2,797,723	.30	.20	....	7¼- 5⅝

(d) Deficit.

BECKMAN INSTRUMENTS, INC. (NYSE)
Year ending June 30

Capitalization
Debt: $9,280,000
Common: $1 par, 1,325,843 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950*...............	$ 5,207,856	$1,431,353	$ 694,853	$ .69	$ .13	....	(b)
1951*...............	8,215,712	1,918,190	628,090	.58	none	$ 5,990,000	(b)
1952(a).............	5,785,740	1,326,848	326,848	.30	none	7,148,028	17¾- 10½
1953................	16,447,382	1,991,089	756,089	.70	none	10,247,769	17 - 11⅝
1954................	18,652,870	2,320,280	920,280	.85	none	12,726,495	27½- 13¾
1955................	21,330,598	2,539,050	1,322,050	1.06	none	16,930,012	29⅜- 19⅜
1956................	29,362,131	3,344,856	1,744,856	1.36	3% stk.	21,859,411	43⅛- 25⅛
1957................	38,088,730	349,432	209,432	.16	3% stk.	36,256,196	47¾- 21
1958 (6 mo.)........	19,627,983	171,215(d)	82,215(d)	.06(d)	none	....	25¾- 19

* 12 months ending Dec 31. (a) 6 months to June 30. (b) Privately owned. (d) Deficit.

BELOCK INSTRUMENT CORP. (ASE)
Year ending October 31

Capitalization
Debt: $59,028
Preferred: 6% cumulative, $100 par, 1,870 shares
Common: 50 cents par, 800,239 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	Incorporated Nov. 14, 1950						
1951(a)	$ 907,308	....	$196,062(d)	$ .27(d)	none	....	(e)
1952	3,542,365	....	78,319	.09	none	....	(e)
1953	8,154,821	$ 289,371	155,251	.19	none	....	(e)
1954	10,259,380	745,810	348,375	.45	none	$4,746,583	(e)
1955	14,896,878	1,426,310	679,443	.89	none	7,423,344	27⅞- 11⅛
1956	13,801,336	977,763	457,403	.58	3% stk.	9,447,002	19⅛- 12½
1957	13,255,083	280,950(d)	132,330(d)	.18(d)	3% stk.	9,244,144	14 - 6¼
1958	....	....	....	..	1½% stk.	....	10⅛- 7⅜

(a) 10 months to Oct. 31. (d) Deficit. (e) Privately owned.

BENDIX AVIATION CORP. (NYSE)
Year ending September 30

Capitalization
Debt: $1,480,000 notes
Common: $5 par, 5,042,836 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$219,419,794	$30,599,434	$16,954,116	$4.00	$2.37½	$143,366,391	26¾- 17¼
1951	340,540,415	32,037,957	11,818,601	2.79	2.25	209,534,918	30 - 23¼
1952	508,701,892	50,660,972	15,295,159	3.61	1.87½	259,320,862	32 - 22⅝
1953	638,244,637	61,758,844	17,352,710	4.10	1.50	328,746,687	34⅛- 25
1954	607,711,607	61,796,575	25,537,771	5.62	2.00+7% stk.	285,430,724	52¾- 30
1955	567,249,923	58,717,287	25,888,599	5.66	2.10	278,064,860	59½- 45
1956	581,418,734	48,348,993	24,278,263	5.04	2.40+5% stk.	321,783,177	64⅜- 48½
1957	711,237,146	59,366,546	27,499,034	5.44	2.40	370,089,085	66¾- 42
1958 (3 mo.)	167,064,856	10,371,564	4,897,486	97	.60	353,474,463	53 - 44½

CLAROSTAT MFG. CO. INC. (ASE)

Capitalization
Debt: Mortgage, $14,170.
Common: $1 par, 417,993 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$5,985,241	$772,999	$406,780	$. 99	$ .16	$2,199,374	6⅛- 2¼
1951	5,914,310	968,763	316,265	.76	.30	2,336,293	6⅝- 4⅛
1952	5,584,513	506,115	235,282	.56	.30	2,468,194	6¼- 4½
1953	7,255,606	625,345	247,556	.59	.10	2,452,220	7 - 4⅜
1954	5,682,093	107,823	57,920	.14	.25	2,309,990	7½- 5⅜
1955	6,415,740	338,315	164,235	.39	none	2,680,205	8 - 4⅛
1956	7,468,492	467,539	227,924	.55	.20	2,565,910	5 - 3⅛
1957	7,207,102	276,543	132,710	.32	.15	2,472,742	5 - 2½
1958	....	....	....	...	none	....	3¾- 2⅞

CLEVITE CORP. (NYSE)

Capitalization
Debt: $10,837,000, 3¼% notes, due serially until 1971
Preferred: 4½% cumulative, $100 par, 49,451 shares
Common: $1 par, 1,807,152 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$42,187,243	$ 7,914,228	$3,914,228	$2.88	$1.30	$25,283,265	15⅞- 11⅞
1951	49,463,559	7,687,826	2,887,826	2.03	1.15	39,212,523	19 - 15⅜
1952	53,307,874	8,144,240	3,444,240	1.97	1.15	53,748,600	27½- 17⅝
1953	70,528,107	7,978,611	3,478,611	1.77	1.15	59,439,142	25⅝- 18
1954	59,204,627	5,618,648	2,668,648	1.33	1.15	58,536,954	24⅜- 18
1955	71,935,883	10,004,753	4,854,753	2.54	1.25	61,832,282	25⅜- 20½
1956	73,581,604	7,671,593	3,971,593	2.06	1.15	61,465,000	24¼- 18
1957	71,368,224	7,408,539	3,988,539	2.08	1.15	59,342,564	25½- 15⅛
1958 (3 mo.)	15,656,000	817,000	558,000	.28	.25	....	18⅜- 15¾

COLLINS RADIO CO. (Unlisted)
Year ending July 31

Capitalization
Debt: $5,859,619 notes.
Debentures: $7,917,000 convertible subordinated 5s, due 1977.
Preferred: 4% convertible preferred, $50 par, 122,442 shares
Common: $1 par, Class A and B, 1,504,367 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$12,534,018	$1,075,177	$ 415,765	$ .27	none	$ 8,523,681	3⅞- 1
1951	19,325,837	1,093,704	753,732	.48	$ .11	19,125,921	4⅜- 3
1952	64,130,371	5,913,432	1,836,139	1.22	.11	31,116,050	6¾- 3⅞
1953	80,028,767	6,870,809	1,580,307	1.05	.13	34,398,396	7⅝- 5¼
1954	90,300,464	7,398,976	2,599,369	1.74	.14	42,794,136	23 - 6⅜
1955	108,164,689	7,194,145	3,347,059	2.23	.35	47,558,771	28½- 17¾
1956	125,141,055	6,506,001	3,195,930	1.96	.35	59,127,378	32¼- 21¾
1957	123,912,221	5,406,267	2,699,179	1.63	.35	67,639,698	28½- 9½
1958 (6 mo.)	47,044,606	272,590	559,590	.29	none	72,204,097	15¼- 10¾

COLUMBIA BROADCASTING SYSTEM, INC. (NYSE)

Capitalization
Notes: $47,332,000, Mortgage $3,707,190
Common: Class A $2.50 par, 4,342,598 shares
Class B: $2.50 par, 3,538,802 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$124,105,408	$ 9,555,329	$ 4,105,329	$ .80	$ .53	$ 53,833,265	13⅜- 8⅜
1951	192,384,608	13,618,942	6,360,097	.91	.53	101,481,809	11¾- 5⅝
1952	251,594,490	15,938,724	6,445,506	.92	.53	111,720,900	13⅜- 11
1953	313,908,771	22,687,288	8,894,642	1.27	.62	136,040,997	16⅞- 12¾
1954	373,380,139	23,214,645	11,414,645	1.62	.63	169,298,915	29½- 13⅞
1955	316,572,766	29,897,427	13,397,427	1.83	.77+2% stk.	180,089,502	32 - 22½
1956	354,779,843	35,083,462	16,283,462	2.17	.90+2% stk.	196,097,774	34½- 22⅝
1957	385,409,018	48,593,367	22,193,367	2.90	1.00+3% stk.	222,870,272	36⅛- 23½
1958	....	....	....	....	.25	....	30½- 24½

CONSOLIDATED ELECTRODYNAMICS CORP. (NYSE)

Capitalization
Debt: $5,684,233
Common: 50 cents par, 1,063,355 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 2,808,571	$ 654,801	$ 364,604	$ .72	$ .30+15% stk.	....	13¼- 9⅛
1951	5,614,550	1,062,591	437,591	.67	.40	$ 5,081,798	14⅝- 13⅛
1952	8,000,841	1,028,512	501,512	.56	.40	12,201,268	17½- 10¾
1953	14,074,064	919,906	510,406	.57	.40	11,796,346	15¼- 10⅝
1954	15,644,520	1,633,363	842,863	.94	.40	13,096,930	31½- 13½
1955	17,124,429	1,489,912	803,696	.85	.40	15,885,633	31¼- 20
1956	25,036,689	2,208,263	1,283,263	1.35	.50	23,535,513	37 - 21
1957	30,541,382	1,178,729	771,729	.73	.40	31,413,654	54¾- 25⅛
1958 (3 mo.)	6,986,000	145,000(d)	56,000(d)	.05(d)	.20	....	35¼- 24⅞

(d) Deficit.

CONSOLIDATED ELECTRONICS INDUSTRIES CORP. (NYSE)
Year ending September 30

Capitalization
Debt: $1,000,000, Notes
Common: $1 par, 787,500 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950*	$14,759,568	....	$ 716,365	$2.45	$.50	....	13½- 8¾
1951*	12,432,733	$ 517,208	222,208	.78	.90	$ 4,460,578	11½- 7⅞
1952*	7,203,564	299,035(d)	299,035(d)	1.06(d)	.15	3,373,604	10½- 6⅛
1953*	7,581,023	486,953(d)	486,953(d)	1.74(d)	none	3,380,371	9⅞- 4⅝
1954	6,824,076	202,190(d)	202,190(d)	.72(d)	none	2,913,557	26⅞- 5
1955	11,018,537	1,755,488	861,989	1.30	none	10,074,593	44⅛- 23⅞
1956	27,892,951	4,556,597	2,156,597	3.12	none	15,294,178	36½- 26½
1957	28,537,288	4,186,931	1,971,931	2.50	none	18,493,641	35½- 18
1958 (3 mo.)	8,799,710	1,559,997	748,497	.95	none	....	26¾- 19½

* Consolidated Electronics was formerly Reynolds Spring Co. (1950-53). (d) Deficit.

COOK ELECTRIC CO. (Unlisted)
Year ending June 30

Capitalization
Debt: $1,800,000, 5¾% notes, due 1967
Common: $5 par, 593,308 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 4,496,000	$ 334,000	$ 204,000	$ .36	$ .33	....	....
1951	6,390,000	879,000	334,000	.60	.19	....	....
1952	11,396,052	1,647,839	447,839	.80	.25	$5,419,995	17⅛- 7½
1953	12,459,152	1,389,558	427,058	.76	.19+ 5% stk.	6,593,552	7½- 7
1954	14,103,369	1,216,664	511,664	.91	.30+ 5% stk.	7,292,342	16¾- 15
1955	15,253,052	506,386	251,386	.45	.15+ 1½% stk.	7,492,651	17 - 10¾
1956	15,218,090	208,101	103,101	.18	.10	7,819,576	14½- 8½
1957	24,583,521	1,753,099	858,099	1.49	.20+ 1½% stk.	11,246,916	18¾- 12
1958 (6 mo.)	12,690,284	148,966	106,004	.18	none	12,600,264	23½- 17¾

CORNELL-DUBILIER ELECTRIC CORP. (NYSE)
Year ending September 30

Capitalization—
Debentures: $3,300,000, 3⅞s 1972. Debt: $900,000 notes; $192,500, 1st 4½s, due 1959. Cumulative Pfd: $5.25 (no par), 9,282 shares
Common: $1 par, 512,390 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 23,927,117	$ 2,888,524	$ 1,747,524	$3.07	$ .78	$ 13,664,008	14¼- 8¾
1951	33,082,683	4,986,023	1,649,163	3.06	.83	17,514,482	16⅞- 10⅞
1952	35,496,041	5,078,616	1,539,831	2.86	1.04	21,581,027	18¾- 15½
1953	43,630,816	5,578,491	1,666,696	3.12	1.35+10% stk.	23,049,255	26⅝- 18¼
1954	37,149,778	3,799,640	1,729,640	3.25	1.90	21,456,679	36 - 21½
1955	34,955,172	3,909,002	1,809,002	3.41	2.10	21,769,804	37⅜- 29
1956	33,107,016	2,375,047	1,085,047	2.01	1.40	20,405,875	40½- 20
1957	32,494,378	1,364,928	754,928	1.38	1.20	21,411,350	27½- 12½
1958 (3 mo.)	6,994,023	....	80,153(d)	.25(d)	.20	....	16½- 12¾

(d) Deficit.

CRAIG SYSTEMS, INC. (Unlisted)
Year ending July 31

Capitalization—Common: $1 par, 744,380 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	$ 802,207	$ 91,835	$ 56,573	$ .11	none	(c)	(c)
1951(a)	1,952,471	187,197	69,559	.14	none	(c)	(c)
1952(a)	4,192,332	386,402	111,616	.22	none	(c)	(c)
1953(a)	4,591,654	354,323	104,989	.21	none	(c)	(c)
1954(a)	4,887,828	512,081	209,435	.42	none	(c)	(c)
1955(b)	11,506,053	1,431,113	696,913	.95	none	$5,835,985	(c)
1956(d)	9,570,015	975,173	463,673	.64	.40+ 2% stk.	6,511,853	9 - 7
1957	12,840,360	1,058,841	502,841	.68	.30+ 2% stk.	6,678,837	9⅛- 4⅛
1958	....	....	....	...	none	....	5 - 4

(a) Craig Machine Co. only. (b) Pro-Forma. Year ending Nov.30.
(c) Privately owned until Feb. 7, 1956. (d) Consolidated; includes LeFebure Corp., from Feb. 10, 1956, date of acquisition.

DAYSTROM, INC. (NYSE)
Year ending March 31

Capitalization
Debt: $2,407,746 notes.
Debentures: $8,000,000, convertible, subordinated 4¾s, 1977
Common: $10 par, 905,423 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$32,763,201	$1,829,136	$1,174,136	$1.88	$1.25	$21.800.160	16½- 10¾
1951	42,397,508	5,432,331	2,436,331	3.90	1.50	25,487,642	20¼- 15
1952	38,592,157	1,779,854	770,854	2.03	1.00	38,198,973	16⅜- 13½
1953	46,155,154	2,946,154	1,405,300	2.25	1.00	45,821,250	16⅛- 11½
1954	62,472,896	3,106,924	1,458,924	2.33	1.00	44,156,237	23¼- 11½
1955(a)	73,816,645	3,581,216	1,716,216	2.61	1.35	32,120,760	32½- 23
1956	63,192,498	3,544,181	1,784,181	2.01	1.20	40,244,242	30⅜- 22
1957	74,402,239	5,183,811	2,458,811	2.77	1.20	47,607,250	47 - 27½
1958 (9 mo.)	60,627,000	3,654,000	1,754,000	1.94	.60	....	35 - 30

(a) Weston Electrical Instrument Corp. merged into Daystrom May 16, 1955

DuMONT BROADCASTING CORP.—See Metropolitan Broadcasting Corp.

DuMONT (ALLEN B.) LABORATORIES, INC. (ASE)
(Officially separated from DuMont Broadcasting Corp. Oct. 10, 1955 and recapitalized at that time.)

Capitalization
Mortgages Payable: $686,115
Preferred: 5% cumulative convertible; $20 par, 122,016 shares
Common: $1 par, 2,361,092 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	N.A.	N.A.	....	....	$1.00	....	27 - 13⅛
1951	N.A.	N.A.	....	....	.25	....	19 - 14¼
1952	$62,013,191	$2,897,903	$1,424,603	$ .72	.25	....	19¾- 15
1953	72,305,202	3,093,362	1,544,362	.62	none	....	17¾- 8½
1954	71,457,950	1,739,102	870,273	.35	none	$63,251,041	16⅝- 9⅛
1955	57,826,809	3,674,397(d)	3,674,397(d)	1.56(d)	none	45,103,385	17⅛- 9⅛*
1956	46,646,878	5,230,441(d)	3,886,734(d)	1.65(d)	none	39,349,410	10 - 4⅜*
1957	42,691,148	534,616(d)	534,616(d)	.23(d)	none	35,412,247	6⅛- 3*
1958 (3 mo.)	9,806,000	....	943,000(d)	.40(d)	none	....	4⅝- 3

N.A. Not available. (d) Deficit. * Ex DuMont Broadcasting Stock.

DYNAMICS CORP. OF AMERICA (ASE)

Capitalization
Debt: $9,620,500
Preferred: $1 cumulative convertible, $2 par, 492,244 shares
Common: $1 par, 2,666,989 shares

1950	$14,780,757	$1,287,895	$1,287,895	$ .51	none	$13,751,583	7⅛- 1⅞
1951	20,876,762	1,938,851	1,938,851	.77	none	19,549,402	5¾- 3¾
1952	35,660,419	4,005,285	2,559,285	1.02	none	24,983,569	6 - 4¼
1953	40,719,686	4,402,468	1,402,468	.54	$ .20+5% stk.	27,089,811	5¾- 3
1954	36,440,014	3,289,575	1,451,575	.55	.40	28,457,912	8⅜- 4
1955(a)	41,894,958	4,038,398	2,012,071	.61	.40	29,418,501	9⅞- 6½
1956	44,177,220	3,474,054	1,848,054	.54	.40	29,827,494	8⅜- 5⅝
1957 (3 mo.)	9,949,459	....	308,003	.07	.20	....	7⅝- 2½
1958	....	....	....	...	none	....	4⅛- 2⅞

(a) Reeves-Ely Laboratories merged into Dynamics Corp. Jan. 20, 1956; effective for accounting purposes Dec. 31, 1955

EITEL-McCULLOUGH, INC. (Unlisted)

Capitalization
Common: $1 par, 825,272 shares

1950	$ 7,944,472	$2,408,717	$1,170,925	$1.55	none	....	....
1951	7,099,430	748,021	378,680	.50	none	....	....
1952	10,137,692	1,531,646	613,094	.81	none	$5,597,669	....
1953	11,576,674	1,132,166	596,871	.79	none	5,511,877	....
1954	9,452,689	1,263,099	622,761	.75	$ .18	5,562,560	....
1955	8,950,179	1,351,810	645,844	.86	none	6,455,077	....
1956	13,879,779	2,644,722	1,254,488	1.60	.25+ 5% stk.	8,677,895	35 - 15½
1957 (6 mo.)	15,800,000(e)	....	....	...	5% stk.	....	36½- 20
1958	....	....	....	...	none	....	28½- 20½

(e) Estimate

ELECTRONIC ASSOCIATES, INC. (Unlisted)

Capitalization
Debt: $1,450,000, convertible subordinated debenture 5s, due 1971
$93,251 mortgage and notes
Common: $1 par, 612,651 shares

1950 N.A.	....	....	....	....	.....	....	....
1951	$ 989,461	N.A.	$ 75,668	$ .34	none	N.A.	N.A.
1952	1,069,849	$ 175,115	96,758	.23	.04	$2,684,882	2⅜- 1¼
1953	4,273,726	260,804	130,686	.28	.05	2,728,241	3¾- 2½
1954	4,059,927	498,037	244,558	.48	.06	3,676,912	7¼- 2⅞
1955	5,484,287	1,012,548	491,523	.86	.12	4,480,672	18½- 12½
1956	8,816,953	2,018,529	929,811	1.61	.12	8,447,474	33 - 15¾
1957	12,298,274	2,134,344	1,001,998	1.64	5% stk.	10,491,739	59 - 27¼
1958 (3 mo.)	699,203	163,025	83,752	.14	none	....	41 - 32½

N.A. Not available

ELECTRONIC COMMUNICATIONS, INC. (ASE)
(Formerly Air Associates, Inc.)

Capitalization
Notes: $592,071
Preferred: 6% cumulative convertible, $10 par, 60,891 shares
Common: $1 par, 236,733 shares

1950	$ 6,113,201	$ 32,734	18,014	$ .07	$ .10	$ 3,558,563	7 - 3⅞
1951	11,494,502	86,363	83,971	.22½	.30+stk.	7,884,861	9½- 3¼
1952	16,244,452	112,695	46,695	.03	.40	12,227,422	9⅞- 5½
1953	19,034,877	141,659	141,659	.44	none	9,555,147	8½- 6¼
1954	18,233,740	688,311	344,311	1.31	none	8,219,234	13¾- 7½
1955	12,587,052	84,051	54,051	.07	none	7,898,622	12¾- 7¾
1956	14,238,111	219,986	95,986	.25	none	9,131,950	13½- 9
1957	16,980,451	596,391	245,311	.88	none	11,607,726	12⅞- 8
1958	....	....	....	...	none	....	13⅛- 10

ELECTRONICS CORPORATION OF AMERICA (ASE)

Capitalization
Debt: $3,800,000 notes
Preferred: $100 par 6% non-cumulative 4,586 shares
Common: $1 par, 707,428 shares

1950	$ 1,536,217	$ 41,379	$ 36,520	$ .05	none	....	(b)
1951	1,836,768	85,283	36,207	.05	none	....	(b)
1952	3,627,215	191,342	76,884	.11	none	....	(b)
1953	4,636,565	349,031	190,906	.27	none	$2,943,858	(b)
1954	5,590,209	375,956	159,899	.19	none	4,749,828	16¼- 11
1955	11,302,456	876,840	446,840	.59	none	7,487,253	23 - 11½
1956	6,973,306	1,024,152(d)	476,467(d)	.71(d)	none	9,536,045	24¼- 9⅝
1957	8,037,553	367,487	182,653	.22	none	8,398,768	12⅞- 5½
1958	....	....	....	...	none	....	7⅞- 6⅜

(b) Privately owned.
(d) Deficit.

EMERSON ELECTRIC MANUFACTURING CO. (NYSE)
Year ending September 30

Capitalization
Debt: $3,390,000, convertible subordinated debenture 5½s, due 1977. $6,587,000 notes
Preferred: 7% cumulative, $100 par, 8,831 shares
Common: $4 par, 678,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950................	$40,651,495	$4,456,348	$2,073,767	$3.48	$1.06	$20,526,096	18¼- 10⅝
1951................	44,008,692	4,087,532	1,497,507	2.48	1.12	24,419,403	17¾- 12¾
1952................	55,368,442	1,974,006	1,467,506	2.43	1.12	23,392,004	13¾- 11
1953................	55,844,449	3,310,652	1,448,152	2.22	1.12	27,029,553	14¾- 10¾
1954................	44,718,095	2,213,495	1,013,495	1.52	1.12	23,219,061	16¼- 11½
1955................	40,347,929	2,528,263	1,228,263	1.86	1.12	28,014,736	23¾- 15¼
1956................	56,498,889	4,562,926	2,247,926	3.47	1.19	31,809,083	32½- 21⅝
1957................	65,341,252	4,409,191	2,369,716	3.40	1.55	39,143,070	34 - 22⅛
1958 (6 mo.).......	34,111,110	2,627,405	1,254,620	1.80	.40	....	36⅜- 29

EMERSON RADIO & PHONOGRAPH CORP. (NYSE)
Year ending October 31

Capitalization
Debt: $6,350,000
Common: $5 par, 1,950,862 shares

1950................	$74,188,297	$11,969,778	$6,514,716	$3.70	$1.10	$27,320,398	18⅜- 7⅜
1951................	55,797,963	6,875,877	3,592,397	1.86	1.00	36,527,980	16⅛- 12¾
1952................	57,664,201	4,651,625	2,262,556	1.17	.70	26,148,595	15¾- 11½
1953................	75,926,546	6,499,485	2,988,432	1.54	.50	38,344,638	14 - 10
1954................	80,559,994	3,449,209	1,884,976	.97	.60	40,971,196	15⅛- 9½
1955................	87,383,028	4,770,140	2,468,063	1.28	.60	43,559,520	16⅜- 11¾
1956................	73,882,029	331,748	84,852	.04	.30+1% stk.	44,280,455	13¼- 5¾
1957................	54,803,069	222,586	138,431	.07	none	41,326,467	6⅞- 3¾
1958 (3 mo.).......	....	....	297,699	.15	none	....	6⅛- 4⅛

ERIE RESISTOR CORP. (Unlisted)

Capitalization
Debt: $1,738,500, 4⅝% notes, due 1973
Preferred: 90 cents cumulative convertible, $12.50 par, 100,000 shares
Common: $2.50 par, 710,579 shares

1950................	$10,490,919	$1,715,272	$826,104	$1.49	(b)	$5,303,827	(b)
1951................	9,317,724	660,989	363,292	.62	$ .31¼	4,989,653	6⅜- 5½
1952................	10,750,936	845,476	450,333	.81	.40	5,356,564	7 - 5⅜
1953................	12,845,735	1,160,239	595,511	1.01	.40	6,531,130	7¾- 6¾
1954................	14,866,836	700,418	317,767	.44	.40	9,951,069	8½- 6½
1955................	22,358,644	1,771,490	959,433	1.60	.20	11,609,028	8⅞- 5¼
1956................	23,300,749	1,793,147	956,452	1.59	.40	13,261,328	11⅛- 7¾
1957................	24,737,643	1,009,998	542,811	.68	.40+3% stk.	13,497,514	13⅛- 6⅜
1958................	....	....	......	...	.05	....	8¼- 5¾

(b) Privately owned.

FRIDEN, INC. (Pacific)

Capitalization—Debt: $5,000,000 notes. Common: $1 par, 1,046,404 shares

1950................	$16,467,239	N.A.	$1,582,152	$2.07	$ .44	N.A.	....
1951................	25,241,464	$5,880,695	1,846,608	2.41	.50	$14,234,704	....
1952................	21,923,873	4,294,249	1,775,916	2.32	.50	14,113,067	....
1953................	23,004,213	3,223,112	1,540,000	2.01	.50	14,744,864	....
1954................	25,616,663	3,773,208	1,850,144	2.42	.50	16,714,680	....
1955................	31,437,755	4,828,659	2,376,982	3.11	.65+2% stk.	19,387,179	35 - 23
1956................	50,624,940	7,641,694	3,591,625	3.60	.95	30,481,834	50½- 34½
1957................	56,655,526	7,892,978	3,741,567	3.58	1.00+5% stk.	37,468,030	71¾- 38
1958................	....	....	....	...	.25	....	56 - 39⅞

N.A. Not available.

GABRIEL CO. (NYSE)

Capitalization—Preferred: $5 cumulative pfd. $10 par, 35,651 shares. Common: $1 par, 520,538 shares

1950................	$12,670,521	$1,591,672	$824,272	$2.20	$ .55+10% stk.	$ 6,331,749	8⅝- 7⅜
1951................	15,795,488	1,009,112	591,992	1.07	.45	10,382,992	9⅛- 7⅜
1952................	17,888,893	21,127	13,927	.04(d)	.50	11,165,324	8 - 6
1953................	21,976,182	376,642	214,642	.35	none	9,974,912	7⅛- 4½
1954................	18,310,269	51,291(d)	23,891	.11(d)	.30	8,486,682	7⅜- 4¾
1955................	15,295,612	531,923	262,923	.45	.15	8,808,983	9⅝- 5⅝
1956................	19,209,638	793,203	378,203	.68	.60	10,186,071	9⅛- 6⅜
1957................	21,654,218	1,353,686	753,686	1.40	.60	8,890,317	10¾- 6¼
1958 (3 mo.)........	3,752,209	83,839	40,243	.07	.15	....	8½- 7

(d) Deficit.

GENERAL DYNAMICS CORP. (NYSE)
(Merger with Stromberg-Carlson effective in July, 1955)

Capitalization—Debt: $17,352,344. Debentures: $26,797,000, 3½s, due 1975. Common: $1 par, 9,798,191 shares

1950................	$ 78,947,256	$ 4,141,672	$ 2,370,672	$ .51	$ .42	$ 51,963,237	10⅝- 8
1951................	116,270,550	9,284,381	4,557,980	1.51	.33	62,917,034	13⅞- 8⅞
1952................	182,649,610	14,083,176	6,157,922	1.91	.75	94,715,067	22⅞- 12¼
1953................	271,886,140	17,801,111	7,886,111	2.34	.75	110,690,126	23⅛- 15½
1954................	712,150,670	48,027,226	22,777,226	3.07	1.08	234,446,340	41⅛- 18
1955................	687,274,182	44,254,386	21,254,386	2.82	1.43	294,816,011	53⅜- 24⅞
1956 (a)............	1,082,861,349	68,271,094	35,687,692	4.01	1.60	487,577,843	59⅝- 37¾
1957................	1,562,538,900	91,828,763	44,278,763	4.80	2.00	570,604,595	68⅝- 46¾
1958 (3 mo.)........	386,419,273	20,022,366	9,872,366	1.01	1.00	....	65¾- 55

(a) Pro-forma; includes operations of Liquid Carbonic, merged on Sept. 30, 1957.

GENERAL ELECTRIC CO. (NYSE)

Capitalization
Debt: $300,000,000 3½% debentures, due 1976; other liabilities, $83,809,561
Common: No par, 87,411,676 shares

1950................	$2,233,800,000	$397,100,000	$179,700,000	....	$1.27	$1,335,415,000	16¾- 13¾
1951................	2,619,600,000	434,100,000	143,700,000	....	.95	1,588,070,000	21½- 16½
1952................	2,993,400,000	447,000,000	164,900,000	....	1.00	1,579,523,878	24¼- 18⅛
1953................	3,510,600,000	497,500,000	173,800,000	....	1.33	1,696,588,736	30¾- 22⅛
1954................	3,334,708,206	407,164,027	204,371,317	$2.36	1.47	1,691,979,938	48½- 37⅞
1955................	3,463,734,419	385,203,709	208,908,054	2.41	1.60	1,727,553,319	57¾- 46¼
1956................	4,090,015,685	423,756,849	213,756,849	2.46	2.00	2,221,146,920	65½- 52¾
1957................	4,335,664,061	507,972,026	247,972,026	2.84	2.00	2,361,318,604	72⅜- 52⅜
1958 (3 mo.)........	964,966,000	98,584,000	49,184,000	.56	1.00	....	64¼- 57

GENERAL INSTRUMENT CORP. (NYSE)

Year ending February 28

Capitalization
  Debt: $2,634,877, notes & mortgage
  Common: $1 par, 1,373,273 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$13,634,582	$ 107,184(d)	$ 107,184(d)	$ .22(d)	$ .40	$ 8,749,655	13½- 8¼
1951	25,850,231	2,639,099	1,229,099	2.02	.25	9,093,442	11⅝- 7¼
1952	18,527,974	1,158,558(d)	993,558(d)	1.63(d)	.20	8,349,061	11⅛- 6¼
1953	30,407,530	1,986,332	1,275,864	2.10	.25	10,185,345	14½- 9¾
1954	32,502,305	1,695,559	926,903	1.13	.25	11,278,619	12¼- 8⅛
1955	22,795,029	839,140(d)	412,220(d)	.50(d)	.37½	8,749,655	13 - 7⅝
1956	28,928,604	570,127	285,474	.21	.37½	12,386,859	10⅛- 6⅜
1957	33,254,735	1,004,419	505,407	.37	.15	15,747,899	8⅛- 4
1958 (9 mo.)	25,271,168	1,148,527	551,527	.40	none	....	7⅝- 4⅝

(d) Deficit.

GENERAL PRECISION EQUIPMENT CORP. (NYSE)

Capitalization
  Debt: $23,113,443
  Preferred: $4.75 cumulative, no par, 101,491 shares
    $1.60 cumulative convertible, no par, 59,225 shares. $3.00 cumulative convertible, no par, 194,196 shares.
  Common: $1 par, 1,125,810 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 27,072,360	$ 1,591,899	$1,141,098	$1.45	$1.00	$ 26,371,314	21⅜- 12⅛
1951	29,872,429	1,056,546	1,010,042	.99	1.00	33,671,209	27⅜- 17½
1952	54,326,849	2,955,278	1,255,278	1.88	1.00	47,620,429	24½- 16⅞
1953	87,763,925	7,840,349	3,436,349	5.09	1.00	57,101,143	27⅜- 21⅛
1954	123,332,634	11,725,090	5,488,090	5.54	1.90	91,357,754	52¼- 25
1955	133,337,819	5,363,758	2,530,758	2.05	2.40	100,887,108	71½- 36½
1956	153,261,864	5,194,729	2,394,729	1.64	2.40	119,117,579	53½- 34½
1957	185,093,842	8,994,949	4,263,949	3.03	2.40	132,373,853	47¼- 30¼
1958 (3 mo.)	42,764,000	....	....	.16	.60	....	41 - 29½

GENERAL TELEPHONE CORP. (NYSE)

Capitalization
  Debentures: $50,842,000, convertible, due 1971
  Funded debt: $488,494,000
  Preferred: $2.20 convertible, $50 par, 3,255 shares
    $2.37½ convertible, $50 par, 7,414 shares
    $2.12½ convertible, $50 par, 195,481 shares
  Subsidiary preferred: $126,494,000
  Common: $10 par, 14,888,000

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 70,080,262	$12,961,343	$ 4,135,727	$1.17	$ .89	$306,606,171	13⅜- 10⅞
1951	84,796,003	18,478,234	5,528,812	1.17	.89	373,751,529	14¼- 12
1952	102,004,210	26,168,493	8,763,425	1.45	.89	369,288,813	15⅞- 13⅛
1953	127,946,088	38,753,190	13,952,116	1.77	.98	419,646,338	20¼- 15½
1954	188,517,000	59,964,000	24,052,000	1.84	1.07	613,075,000	24¾- 19¾
1955	209,813,000	76,178,000	31,007,000	2.62	1.31	693,453,000	45⅜- 23⅛
1956 (a)	259,306,000	76,101,000	42,784,000	3.11	1.65	951,806,000	46 - 38
1957	289,046,000	78,722,000	45,100,000	3.05	1.85	1,105,380,000	45¼- 36¼
1958 (3 mo.)	76,219,000	....	10,693,000	.72	1.00	....	47⅜- 40⅜

(a) Includes Peninsular Telephone Co.

GENERAL TIRE & RUBBER COMPANY (NYSE)

Year ending November 30

Capitalization
  Debt: $1,314,000 4¼% subordinated debentures due 1981; $11,025,000 subordinated debentures due 1982
    $3,741,300 4¾% notes due 1981. $1,195,000 5% subsidiary notes. $53,733,000 subsidiary notes.
  Preferred: 5½% cumulative, $100 par, 106,868 shares
    4½% cumulative, convertible, $100 par, 35,334 shares
    $5.00 cumulative, $100 par, 99,762 shares
  Common: $2.50 par, 4,773,408 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$125,375,837	$15,718,416	$ 8,557,616	$2.10	$ .45	$ 75,027,859	5¼- 2⅞
1951	170,771,522	19,992,236	7,016,641	1.69	.53	98,452,324	9¼- 5⅛
1952	185,914,247	12,378,477	6,147,918	1.46	.60	113,206,476	10 - 7½
1953	205,371,098	10,010,134	6,275,158	1.43	.60	120,241,084	10½- 6⅞
1954	216,986,110	7,542,980	4,502,645	.96	.60	150,811,696	14¼- 8¾
1955	295,731,096	19,738,731	9,704,731	2.09	.67+3⅓% stk.	183,243,797	21⅝- 13⅞
1956	390,471,772	21,823,129	10,860,129	2.30	.67	237,908,652	22¼- 15¾
1957	421,165,147	19,300,355	11,300,355	2.12(a)	.67½+4% stk.	261,349,571	32⅞- 18⅜
1958 (3 mo.)	96,565,835	3,104,124	1,754,124	.30	.17½+2% stk.	....	30 - 22¼

(a) Includes RKO Teleradio Pictures Inc.

GIANNINI (G. M.) & CO. (Unlisted)

Capitalization
  Preferred: 5½% cumulative convertible $20 par, 44,717 shares. Common: $1 par, 307,454 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 952,418	....	$ 83,990(d)	$ .89(d)	none	....	....
1951	2,571,379	....	194,619	1.46	none	....	....
1952	4,704,034	$827,909	263,726	1.91	none	$2,191,793	....
1953	4,334,195	328,247	103,247	.39	none	1,873,305	....
1954	4,308,467	222,617(d)	52,617(d)	.27(d)	none	2,138,192	....
1955	6,436,330	620,787	290,787	.94	none	2,845,110	9⅝- 4⅝
1956	9,510,091	715,521	339,521	1.05	.25+200% stk.	4,253,037	13¾- 9½
1957	10,553,918	604,736	310,736	.84	none	4,183,512	21½- 11
1958	....	....	....	....	none	....	15¼- 12

(d) Deficit.

GLOBE-UNION INC. (ASE)

Capitalization—Debt: $4,189,000. Mortgage: $116,674. Common: 5 par, 324,910 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$41,348,440	$5,399,747	$2,699,747	$4.22	$1.90	$22,531,771	25⅜- 11
1951	40,686,581	2,743,136	1,508,136	2.25	1.00	20,864,200	30¼- 20⅛
1952	45,877,113	3,254,071	1,608,071	2.40	1.25	22,921,907	27 - 19¾
1953	48,180,147	3,392,276	1,682,276	2.35	1.10+2½% stk.	23,359,305	27¾- 22
1954	44 106,364	1,209,280	569,280	.79	1.20	20,125,253	24 - 19½
1955(a)	56,622,579	3,800,510	1,671,996	2.03	1.20	23,595,716	24⅜- 20
1956(a)	58,667,310	2,366,383	1,166,383	1.42	1.20	27,315,879	22 - 16⅝
1957	65,036,285	2,879,282	1,339,232	1.62	1.20	27,570,612	20¾- 16⅝
1958	....	....	....	....	.20	....	17¼- 14⅝

(a) Includes WICO Electric Co. acquired June 14, 1956, for both years.

GROSS TELECASTING, INC. (Unlisted)

Capitalization

Common: $1 par, 200,000 shares; Class B, $1 par, 200,000 shares.

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 515,317	N.A.	$107,149	$ .27	none	N.A.	....
1951	906,524	N.A.	196,508	.49	none	N.A.	....
1952	1,452,531	$ 749,599	357,077	.89	none	N.A.	....
1953	1,857,326	927,933	419,891	1.05	none	N.A.	....
1954	2,241,589	1,320,464	639,464	1.60	none	$2,992,157	....
1955	2,607,530	1,499,947	724,947	1.81	$ .90	3,268,490	....
1956	2,815,408	1,568,926	741,926	1.85	1.30	4,015,248	20 - 15
1957	2,733,846	1,399,239	674,239	1.68	1.60	3,865,137	21¾- 14½
1958	....	....	....	....	.80	....	18½- 14¾

N.A. Not available.

HAZELTINE CORP. (ASE)

Capitalization

Debt: $158,093

Common: No par, 733,016 shares.

1950	$ 4,078,000	$2,783,741	$1,428,431	$2.04	$ .87½	....	12½- 8
1951	6,957,344	4,938,790	1,459,490	2.09	.87½	$25,090,342	23⅝- 11⅞
1952	9,237,190	6,578,732	2,006,790	2.87	1.50	25,862,549	26½- 17⅞
1953	10,057,032	7,256,906	2,085,706	2.98	1.50	26,266,608	30 - 19
1954	8,525,768	5,733,264	2,666,264	3.81	2.00	25,560,204	59⅜- 26⅛
1955	5,947,166	3,531,824	1,604,824	2.24	2.00	22,798,931	59¾- 36½
1956	6,918,475	4,240,162	2,007,162	2.80	1.40+2½% stk.	27,535,758	48 - 32
1957(a)	55,700,484	4,296,612	2,030,612	2.77	1.40+2½ stk.	32,199,811	44½- 29¾
1958	....	....	....	....	.35	....	37½- 30½

(a) 1957 figures reflect gross sales, prior years are reported on a net basis.

HEWLETT-PACKARD CO. (Unlisted)

Year ending October 31

Capitalization—Debt: $776,245. Common: $1 par, 3,000,000 shares.

1950	$ 2,301,744	....	....	....	....	....	(a)
1951	5,538,889	....	....	....	....	....	(a)
1952	10,952,980	$2,337,955	$ 705,839	$ .23	none	....	(a)
1953	12,839,406	2,579,544	765,866	.25	none	....	(a)
1954	12,599,096	1,491,784	640,770	.21	none	....	(a)
1955	15,338,179	2,874,057	1,316,236	.43	none	....	(a)
1956	20,161,621	3,738,990	1,803,266	.59	none	$14,190,515	(a)
1957	27,948,790	4,998,448	2,402,557	.80	none	14,661,504	17 - 15½
1958	....	....	....	....	none	....	25 - 16½

(a) Privately owned.

HIGH VOLTAGE ENGINEERING CORP. (Unlisted)

Capitalization—Debt: $859,271. Common: $1 par, 372,156 shares.

1950	$1,094,516	$ 97,311	$ 54,213	$ .15	$ .10	....	....
1951	1,155,250	115,837	62,631	.17	.10	....	....
1952	1,113,336	120,268	59,520	.16	.10	....	....
1953	1,452,557	126,193	66,651	.21	.10	$1,450,595	....
1954	1,681,004	171,446	86,998	.28	.10	1,479,327	....
1955	2,007,101	205,453	106,452	.29	.10	2,749,132	....
1956	2,812,885	322,852	167,852	.45	.10	4,642,995	31 - 20½
1957	4,894,079	664,986	330,436	.89	.10	5,539,492	27 - 17½
1958	....	......	......	....	.10	....	34 - 23

HOFFMAN ELECTRONICS CORP. (NYSE)

Capitalization

Debt: $2,380,000

Common: 50 cents par, 736,260 shares

1950	$29,580,510	$3,804,053	$1,923,053	$3.37	$ .80	$10,720,620	21¾- 7⅛
1951	20,487,258	318,266	340,066	.60	.50	11,936,215	14 - 7½
1952	36,566,955	3,662,318	1,756,272	2.40	.25	16,543,902	15½- 10½
1953	50,415,146	3,068,655	1,199,655	1.64	1.00	15,657,392	16⅜- 13
1954	42,647,008	3,202,513	1,485,513	2.03	1.00	16,272,669	24 - 13⅜
1955	44,416,673	3,241,596	1,560,596	2.13	1.00	22,472,037	31⅜- 20½
1956	46,580,279	3,330,883	1,601,974	2.19	.75	18,446,923	25¼- 18½
1957	40,968,617	3,517,372	1,655,372	2.25	1.00	18,669,699	25⅞- 17¼
1958 (3 mo.)	9,960,064	881,179	435,218	.59	.50	....	26⅝- 21

HYCON MANUFACTURING CO. (Unlisted)

Year ending January 31

Capitalization

Debt: $450,000 5% debentures due 1965. Preferred: 5½% Cum. conv. pfd., $10 par, 120,000 shares.

Common: 10 cents par, 2,750,790 shares

1951	$ 1,880,906	$ 30,768	....	$ .10	none	....	....
1952	4,154,039	203,196	....	.02	none	....	....
1953	3,953,000	192,282	$ 82,282	.07	none	$2,115,124	2 - ⅞
1954	12,115,300	124,433	67,733	.03	none	4,829,717	7⅜- 1⅝
1955	11,943,793	982,592	443,592	.21	none	6,806,110	10¾- 6⅝
1956	8,946,386	190,217	80,217	.01	none	6,622,694	7⅛- 3
1957	7,899,262	3,488,433(d)	2,882,337(d)	1.07(d)	none	6,782,079	4⅜- 2⅜
1958 (6 mo.)	6,000,231	514,169	514,169	.17	none	6,343,328	3 - 1⅞

(d) Deficit.

INDIANA STEEL PRODUCTS CO. (Midwest)

Capitalization

Debt: $925,000 Notes Payable

Common: $1 par, 293,298 shares

1950	$6,071,293	$1,075,740	$500,740	$1.76	$ .40	$3,115,307	5 - 3⅜
1951	7,840,671	1,836,326	586,326	2.06	.62½	3,365,448	9¼- 9⅛
1952	6,385,912	888,565	306,565	1.08	.55	3,666,359	8⅜- 6
1953	8,092,637	1,463,866	335,925	1.18	.68¾	3,806,534	12¼- 7¼
1954	7,055,158	1,307,854	587,854	2.07	.75	4,129,037	19⅝- 9
1955	9,402,753	1,711,945	766,945	2.70	.95	4,744,532	23 - 18½
1956	11,329,592	1,714,336	764,336	2.61	1.20	6,729,812	25¼- 19½
1957	12,494,526	1,722,280	807,280	2.75	1.25	6,677,868	23⅞- 18
1958 (3 mo.)	....	184,897	78,347	.27	.60	....	19⅞- 17½

INTERNATIONAL BUSINESS MACHINES CORP. (NYSE)

Capitalization
Debentures: 2⅝%, due 1965, $20,000,000
Debt: 3½% note, due 1971, $50,000,000
3% note, due 1968, $35,000,000
3⅞% notes, due 1974, $30,000,000
3⅞% notes, due 1977, $25,000,000
3¾ note, due 2052, $115,000,000
3¾% note, due 2055, $100,000,000
Common: No par, 11,841,197 shares

Year	Sales	Earnings Pre-tax	Profit Net	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 214,916,717	$ 61,101,309	$33,301,309	$3.17	$1.05	$ 299,952,591	96 - 74
1951	266,798,483	77,292,090	27,892,090	2.66	1.10	394,119,472	92⅜- 79⅞
1952	333,728,245	78,474,541	29,874,541	2.84	1.16	428,228,982	98⅝- 74⅜
1953	409,989,104	92,319,210	34,119,210	3.25	1.22	520,438,451	101⅞- 93⅝
1954	461,350,278	98,336,625	46,536,625	4.43	1.48	565,475,154	150 - 78⅜
1955	563,548,792	117,672,633	55,872,633	5.32	1.56	629,510,998	180 -139⅝
1956	734,339,780	143,784,510	68,784,510	6.55	1.90	769,049,451	225 -149
1957	1,000,431,597	186,291,589	89,291,589	7.73	2.20	1,086,969,222	376½-249
1958 (3 mo.)	267,450,370	48,688,118	23,396,118	1.98	1.30+2½% stk	....	354¾-300

INTERNATIONAL RESISTANCE CO. (ASE)

Capitalization
Debt: $1,104,350
Common: 10 cents par, 1,354,898 shares

Year	Sales	Earnings Pre-tax	Profit Net	Net Per Share	Dividends	Total Assets	Price Range
1950	$11,085,109	$2,209,584	$1,056,638	$1.01	$ .30	$7,550,975	6 - 2⅛
1951	12,973,170	2,134,675	754,675	.71	.40	6,465,078	6⅝- 4⅝
1952	11,778,836	1,372,017	577,877	.44	.30	6,394,361	5¾- 4
1953	12,755,041	1,083,348	508,058	.38	.20	7,438,253	5⅛- 3⅜
1954	13,207,649	1,254,817	603,320	.45	.30	7,750,524	5⅛- 3¾
1955	15,684,722	1,043,138	533,296	.40	.20	9,131,582	12⅜- 5
1956	16,787,913	1,208,599	523,416	.39	.20	8,821,231	8¼- 4½
1957	15,374,721	1,160,818	469,870	.35	.20	8,149,869	6⅛- 3⅝
1958 (a)	3,430,009	....	150,287 (d)	.11(d)	.10	....	4⅝- 3¾

(a) 15 weeks to April 13. (d) Deficit.

INTERNATIONAL TELEPHONE & TELEGRAPH CO. (NYSE)

Capitalization
Debt: $28,692,000, 4⅞% convertible subordinated debentures, due 1983. $18,000,000, 15-yr. 3% debentures, due May 15, 1961
Subsidiary Debt: $78,907,481. Subsidiary preferred: $9,610,555.
Common: No par, 7,176,677 shares

Year	Sales	Earnings Pre-tax	Profit Net	Net Per Share	Dividends	Total Assets	Price Range
1950	$253,100,000	....	....	$2.38	none	....	16 - 9¼
1951	298,000,000	....	....	2.60	$ .60	....	19⅛- 13⅛
1952	397,562,175	....	$22,147,753	3.09	.80	$579,705,657	20¾- 15
1953	408,029,558	....	22,377,611	3.12	1.00	602,761,430	20¼- 13⅝
1954	372,638,805	$51,863,576	20,068,525	2.80	1.00	636,969,623	26¾- 17⅞
1955	448,378,128	62,851,571	23,070,327	3.21	1.30	687,451,677	31⅛- 23¾
1956	501,405,379	73,347,000	28,109,946	3.92	1.70	760,837,677	37⅜- 29¼
1957	592,827,257	63,870,680	22,412,814	3.12	1.80	799,873,050	37¾- 25¾
1958	....	....	....	...	.90	....	34⅝- 29¼

JEFFERSON ELECTRIC CO. (Unlisted)

Capitalization
Debt: $2,000,000, 3⅞% promissory note, due Aug. 1, 1968
Common: $5 par, 396,925 shares

Year	Sales	Earnings Pre-tax	Profit Net	Net Per Share	Dividends	Total Assets	Price Range
1950	$12,444,850	$1,468,730	$718,730	$6.05	$2.00	$7,016,500	23¾- 16½
1951	13,947,432	1,426,516	459,516	3.87	2.50	7,198,125	27½- 20¾
1952	11,438,103	551,475	370,475	.93	1.50	8,052,106	11 - 10
1953	14,666,906	120,736	71,222	.18	.60	9,533,434	10⅜- 5¾
1954	14,298,178	155,878	93,878	.24	.40	8,487,076	8¼- 5¼
1955	15,761,194	698,750	348,750	.88	.20	9,079,994	7¼- 5
1956	18,206,349	1,604,901	774,901	1.95	.30	9,584,121	12 - 7
1957	18,075,748	1,564,532	754,532	1.90	.60	9,849,593	12 - 8
1958 (3 mo.)	4,299,816	211,132	106,843	.27	.15	....	11¾- 7⅞

JERROLD ELECTRONICS CORP. (Unlisted)

Year ending February 28

Capitalization
Debenture: $2,750,000, convertible subordinated 6s, due 1975
Common: $1 par, 1,097,460 shares.

Year	Sales	Earnings Pre-tax	Profit Net	Net Per Share	Dividends	Total Assets	Price Range
1951	$ 840,808	N.A.	$ 18,609	$ .02	none	N.A.	N.A.
1952	984,209	N.A.	18,696	.02	none	N.A.	N.A.
1953	1,280,851	$ 67,804	24,514	.02	none	N.A.	N.A.
1954	2,483,639	335,456	167,663	.15	none	N.A.	N.A.
1955	2,816,634	405,784	202,226	.18	$ .10	$4,645,300	4 - 2⅝
1956	3,703,065	248,474	169,422	.15	none	4,579,566	3¾- 1¾
1957	5,142,702	166,134	161,529	.15	none	4,805,297	3½- 1⅝
1958 (6 mo.)	2,638,920	85,824(d)	77,798(d)	.07(d)	none	....	1⅞- 1⅜

N. A. Not available. (d) Deficit.

LEAR, INC. (ASE)

Capitalization
Debt: $2,990,000, 4¼% subordinated debentures, due 1970
Common: 50 cents par, 2,368,156 shares

Year	Sales	Earnings Pre-tax	Profit Net	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 7,952,666	$ 22,132(d)	$ 22,132(d)	$ .01(d)	none	$ 7,617,298	4⅝- 1 13/16
1951	21,227,093	1,703,631	803,631	.40	none	10,978,105	6⅜- 3¼
1952	44,065,980	3,873,543	1,097,543	.53	none	16,455,709	4⅛- 2½
1953	49,120,910	4,450,373	1,193,373	.56	none	28,179,410	5¼- 2¾
1954	54,435,637	5,002,227	2,305,727	1.05	$ .30	24,395,795	9¾- 3⅞
1955	54,600,273	4,360,811	2,115,811	.93	.30	27,109,187	13⅜- 7¼
1956	63,900,786	3,406,018	1,977,799	.85	.30	33,526,685	10¼- 7⅜
1957	64,692,576	2,108,921	858,921	.36	.30	32,418,665	8¾- 4
1958	....	....	......	...	none	....	6¼- 4¼

(d) Deficit.

LEEDS & NORTHRUP CO. (Unlisted)
Year ending May 31

Capitalization
Debt: $4,000,000, 3⅜% notes, due 1972
Preferred: 5% cumulative convertible, series A, $25 par, 129,060 shares.
5% cumulative convertible, series B, $25 par, 32,508 shares
Common: 50 cents par, 673,897 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$14,750,000	$ 954,000	$ 570,000	$ .65	$ .50	N.A.	N.A.
1951	21,327,000	2,706,000	1,015,000	1.41	.63	N.A.	N.A.
1952	30,974,000	4,422,000	1,092,000	1.43	.50	N.A.	N.A.
1953	31,913,450	3,287,832	929,134	1.12	.41	N.A.	N.A.
1954	30,488,550	2,654,539	875,186	1.02	.44	$17,292,748	N.A.
1955	27,688,440	1,901,535	800,439	.94	.44	17,734,747	14 - 12½
1956	30,516,523	2,267,816	1,163,816	1.92	.45	22,443,345	27½- 13½
1957	37,156,180	3,612,552	1,649,152	2.23	.60+2% stk.	26,483,273	35 - 20¼
1958 (9 mo.)	26,032,369	1,932,261	823,671	1.00	.30	....	24½- 19¼

N.A. Not available.

LITTON INDUSTRIES, INC. (NYSE)
Year ending July 31

Capitalization
Long-term debt: $11,989,000.
Preferred: 5%, $100 par, 27,747 shares
Common: 10 cents par, 1,686,358 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1953	Incorporated Nov. 2, 1953						
1954(a)	$ 2,980,051	$ 347,420	$ 154,420	$ .28	none	$ 4,200,176	....
1955	8,774,273	679,413	436,413	.44	none	7,647,918	15 - 9½
1956	14,920,050	1,995,703	1,019,703	.97	none	10,826,182	32½- 14¾
1957	28,130,603	3,232,493	1,806,492	1.51	none	16,823,383	56⅝- 29½
1958 (6 mo.)(b)	39,902,000	3,523,000	1,802,987	1.05	none	53,672,000	43⅞- 36⅞

(a) 9 months to July 31
(b) All figures in 1958 reflect acquisition of Monroe Calculating Machine Co. in January, 1958.

MACHLETT LABORATORIES, INC. (Unlisted)

Capitalization
Debt: 4% Note due 1963, $740,000.
6% Debenture bonds, due 1974, $62,600.
Common: $5 par, 588,795 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 4,580,318	$496,179	$275,727	$ .48	......	....	....
1951	6,623,384	594,794	272,399	.48	......	....	....
1952	7,742,553	561,843	282,602	.49	......	....	....
1953	9,408,651	892,535	341,968	.60	......	....	....
1954	8,103,270	510,312	209,735	.37	......	....	....
1955	8,195,572	786,142	460,502	.81	$ .15½	$6,530,673	15½- 11
1956	8,032,304	606,865	293,618	.50	.20	7,352,018	16½- 14
1957	10,270,520	811,203	395,203	.67	.25	7,775,861	15 - 11
1958	....	......	......	..	.10	....	16¼- 14½

MAGNAVOX CO. (NYSE)
Year ending June 30

Capitalization
Debt: $5,550,000, 4¼% installment notes, due 1969
Preferred: 4¾% cumulative convertible, $50 par, 117,774 shares
Common: $1 par, 894,195 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$31,716,630	$3,207,982	$2,007,982	$2.55	$ .46	$12,625,236	24¼- 10⅞
1951	44,177,645	5,624,883	2,233,237	2.73	1.13	17,256,171	18¼- 12⅛
1952	36,837,503	2,638,775	1,343,760	1.62	1.36	18,854,075	22½- 15⅝
1953	57,959,669	4,548,337	2,238,337	2.65	1.36	29,824,144	22¼- 15⅝
1954	62,974,430	5,332,530	2,102,530	2.51	1.36	28,543,292	24¼- 16⅛
1955	55,071,765	4,571,087	2,426,087	2.90	1.38	31,728,825	41⅞- 23
1956	70,529,646	6,220,442	3,100,442	3.54	1.50+5% stk.	41,567,963	41 - 31½
1957	87,467,864	7,109,226	3,759,226	3.90	1.50+5% stk.	48,491,855	44 - 28⅛
1958 (6 mo.)	48,354,485	4,792,508	2,407,508	2.54	.75+5% stk.	....	37 - 30¼

P. R. MALLORY & CO. (NYSE)

Capitalization
Debt: $15,430,385 notes
Preferred: 5% cumulative convertible, series A, par $50, 87,099 shares.
Common: $1 par, 1,404,759 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$39,158,150	$5,403,758	$2,553,758	$2.82	$ .63	$19,079,931	15⅞- 8⅝
1951	45,286,925	4,758,314	1,923,314	2.13	.80	23,531,305	20⅛- 13⅞
1952	53,443,117	4,607,773	1,897,773	2.08	.67	29,166,043	28½- 17⅜
1953	70,874,347	7,897,813	2,547,813	2.50	1.13	33,084,094	31 - 26
1954	54,630,091	2,396,803	1,071,803	.80	1.34	33,032,115	32⅜- 25⅛
1955	63,931,811	4,960,649	2,225,649	2.04	1.13	38,467,453	39 - 28⅝
1956	68,356,203	5,815,108	3,065,108	2.60	1.40	51,329,388	42½- 31¼
1957 (a)	77,579,878	7,228,357	3,138,357	2.06	1.40+2% stk.	57,972,949	50¾- 23½
1958 (3 mo.)	16,147,142	....	434,721	.27	.70	....	28¾- 23⅝

(a) Includes Radio Materials Corp., merged in Sept., 1957, for entire year.

MAXSON (W. L.) CORP. (Unlisted)
Year ending September 30

Capitalization
Common: $3 par, 737,985 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 3,229,917	....	$ 211,364	$ .41	$ .20	....	4¼- 1¾
1951	7,453,985	$ 770,496	614,012	.96	.125+4% stk.	5,742,010	5⅞- 3⅜
1952	15,923,380	1,351,494	526,494	.91	6% stk.	11,168,817	7 - 4
1953	34,377,128	2,160,502	1,085,502	1.78	.10 +6% stk.	13,755,827	9⅜- 6⅜
1954	37,143,323	3,246,353	1,496,353	2.27	.40 +8% stk.	16,161,773	17½- 9⅜
1955	24,625,281	2,068,120	930,120	2.09	.375+2% stk.	12,670,505	22¼- 11
1956	16,648,454	1,725,109(d)	720,109(d)	.97(d)	.10 +2% stk.	13,155,109	16¼- 5⅜
1957	21,086,258	462,122	485,122	.66	.05	10,465,976	9¼- 4
1958 (3 mo.)	4,942,531	140,370	18,370	.02	none	....	6⅝- 4¼

(d) Deficit.

MEREDITH PUBLISHING CO. **(Unlisted)**
Year ending June 30

Capitalization
Notes Payable: $1,200,000
Common: $5 par, 1,294,749 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950................	$24,469,838	$5,041,376	$3,117,560	$2.42	$1.75	$16,151,715	15¾- 12¾
1951................	29,277,838	6,580,696	2,934,841	2.28	.67½	18,852,617	18 - 14
1952................	33,587,255	7,416,949	2,938,616	2.28	.80	31,724,336	16¼- 14
1953................	39,009,361	8,022,751	3,349,153	2.60	1.07½	32,717,314	20¼- 15⅛
1954................	41,298,782	7,887,860	3,682,470	2.85	1.20	34,390,026	25¼- 19¼
1955................	42,753,555	7,628,356	3,623,865	2.81	1.35	35,049,149	32 - 22
1956................	48,459,633	8,343,617	4,047,146	3.14	1.60	38,484,600	31 - 24
1957................	53,071,711	9,542,200	4,644,417	3.59	1.90	41,536,847	34½- 26½
1958 (9 mo.)........	38,049,890	5,785,497	2,736,097	2.11	.45	....	30¾- 25

METROPOLITAN BROADCASTING CORP. **(Unlisted)**
(Formerly DuMont Broadcasting Corp.)

Capitalization
Debt: $3,410,215
Common: $1 par, 1,541,137 shares. (Stock issued to holders of DuMont Laboratories' common stock on basis of one share for each 2½ held.)

1950................	....	....	....	....	.....	....	....
1951................	....	....	....	....	.....	....	....
1952................	$2,830,742	$834,525(d)	$834,525(d)	$ .88(d)	none	....	....
1953................	4,534,401	84,433(d)	84,433(d)	.09(d)	none	....	....
1954................	5,384,053	161,386(d)	161,386(d)	.17(d)	none	$ 2,732,416	....
1955(a).............	2,697,185	222,359(d)	222,359(d)	.24(d)	none	....	7⅜- 5⅞
1956(b).............	5,355,149	......	899,593(d)	.95(d)	none	....	7⅝- 5
1957(c)............	8,907,010	243,460	243,460	.16	none	13,217,301	10⅜- 6
1958................	....	......	......	..	none	....	8 - 6⅜

(a) 27 weeks to July 17. (b) 52 weeks to December 29. (c) 52 weeks to December 28. (d) Deficit.

MINNEAPOLIS HONEYWELL REGULATOR CO. **(NYSE)**

Capitalization
Debentures: $5,300,000, 2¾s, due 1965
$13,700,000, 3.10% due 1972
$25,000,000, 3¾s, due 1976
Common: $1.50 par, 6,959,758 shares

1950................	$109,281,673	$25,866,656	$12,500,656	$2.39	$1.25	$ 82,696,070	21¼- 15½
1951................	135,150,517	26,877,210	9,277,510	1.58	1.12½	112,963,041	28⅜- 20⅝
1952................	165,710,384	20,605,003	9,081,003	1.50	1.12½	123,910,675	31¼- 26¾
1953................	214,018,825	28,687,825	10,329,825	1.65	1.12½	133,127,715	34¼- 26¾
1954................	229,401,837	32,713,703	15,345,203	2.42	1.30	145,710,134	54¾- 33½
1955................	244,482,068	40,512,648	19,278,648	2.98	1.50	164,333,867	70 - 48¼
1956................	287,944,462	47,375,257	22,463,657	3.40	1.75	213,899,754	90½- 58
1957................	324,886,719	45,678,135	21,367,135	3.07	1.75	246,626,987	131 - 73½
1958 (3 mo.)........	73,165,631	9,069,927	4,277,927	.61	.40	244,063,282	88¾- 76

MOTOROLA INC. **(NYSE)**

Capitalization
Debt: $19,054,756
Common: $3 par, 1,935,131 shares

1950................	$177,104,670	$26,669,569	$12,809,247	$7.28	$2.05	$ 55,008,726	25⅞- 10⅝
1951................	135,285,087	14,689,231	7,289,102	4.12	.98	61,818,769	57¾- 40¼
1952................	168,734,653	15,576,165	7,012,700	3.62	1.50	81,162,847	44¾- 36
1953................	217,964,074	15,512,489	7,076,335	3.66	1.50	86,871,213	43⅛- 29¼
1954................	205,226,977	16,523,889	7,572,024	3.91	1.50	94,531,084	53⅜- 30¼
1955................	226,653,593	18,740,426	8,490,539	4.39	1.50	104,431,218	60¾- 44¼
1956................	227,562,168	16,887,834	7,966,817	4.12	1.50	113,721,148	51¾- 37½
1957................	226,361,190	15,597,031	7,824,431	4.04	1.50	121,879,297	51¾- 35¾
1958 (3 mo.).......	40,894,492	1,458,480	677,782	.35	.75	....	42¼- 35

THE MUTER CO. **(ASE)**

Capitalization
Debt: $960,000
Common: 50 cents par, 762,729 shares

1950................	$14,389,725	$2,034,200	$1,034,200	$1.59	$ .45	$5,234,673	10½- 4¾
1951................	12,387,390	1,243,423	595,423	.91	.60	5,281,531	9½- 7⅛
1952................	12,653,060	778,018	345,573	.52	.60	5,371,762	9½- 7½
1953................	15,190,004	912,255	447,463	.66	.45+3% stk.	5,254,404	8⅞- 5½
1954................	12,175,971	468,595	280,436	.39	.15+2% stk.	5,144,773	7⅜- 4¾
1955................	12,722,297	53,375(d)	84,422(d)	.12(d)	.15	5,742,279	7 - 4⅛
1956................	12,126,563	38,531	31,646	.04	none	5,200,529	4⅞- 2½
1957................	14,301,067	....	377,819	.50	none	....	3⅞- 2⅛
1958 (3 mo.)........	2,628,721	....	23,540	.03	5% stk.	....	3⅞- 2½

(d) Deficit.

NATIONAL CO., INC. **(Unlisted)**

Capitalization
Debt: $1,110,000 debenture 5s due 1965; $900,000 notes
Preferred: $3.60 cumulative preferred; no par, 3,180 shares
Common: $1 par, 295,487 shares

1950................	$4,175,229	$ 17,476	$ 17,354	$ .02	$ .05	$2,823,320	5⅞- 1¾
1951................	4,525,219	46.859(d)	42,957(d)	.22(d)	none	4,228,097	4¾- 3⅛
1952................	9,261,000	232,578	172,578	.65	.10	4,861,352	5¼- 3⅜
1953................	7,095,593	486,718	228,218	.87	.10	4,850,767	7 - 5
1954................	7,298,055	518,834	230,334	.84	.20+4% stk.	3,819,795	12⅞- 5
1955................	5 125,607	780,965(d)	380,965(d)	1.44(d)	.20+4% stk.	5,414,524	18½- 9¾
1956................	6,856,734	66,296(d)	36,296(d)	.17(d)	4% stk.	4,364,889	11½- 8¼
1957................	5,566,627	148,104	72,104	.21	4% stk.	4,397,035	10¾- 8½
1958................	....	....	......	..	none	....	11¾- 9¾

(d) deficit.

NATIONAL TELEFILM ASSOCIATES, INC. (ASE)
Year ending July 31

Capitalization
Debt: $4,600,000, 6% sinking fund notes, due 1962
Common: 10 cents par, 1,020,350 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1952	Incorporated Aug. 21, 1952						
1953 N.A.							
1954	$ 355,594	$139,831(d)	$139,831(d)	$.22(d)	none	N.A.	N.A.
1955	1,417,515	291,932(d)	293,008(d)	.45(d)	none	$ 3,282,073	4⅞- 2½
1956	3,818,627	653,877	441,877	.68	none	13,092,934	9½- 3
1957	10,976,479	2,148,031	1,094,031	1.07	none	32,143,270	9¾- 5⅝
1958 (6 mo.)	7,962,992	942,006	422,006	.41	none	....	9 - 5⅝

N.A. Not available. (d) Deficit.

OAK MANUFACTURING CO. (Midwest)

Capitalization
Common: $1 par, 655,894 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	$13,145,807	$2,713,088	$1,188,037	$1.81	$1.12	$ 7,102,958	14¾- 8⅜
1951(c)	7,644,627	1,608,939	598,939	.91	.84	6,972,048	12⅞- 10⅞
1952	15,925,959	3,073,109	1,103,109	1.68	1.12	7,927,814	15 - 12
1953	20,680,957	3,529,017	1,239,017	1.89	1.12	8,666,478	14½- 12½
1954	18,788,318	2,801,155	1,321,155	2.02	1.12	9,274,030	19¼- 13¼
1955	22,783,785	3,588,483	1,688,483	2.57	1.26+25% stk.	10,140,303	24¾- 16⅛
1956	24,902,554	3,684,105	1,784,105	2.72	1.40	10,878,501	24¼- 19
1957	20,875,613	2,224,131	1,084,131	1.65	1.40	10,695,216	20¾- 13¾
1958 (3 mo.)	....	....	30,653	.05	.35	....	16 - 12¼

(a) Year ending May 31 of following calendar year. (c) 7 months to Dec. 31

OXFORD ELECTRIC CORP. (ASE)

Capitalization—Mortgage: $25,100. Common: $1 par, 284,221 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$4,554,998	$179,044	$ 95,450	$ .40	$ .10	$1,499,230	....
1951	3,955,141	180,312	91,201	.39	.15	1,344,610	3½- 1⅝
1952	4,403,686	150,312	78,712	.33	.15	1,273,660	3 - 1⅞
1953	5,712,801	130,338	99,886	.42	.15	1,277,240	2⅞- 2⅜
1954	5,418,269	114,043	93,983	.40	.11	1,196,027	3¼- 2⅜
1955	6,714,304	188,961	130,037	.55	.14	1,485,392	4⅝- 2⅞
1956	7,696,402	263,604	214,904	.91	.15	1,756,332	4⅞- 2⅞
1957	8,615,903	217,480	118,480	.42	.10+10% stk.	1,877,175	4½- 2¾
1958	....	......	......	..	.10+10% stk.	....	3⅝- 3

PACIFIC MERCURY TELEVISION MFG. CORP. (Unlisted)
Year ending June 30

Capitalization—Debt: $740,000. Common: Class A&B, 50 cents par, 700,000 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	$ 4,713,620	....	....	....	$ .05	....	3 4/5- 2
1951(a)	5,947,096	115,635	72,135	$ .14	none	$2,414,365	3⅛- 1½
1952(a)	7,057,514	31,866	5,866	.01	none	3,972,312	5 - 1⅝
1953(a)	16,983,669	1,108,297	426,297	.61	none	6,637,000	5¾- 2½
1954(a)	15,065,490	366,515	196,015	.28	none	5,032,151	4⅞- 2⅜
1955(a)	12,214,539	598,817	255,817	.37	none	3,550,171	8 - 4
1956(b)	17,332,982	921,752	482,752	.69	none	7,726,750	7⅞- 4¼
1957	20,001,656	1,184,754	557,754	.80	none	9,853,011	10⅝- 4½
1958 (6 mo.)	10,690,419	....	286,000	.41	none	....	5¾- 4⅝

(a) Year ending March 31. (b) 15 months to June 30.

PACKARD-BELL ELECTRONICS CORP. (Unlisted)
Year ending September 30

Capitalization
Debt: $1,688,017, notes
Common: 50 cents par, 688,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$13,894,713	$2,168,510	$1,308,510	$2.61	$1.50	$ 4,378,079	8¾- 4
1951	18,772,528	2,814,750	1,014,751	1.73	1.00	5,492,521	10¾- 7⅛
1952	22,724,273	3,089,295	968,051	1.65	1.00	9,394,702	15¼- 10½
1953	32,152,750	3,545,503	1,139,642	1.66	1.00	14,028,133	13¼- 11
1954	17,744,136	365,086(a)	164,296	.24	.80	9,358,050	12 - 7
1955	21,641,690	1,241,242	638,933	.92	.32½	10,525,383	13 - 8
1956	28,405,060	1,962,356	862,356	1.25	.50	12,840,259	10½- 8½
1957	32,262,878	1,394,447	704,447	1.02	.50	13,197,105	11 - 8½
1958 (6 mo.)	16,918,971	865,136	412,935	.60	.25	12,272,211	12 - 10⅛

(a) Operating loss.

PARAMOUNT PICTURES CORP. (NYSE)

Capitalization—Debt: $23,067,518. Common: $1 par, 1,939,716 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 81,825,286	$10,311,275	$6,565,041	$2.67	$2.00	$117,929,986	22⅛- 17½
1951	94,628,572	11,034,665	5,459,273	2.33	2.00	114,479,795	33½- 21
1952	104,811,289	10,837,159	5,899,871	2.52	2.00	116,464,094	30⅞- 21¼
1953	110,254,081	13,304,563	6,779,563	3.06	2.00	118,430,121	30⅜- 24½
1954	106,920,798	15,651,802	9,003,802	4.10	2.00	128,583,495	40⅜- 26
1955	112,474,967	16,516,929	9,707,929	4.49	2.00	138,924,838	44⅝- 36
1956	96,579,079	10,101,568	8,731,568	4.43	2.00	133,672,234	36½- 27⅝
1957	111,213,462	7,610,201	4,783,201	2.47	2.00	138,279,348	36⅞- 28
1958	....	....	....	...	.50	....	38⅜- 30⅝

PHILCO CORP. (NYSE)

Capitalization
Debt: $23,000,000
$200,000, subordinate debenture 4s, due 1980. $750,000, subordinate debenture 4¾s, due 1978.
Preferred: Series A $3.75 cumulative, $100 par, 100,000 shares
Common: $3 par 3,984,787 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$335,318,054	$33,703,616	$15,483,616	$4.50	$2.55	$121,294,609	23¼- 20
1951	305,328,670	22,012,646	12,168,046	3.35	1.60	119,476,461	27⅝- 20⅞
1952	366,963,850	25,631,457	11,491,207	3.15	1.60	144,400,293	36⅜- 26⅝
1953	430,419,858	35,316,077	18,350,577	4.86(a)	1.60+5% stk.	168,468,430	36½- 26⅝
1954	349,276,998	10,543,965	6,768,965	1.69	1.60	164,587,570	29⅝- 28
1955	373,359,297	17,286,329	8,423,329	2.13	1.60	178,146,894	43⅜- 30
1956	347,901,014	557,690	398,690	.01	.80+1% stk.	203,768,503	36½- 16
1957 (b)	372,628,558	7,939,179	4,363,179	1.00	4% stk.	195,166,979	18⅜- 11
1958 (3 mo.)	74,016,000	2,149,000(d)	1,027,000(d)	.28(d)	none	....	17⅛- 12⅜

(a) Including $1.33 from sale of TV station. (b) Includes Canadian subsidiaries. (d) Deficit.

PYRAMID ELECTRIC CO. (Unlisted)

Capitalization
Debt: $248,693
Preferred: 5% cumulative convertible, $10 par, 75,000 shares.
Common: $1 par, 745,875 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1951	$3,010,531	....	$ 80,087	$.10	....	....	....
1952	4,731,810	$ 370,916	136,617	.18	$.05	$1,512,880	....
1953	5,768,876	385,869	138,922	.23	.05	1,552,576	....
1954	7,773,882	1,109,282	529,645	.71	.05	2,768,502	10 - 3¼
1955	9,631,956	262,202	126,236	.15	.20	3,827,672	12⅝- 6½
1956	10,040,432	76,666(d)	34,497(d)	.10(d)	none	3,533,017	6⅝- 2⅜
1957	8,076,254	115,469(d)	53,469(d)	.12(d)	none	2,939,635	3 - ⅝
1958	....	......	.....	..	none	....	1½- ⅝

(d) Deficit.

RADIO CONDENSER CO. (Unlisted)

Capitalization
Debt: $1,200,555
Common: $1 par, 435,815

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 9,535,998	$ 932,843	$534,575	$1.31	....	....	....
1951	9,718,912	908,611	464,406	1.15	....	$5,220,423	....
1952	14,743,068	1,262,106	521,837	1.25	....	6,569,694	....
1953	21,465,247	693,405	384,002	.92	$.15+4% stk.	8,400,209	15¼- 11
1954	13,039,972	294,890(d)	138,082(d)	.33(d)	.10	7,952,391	12 - 10
1955	17,547,956	1,022,072	560,472	1.29	.20+4% stk.	8,772,481	11 - 8
1956	16,294,801	237,297	130,029	.30	.10	8,674,880	9 - 6
1957	15,654,029	482,144	238,421	.55	.20	8,399,310	6 - 4
1958	....	......	......	...	.05	....	4½- 4

(d) Deficit.

RADIO CORPORATION OF AMERICA (NYSE)

Capitalization
Debts: $100,000,000—3% notes due 1970-74; $50,000,000—3¾% notes due 1973-77; $99,995,100—3½% subordinated conv. debentures due 1980
Preferred: $3.50 cumulative, no par, 900,824 shares
Common: No par, 14,031,114 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 584,425,121	$96,992,865	$46,249,865	$3.10	$1.50	$311,846,886	24¼- 12¼
1951	598,955,077	62,032,732	31,192,732	2.02	1.00	370,202,025	25¼- 16⅜
1952	693,940,522	67,362,399	32,325,399	2.10	1.00	432,252,051	29⅜- 23¼
1953	853,054,003	72,436,778	35,021,778	2.27	1.00	493,624,720	29⅜- 21
1954	940,950,220	83,501,459	40,525,459	2.66	1.20	548,325,244	39¼- 22½
1955	1,055,265,655	100,107,465	47,525,465	3.16	1.35	676,506,187	55⅜- 36¾
1956	1,127,773,541	80,074,245	40,031,247	2.65	1.50	690,557,138	50⅜- 33⅞
1957	1,176,277,371	77,048,794	35,548,794	2.55	1.50	720,772,768	40 - 27
1958 (3 mo.)	278,339,000	18,008,000	9,004,000	.59	1.00	....	35 - 30¼

RAYTHEON MANUFACTURING CO. (NYSE)

Capitalization
Debt: $13,135,000, 4%, 4½%, 4¾% Promissory Notes
Common: $5 par, 2,981,789 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	$ 59,533,260	$ 1,610,413	$ 935,413	$ .49	none	$32,331,492	13½- 6⅛
1951(a)	89,662,122	6,029,063	2,179,063	1.12	none	52,120,396	12⅜- 8¼
1952(a)	111,286,879	5,947,898	2,047,898	.84	none	75,196,765	12¾- 9⅛
1953(a)	179,179,379	13,009,672	3,859,672	1.68	none	91,238,649	14⅝- 8
1954(a)	177,099,790	10,023,316	3,523,316	1.53	10% stk.	93,640,690	14½- 7¾
1955(a)	182,504,693	9,166,561	4,521,561	1.72	5% stk.	82,836,163	25¾- 18
1956(a)	175,490,226	4,343,538	1,254,633	.45	none	99,306,978	19½- 13
1956(b)	111,844,055	1,364,743	654,743	.23	none	108,451,571	19½- 13
1957	259,864,539	10,003,170	4,828,170	1.70	none	127,219,842	23¾- 16⅜
1958 (3 mo.)	80,393,000	....	1,734,000	.58	5% stk.	....	27¼- 21½

(a) Year ending May 31. (b) 7 mos. ending Dec. 31.

HOWARD W. SAMS & CO., INC. (Unlisted)

Year ending June 30

Capitalization
Common: 120,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	$1,052,102	$ 43,701	$ 28,367	$ .23	$ .05+10% stk.	$ 257,343	N.A.
1951 (a)	1,378,036	112,831	34,451	.29	.10	367,695	N.A.
1952 (a)	1,951,803	113,952	34,164	.28	.05	521,342	N.A.
1953 (b)	1,293,225	83,745	26,343	.22	none	636,835	N.A.
1954	2,798,979	218,179	79,239	.66	.10	820,125	N.A.
1955	3,278,377	289,791	131,513	1.10	.30	1,048,892	N.A.
1956	3,707,874	364,984	164,852	1.37	.50	1,447,680	N.A.
1957	3,984,324	394,835	182,886	1.52	.50	1,509,831	N.A.
1958 (9 mo.)	3,316,772	364,447	....	...	..	....	N.A.

(N.A.) Not available. (a) Calendar year. (b) Six months, Jan. 1-June 30, 1953. Note: This tabulation does not include The Waldemar Press Inc., nor The Howard Company Inc.

SIEGLER CORP. (NYSE)

Year ending June 30

Capitalization
Debt: 5½% convertible subordinated debentures, due 1966, $1,335,000.
4½-6% notes, due 1959-1971, $1,009,344.
5½% senior notes, due 1969, $3,000,000.
5½% senior notes, due 1962, $2,250,000.
Common: $1 par, 1,515,306 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	$ 2,540,018	$ 343,932	$ 204,286	$ .39	(b)	(b)	(b)
1951 (a)	3,532,564	754,312	379,568	.73	(b)	(b)	(b)
1952	3,698,466	282,530	140,530	.27	(b)	(b)	(b)
1953	22,997,505(e)	820,663(e)	411,598(e)	.89(e)	....	....	....
1954	24,510,584(e)	1,467,091(e)	737,531(e)	1.60(e)	....	....	....
1955	29,287,827(e)	2,429,932(e)	1,111,569	1.80(e)	$ .15(f)	5,881,884(f)	14 - 10½(f)
1956	47,119,300(e)	3,316,099(e)	1,704,880	1.61(e)	.80(f)	15,436,832(f)	21¼- 12¾(f)
1957	68,164,267(e)	3,142,827(e)	1,560,026(e)	1.34(e)	.80(f)	37,123,247(e)	21⅛- 12⅜
1958 (9 mo.)	57,450,030	....	964,814	.64	.40	....	16⅛- 13¼

(a) Year ending Dec. 31. (b) Privately owned until July 12, 1955. (e) Pro-forma combining Siegler, Unitronics and Hufford Corp., these companies having merged Sept. 13, 1957. (f) Siegler only.

SPEER CARBON CO. **(Unlisted)**

Capitalization
Debt: $4,800,000
Preferred: $7 cumulative pfd. $100 par, 4,565 shares
Common: $2.50 par, 440,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$13,818,516	$3,685,784	$1,760,759	$6.62	$1.20	$12,938,802	27¼- 13¼
1951	13,951,563	2,691,023	1,076,023	2.37	1.20	22,963,723	33 - 20¼
1952	13,642,634	1,409,311	718,311	1.56	1.00	22,060,894	24¼- 19¼
1953	15,609,779	1,385,217	611,217	1.31	1.00	22,316,798	21½- 13
1954	13,064,675	1,223,474	508,474	1.08	.60	22,254,568	15¼- 11¾
1955	17,734,512	3,019,694	1,461,694	3.25	1.00	24,331,167	19¾- 15½
1956	20,045,530	4,171,346	1,925,346	4.30	1.50	25,972,553	33 - 19¼
1957	21,101,500	3,609,185	1,682,185	3.75	1.50	27,352,257	33¼- 21¼
1958 (3 mo.)	4,303,348	506,275	233,275	.51	.25	26,500,799	25¼- 20½

SPERRY RAND CORP. **(NYSE)**

(Merger of Sperry Corp. and Remington Rand effective July 1, 1955)
Year ending March 31

Capitalization
Debt: $113,816,912
Preferred: $4.50 cumulative; $25 par, 102,267 shares
Common: 50 cents par, 28,279,311 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	$349,942,000	$49,600,000	$23,626,000	$ .92	....	....	....
1951(a)	468,359,000	68,000,000	26,023,000	1.02	....	....	....
1952(a)	631,720,000	75,500,000	28,081,000	1.10	....	....	....
1953(a)	689,565,000	73,900,000	28,012,000	1.09	....	....	....
1954(a)	696,206,000	85,500,000	44,851,000	1.75	....	$483,922,636	....
1955(c)	353,943,880	45,519,563	23,585,563	.92	$ .36	....	29⅝- 21
1956	710,696,087	83,598,878	46,348,878	1.80	.80	557,492,756	29⅛- 21¾
1957	871,047,239	85,362,352	49,612,352	1.83	.80	708,536,343	26⅛- 17⅝
1958 (9 mo.)	648,571,966	43,107,346	26,107,346	.91	.40	....	20⅝- 17¼

(a) Pro-forma. (c) 6 months to Dec. 31, 1955.

SPRAGUE ELECTRIC CO. **(Unlisted)**

Capitalization
Debt: $1,597,000, 3⅝% Promissory notes, due Nov. 1, 1964
Common: $2.50 par, 1,244,987 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$28,614,860	$ 6,725,904	$3,345,404	$2.69	$ .60	$15,350,554	15¼- 6⅝
1951	38,491,215	8,500,534	2,720,334	2.19	.89	21,096,487	18¼- 13⅝
1952	44,449,891	10,169,353	3,136,853	2.53	.93	21,866,421	37⅜- 17⅜
1953	46,778,633	9,604,981	2,888,081	2.33	1.07	24,424,669	38⅜- 29
1954	42,355,361	6,668,908	3,333,408	2.68	1.10	26,835,820	60½- 36
1955	44,353,042	6,040,828	3,003,128	2.42	1.20	28,945,433	61 - 47
1956	44,659,844	4,208,997	2,176,297	1.75	1.20	29,329,798	55 - 30¼
1957	46,187,841	4,199,201	2,220,101	1.78	1.20	29,447,694	38 - 21½
1958	....	....	....	....	.30	....	32 - 22¾

STANDARD COIL PRODUCTS CO. **(NYSE)**

Capitalization
Debentures: $3,739,070, 5% convertible subordinated due Dec. 1, 1967; mortgage $66,618
Common: $1 par, 1,470,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$35,632,396	$10,464,265	$5,266,442	$3.58	$ .25	$10,133,662	11¾- 9
1951	40,302,526	5,037,944	2,487,944	1.69	1.00	20,239,292	14¾- 10
1952	65,990,177	7,136,290	2,861,290	1.95	1.00	28,401,496	18⅞- 12⅝
1953	89,270,964	7,762,481	2,972,481	2.25	1.00	30,644,696	17¼- 12½
1954	72,862,113	5,136,407	2,871,290	1.95	1.00	29,351,477	17⅞- 12⅝
1955	60,472,454	522,313(d)	320,313(d)	.22(d)	.85	27,253,490	20¼- 10¼
1956	59,168,450	3,070,871(d)	1,819,371(d)	1.24(d)	none	29,739,718	12¾- 6¼
1957	61,330,530	823,062	802,862	.56	none	37,394,605	9⅜- 5¾
1958	....	....	....	...	none	....	8¼- 6

(d) Deficit

STORER BROADCASTING CO. **(NYSE)**

Capitalization
Debt: $2,073,011
Common: $1 par, 973,610 shares; $1 par Class B, 1,501,140 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 6,657,114	$ 1,895,085	$ 926,475	$ .39	$ .06	....	(b)
1951	9,560,086	3,406,327	1,464,776	.63	.10	....	(b)
1952	11,475,618	3,963,304	1,594,956	.69	.10	$11,923,761	(b)
1953	14,901,078	6,161,231	2,186,415	.94	.24	17,446,319	7⅜- 7
1954	17,736,531	7,105,103	3,680,779	1.62	.81	27,872,630	19⅜- 7⅜
1955	24,051,726	8,792,878	4,330,429	1.73	1.37½	28,152,046	29⅛- 20¾
1956	28,313,383	11,452,891	5,517,207	2.23	1.75	28,534,596	29½- 22⅛
1957	26,214,828	11,287,076	6,396,164	2.58	1.80	31,504,942	29¼- 18¾
1958	....	....	....	....	.45	....	24⅞- 20

(b) Privately owned.

SYLVANIA ELECTRIC PRODUCTS, INC. **(NYSE)**

Capitalization
Debt: $17,000,000, debenture 4s, due 1978
$19,544,498, debenture 3¾s, due 1971
$5,880,000 debenture 4⅝s, due 1975
$20,000,000, 4½% notes
$111,146, 5% mortgage loan
Preferred: $4 cumulative no par, 95,112 shares
Common: $7.50 par, 3,531,774 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$162,514,814	$19,221,185	$ 8,221,185	$5.37	$2.00	$ 92,880,543	26⅜- 18¼
1951	202,806,387	26,153,973	8,253,973	4.17	2.00	150,968,617	39 - 23¾
1952	235,023,437	17,660,625	6,960,625	3.04	2.00	176,418,658	41⅞- 32¼
1953	293,267,408	24,486,181	9,536,181	3.10	2.00+10 % stk.	204,433,298	40 - 29¼
1954	281,641,987	18,380,941	9,480,941	2.92	2.00	191,379,534	48⅞- 31⅞
1955	307,371,315	27,912,970	13,812,970	4.29	2.00	203,163,659	49⅞- 41
1956 (a)	332,344,159	27,979,389	14,835,389	4.10	2.00	224,328,756	55⅞- 42
1957	342,957,061	24,255,839	12,655,839	3.48	2.00	247,310,924	46¼- 29¼
1958 (3 mo.)	72,132,543	....	1,167,818	.30	.50	....	37½- 31½

(a) Includes operations of Argus Camera which became a division Jan. 2, 1957.

TELECOMPUTING CORP. **(Unlisted)**
Year ending October 31

Capitalization
Debt: $422,433
Preferred: 6%, $100 par, 6,450 shares
Common: $1 par, 2,507,911 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)...........	$ 441,620	$ 66,915	$ 37,243	$ .31	none	....	(c)
1951 (a)...........	780,779	44,451	31,451	.12	none	$ 817,605	2¾- 1⅞
1952 (a)...........	1,664,840	126,844	56,844	.20	none	828,522	11½- 2½
1953 (a)...........	2,022,854	71,622	43,622	.13	none	1,006,510	17¼- 7
1954 (a)...........	1,786,728	896,734(d)	798,887 (d)	1.60(d)	none	1,368,689	14 - 9½
1955 (a)...........	1,771,162	414,791(d)	414,791 (d)	.83(d)	none	4,089,716(b)	11½- 6⅛
1956 (b)...........	10,225,569	....	43,174	.029	none	5,114,300(e)	8¾- 6½
1957 (f) (10 mo.)...	25,685,448	1,258,850	728,850	.27	none	13,776,888	5¼- 2½
1958 (3 mo.).......	7,493,479	264,095	264,095	.10	none	....	5 - 3¼

(a) Prior to merger with Whittaker Gyro, Inc. (b) After merger with Whittaker Gyro, Jan. 27, 1956. (c) Privately owned. (d) Deficit. (e) From Balance Sheet, Dec. 31, 1956. (f) Includes Wm. R. Whittaker Co., Ltd., merged Oct. 31, 1957.

TELEPROMPTER CORP. **(Unlisted)**

Capitalization
Debt: $690,668
Common: $1 par, 356,591 shares

1950 N.A...........							
1951...............	$ 96,221	$ 16,093(d)	$ 17,243(d)	$ .07(d)	none	N.A.	N.A.
1952...............	233,968	42,999	35,881	.14	none	N.A.	N.A.
1953...............	308,361	17,281	8,129	.03	none	N.A.	N.A.
1954...............	533,661	49,421	38,583	.15	none	N.A.	N.A.
1955...............	1,215,559	140,232	96,743	.32	none	$1,006,863	N.A.
1956...............	1,784,607	270,141	206,841	.58	none	1,533,747	11 - 8
1957...............	2,264,345	265,694(d)	212,694(d)	.59(d)	none	1,913,638	10½- 5
1958...............	....	....	....	...	....	....	6½- 3¾

N.A. Not available. (d) Deficit.

TEXAS INSTRUMENTS, INC. **(NYSE)**

Capitalization
Notes: $7,000,000
Common: $1 par, 3,256,988 shares

1950...............	....	....	....	....	.....	....	....
1951...............	....	....	....	....	.....	....	....
1952...............	$20,431,452	$2,289,738	$ 909,975	$ .30	none	$13,396,944	....
1953...............	27,007,957	3,219,162	1,270,125	.42	none	14,900,024	5¾- 5⅛
1954...............	24,387,334	2,380,718	1,200,995	.40	none	15,123,336	14 - 5¼
1955...............	28,684,653	2,502,941	1,581,790	.49	none	19,591,604	16⅞- 10⅛
1956...............	45,699,358	4,260,514	2,349,103	.72	none	27,288,083	18⅜- 11⅝
1957...............	67,338,574	7,463,617	3,765,362	1.11	none	37,716,284	31½- 15⅞
1958 (3 mo.).......	20,480,000	2,154,000	1,109,000	.34	none	....	37⅝- 26¾

THOMPSON PRODUCTS, INC. (NYSE)

Capitalization
Debt: $12,185,000, debenture 3¼s, due 1971
$19,729,500 4⅞% subordinated debentures, due 1982
Preferred: 4% cumulative, $100 par, 83,788 shares
Common: $5 par, 2,764,110 shares

1950...............	$123,312,550	$16,630,266	$ 8,252,459	$3.41	$ .75	$ 73,276,414	21¼- 16
1951...............	194,899,449	20,698,050	7,687,246	2.82	1.00	120,331,473	23⅞- 16¼
1952...............	274,080,027	28,852,579	9,252,579	3.41	1.00	167,225,800	29¾- 21⅛
1953...............	326,399,987	27,662,923	9,652,923	3.56	1.00+5% stk.	151,834,249	30⅞- 20⅝
1954...............	268,980,897	24,789,645	11,678,645	4.25	1.10	136,512,119	53 - 42½
1955...............	286,299,015	23,170,792	11,340,792	4.03	1.40	146,159,287	60½- 43⅝
1956...............	306,508,120	26,897,605	13,012,605	4.60	1.40	204,928,315	80 - 48⅜
1957...............	368,578,428	24,972,034	11,942,034	4.20	1.40	197,838,586	89¾- 46
1958 (3 mo.).......	73,990,105	3,978,668	1,926,668	.67	.70	181,214,434	55¼- 41⅜

TIME, INC. **(Unlisted)**

Capitalization
Debt: $13,500,000, Subordinates 1st 4½s, due 1970
Notes Payable: $31,278,945
Common: $1 par, 1,954,569 shares

1950...............	$134,719,833	$15,812,416	$ 8,500,693	$4.36	$2.75	$ 82,393,453	36¾- 25
1951...............	149,571,479	13,990,219	7,287,400	3.73	2.37½	86,086,824	35½- 27½
1952...............	156,785,799	15,796,597	7,750,475	3.97	2.37½	93,824,010	35¼- 29⅞
1953...............	170,448,966	16,259,281	8,144,414	4.18	2.50	101,141,707	36 - 30⅝
1954...............	178,155,775	14,531,621	8,056,905	4.13	2.50	108,221,241	49 - 35½
1955...............	200,181,865	17,506,072	9,195,588	4.72	2.75	112,531,774	58½- 46¼
1956...............	229,373,627	26,627,224	13,850,137	7.10	3.50	177,158,949	80½- 54
1957...............	254,095,798	23,145,301	12,023,547	6.15	3.75	208,060,343	70½- 52
1958...............	....	....	....	....	.75	....	63 - 52

TRAV-LER RADIO CORP. **(Midwest)**
Year ending April 30

Capitalization
Debt: $1,062,500, debentures 6s, due May 15, 1967
Common: $1 par, 761,995 shares

1950(a)............	$13,892,485	$2,309,275	$1,156,851	$1.52	$ .30+20% stk.	$6,484,714	5⅛- 3¾
1951(a)............	8,015,622	1,256,162(d)	577,950(d)	.76(d)	.10	3,971,516	4½- 2¾
1952(a)............	11,860,387	388,565	291,565	.38	none	4,224,853	3⅛- 2½
1953(a)............	14,470,145	735,847	316,641	.42	.10	4,602,709	3⅛- 2⅛
1954(a)............	16,347,813	459,657	241,349	.32	.22½	5,339,934	3 - 2
1955(a)............	17,497,351	264,275	222,982	.29	.07½	6,380,841	4¼- 1⅞
1956 (4 mo.) (b)....	4,900,868	929,876(d)	204,876(d)	.27(d)	none	7,103,739	2½- 1
1957...............	13,045,460	358,986(d)	370,737(d)	.49(d)	none	5,838,663	1⅜- 1
1958 (6 mo.).......	7,842,000	108,000(d)	104,000(d)	.14(d)	none	....	1⅞- 1

(a) Year ending Dec. 31.
(b) In 1956 changed from a calendar year to fiscal year ending April 30.
(d) Deficit.

TUNG-SOL ELECTRIC, INC. (NYSE)

Capitalization
Debt: $6,120,000, notes
Preferred: 5% convertible, series 1957, $50 par, 100,000 shares
Common: $1 par, 893,800

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$29,425,022	$6,280,786	$3,058,151	$6.61	$2.00	$14,881,402	20½- 8⅝
1951	31,484,760	5,713,572	2,049,458	4.23	1.25	17,115,034	24¼- 16¼
1952	35,489,558	5,432,713	2,007,713	3.75	1.25	20,702,033	21⅞- 16¼
1953	40,017,549	4,030,882	1,780,882	3.07	1.25	20,314,487	24⅞- 16½
1954	39,052,458	4,302,062	2,077,062	3.15	1.25	26,728,555	30¼- 16¼
1955	51,114,549	6,854,393	3,239,393	4.65	1.60	30,561,228	33½- 25
1956	53,838,822	5,819,397	2,909,397	3.83	1.25+5% stk.	33,493,366	36⅜- 27
1957	64,106,913	6,754,916	3,129,916	3.31	1.40+3% stk.	43,262,704	37½- 21¾
1958 (3 mo.)	13,730,740	1,228,622	535,422	.52	.70	....	26⅞- 23¼

VARIAN ASSOCIATES (Unlisted)
Year ending September 30

Capitalization
Debt: $2,000,000, notes
Common: $1 par, 1,344,850 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$ 460,035	$ 48,478	$ 35,980	$ .16	none	....	....
1951	1,756,879	88,935	24,734	.08	20% stk.	....	....
1952	3,826,702	151,540	76,336	.16	none	....	....
1953	5,023,272	172,299	86,255	.12	none	$4,172,546	....
1954	5,902,640	458,837	224,669	.32	none	4,451,641	....
1955	7,162,350	912,896	432,896	.41	none	6,101,128	....
1956	11,000,116	1,479,578	502,578	.42	none	10,295,360	18 - 12
1957	16,836,086	1,581,280	763,280	.56	none	15,248,307	20 - 14⅜
1958 (6 mo.)	....	....	238,870	.18	none	....	18⅜- 14¾

WEBCOR, INC. (Midwest)

Capitalization
Debt: $750,000, 4¾% notes, due 1961.
$1,400,000, 5¼% notes, due 1968.
Common: $1 par, 650,737 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$19,086,151	$2,324,494	$1,212,050	$2.69	$1.50+20% stk.	$ 8,713,877	20¼- 10¾
1951	17,971,469	677,596	457,635	1.01	1.00	7,878,317	16⅝- 11¼
1952	19,580,636	707,800(d)	408,951(d)	.90(d)	.50	10,406,339	13½- 7½
1953	27,757,899	1,947,162	927,162	1.87	10% stk.	11,827,337	9⅛- 7
1954	31,741,046	1,139,198	564,198	1.09	.15+ 5% stk.	12,940,996	11½- 7⅞
1955	31,984,539	1,339,574	589,524	.95	.40	16,566,990	15⅜- 8½
1956	34,305,837	1,894,753(d)	994,753(d)	1.53(d)	.50+5% stk	15,935,212	15 - 8½
1957	40,374,042	4,011,297	1,961,297	3.01	.25	18,517,242	12⅝- 8¼
1958 (3 mo.)	7,818,330	....	146,462	.23	.15	....	14¼- 9⅝

(d) Deficit.

WJR THE GOODWILL STATION, INC. (Unlisted)

Capitalization
Common: $1.25 par, 572,552 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$3,519,151	$ 810,746	$474,746	$ .92	$ .70	$3,070,287	8½- 6
1951	3,422,626	987,630	477,630	.92	.70	3,307,127	12 - 7⅞
1952	3,383,293	928,714	441,714	.86	.70	3,364,715	11 - 9
1953	3,369,943	992,096	457,096	.88	.70	3,491,443	10⅜- 8¾
1954	3,009,884	758,846	373,746	.72	.60	3,390,554	12⅞- 9½
1955	2,759,803	569,736	274,739	.53	.45	3,308,551	15¼- 10¼
1956	3,516,765	1,063,112	478,112	.88	.50+5% stk.	3,814,796	13¼- 10¼
1957	3,570,773	1,038,681	495,681	.86	.50+5% stk.	4,077,273	13 - 10⅛
1958 (3 mo.)	853,727	....	110,303	.19	.10	....	13¼- 11⅞

WELLS-GARDNER & CO. (Unlisted)

Capitalization
Common: $1 par, 414,300 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$17,825,098	$1,674,235	$ 954,235	$2.33	$ .75	$5,643,428	12⅛- 5⅛
1951	12,758,749	588,099	451,447	1.10	.60	4,462,000	8¾- 6¼
1952	16,301,043	969,976	459,976	1.12	.60	6,385,335	8¼- 6⅛
1953	22,572,069	1,969,939	772,939	1.88	.75	7,224,465	8¼- 6⅝
1954	21,200,318	2,031,340	911,340	2.22	.75	8,076,027	10 - 5¾
1955	26,646,745	2,725,857	1,221,857	2.97	.85	9,784,984	13¾- 9⅞
1956	24,152,104	2,179,610	1,054,610	2.55	1.00	8,668,582	14⅛- 10¼
1957	15,687,999	201,573	76,573	.18	.40	7,372,406	14⅛- 5⅞
1958	....	....	......	....	none	....	8¼- 5⅞

WESTINGHOUSE ELECTRIC CORP. (NYSE)

Capitalization
Debentures: 2⅝s, due Sept. 1, 1971, $20,995,000
3½s, due Dec. 15, 1981, $300,000,000
Preferred: $3.80 Class B, $100 par, 486,385 shares
Common: $12.50 par, 16,946,912 shares

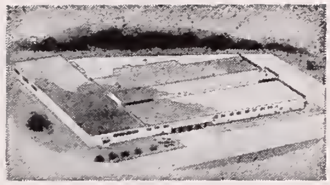
Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	$1,019,923,051	$159,664,532	$77,922,944	$5.36	$2.00	$ 800,461,178	36 - 29⅛
1951	1,240,801,296	174,578,362	64,578,202	4.03	2.00	1,004,378,037	42½- 34⅝
1952	1,454,272,698	173,014,835	68,581,603	4.23	2.00	1,195,292,040	48⅜- 35⅛
1953	1,582,047,141	152,893,486	74,322,925	4.53	2.00	1,265,353,717	52½- 39½
1954	1,631,045,480	168,241,939	84,594,367	5.06	2.50	1,329,120,140	79 - 50⅛
1955	1,440,976,985	84,102,747	42,802,747	2.46	2.00	1,287,685,975	83¼- 53¼
1956	1,525,375,771	5,292,061	3,492,061	.10	2.00	1,264,469,283	65⅞- 50⅞
1957	2,009,043,776	139,452,980	72,652,980	4.18	2.00	1,400,682,932	68⅝- 52⅜
1958 (3 mo.)	449,329,000	....	12,903,000	.73	1.00	....	65½- 57¼

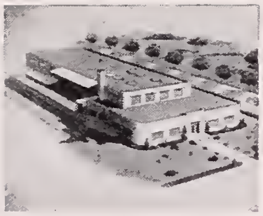
ZENITH RADIO CORP. (NYSE)

Capitalization
Common: No par, 984,928 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	$ 87,704,071	$11,527,903	$5,627,003	$5.72	$ .75	$51,971,284	35⅛- 15¾
1951	110,022,780	11,771,940	5,370,740	5.45	1.50	50,275,866	35¾- 23¾
1952	137,637,697	13,222,133	5,845,933	5.94	1.50	54,416,548	44 - 34
1953	166,733,276	13,157,701	5,631,701	5.72	1.50	52,042,451	42 - 31⅝
1954	138,608,360	12,056,264	5,676,264	5.77	1.50	62,604,970	48 - 31¾
1955	152,905,005	17,104,491	8,034,491	8.15	2.50	67,604,887	71¼- 43
1956	141,529,855	13,298,717	6,178,717	6.28	2.50	69,193,175	70⅝- 50½
1957	160,018,978	17,340,577	8,165,577	8.29	2.50	84,338,732	70⅛- 45⅝
1958 (3 mo.)	42,173,732	4,333,437	2,036,759	2.07	1.50	....	77⅜- 45⅝

(a) Year ending March 31.





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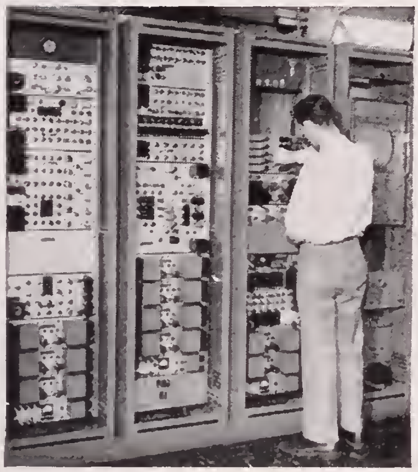

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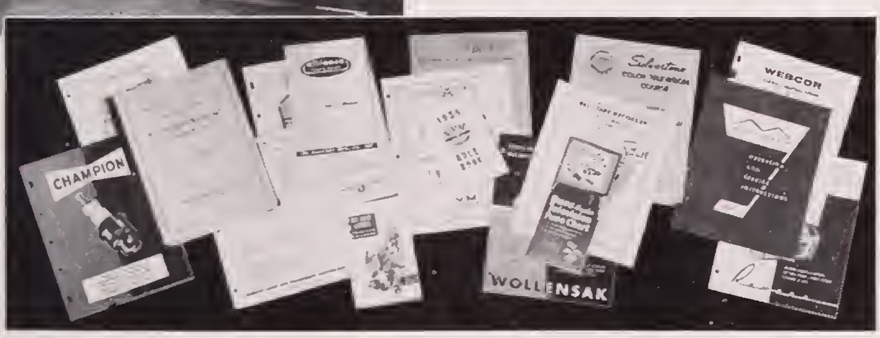

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THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 14: No. 20

SUMMARY-INDEX OF THE WEEK'S NEWS — May 17, 1958

LEGACY OF ZENITH'S COMDR. McDONALD: It's an irony of fate that the 2 mainsprings of Zenith Radio's fabulous success, even in the face of recession, should have been called to their Maker within 3 weeks of one another. Eugene F. McDonald Jr., who only a few weeks ago relinquished the presidency of the company he founded in 1923, died of cancer May 16 at age 72. Zenith's engineering v.p. Gilbert E. Gustafson, acknowledged genius behind most of Zenith's highly successful TV-radio products, had died suddenly of Landry's disease (polio virus) April 24 at age 52 (Vol. 14:18).

Mr. McDonald will be buried May 19 from Chicago's Church of the Assumption.

* * * *

Most turbulently controversial figure in both the TV-radio manufacturing and the broadcasting industries, noted particularly in recent years for his espousal of pay TV and unrelenting attacks on its antagonists, McDonald had been ill for some months, in and out of hospitals, back and forth to Florida. His colleagues sought to hide the fact by discounting rumors and even verified reports (Vol. 14:17) for the reason that they did not want to disturb the business and also because of their chief's tenacious unwillingness to concede the seriousness of his malady.

Question now arises who will succeed to his dominance of the company. Will it be continued as an independent entity? (IT&T, before acquiring Farnsworth, is known to have sought merger, meeting only a deaf ear from McDonald.) Will the new regime continue McDonald's now apparently futile pay TV crusade? Will the slash-bang publicity campaigns of his public relations director Ted Leitzell continue?

Pay TV, hearing aids and the RCA patent suit, settled recently very largely in Zenith's favor (Vol. 13:37-38), were literally obsessions with him -- and, except for matters of high policy, he left the TV-radio manufacturing & merchandising and other phases of the business largely in the hands of subordinates. In the making of TV sets, engineer "Gus" Gustafson was probably nearest to "the indispensable man."

Major inheritors of his approximately 10% stock ownership in the company, now a N.Y. Stock Exchange blue chip, are presumably his son Eugene Francis III, 16, student at Chicago Latin School, and possibly daughter Marianne, who quit Bryn Mawr last year to marry Guntram Weissenberg, engineering student and refugee from Germany. His wife, from whom he was divorced some 8 years ago, has since remarried.

Regarded by some as putative "crown prince" is Eugene M. Kinney, nephew, son of McDonald's younger sister Mrs. Wilson Town, who has been keeping house for him. He's about 35, v.p.-hearing aids, recently was placed on board to exclusion of older hands like Gustafson, sales v.p. Leonard Truesdell, v.p.-treas. Sam Kaplan.

Actual managerial responsibility, as a matter of fact, fell upon 71-year-old, longtime exec. v.p. Hugh Robertson just a few weeks ago when McDonald, absent from shareholders meeting on account of illness, announced his retirement to "chairman & chief exec. officer," Robertson becoming pres. and 47-year-old v.p.-gen. counsel Joseph S. Wright becoming exec. v.p. Wright isn't a manufacturing man, but he works in close collaboration and friendship with veteran Sam Kaplan so that, with Robertson, there's still a strong operating team. Robertson, ailing, may retire soon.

This major upheaval in one of the industry's most important entities will be subject of guessing games for a long time: successorships, mergers, what's to be done with earned surplus exceeding $60,000,000, etc. etc. But there will no longer be any guessing about McDonald's next moves -- provocative ever since his World War I days in the Navy when, on being discharged as a Lieut. Comdr., his superior officer made the remark that epitomized his whole career:

"You've broken more rules than any 2 other men, but you've accomplished more than 5." [For additional background on McDonald, Zenith, its officers, finances, etc., see Vol. 14:12,14,17.]

YOU 'AUTO' BREAK THE APPLICATION LOGJAM: Just as sputniks spurred nation into trying to do something about training scientists, perhaps the recession will sting Congress into helping FCC free business-stimulating flow of TV-AM-FM construction.

There's money, lots of it, just waiting to be spent -- if only Commission had tools to break its application processing bottlenecks. What the FCC needs, as its chairmen have said time & again, is less bureaucratic "due process," which is dictated by law, and more skilled staff.

We don't know whether Commission is deploying its people as well as it might. But we're inclined to doubt it has earned such digs as one we heard recently -- "A bureaucrat is someone who finds a problem for every solution." Actually, FCC's staff topkicks are able, hard-working men -- but short-handed.

Not only could Congress give the economy a welcome boost but it could help the depressed broadcast equipment business. One equipment manufacturer conducted a recent survey which showed that existing TV stations & new-station applicants are considering spending $60,000,000 for equipment -- but that 50% of this sum awaits FCC actions of various kinds; only 7% cited "economic conditions" for not buying.

This figure may seem somewhat high, and FCC people insist it's way out of sight -- but total is undoubtedly big. The 119 TV applications pending represent 21 contested vhf channels, 18 uncontested vhf, 5 contested uhf, 17 uncontested uhf. If these could be granted "tomorrow", some $10,000,000 might be cut loose for equipment. Much more difficult to estimate, but certainly very large, are the sums earmarked for expansion -- more power, height, new buildings, cameras, etc.

Hearings and litigation are the big problems in TV. For example, hearing div. has but 6 attorneys & 5 engineers -- yet they must try to keep up with 12 examiners. Result is that hearing div. frequently asks for postponements. Office of Opinions & Review is so overwhelmed with "interlocutory" work, a superabundance of "due process," that its basic decision-drafting job is shoved into background. Non-hearing cases move quite fast -- delay of 6-8 weeks for major applications.

Number of stations involved in AM-FM is much greater, though dollars-per-station are fraction of TV's. Of the 750-odd AM applications pending before FCC, 370 are for new stations. Add these to the 70 FM, and you have some $10-15,000,000 in new-station business alone, most of it for equipment.

Some 340 AM applications haven't been touched by FCC staff yet. If you file today, you'd have to wait 10½ months for action, at current rate.

Problem in AM is engineers. For years, engineers have been almost impossible to recruit -- and when recruited they moved to better paying jobs as soon as they learned how to process. But picture is brightening. All of a sudden, presumably due to recession, Commission has 10-15 engineering applicants -- mostly college seniors -- and the money to hire them. It could use more.

Commission is now processing AM applications slightly faster than they're filed; rate of filing is 10-12 weekly. However, applications are getting tougher to process as spectrum becomes more crowded. For example, there's one daytime application featuring 6-tower DA -- something unheard of a few years ago.

* * * *

Foregoing dollar-flow potential covers only station construction, doesn't at all consider the business-stimulating power of TV-radio advertising -- which is incalculable but certainly massive. This point was made brilliantly last year in our Vol. 13:47 by C. Wrede Petersmeyer, pres. of Corinthian stations -- and the trend of the economic times makes it particularly pertinent now.

Congress hasn't been much help so far, and FCC made its last-ditch stand before Senate Appropriations Committee this week. House has voted Commission total of $8,900,000 for next fiscal year, $50,000 under President's request -- and House directed FCC to use $196,000 of this to hire 45 employes for processing. Commission isn't happy about this -- because its other programs would suffer. On other hand, it can't ask for more than President calls for. It would be delighted if Senate voted an extra fund for processing, forced House to compromise budget upwards.

RADIO-TELEVISION HALL OF FAME & MUSEUM: Proposed repository for the memorabilia of TV-radio and related occupations, a sort of counterpart of the automotive industry's Ford Museum in Dearborn, Mich. and baseball's Hall of Fame in Cooperstown, N.Y., may get a head of steam behind it with the suggestion by Prof. Kenneth Bartlett, v.p. of Syracuse U and director of its pioneer Radio-TV Center, that for a start his school might donate the land -- possibly even make available a low-rent building.

Dean Bartlett is hot on the whole idea, as are a lot of industry old-timers, though sentiment seems to favor a more centrally accessible location like Washington or one more closely identified with radio's beginnings. Dean Bartlett's school has taught radio courses since 1929, claims more alumni active in the industry than any other -- and he's dedicated to the idea that "a university's function is to conserve the truths and values of the past." Hence his interest, and he thinks it ought to be an "action" display -- "a live, moving, going thing, not just stuff on the shelf."

This may not be the strategic time for raising funds for such a project, but it hardly needs saying that it would be fitting and proper to start it while radio and TV are still young. Our own idea is that not only the memorabilia of TV-radio -- great names, historic literature, equipment models, etc. -- need a place of preservation for the benefit of posterity, but furthermore that there should be a sort of "Library of Congress" archives of the great productions of TV-radio, notably the educational shows (sponsored or unsponsored) worth repeating in classrooms or public gatherings. For TV, that's more feasible than ever with the advent of video tape.

[For further details of the proposal of Broadcast Pioneers for a Broadcasters Hall of Fame and Museum, see p. 14.]

NEXT—MORE ATTACKS ON DECISIONS, SALES: Uncomfortable visits to Washington are in store for some major telecasters, according to Rep. Harris (D-Ark.), chairman of subcommittee investigating FCC actions. He said that hearings, which resume May 20 with his staff members as witnesses, will "open the eyes of a lot of people throughout the country [with] far-reaching developments." in comparative cases. And FCC's station-sale policies, which his staff says condones "deals" and "trafficking," represent "crux" of subcommittee's investigation.

Harris hasn't disclosed which comparative decisions will be examined, but grant of WTAE, Pittsburgh (Ch. 4) is commonly expected to be the first. Subcommittee may not get to comparative cases next week -- because analysis of sales, started this week by staff researcher Robert McMahon, still has a way to go. Harris said "some witnesses" will be called to testify about sales, didn't say who or when.

After going into a down-the-nose look at FCC patent policy, with Commission witnesses (see p. 10), subcommittee put its own witnesses on stand with objective of attacking "lack of consistency" in Commission's comparative decisions and of blasting its sales approval policies, notably in TV cases.

Digests of 14 "representative comparative TV proceedings" were put into the record by James P. Radigan Jr., Library of Congress public law specialist. These were analyzed on basis of 13 criteria which FCC has employed, and he noted that "in each case it would have been impossible to predict in advance the degree of weight which would be given to each of the criteria," prompting subcommittee counsel Robert Lishman to say "there is serious doubt as to whether there is any consistency in FCC decisions." [For list of the 14 cases, see p. 5.]

Staff memorandum on station sales, presented by McMahon, lambasted FCC policy, presented detailed analysis of 6 "representative" cases (for list of sales involved, see p. 5). He said that FCC sales approvals are mere "formalities," letting poorly qualified operators in via "back door," encouraging quick-buck "trafficking." He said FCC could improve, even without new legislation.

Some Commissioners haven't been very happy about some TV merger-withdrawal deals, feeling they've reached stage of "high-jacking." At any rate, FCC has before it a proposal to eliminate all payment for dismissals of competitors -- even of the barest expenses incurred in prosecuting applications.

[For further details of Harris investigation on decisions & sales, see p. 5.]

FIRST BALL PITCHED IN NEW ALLOCATIONS GAME: Desire to "do something about allocations," so strongly expressed by FCC members at recent NAB convention (Vol. 14:18), has produced first formal move. This week, a motion was introduced to start a proceeding looking toward producing an adequate competitive TV system in the nation. Wording is very broad, and there seems to be considerable FCC support for it.

No specific panacea is proposed. Rather, concept is to get staff to examine all technical data in its files, then take information which will be supplied by all-industry TV Allocations Study Organization (TASO), analyze it and come up with specific alternative proposals for Commission consideration. When FCC decides which way to go, it would put proposal or proposals out for rule-making -- as was done recently in clear-channel AM proceeding (Vol. 14:16).

There's no intention to ask industry for new round of plans. Instead, the idea is to offer plan or plans for industry to comment on. There's no telling what plan FCC will choose. It could be big-scale deintermixture, shorter vhf spacings, move all stations to uhf, or what have you. Any substantial move to uhf, if it is ordered, would be very long range -- to give vhf-to-uhf movers fair shake.

FCC Full House: Complete 7-man FCC will be operating shortly, as soon as John S. Cross is sworn in—probably May 23—for both he and Comr. Bartley received quick & unanimous approval from Senate Commerce Committee and Senate itself this week. Engineer Cross, from State Dept. telecommunications div., should be welcome addition, particularly on technical matters—and his philosophy may well tip balance on important policy questions, since 6 commissioners have lined up 3-3 on some issues (Vol. 14:10-11).

FCC, TV Decisions & Sales: Analysis of 14 comparative TV cases by James P. Radigan Jr. for House subcommittee investigating FCC (p. 4) was fairly cautious—not the kind of free-wheeling criticism of station sales presented later by staff member Robert McMahon. Radigan limited himself to couple pages of digest of each case, merely noted "lack of consistency" in application of criteria.

Radigan also presented summary of time taken to decide each TV case since July 1, 1954, plus number of pages of transcript, depositions & exhibits. In 53 cases, there were 180,394 pages of transcript, 14,010 of depositions, 123,433 of exhibits—plus 10,860 exceptions filed.

Subcommittee counsel Robert Lishman commented that FCC may be "getting bogged down in paperwork," handicapping well-qualified but poorer applicants in taking court appeals, etc. He said study is being made to determine whether such "verbiage" is necessary.

The 14 cases digested resulted in grants of these stations: KBET-TV, Sacramento (Ch. 10); KLZ-TV, Denver (Ch. 7); WTIC-TV, Hartford (Ch. 3); WFGA-TV, Jacksonville (Ch. 12); WCKT, Miami (Ch. 7); WFLA-TV, Tampa (Ch. 8); WLWI, Indianapolis (Ch. 13); WWL-TV, New Orleans (Ch. 4); WHDH-TV, Boston (Ch. 5); KCPP, St. Louis (Ch. 11), formerly KMOX-TV; WBIR-TV, Knoxville (Ch. 10); WAVY-TV, Norfolk (Ch. 10); KIRO-TV, Seattle (Ch. 7); WISC-TV, Madison (3).

Six "representative" TV sales were cited by McMahon as horrible examples of FCC negligence: KLZ-TV, Denver (Ch. 7); KWK-TV (Ch. 4) & KMOX-TV (Ch. 11), St. Louis; WVUE, Wilmington (Ch. 12); WPRO-TV, Providence (Ch. 12); WISH-TV, Indianapolis (Ch. 8) & WINT-TV, Ft. Wayne (Ch. 15); KMGM-TV, Minneapolis (Ch. 9).

McMahon complained of "exorbitant" prices of stations, said this was due to scarcity, didn't mention network affiliations. He indicated FCC should hold prices down somehow.

Basic problem, he said, is that buyers who might not have won comparative hearings can step in quickly and buy out those who have. Only "minimum qualifications" are needed, he said. Some 10% of all TV stations change hands yearly, he stated, while 75% of all TV stations operating before 1952 have been sold at least once. He appended list of all transfers from Jan. 24, 1956 to Jan. 21, 1958, plus list of comparative TV cases in which competing applications were dismissed through merger or other agreement. Among McMahon's conclusions:

"An earlier method used by the Commission to control transfers hinged on the requirement of a resulting public benefit as justification for a sale. Unless improved service, which encompassed an extensive group of factors, was indicated, applications for transfer were generally denied. The FCC seems recently to have departed from such policy. Abandonment of this practice may deprive the public of additional improvements it formerly might have received from such transactions."

According to Washington attorneys, "earlier" policy disappeared long ago. They also point out that Congress itself, in 1952, decided automatic hearings on sales made no sense, repealed old "Avco rule."

Harris staff is disturbed, also, by several other trends. McMahon criticized "vertical integration in the communications industry and its component distributors, producers, and exhibitors of programs," "concentration of ownership" in major markets, "diversification" into TV by "major corporate interests."

FCC No Errand Boy: Ending some cute byplay—the kind lawyers get a kick out of—Court of Appeals this week told FCC that there's no need to "clarify" court's remand in Miami Ch. 10 case because Commission shows it knows what to do (Vol. 14:16, 18).

Steps in the case: (1) Because of ex-Comr. Mack's role and alleged improper activities of competing applicants, FCC asked court to send case back for further Commission proceedings. (2) Court sent it back, but laid down barrage of restrictive conditions. (3) FCC asked for clarification, said law requires it to do complete job of weighing activities of Mack and parties, not merely to act as fact-collecting "special master." (4) Court's brief statement this week said, in effect: "OK. Go ahead. You know what to do."

Lawyers believe court really intended to take slap at FCC in first place, but now realizes it was overstepping its authority.

Court handed down another decision, one of shortest on record, when it denied appeal of WORZ, Orlando, which had challenged Ch. 9 grant to WLOF-TV. Judges Fahy, Washington & Danaher merely stated: "After reviewing appellant's contentions, we find no basis for disturbing the Commission's award."

FCC held up Ch. 13 CP in Alliance, Neb. to Western Neb. TV Inc., stating it wants to look further into allegations that applicant's public stock offer may have violated "blue sky" laws.

Protests against sale of WMBV-TV, Marinette, Wis. (Ch. 11) & WMAM were granted, case set for hearing. Protestants are WFRV-TV (Ch. 5) & WBAY-TV (Ch. 2), both Green Bay.

One CP was granted: Ch. 10, Duluth, to Rex TV Co.—partnership of theatreman L. F. Gran, 25%; Bruce R. Gran, 25%; Louis E. Caster, 50%. Caster is principal owner of KOCO-TV, Enid-Oklahoma City (Ch. 5).

FCC instructed staff to draft decision again granting Texas Tech Ch. 5 in Lubbock; also, to come up with document denying all proposed channel changes affecting Hattiesburg, Miss.-Baton Rouge, La.

Two more "identification waivers" were granted: KSTP-TV, St. Paul, is permitted to identify itself with both St. Paul & Minneapolis; KHQA-TV, Hannibal, Mo., to add Quincy, Ill. [For details of foregoing, see *TV Addenda 26-P* herewith.]

FCC network hearing resumes May 19 in FCC meeting room 7134 with schedule unchanged, leading off with witnesses from 2 stations represented by CBS Spot Sales—Jay Wright, KSL-TV, Salt Lake City; Glenn Marshall, WMBR-TV, Jacksonville—and Nathan Lord, WAVE-TV, Louisville, testifying on behalf of NBC Spot Sales. Then come the much-awaited 5 witnesses from Station Representatives Assn., then one from Petry rep firm, one from Committee for Competitive TV—and industry's appearances wind up with witnesses from 6 individual stations. Some time next month, Roscoe Barrow, U of Cincinnati law school dean who directed network study, will appear, along with one of his economists, Jesse Markham (Vol. 14:19).

Foreign Advertising: Excellent special section in May 12 *Advertising Age* presents reports on advertising growth in 9 countries with annual volume of $100,000,000 or more, includes sizeup on TV where it is a commercial factor—usually termed "spectacular." Excerpts:

(1) Britain—Total advertising was $1.04 billion in 1957, up 12.5% from 1956. TV jumped 133% to $98,000,000, and it's only 2 years old.

(2) Japan—Advertising jumped 25% in 1957 to $261,000,000. TV tripled to $16,600,000—with only 5 stations—is expected to increase by ⅓ this year. Sets doubled to 1,000,000 in 1957. Radio income rose 15%, but its share of total expenditures dropped from 17.4% to 16.1%.

(3) Australia—TV & radio are lumped, getting 20% of estimated $110,000,000 total ad expenditures, radio taking lion's share with its 108 commercial stations. There are 4 commercial TV stations—2 in Sydney, 2 in Melbourne, will soon be joined by outlets in Brisbane and Adelaide. It's estimated 20% of Sydney homes have TV sets, 23% of Melbourne—and receivers are being built at rate of 20,000 a month.

(4) Italy—Ad total jumped 12.5% to $122,500,000 in 1957. TV garnered $5,300,000 of it vs. nothing in 1956, while radio took $10,600,000 vs. $9,300,000 in 1956. Re TV: "Many advertising men in Italy accept commercial TV with reservation. For it is hedged around with restrictions which make it an expensive medium available only to big-budget advertisers."

TV 'Doctors' Panned: N.Y. State Medical Society resolved this week that actors appearing on TV as "doctors" should not recommend remedies. It asked American Medical Assn., meeting in San Francisco June 23, to adopt resolution calling on appropriate Federal agencies to control "false or misleading advertising of nostrums & proprietary remedies on sale to the general public without prescription or other form of medical supervision." Resolution said TV is engaging in "practices of questionable taste" by showing deliberately misleading "references to 'doctors' or 'your doctor' with the implication that doctors use the nostrums themselves or prescribe them for their patients." Result may be loss of confidence in doctor who refuses to endorse advertised remedy or dangerous delay in seeking medical attention for a serious condition, resolution stated.

Deceptive advertising complaint against American Chicle was concluded this week with signing of Federal Trade Commission consent order against TV commercials for "Rolaids" which show an actor posing as a doctor. FTC complaint issued in May, 1957, charged that one scene of a man in a doctor's white coat (and addressed as "doctor"), recommending the product to another actor as a relief for indigestion, falsely implied that medical profession generally prescribes or recommends "Rolaids."

Weed rep firm reorganizes, with Weed Television Corp. as separate entity to represent U. S. TV stations (J. J. Weed, pres.). Weed & Co. will represent Canadian TV & radio stations (Peter A. McGurk, v.p. & gen. mgr.). Weed Radio Corp. will represent U. S. radio stations (C. C. Weed, pres.).

TV spot advertising expenditures increased 1.8% in first 1958 quarter over same period last year—$119,062,000 vs. $116,935,000—reports TVB pres. Norman C. Cash. "TV is only major mass medium to show an increase over same period last year," said he.

ADVERTISING AGENCIES: **Robert W. Bode & Robert M. Haig** named v.p.'s of Kudner Adv. . . . **W. M. Starkey** named a v.p. of BBDO; **Elliott Plowe** remains as v.p., dropping plans to become senior v.p. of Calkins & Holden . . . **Arthur B. Modell** promoted to exec. v.p. of L. H. Hartmann Adv. . . . **Horace D. Nalle** promoted to v.p. & gen. mgr. of Erwin Wasey, Ruthrauff & Ryan, Philadelphia . . . **James G. Cominos** promoted to v.p. for TV-radio, Needham, Louis & Brorby . . . **Edward Kogan**, ex-Edward H. Weiss Adv., named TV-radio director Joseph Katz Co., N. Y. . . . **Stuart D. Ludlum**, ex-C. J. LaRoche, named TV-radio director of Kudner Adv. . . . **J. Birch Pollock**, ex-BBDO, appointed v.p. of MacFarland Adv., San Francisco . . . **Henry Bretzfield & Robert E. Wolfe** named v.p.'s of Lawrence Fertig Adv. . . . **Joseph A. Ferenc** promoted to a v.p. of Dowd, Redfield & Johnstone . . . **Sherrill Taylor**, ex-RAB, joins TV-radio dept. of J. Walter Thompson, Chicago.

Farmers' looking-&-listening activities are subject of exhaustive 110-pp. study prepared for WBAY-TV & WBAY, Green Bay, Wis. by U of Wis. Dept. of Agricultural Journalism, copies available from station. Of time spent with mass media during week, farmers & wives gave TV 47%; radio, 38.5%; newspapers, 9.5%; farm magazines, 1.5%; other magazines, 3.5%. Weekends: TV, 54.8%; radio, 32.2%; newspapers, 9%; farm magazines, 2.2%; other magazines, 2.8%. Study covered 523 families in 5 Wis. counties.

Rate increases: KDKA-TV, Pittsburgh, May 1 raised base hour from $2000 to $2400, min. $500 to $600. KELO-TV, Sioux Falls, May 1 raised hour from $510 to $600, min. $125 to $150. KHOL-TV, Kearney, Neb. June 1 raises hour from $300 to $350, min. $60 to $70. WPBN-TV, Traverse City, Mich. May 1, hour $144 to $172.80, min. $26.50 to $31.80.

State-operated TV needs private commercial counterpart to provide well-rounded service, Alfred R. Stern, chairman of NBC International, told International Advertising Assn. in N.Y. this week. He said that in Britain, "ITA at first made large inroads in BBC audiences [but] BBC met challenge with programming which was more responsive to general public tastes & interests, and now has its full share of audience. Competition has proved most beneficial all around, and most importantly it has increased total TV audience substantially."

McGavren-Quinn rep firm has absorbed Burke-Stuart and changed name to McGavren-Quinn Corp., with John Keating, from Burke-Stuart, as chairman; Daren McGavren, pres.; Donald J. Quinn, exec. v.p., headquartering in N. Y.; Ralph Guild and Allan Kerr, v.p.'s. N. Y. offices are former Burke-Stuart headquarters at 60 E. 56th St. (Plaza 1-4646); also continued is Detroit Dime Bldg. office of Burke-Stuart. TV stations represented are WXEX-TV, Petersburg-Richmond, Va. (west coast only); WATR-TV, Waterbury, Conn.; WAKR-TV, Akron, O.; KSHO-TV, Las Vegas, Nev.

James Caesar Petrillo, the oft-embattled, powerful, eccentric but shrewd pres. of American Federation of Musicians, retires next month on doctors' orders at age of 66 and after 42 years as a labor leader. Toughest bargainer with whom the broadcasting industry has ever dealt, boss Jimmy isn't standing for automatic reelection at upcoming AFM convention in Philadelphia.

New reps: KOVR, Stockton-Sacramento, June 1 to Blair TV Associates (from Hollingbery); WMTV, Madison, Wis. to Weed (from Young).

Television Digest with Electronics Reports
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WM. J. McMAHON, Jr.

Personal Notes: Raymond W. Welpott, v.p. of WKY Television System and mgr. of WKY-TV & WKY, Oklahoma City, formerly mgr. of WRGB, Schenectady, joins NBC owned stations and spot sales div. June 1 in an executive capacity under his former chief, v.p. P. A. (Buddy) Sugg . . . Edgar B. Stern Jr., founder-pres. of WDSU-TV, New Orleans, elected to board of directors of Sears Roebuck & Co., taking post vacated by his father, retired; his mother is daughter of Julius Rosenwald, who founded Sears . . . Herbert V. Akerberg, veteran CBS-TV v.p. for affiliate relations, who has been ill for several years, has retired after 30 years with the network . . . J. Robert Kerns, v.p. & gen. mgr. of Storer's WVUE, Wilmington-Philadelphia, transfers to v.p. & gen. mgr. of WAGA-TV, Atlanta, succeeding Glenn Jackson . . . William S. Hedges, NBC v.p., is convalescing in New York Hospital from an operation last week, is reported doing nicely and should be back at work by end of month . . . Howard A. Chinn, CBS-TV chief engineer, and Joseph B. Epperson, engineering v.p., Scripps-Howard TV-radio stations, named fellows of American Institute of Electrical Engineers . . . Don Petty, onetime NAB gen. counsel, has become of counsel in Darling, Shattuck & Edmonds, Los Angeles law firm (with which ex-NAB pres. Justin Miller is associated) and is reported presently engaged in private business enterprises . . . Gerald H. Gunst, Chicago v.p. of rep Katz Agency, retires, succeeded by Roy Miller; William Joyce promoted to a v.p. . . . Fred Segal, head of NTA arts dept., named arts & adv. director of WNTA-TV & WNTA, N. Y.-Newark . . . Ben Hoberman transfers from ABC's WXYZ-TV, Detroit, to gen. mgr. of radio WABC, N. Y. . . . Syd Kavaleer promoted to gen. sales mgr. of WNTA-TV, N. Y.-Newark . . . Claude E. Wheeler promoted to gen. sales mgr. of WCHS-TV, Charleston, W. Va. . . . Earl W. Welde promoted to sales mgr. of WSUN-TV, St. Petersburg, Fla. . . . Harry Richard promoted to production mgr. of WMBR-TV, Jacksonville, succeeding Leonard Mosby, now program mgr. . . . Bill Lydle, ex-KOA-TV, Denver, named sales mgr. of KZTV, Corpus Christi . . . Arthur P. Fitzgibbons promoted to operations director of CFCM-TV & CKMI-TV, Quebec City . . . Don Jamieson, gen. mgr. of CJON-TV & CJON, St. Johns, Nfld., elected pres., Atlantic Assn. of Broadcasters . . . John J. Cole promoted to chairman of Guild Films, succeeding Reub Kaufman, co-founder with Cole, who resigned recently; Irving Feld promoted to v.p.-sales . . . Robert A. Schmid, v.p. of NTA, who recently acquired radio WESC, Greenville, S. C., resigns, plans further station acquisitions; Charles Zagrans, ex-Stanley-Warner, named mid-Atlantic district mgr. of NTA Pictures.

Wm. C. Boese rejoins FCC, resuming position of asst. chief engineer and chief of technical research div. He resigned in 1956 to become a senior staff engineer at Johns Hopkins U. Arnold G. Skrivseth, asst. chief of technical research div., has been acting chief.

CBS-TV Promotions: Continuing network policy of promoting from within, CBS's newly formed CBS-TV Stations div. under Merle S. Jones as pres. (Vol. 14:11) this week promoted John P. Cowden, career man who started in 1938 with its old KSFO, San Francisco and since 1951 operations director of CBS-TV sales promotion & adv., to v.p. sales promotion & adv.; Thomas Means, director of network-owned station promotion service, to director of sales promotion & adv.; Charles Oppenheim, CBS-TV director of information services, to director of public relations. Charles S. Steinberg, director of press information for CBS Radio, is promoted to Oppenheim's former post. Other officers & dept. heads now reporting to Jones' TV Stations div. are Craig Lawrence, v.p. for owned stations & spot sales; Leslie Harris, v.p., film sales; William Weiss, v.p.-gen. mgr., Terrytoons; Sydney Rubin, director, CBS-TV Enterprises; John Schneider, gen. mgr., CBS-TV spot sales. Such depts. as legal, editing, operations, personnel, office services, photo will continue to serve both Jones' div. and pres. Louis G. Cowan's CBS-TV Network div. Note: On May 16, Cowan announced that George Bristol, director of CBS-TV Network sales presentations since May 1955, has been named v.p.-sales promotion & adv., succeeding Cowden.

U. S. delegation to International Telecommunications Union conference in Moscow (CCIR Study Group 11) on TV standards sailed on *United States* May 16, returns on *Kungsholm* June 19. Members: Edward W. Allen, FCC chief engineer, chairman; Florence T. Dowling, State Dept., vice chairman; James E. Barr, FCC asst. chief of broadcast bureau; Axel Jensen, Bell Labs; J. R. Popkin-Clurman, Telechrome; C. G. Mayer, RCA representative in London. Also attending will be Washington attorney Andrew G. Haley, as pres. of International Astronautical Federation, which is associated with ITU. He'll be gone May 19-June 12. Another Moscow visitor: Ralph Steetle, exec. director of Joint Council on Educational TV, attending May 12-23 sessions of Organization International de Radiodiffusion, due back in U.S. May 29.

Donald H. McGannon, pres. of Westinghouse Bcstg., is new pres. of N. Y. Radio & TV Executives Society. Other officers elected this week: first v.p. Geraldine Zorabaugh, v.p. & gen. attorney of CBS radio; v.p. Don Durgin, v.p. & sales mgr. of NBC network sales; Frank E. Pellegrin, v.p. & secy. of H-R Reps; secy. Omar F. Elder Jr., secy. & asst. gen. counsel of ABC; treas. Jay Smolin, adv., sales promotion & publicity director of Assoc. Artists Productions.

Obituary

Charlie Peace, 54, v.p. & gen. mgr. of *Greenville* (S. C.) *News-Piedmont* and pres. of *Asheville* (N. C.) *Citizen-Times*, died May 15 in Greenville. He was a director of WFBC-TV (Ch. 4) & radio WFBC, Greenville, of which his brother Roger is chairman—the Peace family owning 48.8% of the stations.

Louis J. Fink, 55, chief engineer of WSUN-TV & WSUN, St. Petersburg, Fla., died May 11. Surviving are widow, 2 daughters.

Frank E. Cheeseman, 51, a v.p. of Erwin Wasey, Ruthrauff & Ryan, died in Chicago Hospital May 10. Surviving are widow, one son.

Charles Presbrey, 76, retired pres. of Cecil & Presbrey Adv., died in N. Y. hospital May 9. One son survives.

Do You Know That . . .

TWO ROCKETEERS—no pun meant—who add lustre to the TV-radio-communications fraternity by reason of their pioneering hobbying and later attainments in that field are attorney Andrew Gallagher Haley and engineer Esterly Chase Page, both well known in all facets of the industry. Haley devotes most of his business hours to rockets-&-missiles these days; Page pursues his interest in them and in the stars mainly as a hobby.

If and when mankind lands on the moon, his legal status may depend on the study and opinions of "Andy" Haley, whose avocation for more than 2 decades has been Metalaw—the Law of Outer Space. "Should the Russians get to the moon first," he declaims in written papers and on frequent lecture platforms, "they can claim it. If we get there first, we can." The pundits listen, too.

Besides heading the law firm of Haley, Wollenberg & Kenehan, he's pres. of the International Astronautical Federation and general counsel of the American Rocket Society which he headed in 1954 after serving as v.p. in 1953. His consuming interest in rocketry led him to set up and become first president of Aerojet Engineering Corp., now the world's largest rocket company, during World War II; and recently (Vol. 14:19) he helped found and became president of Missiles-Jets & Automation Fund, a diversified investment trust, whose chairman is Dr. Theodore von Karmen, head of GM's Allison div. scientific advisory committee and chairman of NATO's aeronautical advisory group.

Even now, Haley is preparing to go to Moscow with the American C.C.I.R. delegation (p. 7), being concerned with utilizing satellites for intercontinental relays of TV signals along lines devised by Bell Labs' Dr. J. B. Pierce —his second business trip to Moscow in as many months. He was American delegate to the International Astronautical Congress in London in 1951, was v.p. of the IAF 1952-54, was first chairman of American Rocket Society Committee on Space Flight, 1952-53.

Native of Seattle, Andy Haley is 54, attended U of Washington before coming to the nation's capital in 1925 to get his A.B. degree at George Washington U, his law degree from Georgetown. He worked first as an FCC attorney, then went into private practice, representing (as he still does) many Northwest TV-radio operators.

It's his contention we'll have to scrap present legal concepts for Metalaw in order to deal with Martians or Moonmen, and his basic approach is a rewritten version of the Golden Rule to read: "Do unto others as they would have you do unto them." He maintains the possible effect of our spaceships on inhabitants of other planets should undergo thorough consideration before space flights are attempted. We don't even know, he suggests, whether they can withstand our body odors. Because of the many uncertainties, he wants an international organization—under the United Nations—to govern space flights and determine the best means of maintaining good relations between Earth and the other planets.

Also a devotee of the mysteries of outer space, "PX" Page, veteran Washington consulting engineer, who still heads consultants Page, Creutz, Steel & Waldschmitt Inc. but who devotes most of his time to his multi-million dollar Page Communications Engineers Inc., pioneers in "scatter" communications and major contractor for telecommunications systems all over the world, is an amateur astronomer of considerable accomplishment.

He has his own observatory, built near his Camden, N.C. home-away-from-Washington, and it includes a 4½-in. telescope with cameras and all the paraphernalia needed to satisfy an astronomer's dream. He built the telescope himself, his adjoining machine shop including the last word in fabricating equipment. He's also past pres. (1955) of the Capital Section, American Rocket Society.

A Chicago-born "Southerner" whose grandfather and great-grandfather held high commands in Illinois regiments in the War Between the States, "PX" Page's fondest ambition, at 56, is to retire to his Carolina estate and pursue his hobby more intensively. His wife Virginia is Tennessee-born, a graduate engineer who was first woman engineer on the staff of the FCC. She's an expert astronomer, too, has recently been calculating orbits of U. S. and Russian satellites.

Bartlesville Suspending? Temporary suspension of pioneer cable-theatre project in Bartlesville, Okla. is in the cards, apparently (Vol. 14:3, 7, 10). Henry Griffing, Video Independent Theatres pres., acknowledged difficulties—despite fact subscriber total is at peak of 765.

Principal problem is cost of facilities leased from Southwestern Bell Telephone Co. So far, VIT has been unable to negotiate less onerous contract.

Griffing also said that flat monthly fee, which had been cut from $9.50 to $4.95, hasn't proved satisfactory—that a per-program metering system looks like the answer. Jerrold Electronics Corp. plans to demonstrate metering system at Philadelphia plant in couple weeks. Metering would also enable film producers to calculate share of revenues earned by specific pictures.

Another depressant was heavy influx of free out-of-the-air movies telecast by Tulsa stations, readily receivable in Bartlesville.

It's expected Griffing will speak during June 10-12 convention of National Community Antenna Assn. in Washington, give full status report.

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WTVD, Durham-Raleigh (Ch. 11) has begun construction of 1500-ft. tower at new site near Clayton, N. C.

Maria Helen Alvarez, who founded KOTV, Tulsa (Ch. 6) in 1949 while her former employers in local radio still looked TV askance, then sold out in 1952 and went into other station ventures, including purchase of KFMB-TV (Ch. 8) with KFMB, San Diego, and KERO-TV, Bakersfield, Cal. (Ch. 10), has settled her $10,000,000 suit against Jack Wrather, her former partner, which was due for trial in Aug. Oilman Wrather and rep Edward Petry are acquiring Mrs. Alvarez's 38.89% stock in the California stations, while Wrather is purchasing her 50% holdings in Disneyland Hotel along with other real estate. Total amount involved is said to be over $2,000,000, details to be disclosed when transfer papers are filed. At Los Angeles NAB convention, it was learned Mrs. Alvarez is contemplating acquiring other TV-radio properties in association with Lucille Ross Buford, also a TV-radio career woman, who controls KLTV, Tyler, Tex. (Ch. 7).

One TV application was filed this week—for Ch. 6, Durango, Colo.—submitted by Farmington Bcstg. Co., a Ch. 12 applicant for Farmington, N.M., and intended to be a satellite. It's controlled by KIUP, Durango; KVBC, Farmington; I. E. Shahan, operator of Farmington CATV system. Applications on file total 119 (29 uhf). [For details, see *TV Addenda 26-P* herewith.]

Notice to Subscribers

If you're going on vacation, or if business takes you away from your office for any length of time, we'll be glad to send your *Television Digest* to any address you designate—at home or abroad—at no extra cost. Simply bear in mind we mail Saturdays, so allow yourself up to 4 days for either domestic or foreign deliveries. Note: Our own experience is that foreign air mail deliveries are now as rapid as domestic, especially since the recent deterioration of domestic postal first-class service.

TASO Seeks Funds: Request for additional $75,-000 to complete work of TV Allocations Study Organization was sent out this week following May 12 board meeting in Washington. TASO is seeking funds from individual networks, stations and manufacturers, rather than from the trade organizations which have borne primary costs to date: NAB, EIA, Assn. of Maximum Service Telecasters, Committee for Competitive TV, Joint Council on Educational TV. TASO says it aims to complete report by year's end. Appealing to members, NAB & MST spokesmen noted that more than $500,000 in money and manpower had been put into TASO to date, asked for the $75,000 so that work may be completed and "meaningful report" submitted to FCC.

Sale of WKXP-TV, Lexington, Ky. (Ch. 27) to Hulbert Taft's Radio Cincinnati Inc. for approximately $200,-000 (Vol. 14:12) was approved by FCC this week. Sellers are Frederic Gregg, Charles Wright & Harry Feingold, who acquired CP for Ch. 27 when they bought radio WLAP from Gilmore N. Nunn for $346,000 last year (Vol. 13:3). Sale of WLAP to RKO Teleradio Pictures v.p. John B. Poor for $322,500 was approved April 23. [For other Radio Cincinnati stations, see *Television Factbook No. 26*, p. 379.]

WTWO, Bangor, Me. (Ch. 2) will have Wm. H. & Adeline B. Rines as new owners—FCC this week approving sale by Murray Carpenter and wife for $600,000 (Vol. 14:12, 16). Actual buyer is Rines' radio WLBZ, Bangor; they also operate WCSH-TV, Portland (Ch. 6) & WCSH and radio WRDO, Augusta, Me.

Washington Airspace Panel antenna actions: (1) Disapproved all Ch. 10 applications in St. Petersburg-Tampa, recommended maximum of 549 ft. above sea level, with all antennas on Tampa "antenna farm." (2) Approved WISC-TV, Madison, Wis. application for increase to 1107 ft. above ground.

Removal of FCC commissioners for inefficiency, neglect of duty or malfeasance in office is provided in draft of bill approved by Senate Commerce Committee this week. Similar to several bills introduced in House, measure is expected to be reported early next week.

Life & Casualty Insurance Co., half owner of WLAC-TV, Nashville (Ch. 5) and 100% owner of radio WLAC, may be sold for $42,000,000 to Clint Murchison, the Dallas oil millionaire, reports *Nashville Tennessean*.

President Eisenhower's appearance at dedication ceremonies of new NBC broadcasting center in Washington May 22 will be broadcast in live color—first time President of United States has been presented on color TV.

Live CBS service to CJIC-TV, Sault Ste Marie, Ont. (Ch. 2) begins June 1 with activation of microwave from Sudbury.

Legislative Curve: Professional baseball picked up enough support among House Judiciary Committee members this week to toss into jeopardy the Celler Bill (HR-10378) to place organized baseball under anti-trust laws (Vol. 14:5, 16). A 15-man minority, revolting against prior majority approval of the measure, served notice it would try to strike out language requiring clubs to show "reasonable necessity" for actions—including TV-radio broadcasts—which might be construed as contrary to anti-trust laws. They carried fight to House floor.

Rep. Keating (R-N.Y.), spearheading opposition, said he was pleased with the measure's "very important provisions allowing regulation of telecasting and broadcasting, and endorsing the rights of players to organize into player associations." However, he added that deletion of the "reasonable necessity" phrase is necessary to protect sports from endless anti-trust litigation.

Pro football, which Supreme Court has ruled is subject to anti-trust laws, supports the Celler Bill; baseball, thus far exempt from anti-trust litigation, is working for the further exemptions sought by the minority. Celler Bill, according to minority report, "would force organized professional team sports to run the gauntlet of legal proceedings to save themselves from complete ruin."

In view of close division within the Judiciary Committee and good prospect for long drawn out floor debate, it now seems likely legislation clarifying the anti-trust status of major sports will not be adopted at this session.

Facility changes: KSD-TV, St. Louis (Ch. 5) began using 1152-ft. tower April 21, moving from downtown to new $1,000,000 transmitter-tower 8 mi. SW of former site. KIEM-TV, Eureka, Cal. (Ch. 3) got license April 23 for 100-kw, having started programming March 19 under program test authorization. KBMB-TV, Bismarck, N. D. (Ch. 12) completed move April 30 to higher tower at Ray St. & Palmer Ave. and boosted power to 89-kw. WHBF-TV, Rock Island (Ch. 4) began programming May 18 with new $500,000 transmitter-tower plant on U.S. Route 150, near Orion, Ill. WICS, Springfield, Ill. (Ch. 20) boosts power July 1 to 512-kw, using new 1000-ft. tower near Mechanicsburg, Ill.

National Community TV Assn. convention at Mayflower Hotel, Washington, June 10-12, has lined up these speakers: Sen. Fulbright (D-Ark.); FCC Chairman Doerfer; Hamilton Moses, chairman of Ark. Power & Light Co. and an operator of community antenna systems; Joseph Roberts, Muzak v.p.; Jack Schwartz, expert on selling by telephone. Technical sessions will be moderated by consulting engineer Archer Taylor; management meeting will feature specialists on marketing, legal matters, public relations, etc.

Big conference on educational TV, to be conducted in Washington May 26-28 by Dept. of Health, Education & Welfare, is expected to attract 100 TV and educational specialists. Similar meeting was held in 1952. Dr. Franklin Dunham, chief of office of education's radio-TV services section, is in charge of arrangements.

New manufacturer of community antenna equipment: Craftsman Electronic Products Inc., Oneonta, N.Y., headed by W. J. Calsam, CATV systems owner. Plant is at Norwich, N.Y., Gordon Ripley in charge of engineering and new-product development.

Jerrold Electronics, maker of community antenna and other signal distribution equipment, establishes 2 new sales offices: 5605 S. Lyndale St., Minneapolis (Henry Kemp); 111 E. First St., Amarillo (Wm. Karnes).

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING WASHINGTON 5, D C. • TELEPHONE STERLING 3-1755
Trade Report
May 17, 1958

CORNING'S NEW SAFETY GLASS SUBSTITUTE: Something new and unusual in picture tubes has come out of big Corning Glass, which makes lion's share of bulbs -- and it may catch on, though set-maker reaction has been slow to date. The idea is quite simple, really -- a substitute for safety glass.

What Corning calls "contoured twin panel tube" is a conventional tube, but with a curved glass plate, with flange, cemented to periphery of tube's faceplate. Mineral oil fills space between faceplate and new panel. And that's it. Here are the advantages, according to Corning:

(1) Eliminates conventional safety glass, gives set designer more flexibility -- freeing him from restrictions imposed by safety glass.

(2) Dust-free. Two dust-collecting surfaces eliminated, leaving only front, which can be washed easily.

(3) Reflections are reduced -- also because there are 2 surfaces, not 4.

(4) Light output increased about 8%. This is also attributable to elimination of 2 reflecting surfaces.

(5) Much less shattering in event of implosion -- though Corning agrees that such accidents are extremely rare with any kind of tube.

Twin panel was introduced, with scant fanfare, at March IRE convention, apparently got little attention. Now, however, Corning is pushing it. One unidentified Canadian manufacturer plans to include it in fall line -- and one big U.S. maker is planning it tentatively for next year's sets.

Corning has made device only in 21-in., plans it for all sizes if demand warrants. The 21-in. weighs 10½ lb., but engineers are aiming for 8½; 17-in. hasn't been made yet. Price of 21-in. is $2.25, unboxed f.o.b. Corning; 17-in., $1.50. It takes quart of ordinary mineral oil -- gives no magnification, is not intended to be a lens, and oil can be tinted. Panel is cemented with an epoxy resin. Corning can cement it or set maker can do it himself. It's heat-treated for strength.

Retail Sales: April retail TV set sales were approximately 250,000 units vs. 338,000 in April 1957 -- down 27%. Sales for first 4 months of 1958 were 1,720,000 vs. 2,048,000 -- down 15%. Total TV inventories April 30 were about 2,000,000 sets, a decline of 250,000 units from same date last year, indicating close manufacturer attention to current supply-demand situation. Total radio sales at retail in April were about 390,000 (excluding auto radio & radio-phono combinations) vs. 543,000 in April 1957 -- a decline of 28%. For first 4 months of 1958, radio sales were about 1,804,000 vs. 2,362,000 year ago -- down 23%. Total home radio inventory April 30 was approximately 3,500,000 units.

TV-Radio Production: TV set production was 68,125 in week ended May 9 vs. 77,344 preceding week & 81,864 in 1957. Year's 18th week brought production to 1,604,839 vs. 1,917,839 last year. Radio production was 159,967 (46,215 auto) vs. 149,604 (39,754 auto) preceding week and 280,490 (103,015 auto) last year. For 18 weeks, production totaled 3,418,285 (1,091,207 auto) vs. 5,166,937 (2,125,482).

HARRIS 'PATENT SEARCH' DIGGING DEEPER: Harris subcommittee's attitude on patents has undergone a change. Three weeks ago, group was clearly unexcited about allegations of "RCA monopoly" in testimony of retired FCC patent counsel William Bauer (Vol. 14:17). But this week, as FCC presented its views on patents, Congressmen were quite critical of Commission -- and their counsel Robert Lishman was very persistent with implications FCC has encouraged monoply in choice of TV standards.

Patent phase of Harris group's work isn't over, by any means. This week, Chairman Doerfer & Comr. Hyde, accompanied by chief engineer Edward Allen and gen. counsel Warren Baker, gave the FCC majority's view in 2 half-days of testimony on May 13-14. Dissenters on patent policy, Comrs. Bartley & Lee, are to testify at date not yet set. And Doerfer & Hyde were asked to return with certain data.

RCA is supposed to testify in about 10 days, but chances are it will take 3-4 weeks or more to prepare its rebuttal testimony.

Doerfer's position was best expressed in a statement he made during cross-examination: "We are explorers, not policemen." His point is that the Commission believes its job is to pick best technical standards possible, letting Justice Dept. nail any patent monopolists. He simply doesn't believe Communications Act gives FCC the anti-trust prosecution responsibility -- though he agrees FCC should look for "character blemishes" among those charged with anti-trust violations. [For further details of patent hearings, see below.]

Trade Personals: Joseph B. Elliott, ex-RCA v.p., recently exec. v.p.-gen. mgr. of Tele-Dynamics Inc., defense contract subsidiary of Raymond Rosen & Co., Philadelphia RCA distributor, elected Tele-Dynamics pres. . . . Dan W. Burns promoted to pres. of Siegler Corp.'s Hufford subsidiary . . . John T. Thompson promoted to mgr. of new GE distributor products div. . . . John M. Bewley promoted to treas. of Philco International . . . Robert L. Anderson, ex-Rheem Mfg., named market research director for Zenith; Arthur C. Currie promoted to district sales representative for Va. & Carolinas . . . T. W. Sharpe named asst. gen. sales mgr. of Collins Radio, succeeding W. W. Roodhouse, now gen. sales mgr.; R. C. Frost promoted to director of international div. . . . Dr. & Mrs. Allen B. DuMont announce June 7 wedding of their daughter Yvonne to Cadet James Allen Godbey, 1958 graduate of U. S. Military Academy . . . Ray DeCola, recently Admiral v.p., now radio & audio product mgr., Warwick Mfg. Corp., Chicago, producer for Sears Roebuck . . . Wm. F. Flanagan promoted to mgr. of GE receiving tube distributor sales office, New Orleans; David N. Platt to sales mgr., Atlanta; E. Kyle Cooper to sales mgr., Birmingham . . . Curtis W. Symonds, ex-Raytheon, named controller of Sylvania's semiconductor div. . . . John C. McDevitt, ex-Hennigh's Inc., Wichita, named regional sales mgr. for Admiral in Tenn., Va. & Carolinas . . . Joseph D. Chapline, Philco, is chairman of 2nd annual symposium on engineering writing & speech sponsored by IRE, to be held in N. Y. Oct. 1-2.

DISTRIBUTOR NOTES: Hoffman Electronics appoints Harry Stark's, Minneapolis, for all consumer products . . . DeWald Radio appoints George O. Hesse Assoc., Birmingham, and John Cox Co., Denver, for radio, hi-fi . . . Kierluff & Co., Los Angeles promotes Samuel Grasinger to sales mgr., Motorola div. . . . American Geloso Electronics appoints Faysan Distributors, Buffalo; Reines Distributors, Albany; Dean Distributing, Rochester; Emerson Mid-State, Newburgh, for phonos, tape recorders . . . ORRadio appoints C. L. Pugh Co., Columbus, for Ohio, W. Va., western Pa.

H. Leslie Hoffman, pres. of Hoffman Electronics, accompanied by Mrs. Hoffman, sails from N. Y. June 4 for extended European trip, returning to Los Angeles July 25.

Obituary

Dr. Laurence A. Hawkins, 81, retired GE exec. engineer who worked with correspondent Floyd Gibbons on early broadcasts, died in Schenectady May 15.

William E. Simpson, 62, eastern area accounting mgr., AT&T Long Lines Dept., died May 15 in Port Chester, N. Y.

Congress & Patents: Rep. Harris (D-Ark.), chairman of House subcommittee examining FCC about patents this week, made it clear he's not satisfied with Commission's attitude on patents (see p. 10). He's "not impressed," he said, with FCC Chairman Doerfer's arguments that FCC's jurisdiction is limited and that it doesn't have expert staff to analyze patents.

Doerfer held to belief Congress didn't intend Commission to determine existence of anti-trust violations, said that if law isn't clear Congress should decide what it wants and clarify the law.

Harris evidently is now impressed with anti-RCA testimony of retired FCC patent counsel Wm. Bauer and with fact RCA's patent position is being assailed in courts on many fronts, including anti-trust suit in N. Y. Federal court (Vol. 14:8). In Washington, a Federal grand jury is "processing" testimony from Harris subcommittee about as fast as it develops. It has been investigating TV grants, may also go into patents.

Without mentioning RCA & NBC by name, Harris asked whether FCC could require divestiture of the "subsidiary of an unfit parent company." Doerfer said he couldn't tell "very definitely" whether FCC could impose "such a drastic condition." "As long as a licensee exercises complete independence of judgment," he said, "and is not the tool for carrying out some unlawful purpose, or purposes, contrary to the public policy, I am very doubtful that any action of the FCC would be other than arbitrary and capricious."

Doerfer noted that law forbids Commission to give license to anyone whose license has been revoked by courts because of anti-trust violations. But, he said, if courts don't revoke licenses "we'd be presumptuous" to do so.

* * * *

Comr. Hyde offered views similar to Doerfer's: "We do not think of writing the technical standards as a device for policing patent pools or as a device for enforcing the anti-trust laws." He noted that Bauer termed our black-&-white and color standards "best in the world."

Doerfer said he doesn't know whether TV standards are "tied into the patent structure of one company." He added that FCC has no jurisdiction over RCA, Hazeltine & Philco—all of which may hold significant color patents. He also stated that if FCC had held up color standards in 1953 to examine patent situation "we wouldn't have the standards approved yet." Station licenses come up for renewal every 3 years, he said, giving Commission opportunity to punish anti-trust violators under its jurisdiction. He asserted that FCC has neither mandate nor manpower to prosecute every allegation of wrong-doing by applicants or licensees; that it would be usurping duties of Justice Dept.

FCC chief engineer Edward Allen stated that when color standards were adopted, there was no telling who would finally have what position on color patents—that determination would take years of patent office and court action. Gen. counsel Warren Baker said that, according to Bauer's reports to him during color standards consideration, RCA had some pertinent color patents, others had some, and some were being litigated.

All the FCC witnesses stressed fact that whole industry, including bitter RCA competitors, endorsed color standards—which whole industry had formulated.

* * * *

Subcommittee counsel Robert Lishman came up with one gross misconception. He said that in 1948 there were "more than 1000 TV set & components manufacturers," now only 40. Fact is, as our semi-annual *Television Factbooks* clearly show, there were 70 TV set makers in 1948, only 41 now—and the drop is attributable simply to fierce competition in a tight market. In 1948, demand was so huge that anyone who could hold a soldering iron could call himself a "manufacturer" and sell anything he could make.

Lishman asked why FCC called for full patent information from inventor Maj. Edwin Armstrong before it adopted FM standards and has done same in subscription TV proceeding. Why, he asked, didn't Commission seek color patent information from RCA in 1953? Hyde said answer is in type of proceeding. In pay TV, he said, there are competing systems—and it's first time FCC has examined the subject. He noted there were no competing color systems in 1953; everyone agreed on NTSC standards.

Lishman asked whether FCC had ever got reports on patent positions from Justice Dept. before picking any standards. Doerfer said he recalled none, though liaison was maintained.

Time and again, Doerfer insisted that Commission's job was to give public best possible standards—without regard to patent holders. Bauer philosophy, evidently impressive to some of Harris subcommittee and its staff, is that standards can be devised which give public "best possible standards" yet don't depend on RCA patents.

Harris said he wants to find details of reports he hears that RCA now gives patent rights royalty free. FCC witnesses said they don't know. Harris apparently refers to fact RCA is now negotiating royalty-free cross-licensing agreements with manufacturers—following settlement with Zenith (Vol. 13:37).

* * * *

Split in Commission—with Bartley & Lee the dissenters—is that majority believes it should call for patent information only in connection with specific proceedings, while minority says patent-holding licensees should file certain patent data annually and regularly. Said Doerfer:

"It appeared unrealistic to secure patent information only from licensees when there were many communications patents held by non-licensees. Besides, accumulation without analysis, classification and conclusion, was merely a warehousing process. The majority felt that this information could best be obtained on a case-by-case basis as the relevancies arose . . .

"Alleged patent misuse or monopoly are similar to many other alleged violations of law. Although these may reflect on the character qualifications of licensee, the determination of these violations are not within the primary jurisdiction of the FCC. If so, then we should develop departments containing persons qualified to determine guilt of all felonies, misdemeanors or conduct contrary to the public interest." Nonetheless, he added, FCC will weigh charges against licensees "even though no prosecution or decision is available or the alleged acts may fall somewhat short of an actual illegal act."

To show that FCC is alert to possible anti-trust violations, Doerfer noted that Justice Dept.'s anti-trust action against RCA was based on information developed by Bauer and turned over to Justice.

Westinghouse in Phonos: Latest entry into the flourishing portable phono market is Westinghouse with 6 models ranging from $29.95 to $89.95, announcement coming less than 3 weeks after GE announced its first line of phonos for fall delivery (Vol. 14:12). Westinghouse introduced line of hi-fi consoles last year. One new portable will be a hi-fi, dual speaker model; another, miniature 4-speed manual phono for kiddies. Also this week, Arvin announced entry into the phono field with 8 standard and hi-fi models ranging in price from $34.95 to $119.95, one designed for conversion to stereo. Said v.p. John C. Marshall: "Our experience in radio, sound & electronic fields make this a natural expansion."

Those ad splashes offering tubeless pocket radios at $4.95 but producing only faint signals this week led N. Y. Attorney General Lefkowitz to obtain State Supreme Court authorization to seek dissolution of Borg-Johnson Electronics Inc., 9 E. 45th St., N. Y., alleged to have offered the crystal sets even before corporation was formed, using mail order funds to purchase sets.

Statistics on factory sales of printed circuit packages are now being gathered by EIA. Allen Dawson, of Corning Glass, chairman of EIA printed circuit section, parts div., said 1957 sales of printed circuits were over $7,300,000 and gaining in acceptance for TV, radio, commercial & industrial electronic equipment.

ELECTRONICS PERSONALS: **Dr. Wm. H. Duerig**, ex-Electro-Mechanical Research, appointed v.p. for research & engineering, Midwestern Instruments, Chicago . . . **Perry R. Roehm**, ex-Norden-Ketay, named marketing director of IT&T; **Marshall A. Williams**, ex-Philco, named marketing director of Farnsworth div. . . . **H. P. McTeigue** promoted to new post of marketing mgr., govt. service dept., RCA Service Co. . . . **Arthur W. Vane** promoted to chief engineer of new RCA astro-electronics div. . . . **Edward J. Cousin**, ex-Servomechanisms, appointed mgr. of space & missiles programs for DuMont Labs . . . **John R. O'Brien**, eastern mgr. of Hoffman Labs, elected pres. Washington Chapter Armed Forces Communications & Electronics Assn. . . . **William W. Wright**, ex-Johns-Manville, named v.p.-finance, Beckman Instruments . . . **William P. Hilliard** promoted to v.p. of General Precision Lab, subsidiary of General Precision Equipment Corp. . . . **Lawrence R. Hill** named div. mgr. new product development div. of General Instrument Corp. . . . **Walter L. West**, ex-RCA, appointed head of land & structures dept., Page Communications Engineers, Washington.

Transistorized portable TV was demonstrated recently by British Mullard Research Labs. It had 90-degree, 17-in. CR tube, 40 transistors, was described as laboratory model "to prove practicality of circuitry."

Financial Reports:

CBS INC. continued to rack up records in revenues and profits in first 1958 quarter, presumably due largely to flourishing TV network & station business and high-gear operations of its phono record subsidiary. Quarter's net profit was $6,518,039 (83¢ per share), up 10.3% from $5,907,323 (77¢) in same 1957 period and highest for any quarter in firm's history. Sales & other revenues totaled $103,296,857, up 7.7% from $95,946,932 for 1957 period. Shares outstanding at end of 1958 quarter were 7,881,400 while average number in 1957 was 7,651,446. Note: CBS net earnings for 1957 were $22,193,367 ($2.90 per share) on gross of $385,409,018, both being records. [For year-by-year data on CBS finances 1950-thru-1957, see *Television Digest's* Special Report of May 10, 1958.]

Magnavox first quarter earnings dropped to $791,000 (81¢ per share) on sales of $20,854,000 vs. $924,000 (95¢) on $22,042,000 same period last year. Pres. Frank Freimann attributed decline to "effect of receding consumer buying" but said "current rate of incoming orders for TV as well as hi-fi & stereophonic equipment is well ahead of last year." For 9 mo. ended March 31, earnings were $3,199,000 ($3.34 per share) on sales of $69,209,000 vs. $3,201,000 ($3.33) on $68,437,000 year ago.

Admiral sales—as predicted in annual report to stockholders in March (Vol. 14:13)—dropped to $38,418,799 in first 1958 quarter from $43,327,472 year earlier, resulting in a loss of $91,977 vs. earnings of $565,110 (24¢ per share) for same 1957 period. Pres. Ross D. Siragusa said that starting in March there has been an upturn in sales but he did not anticipate second quarter results.

Symphonic Electronics Corp., private label phono manfacturer for Columbia Records, Westinghouse, Decca, as well as its own hi-fi lines, has been acquired by F. L. Jacobs Co., Detroit auto parts manufacturer. Symphonic earned $877,603 on sales of $20,139,295 for 9 mo. period ended Jan. 31; Jacobs lost $852,378 in 1957 on sales of $18,583,357.

Cinerama Inc., owned 35% by Stanley Warner, 17% by Reeves Soundcraft, this week was admitted to trading on American Stock Exchange. Its annual report for fiscal 1957 shows operating income of $1,298,146, profit of $58,-250 vs. $1,787,200 & $118,477 in preceding year. Major part of decline was due to drop in theatre equipment business, only one new installation having been delivered in 1957.

Dividends: CBS "A" & "B", 25¢ payable June 13 to stockholders of record May 29; **American Electronics**, 12½¢ June 16 to holders June 2; **Hazeltine**, 35¢ June 13 to holders May 29; **Time Inc.**, 75¢ June 9 to holders May 26; **Webcor Inc.**, 15¢ June 28 to holders June 12.

Matthew M. (Matty) Fox's C&C Television Corp., traded on American Stock Exchange, has purchased control of TV-radio sponsor Hazel Bishop Inc. (cosmetics) from adman Raymond Spector, its pres., who holds 836,000 shares, or more than 60% of its common stock. Spector reportedly gets $4.50 a share for total of $3,762,000, same price to be offered other Hazel Bishop shareholders within 90 days. Spector remains as pres. and chief exec. officer under 5-year contract. Fox's firm, which acquired 750 features and 1000 shorts from RKO Teleradio for reported $15,200,000, borrowing from Prudential and other bankers for purpose, last Dec. announced acquisition of 87.5% of capital stock of Skiatron (pay TV system), and Fox himself was recently reported by SEC to have acquired 7900 shares of C&C TV stock to bring his holdings to 617,200 of which 609,300 are collateral against loans (Vol. 14:7). Bishop deal, it was indicated, involves utilizing accumulated TV station spot time to promote Bishop products, the time having presumably been acquired through exchange deals for the RKO films.

Tele-Broadcasters Inc., one of few radio station groups whose stock is publicly traded (over-the-counter), plans to file for SEC approval of additional offering of 40,000 shares of 5¢ par stock at $3.25 per share. Underwriter has not yet been decided. Presently reported outstanding are 350,000 shares. Proceeds will be used to build daytimers KUDL, Kansas City, and KALI, Pasadena, Cal. to fulltime. Other stations in group, headed by H. Scott Killgore: WPOW, N. Y.; WPOP, Hartford; WKXL, Concord, N. H.; WARE, Ware, Mass.; WKXV, Knoxville; KTIX, Seattle. Also held is 2-year lease on XEGM, Tijuana, Mexico. [For firm's 1957 and first quarter 1958 financial reports, see Vol. 14:12, 14.]

David Mahoney, pres. of Good Humor Inc., this week replaced Dr. Allen B. DuMont on board of Metropolitan Broadcasting Corp., new name chosen for DuMont Broadcasting Corp. to separate its identity from Allen B. DuMont Laboratories Inc., which Dr. DuMont heads as chairman.

Storer Broadcasting Corp. earned first quarter net of $751,203 (30¢ per share) vs. $1,286,445 (52¢) in same 1957 period, attributing decline to starting costs of newly-acquired WVUE, Wilmington-Philadelphia.

Standard Coil Products had net loss of $266,508 on sales of $12,701,848 for the first 1958 quarter vs. earnings of $39,334 on $13,766,805 year earlier, attributing drop to strike at Kollsman Instrument subsidiary.

Amphenol Electronics earned $302,118 (43¢ per share) on sales of $7,161,002 in first 1958 quarter vs. $425,194 (85¢) on $7,665,662 year earlier.

General Precision Instrument earned $471,695 (16¢ per share) on sales of $43,001,024 in first 1958 quarter vs. $1,107,732 (85¢) on $43,537,613 year earlier.

OFFICERS-&-DIRECTORS stock transactions as reported to SEC for April: **C&C TV**—Matthew Fox bought 100, bought 800 by pledgee, sold 2300 by pledgee, holds 615,800 of which 607,000 are collateral against loans; Walter S. Mack sold 2000, holds 184,200. **Corning Glass**—Frederick H. Knight sold 800, holds 2185. **Decca**—Samuel H. Vallance sold 400 (capital), holds 100. **DuMont**—Frederick H. Guterman bought 100, holds 500. **El-Tronics**—Harold R. Baxter sold 40,000, holds 53,010.

Emerson Radio—Benjamin Abrams bought 100 (capital), holds 261,866. **GE**—George L. Irvine sold 200, holds 2448; Charles R. Pritchard bought 1320, holds 6074; Harold E. Strang sold 1000, holds 6909; Wm. C. Wichman sold 600, holds 4276. **General Precision Equip.**—T. Roland Berner bought 334 ($3 cum. conv. pfd.) and 175 more for trusts, holds 334 personally, and 175 in trusts. **Guild Films**—David Van Alstyne Jr. sold 2000, holds 7407; Harry A. McDonald sold 200, holds 500.

Hoffman—Bruce L. Birchard sold 100, holds none. **Litton Industries**—Charles R. Abrams Jr. bought 3, sold 215, holds 3511; Roy L. Ash sold 28, bought 367, holds 51,425 personally, 14,686 in partnership; H. W. Jamieson sold 528, bought 357, holds 45,790 personally, 14,676 in partnership; George E. Monroe received 17,229 in exchange for stock of Monroe Calculating Machine; Norman H. Moore sold 500, holds 15,500; Fred R. Sullivan received 2662 in exchange for stock of Monroe Calculating; Charles B. Thornton sold 64, bought 806, holds 123,249 personally, 32,304 in partnership.

Loew's—Louis A. Green bought 4857 through Stryker & Brown, holds 142,535 in Stryker & Brown; Jerome A. Newman bought 800 personally, 980 through Graham-Newman, holds 5330 personally, 6125 in Graham-Newman; Joseph Tomlinson bought 5400 through Corp. A, sold 3800 through Corp. A, holds 180,000 personally, 1600 in Corp. A. **National Theatres**—B. Gerald Cantor bought 500, holds 109,000; Jack M. Ostrow bought 1400 and 20,000 through corporations, holds 5000 personally, 80,000 in corporations; E. C. Rhoden bought 2000 through holding companies, holds 35,800 personally, 55,525 in holding companies.

Philco—Gaylord P. Harnwell bought 312, holds 520. **Raytheon**—Harold S. Geneen bought 8010, holds 8210; Robert H. I. Goddard bought 606, holds 12,733; D. R. Hull sold 500, holds 550; N. B. Krim bought 225, holds 4725; Ernest F. Leatham bought 292, holds 6130. **Siegler**—J. S. Johnson bought 1666, holds 17,554. **Skiatron Electronics**—Arthur Levey sold 13,350, holds 340,331. **Webcor**—William L. Runzel bought 100, holds 100. **Westinghouse**—Buford M. Brown bought 100, holds 100; L. W. McLeod bought 100, holds 1083. **Zenith**—Hugh Robertson bought 200, holds 1818.

Hall of Fame & Museum: "Broadcasting is now in its 49th year," reads a brochure of Broadcast Pioneers, an organization of industry old-timers, setting forth plans for a Broadcasters Hall of Fame & Museum (p. 3). Basic idea is "an archives-library-exposition project for the whole radio-television-communications industry to preserve the historical value of its arts and sciences and to share its traditions and memorabilia with future generations." The brochure goes on:

"However, many inventions and pioneering efforts preceded [radio's] 1920 birth [and] there are many men living today who have memory of these early inventions and inventors. Much of their early material, correspondence, pictures, films, equipment and other memorabilia are stored away in attics; some of it already may have been destroyed. Much of that which remains no doubt would be donated to any museum that would take proper care of it and put it to effective public use . . ."

Short of a foundation grant or a legacy that might bear the name of the donor, the offer of land—and possibly a low-rent building—from Syracuse Prof. Kenneth Bartlett, pioneer teacher of radio and TV and an educator who has always cooperated with commercial interests, merits consideration. Other sites suggested are New York, Chicago, Los Angeles, Washington, Pittsburgh or Detroit (home of the earliest broadcasting stations) or Madison (oldest educational radio station). Suggested, too, is a fund of $2,500,000 to underwrite and maintain the project, to be raised among all elements of the industry.

Broadcast Pioneers has made its Hall of Fame awards so far to men of diverse contributions and highest stature, latest being to J. Walter Thompson's late John U. Reber at recent NAB convention (Vol. 14:18). Previous awards since 1950 were in the names of Thomas A. Edison, Guglielmo Marconi, Reginald A. Fessenden, Dr. Frank Conrad, John J. Gillin, Joseph Henry, Edward J. Nally, Edwin H. Armstrong—with citations of other notables like Gen. David Sarnoff, Dr. Alfred N. Goldsmith, Herbert Hoover, Dr. Lee deForest, Charles Pennill, Dr. V. H. Heising, Dr. E. F. W. Alexanderson, John V. L. Hogan, Dr. O. H. Caldwell, Donald Manson, et al.

So it's not a mere self-serving promotion stunt but a real move to make an early start toward preserving the traditions of a great industry—and Broadcast Pioneers' president-emeritus John F. Patt (WGAR, Cleveland), pres. Frank E. Pellegrin (H-R Television Inc.), secy. Raymond F. Guy (NBC) and exec. secy. M. H. Shapiro (BMI) merit every cooperation as and when they get around to doing something about the projected plan. For further details, contact Historical Projects Committee, Broadcast Pioneers, 589 Fifth Ave., N. Y.

Economic Mobilization Conference at New York's Hotel Astor, Mon. & Tue. (May 19-20), sponsored by American Management Assn. to consider anti-recession measures, will be attended by 2000 business leaders, has scheduled 5 electronic industry executives as chairmen & speakers. Texas Instruments chairman J. Erik Jonsson and Stromberg-Carlson pres. Robert C. Tait co-chairman opening session on measures already taken to bolster economy. Sylvania chairman-pres. Don G. Mitchell is chairman, GE chairman Ralph J. Cordiner and Corning Glass pres. Wm. C. Decker are speakers, at Tue. session on plans for insuring continued prosperity. President Eisenhower will address closing session.

Iran's only TV station, TVI, Tehran (Ch. 2), began operation March 21, Islam New Year's Day.

COMMON STOCK QUOTATIONS

Week Ending Friday, May 16, 1958

Electronics — TV-Radio-Appliances — Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
10⅛	7	Admiral	9⅝	+⅞
22⅝	19⅜	AmBosch .30e	21⅛	−⅛
18	13	AmBcstg-Par 1	17	−¼
37⅞	32¼	AmMy&F 1.60	33⅝	−1⅛
177⅝	167⅞	AT&T 9	176½	+⅝
27⅞	22⅜	Amphenol 1.20	25½	−⅞
29⅞	24½	Arvin 2	24½	+¼
7¼	5⅝	Avco .20e	6½	+⅛
25¾	18	BeckInst 1¼f	18	−1½
53	44½	BendixAv 2.40	48	+⅛
32¼	27⅝	Burroughs 1	31⅞	+⅛
18⅜	15¾	Clevite ¼e	16½	+⅛
31	24½	CBS "A" 1b	31	+1⅛
30½	24⅛	CBS "B" 1h	30½	+1
17¼	12½	Col Pict ⅝t	17¼	+1⅞
35¼	27⅞	Cons Elec .40	30	+⅛
26¾	19½	Cons Electron	24½	−1½
16½	12¾	Cor-Dub .20e	15⅛	+⅛
86¾	74⅝	CornGlass 1a	83	−1½
3⅝	3	Davega	3⅜	—
35	30	Daystrom 1.20	31½	+¼
16¼	13⅞	Decca 1	14¾	+⅛
23	14	Disney .40h	23	+1⅜
107⅞	97⅛	EastKod 1.55e	104½	−2⅜
37	29	EmerElec 1.60	36	−⅝
6⅝	4⅛	EmersonRadio	6¼	+¼
8½	7	Gabriel .60	7⅝	−¼
65¾	55	Gen Dynam 2	56¼	−⅞
64¼	57	Gen Electric 2	58⅞	−⅝
8	4⅝	Gen Inst. .15g	8	+⅝
41	28⅝	GnPrEquip.85e	30	−1¼
30	22¼	Gen Tire .70h	23⅝	—
47⅜	40⅜	Gen. Teleph. 2	46¼	−⅝
27⅛	21	HoffmanElec 1	26	−¾

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
357	300	IBM 2.60	349	−5½
35⅛	29¼	IT&T 1.80	33⅞	−¾
41½	36⅛	I-T-ECirB .90e	37½	—
7⅞	6¾	ListIndust ¼e	6⅞	—
43⅞	36⅞	Litton Ind	43	−⅞
17½	12⅞	Loew's	16½	−⅞
37	30¼	Magnavox1½h	36	−½
28¾	23⅝	Mallory 1.40h	25¾	+½
88¾	76	Mpls.H'll 1.60a	85	−2½
42¼	35	Motorola 1½	35¾	−1
9	7⅜	Nat'l Thea ½	8½	−¼
38⅜	30⅝	Paramount 2	36⅝	−⅞
17⅛	12⅜	Philco	14¾	+¼
35	30¼	RCA 1a	33	−¾
27¼	21½	Raytheon 1¼t	26⅜	−½
7⅛	5	Republic Pic	5½	−⅛
34¾	27¾	SangElec 1.80	27¾	−⅝
16⅛	13¼	Siegler .80	13½	−⅜
4	2¾	Sparton	3¾	−⅜
20⅝	17¼	SperryRan .80	17⅞	−⅞
8⅝	6	Standard Coil	8¼	+⅜
18	14½	Stanley-War 1	16¼	−½
34⅜	29	Stew Warn 2h	32½	−1⅜
24⅞	20	StorBcstg 1.80	23½	−1
37½	31½	Sylvania 2	35¼	−⅞
37⅝	26¾	Texas Instru	35⅞	−¾
55¼	41⅜	ThomProd 1.40	44¼	−¼
26⅞	23¼	Tung-Sol 1.40h	24½	−¼
29¼	21¾	20thC-Fox 1.60	29¼	+2¼
22⅞	15¼	UnitedArt 1.40	21½	+½
22⅝	19	Univ. Pict	20¾	+1¾
19½	16⅞	WarnBros 1.20	18½	+⅜
65½	57¼	Westingh El 2	57½	−1½
77⅜	67½	Zenith ½h	75½	—

AMERICAN STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
4⅛	2⅞	Allied Artists	4⅛	+⅞
45	34½	Allied Con 1a	38	−3
15⅛	12⅞	AmElectro ½	13½	−¼
10⅛	8⅜	AssocArtProd	9¼	−⅛
12½	7¼	AudioDev	11¼	−1¼
10⅛	7⅜	BelockInst ⅛t	8¾	−½
⅞	⅜	C & C TV	⅞	+⅛
3¾	2⅞	Clarostat .15g	3¼	—
4⅝	3	DuMont Lab	3⅞	+⅛
4⅛	2⅞	Dynam Am	3¾	+½
13⅛	10	EletcronicCom	12	—
7⅞	6⅜	Electronics Cp	6¾	−¼
31⅝	19½	FairchCam½g	24⅝	−¼
24⅞	17¼	General Trans	20⅝	+¼
17¼	14⅝	Globe Un .80	15⅜	−⅛
3⅜	2½	Guild Films	3⅛	−⅜

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
37½	30½	Hazeltin 1.40h	34⅛	−⅞
2⅞	2	Herold Ra .20	2	−⅛
4⅝	3¾	Int Resist .20	4	—
6¼	4¼	Lear	5¼	+⅛
11/16	⅜	Muntz TV	11/16	—
3½	2½	Muter Co. ¼t	3⅜	−⅛
9¼	5⅝	Nat'l Telefilm	9	—
1¾	1	Nat Union El	1⅝	+⅛
6⅞	2¾	Norden-Ketay	2¾	−⅛
3⅝	2⅞	Oxford El .10r	3	—
16	11	Philips El	14	−¼
8⅝	6⅝	Servomech	8½	+⅛
6	3⅜	Skiatron	4⅛	−¼
5¾	3½	Technicolor	5¾	+1¼
4½	3½	Trans-Lux .20g	4	—
4⅞	4	Victoreen Inst	4⅜	+⅛

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked
Advance Ind	1⅞	2⅛
Aerovox	4	4½
Airborne Inst	44	47
Altec Co. .80	6½	7½
AMP Inc .50	19⅜	20
Ampex	67½	70
Baird Atomic	7	8
Cinerama Inc.	1¾	2
Cinerama Prod.	1 13/16	2
Cohu Electronics	8	9
Collins "A" .35	13	14
Collins "B" .35	12¾	13¾
Cook Elec. .40d	15⅜	16
Craig Systems	4⅝	5
DuMont Bcstg.	7¾	8½
Eitel-McCullough (5% stk)	23	25
Elec Assoc (stk)	40¼	44
Erie Resistor .40h	5¾	6½
Friden Ind. 1	52	57
Giannini, G. M.	12⅜	13¼
Granco Products .05	1 1/16	1½
Gross Telecasting 1.60	18½	20
Hewlett-Packard	25⅜	26⅜
High Voltage .10g	30¼	33
Hycon	1 15/16	2¼
Indiana Steel Prod. 1.20a	18	18½
Jerrold	2	2½
Ling Industries	2⅛	2⅜
Leeds & Northrup .60h	23	25

	Bid	Asked
Machlett Labs .25g	16¾	17¾
Magna Theatre	1¾	2
Maxson (W. L.) .05	4¾	5¼
Meredith Pub. 1.80a	30½	33
National Co. (4% stk.)	11¼	12¼
Oak Mfg. 1.40	13⅜	14
Official Films .10	1	1⅜
OR Radio	19⅜	21
Pacific Mercury TV	7	8
Packard-Bell .50	11⅛	11½
Panellit	5⅛	6
Perkin-Elmer	21½	23
Philips Lamp (14% of par)	37⅝	39
Reeves Soundcraft (stk.)	3	3½
Sprague Electric 1.20	31⅛	33
Taylor Instrument 1.20	26½	27½
Tele-Broadcasters	28½	30
Telechrome .30	2¾	3½
Telecomputing	8¼	8¾
Teleprompter (stock)	4⅜	4¾
Time Inc. 3.75	61½	63
Topp Industries (stock)	9	9½
Tracerlab	6¼	7
Trav-Ler	1¼	1½
United Artists	3⅝	4
Varian Associates	17	18
Webcor .15c	9⅝	10
Wells-Gardner	7⅜	8
WJR Goodwill Sta. .50d	13	13½

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid after stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. * No trade

THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

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SUMMARY-INDEX OF THE WEEK'S NEWS — May 24, 1958

RCA, CBS & MPAA TORPEDO ANTI-BMI BILL: A devastating counter-attack on ASCAP forces seeking to destroy the radio-created Broadcast Music Inc. (Vol. 14:11, et seq) was spearheaded on Capitol Hill this week by network-connected record companies, reinforced by Eric Johnston's Motion Picture Assn. of America. When the smoke cleared, Senator Smathers' already tattered BMI death-sentence bill (S-2834) lay in shreds on the Senate hearing room floor. It will probably stay there.

And no more devastating testimony against ASCAP, and in defense of BMI, was heard by Commerce communications subcommittee -- following the weeks of charges and counter-charges of music monopoly -- than that given May 21 by RCA Victor Records v.p. & gen. mgr. George R. Marek.

His dissection of the anatomy of song-selling, his documented analysis of the vagaries of the music business, was so interesting and significant, to our mind, that we're publishing it herewith as a Special Supplement.

Who controls broadcast music? What makes a song hit? Not BMI, not ASCAP, not networks or stations or disc jockeys -- but the always-unpredictable listening public, Marek told subcommittee Chairman Pastore (D-R. I.), who conducted wind-up hearing alone. Marek's penetrating, highly-literate analysis of his business should be must reading not only in record industry but by broadcasters, music programmers, station librarians, others in TV-radio -- and by ASCAP members, too.

Rebuttal & sur-rebuttal arguments on Smathers measure, which would bar broadcasters from music publishing & recording, will be heard by subcommittee some time in July. But next-to-last-word on subject probably was spoken by Marek when he said that "charges [against BMI] are nothing short of fantastic in their inaccuracy."

Similarly-convincing pro-BMI testimony, complete with statistics demonstrating that broadcasters play no favorites with BMI music, came from CBS Inc. v. p. Richard S. Salant. He said BMI not only has "given the public a greater freedom of choice by providing more from which to choose" but has "freshened up ASCAP itself." Columbia Records pres. Goddard Lieberson backed him up, asserting that any allegations of discrimination against ASCAP music were "patently false."

More statistical ammunition to repel ASCAP's assault on BMI was supplied by NBC asst. gen. attorney Joseph A. McDonald. "The legislation proposed by S-2834 is unsound, unwarranted by the facts and unnecessary for the public welfare," he said.

Hollywood brought up one of its heaviest guns in support of BMI. MPAA pres. Eric Johnston said Smathers bill "would create a cartel philosophy that would close economic doors and tell people what business they could not get into." He was seconded by v. p. Arthur M. Tolchin of Loew's radio WMGM, N. Y.

FCC AND SENATE EXPLORE SMALL-TOWN TV: On eve of May 27-29 hearing probing deintermixture, small-town TV services, etc., to be conducted by Senate Committee on Interstate Commerce (Vol. 14:18), FCC this week initiated "inquiry" into the impact of community antenna systems, translators, illegal boosters and satellites "on the orderly development of TV broadcasting" (Vol. 14:19). It's shooting the works -- asking every conceivable question, seeking industry responses by June 27. Data sought is so extensive that parties will undoubtedly seek more time.

Inquiry is direct result of frantic charges by Montana TV stations that CATV systems are driving them out of business -- KGEZ-TV, Kalispell (Ch. 9) going dark and blaming CATV entirely, sale of KFBB-TV, Great Falls (Ch. 5) cancelled for same reason (Vol. 14:17). FCC's procedure will take a lot of time, involve huge collection of statistics -- but the raw conflict will come out in next weeks' Senate committee hearings, for the prime antagonists will take stand.

Former Senator Edwin C. Johnson (D-Colo.) is scheduled May 29. He once headed committee he'll appear before, later served as Governor of Colo. -- and in latter office actually "granted" vhf boosters in defiance of FCC edict. In addition to FCC, 23 witnesses are scheduled -- including 11 from stations, 5 for CATV systems (for list, see p. 7).

Commission wrapped everything in one package, including matters it had ruled on before -- jurisdiction over CATV systems, economic impact of translators, use of microwaves to serve CATV, etc. Commission admits problems are "extremely difficult to assess from the standpoint of what would most serve the public interest," so it seeks data on 14 issues, most of them relative to CATV. Commission didn't rule on illegal booster problem; it has approached decision on it several times recently, then postponed action. It retains that as a separate proceeding but includes the "economic impact" of boosters as an issue in latest inquiry.

The 14 issues are too lengthy to reprint here, so if you're vitally interested, you should get copy of Notice 58-483, Mimeo. 58828, Doc. 12443, from FCC -- or we'll get you one. Here's sample of questions: How many people are served in what communities by CATV systems, repeaters (vhf boosters), translators, satellites? How many people get their only service from such facilities? How are existing or potential regular TV stations hurt by such facilities? What should Commission do to get service to isolated areas? Should FCC control CATV systems, and can it do so legally, and if it can't should it seek new laws?

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Heat generated by CATV vs. small-station issue tends to obscure what is Senate committee's first order of business, i.e., asking FCC what it has done to improve vhf-uhf allocations situation. Committee issued its report on allocations July 23, 1956 (Vol. 12:29), demanding deintermixture on "as broad a basis as possible" and stating: "As soon as it can be determined that uhf performance can be improved to the point that it will permit an all-uhf service without the creation of major white areas, the program of shifting to uhf should be set in motion." It had urged FCC to "move with all possible dispatch." Chairman Magnuson (D-Wash.) has again brought attorney Kenneth Cox from Seattle to run hearings.

Note: The Senate committee starts hearings on a completely separate matter June 2 -- Bricker bill (S-376) to give FCC direct control over networks. Committee doesn't indicate how long hearings will run. Only FCC and CBS witnesses are scheduled so far, but ABC & NBC are expected to come forward.

HOW'S BUSINESS? GOOD, SAY THE REPS: We asked national spot sales representatives, who were in Washington this week to try to persuade FCC to force networks out of the rep business and to plump for a new variation on option time (p. 4), to tell us how they view the current business picture in TV-radio broadcasting from their key vantage points. We also put questions to individual station operators.

Replies ranged gamut from "very good" to "good" to "fair" -- though handful of stations, not too well placed so far as markets are concerned, report things are "bad." The TV reps present have lists totaling some 275 stations, mostly large and network-affiliated, relatively few independents or very small-market stations. That's more than half the 504 commercial stations now on the air.

The pattern we evolve from what they told us indicates somewhat better prospects for the year than the 4-6% increase in over-all gross for 1958 forecast a few weeks ago by management consultant Richard P. Doherty (Vol. 14:17) -- though Doherty may turn out to be right when the actual balance is weighed as between those doing well and those doing not-so-well. Our conversational survey did not concern itself with forecast of 1958 profit margins of "perhaps 10-20% for the [TV] industry as a whole, though 25-40% may still exist among a selected group of stations."

National spot last year represented 47% of aggregate TV station revenues, according to NAB, with local representing 30%, networks 23% -- so the importance of the national reps in a total TV economy of $1,350,000,000 is manifest.

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It's an open secret that all save the 4 uhfs among 19 network-owned stations are doing very well, indeed -- almost invariably better than last year. Not so all, but certainly most, of the 15 independents represented by network spot sales divs. As for the aggregate of the 275 TVs -- and even more AMs -- represented by the top reps on hand to testify in Washington this week, their condition was epitomized in these remarks by the head of one of the leading rep firms:

"We're doing all right, but business conditions generally are too uncertain, our bookings are day by day or week by week and we don't know what's coming next. I can tell you, though, that we're going to benefit by the diminution of network business because we'll have more spots to sell from more lower budget advertisers."

"Half our stations, both TV and radio, were down in April from a year ago, but only minutely," said another. "Of other half, about a dozen hit new records."

"TV is standing about even with last year. Summer looks like it will be soft but I expect a very strong last quarter," said still another. "That's based on all the economic factors I can lay my hands on. The smaller market stations are down, some of them dangerously. Radio is about 10% ahead of 1957."

Then this more sanguine report from one more biggie: "We've had a good normal increase. TV billings are up about 20%, radio about 5%. We plan building radio up to 12-15% for the year. It was 40% up last year, 40% also year before."

That TV-radio are riding out the recession better than most businesses, is attested in this statement which another top rep preferred to write out for us: "In spite of all the talk of a business slowdown, spot TV billings for each of the first, 3 months of 1958 are above the corresponding months of last year. The upward trend seems to be continuing -- and if I didn't listen to the news, I wouldn't know anything about a recession."

A few wouldn't talk on or off the record, but none of them looked hungry or worried. Lawrence Webb, managing director of the 22-member Station Representatives Assn. (all but 6 tops in TV), noted TvB's recent report that spot was up 1.8% during the deep-recession first quarter (Vol. 14:20); SRA doesn't gather TV figures, but he cited its radio figures to show radio running 15% ahead of that period last year.

Note: We erred in a recent report stating only the network spot sales reps stick to the 15% commission. It's conceded that CBS does, as it testified, but NBC and all the rest have variable rates of compensation -- and that's one area of their business they don't want newsmen or Washington bureaucrats to nose into!

INDUSTRY FINALE IN NETWORK CASE—REPS' PITCH: Industry's story is in, completed May 22, in FCC's exhaustive & exhausting network hearing which started March 3. All that's left now is "rebuttal" by the man who master-minded original document that gave everyone a bone-jarring jolt (Vol. 13:40) -- Roscoe L. Barrow, dean of Cincinnati U Law School. He'll probably be heard in early July, supported by 2 top aides of his study staff, lawyer Louis H. Mayo and economist Jesse Markham.

So industry marched down to Washington and marched back again -- and what has been net effect? With but random exceptions, networks and stations presented a firm phalanx of opposition to the sweeping recommendations of Barrow Report. Commissioners started out skeptical of need for change. If we read them right, we find no substantial reversal. Nonetheless, some serious and able commissioners will push for some changes -- but if there's been a significant shift in majority's thinking, it just isn't apparent at this time.

An important element in picture is Justice Dept. Its anti-trust chief Victor Hansen makes no bones of fact he believes option time and must buy are anti-trust law violations (Vol. 14:18). However, if FCC Chairman Doerfer's and Comr. Hyde's recent testimony on anti-trust law enforcement is any criterion, the FCC is still mighty loathe to "prosecute" alleged anti-trust violations or to attempt to enforce anti-trust laws on these subjects before courts issue clearcut decisions on them. Comr. Craven, for another, specifically encouraged parties to file legal briefs on the issues, and both CBS & NBC plan to submit documents as countermeasures to the impressive legal missive launched by KTTV, Los Angeles (Vol. 14:17).

* * * *

This week produced most skillful "political" move of the hearing -- Station Representatives Assn.'s "compromise" proposal on option time. Basically, plan for "Station Reserved Time" would leave networks with the option time they now have, but forbid them from putting commercial programs in one hour of non-option time during each quarter of the day. Presumably, this would give FCC the "out" of "doing something" to pare networks' influence while not hurting them as much as it would by completely abolishing option time, as recommended by Barrow Report.

FCC's network study staff isn't at all impressed with SRA proposal. That's clear from their questions of SRA witnesses. They regard it as a "double restraint" on stations. Option time, they feel, freezes stations to networks, while "Station Reserved Time" would freeze them from networks in certain periods. As one opponent of SRA plan put it: "You treat a man's hernia by giving him a double hernia?"

Like most business men, the reps normally would probably bridle against any extension of govt. regulation of business, and stoutly affirm the traditional belief that people are "governed best who are governed least." But in this case, they're not only convinced that they're being subjected to undue competition but that their new proposal will encourage more local & film creative effort and free stations from network domination by making more prime time available for spot programs.

It remains to be seen whether their own stations will go along with them on the plan, which was kept a deep-dyed secret until revealed at this week's hearing.

Basically, the reps want to cut down on network preemptions of non-option time. They also want FCC to rule networks out of the rep business -- except that they would let networks rep their owned-&-operated stations.

Reps don't come out against option time -- their own stations wouldn't stand for that -- and their strategy obviously is to keep CBS & NBC spot sales from widening the lists of independent stations they represent. Their case in that respect is based on claim of unfair competitive advantage and potential duress upon stations because of the vital importance of network affiliations.

That the non-owned stations represented by network spot sales don't share that fear and insist they are represented by network spot sales of their own free choice, weakens the organized reps' case. Reps would recoil with horror at thought that Govt., to obtain full facts of industry economics, might even like to see their own closely guarded revenue-&-profit statistics.

Networks were inclined to pooh-pooh reps' proposals, say they have no intention of going out of the rep business short of govt. decree. One network executive scornfully remarked that the reps -- a quite prosperous lot who seldom appear on the Washington scene, preferring to "let the networks do it" even on an issue affecting them so vitally as pay TV -- are merely "a bunch of disgruntled millionaires."

* * * *

Essential text of SRA proposal, as presented by Eugene Katz, of The Katz Agency, is reprinted on pp. 9-10, digests of week's testimony below. Testimony on the intriguing topic of films-for-time barter is covered on p. 8. Aside from the hearing, we queried the visiting reps on the ever vital "how's business?" question, and their responses are presented on p. 3.

Reps vs. The Networks: Windup of industry's huge volume of testimony in FCC's network hearing this week (above) produced that well-guarded and carefully-prepared "compromise" proposal on option time (Vol. 14:15), presented by 5-man team of top reps, followed by independent testimony by non-SRA member Petry and that of 2 uhf spokesmen. Their testimony was preceded by 3 station operators who offered brisk defense of the network spot sales divs. which represent them. Digesting what they said:

Jay W. Wright, exec. v.p., KSL-TV & KSL, Salt Lake City, insisted that network spot sales divs. neither dominate rep business nor hold the threat of loss of affiliation over heads of their clients. He noted that CBS-TV Spot Sales represents only 1.6% of all TV stations (8 stations, excluding CBS owned-&-operated), only 4.1% of CBS-TV affiliates; that NBC-TV Spot Sales has only 1.4% of all stations (7, excluding NBC o-&-o), 3.5% of NBC-TV affiliates; that stations represented by network spot sales aren't concentrated in top markets. On other hand, he said, 5 largest independent reps have 37% of stations, top 13 have 70%—one alone (Blair) having 46.

Wright said he uses CBS-TV Spot Sales simply because it's best, has a small, homogeneous list (all are CBS-TV affiliates). He stated that KSL-TV would consider dropping it as rep if it added more than one or 2 stations. He maintained there's plenty of competition between CBS-TV Spot Sales and CBS-TV network, evidenced by fact former sells more whole programs than average rep does, despite fact such programs compete most directly with network. He asserted that the 2 CBS divs. are completely separate; that CBS never attempted to influence KSL-TV's choice of rep or its national spot rate; that KSL-TV never shifted to CBS Spot Sales in effort to strengthen its affiliation ties.

* * * *

Glenn Marshall Jr., pres. of WMBR-TV & WMBR, Jacksonville, to illustrate competition between CBS's two divs. told how Spot Sales had persuaded Lever Bros. to withdraw from CBS-TV's *Garry Moore Show* in favor of spot campaign, and how it had offered presentation to Sherwin-Williams to show it could get twice the audience for its money with spot than with its current *Arthur Godfrey* CBS-TV & radio shows.

Marshall analyzed spot & network rates of the 8 CBS-repped stations, showed their network rates are higher 75.2% of time, to emphasize point that CBS doesn't try and hasn't tried to force equality in the 2 classifications. Said he: "Active competition at the working level, where the sales results are achieved, is the crucial question for us and for you. Such competition has been found to exist. Frankly, I can't reconcile the finding of 'active competition' at the working level with a presumption of 'modified competition' at the policy level."

With all CBS-repped stations affiliated with CBS-TV, Marshall said, salesmen have easier job of maintaining familiarity with programs, adjacencies and availabilities. On cross-examination, he conceded that CBS Spot Sales did good job of selling adjacencies around the ABC-TV programs WMBR-TV also carries.

* * * *

Nathan Lord, v.p.-gen. mgr. of WAVE-TV, Louisville, came to support of NBC-TV Spot Sales, said he had switched from an independent rep because it had too many clients, didn't give WAVE-TV adequate service. He asserted that NBC never tried to influence his spot rate; that using NBC as rep hasn't strengthened station's affiliation. He said he'd like to see NBC represent 3-4 more stations in top 50 markets, but no more. If networks are forced out of rep business, he asserted, it would reduce competition and create hardship for stations. He also insisted he doesn't want NBC-TV Spot Sales to handle clients affiliated with other networks: "If they do—we'll quit."

Should network rep lists be frozen at present number? he was asked. "It's no skin off my nose," he said, "but the Commission ought to be fair." To illustrate competition between NBC-TV network and spot sales divs., he said latter urged him not to carry *Suspicion*, so that the time could be used for spot programs.

It would be ideal for station to be its own rep, Lord said, but maintenance of N.Y. office would be too costly. It would be better, too, he said, for groups of stations to establish own rep—as he once tried to do with group in Midwest and South. "But I couldn't get it off the ground."

* * * *

Station Representatives Assn. had 5 witnesses, with topics neatly apportioned— and each was most careful to avoid poaching on colleagues' territory, respectfully referring commissioners' questions down the line.

Lloyd Griffin, of Peters, Griffin, Woodward, as lead man, began the buildup toward final presentation of reps' "Station Reserved Time" proposal. He emphasized that SRA isn't "anti-network," gave networks considerable kudos—but insisted that spot TV is sole competitor of networks and that "vigorous competition between these two . . . is beneficial to the advertiser, to the nation's economy, and in turn to the individual station."

Griffin's testimony was devoted to describing importance of reps and spot. Statistics: 55 independent reps, with 290 offices, 1935 employes (725 of them salesmen), annual payroll $12,800,000, serving 469 TV stations. In 1957, 4150 advertisers used spot (2863 spending less than $20,000) while 293 used network. In cross-examination, he asserted that rep can do just as good job for large number of clients as network spot sales do for small lists; that there's no disadvantage in handling stations with diverse network affiliations.

Chairman Doerfer sought Griffin's ideas on station scarcity: "It is possible that we are laboring over something which, if we suddenly found the facilities, they would go begging for lack of economic support?" Griffin said he couldn't tell: "We're still feeling our way."

* * * *

Lewis H. Avery, pres. of Avery-Knodel, though insisting "we want the networks to continue to make their extremely valuable contribution to the public and to the broadcasting industry," sought to show network dominance of TV industry is too great. He cited FCC figures to assert that networks were responsible for 62% of all TV revenues in 1956—through sale of network time, their owned-&-operated stations' sales, their spot sales business. He said that CBS can reach 30.3% of TV homes through its owned stations; NBC, 30.2%; ABC, 29.1%. CBS can cover 37.5% of homes with its owned and repped stations, NBC 37.5%. Between 6-11 p.m., network programs occupy 78.2% of option time, 35.5% of non-option time—so that "there is precious little room left for any non-network source which might be desirous of having programs exposed during the desirable viewing hours."

On station profitability, Avery stated: "The power implicit in the networks' ability to withhold or grant an affiliation can mean the difference between business success or failure." In the markets with 4 or more stations, 30 affiliates averaged $1,500,000 profit in 1955, while the 16 independents averaged $78,000 loss.

Asked about possibility of a fourth network, Avery said: "It's entirely possible that in 5 years, there will be 50% more TV advertising than today. I have unbounded optimism about the future of the medium. Then, it might support a fourth network."

* * * *

Frank Headley, pres. of H-R Television, urged Commission to rule networks completely out of the rep business—except for their owned-&-operated stations. "It is difficult to see why," he said, "it is in the public interest to permit 2 companies who so thoroughly dominate one facet of the national TV market—network TV—to participate in national spot, the only other facet of the business which is competitive with network TV."

"The network," he asserted, "soliciting the spot representation of one of its affiliated stations, is surely in a favored-nation position. The station expects the network to keep it as its affiliate as long as the representation contract remains in effect. The network is thus in the position of offering a tie-in of an additional service when it seeks to be a station's spot representative. The network has the right to grant or withhold extremely important network rate increases. The affiliate whose representation is being solicited by a network feels these pressures whether or not they are explicitly stated."

As for networks' vow not to increase their lists substantially, Headley said he didn't question their good faith but that there's nothing to stop them from expanding at a future date. On questioning, Headley said he believes networks have pressured affiliates to retain them as reps —but that he couldn't give specific examples.

Like the other reps, Headley said large number of clients per rep isn't inefficient: "There's no magic number. You need to have stations located geographically to do a good job." Unlike his rep confreres, however, Headley seized occasion of cross-examination to laud the much-criticized Barrow Report. Said he: "Dean Barrow and staff have done a remarkable job—a real fine job."

* * * *

Eugene Katz, pres. of The Katz Agency, had burden of presenting SRA's main pitch—"Station Reserved Time" proposal, text of which is reprinted on pp. 9-10. His cross-examination was most extensive of all. Among points he made in question-&-answer period:

(1) A network's request for clearance in non-option time is "tantamount to a command."

(2) Though reps have grown in last several years, they'd have been able to sell much more if they'd had better access to best station time.

(3) "Small businessmen are part of the public" and they're hurt because they can't afford 50-60 TV stations, which is "the ticket to option time."

(4) SRA has changed its recommendations from that given FCC 2 years ago. Then, it urged networks be denied half-hour of every 2-hour period. Reason for change: "We've learned something since then," i.e., "we don't want to see the networks' contributions threatened."

(5) If option time were prohibited altogether, as recommended by FCC network study staff, networks would be weakened, unable to serve public and affiliates well.

(6) "Station Reserved Time" is not a "double restraint" on stations, as suggested by FCC counsel's questions, but a "counterbalance" to networks' weight.

(7) SRA plan would give "a tremendous lift to the production of good films; in one season it would bring into being enough programs to fill the time."

(8) What if film producers get into the rep business?

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"FCC doesn't protect the reps. It's possible we may be suggesting a Trojan Horse for us, but we believe it's in the public interest."

(9) Plan would increase total TV income, wouldn't diminish networks' revenues.

(10) Abolition of option time might actually result in use of more station time by networks—"because the full weight of the networks' bargaining position" would be brought to bear.

* * * *

John P. Blair, pres. of Blair TV and Blair Television Assoc., appeared briefly, submitting for record SRA's comments on other recommendations of Barrow Report. SRA is against changes urged by Barrow, or non-commital—though it does say, in connection with "must buy," that "the minimum buy arrangement should prove no obstacle to successful networking."

Blair also stated that multiple owners don't get an extra break on rep commissions. He said there's not more than 1% differential, both up and down, among the various reps in their commissions for the two types of owners.

* * * *

Edward Voynow, exec. v.p. of Edward Petry & Co., not an SRA member, came armed to defend option time. Petry had long ago declared itself against any raid on option time, opposing the apparent position of SRA. However, on cross-examination after conclusion of his prepared statement, he said that SRA's new proposal "on the surface, appears to have merit, but I need time to study it."

In prepared statement, Voynow said increased number of stations has relieved temporary scarcity, making Barrow recommendations unnecessary. Basically, he endorsed networks' arguments on option time—said practice assures networks of something "on the shelf to sell." Without option time, gradual erosion of clearances would occur, with consequent debilitation of network service. "If it serves the public, the station and the advertiser," he asked, "what in the world is wrong with option time? It is a practical, reasonable arrangement that has stood the test of time for over 30 years in radio and for over 10 years in TV. There is nothing wrong with it!"

Voynow joined his SRA conferees, however, in an all-out blast against networks' spot sales divs., urged they be kicked out of the business. "The networks' position that their national spot and network organizations are administered separately and competing actively with each other is to argue the old ridiculous cliche to the effect that 'the left hand knoweth not what the right hand doeth' . . .

"It is obvious that the number of stations they represent has been held to the present number as a matter of deliberate policy . . . It seems unusual, if not unnatural, for a business not to try to grow . . . Because of their superior position, they could expand their list extensively at the expense of the independent representative firms anytime they chose to do so."

Voynow took issue with those SRA witnesses who argued that better access to good time periods would foster more and finer film. At recent NAB convention, he said, someone who ought to know told him there would be 2000 half-hours of film available this fall—most ever.

* * * *

Committee for Competitive TV, the uhf group, offered 2 witnesses with brief statements—**John W. English**, WSEE, Erie and **Wm. L. Putnam**, WWLP, Springfield, Mass. English confined himself to an argument for 5-year station licenses, said they would be particularly helpful to uhf: "If the networks have a right to make a 5-year contract and decline to do so, such a decision on the part of a network might deter an operator from going into business, but at least he would know the bad news before he spent his money. If a network was willing to extend a 5-year affiliation, it would give the prospective operator an opportunity to take a calculated risk with a reasonable assurance of a good program source for an adequate period of time."

Putnam said that the uhf-vhf problem "lies at the root of any evil that may exist in relationships between networks and the local stations." He said Barrow Report "is basically sound, but its primary conclusions, if effectuated, are not going to provide more or better TV service." He also tipped his hat to NBC, said he had never been treated unfairly by the network and that NBC had gone out of its way to help uhf—"but one must remember that the networks have competitors and that they cannot be held liable for the mistakes of the Sixth Report."

Five stations submitted short, joint statement: (1) Endorsing option time as essential. (2) Stating must-buy is superior to minimum-buy. (3) Opposing publication of affiliation arrangements. (4) Opposing proposed new "Avco rule" covering station sales. The stations: KFDM-TV, Beaumont; KVAR, Mesa-Phoenix; WCSH-TV, Portland, Me.; WFLA-TV, Tampa; WLAC-TV, Nashville.

Witness list for Senate Commerce Committee hearings on allocations (see p. 2), which take place in Room G-16, Capitol: **May 27, 10:30 a.m.**—FCC members. **May 28, 2:30 p.m.**—Vincent Wasilewski, NAB; Barclay Craighead, KXLJ-TV, Helena, Mont.; Frank Reardon, KGEZ-TV, Kalispell, Mont.; Ed Craney, KXLF-TV, Butte, Mont.; Lou Moore, KXGN-TV, Glendive, Mont.; Art Mosby, KSMO-TV, Missoula, Mont.; D. N. Latus, TV wholesaler, Helena, Mont.; Gordon Glasmann, KLIX-TV, Twin Falls, Ida.; D. N. Layne, KID-TV, Idaho Falls, Ida.; Tom Bostic, KLEW-TV, Lewiston, Ida.; Wm. Grove, KFBC-TV, Cheyenne, Wyo.; Dwight Dahlman, secy., Wyoming Public Service Commission; Marshall H. Pengra, KLTV, Tyler, Tex.; Wm. Smullen, KBES-TV, Medford, Ore. **May 29, 10:30 a.m.**—Edwin C. Johnson, Denver; E. Stratford Smith, gen. counsel, National Community TV Assn.; Milton J. Shapp, pres., Jerrold Electronics Corp.; Cliff Collins, Collins & White, for Pacific Northwest Community TV Assn.; Archer S. Taylor, consulting engineer, for Mont. Community Antenna TV Assn.; Charles Crowell, Casper, Wyo., for Community TV Assn. of Wyo.; Wallace M. Bradley, exec. director, Committee for Competitive TV; George R. Town, TV Allocations Study Organization; Pat Beacom, off-air WJPB-TV, Fairmont, W. Va. (Ch. 35).

Time-for-Film Barters: How the accumulations of TV spots built up under barter arrangements with stations are now being capitalized, was brought into the open this week when (1) "Matty" Fox's C&C Television Corp. revealed further plans to utilize its spot backlog in the promotion of newly acquired Hazel Bishop Inc.; (2) Guild Films Inc. revealed the existence of some $7,000,000 of previously unreported assets in the form of TV spots; (3) FCC members evinced keen interest in this phase of station operation, evoking bitter attacks on the practice from station representatives participating in hearings on network study report (pp. 4-7).

Fox-controlled C&C Television Corp., in plans to acquire cosmetics maker Hazel Bishop Inc. (Vol. 14:20), revealed it would use $7-8,000,000 of its hidden spot time assets to promote its new subsidiary, these spots having piled up at stations in payment for its RKO and other films. He started the practice in 1954 when many stations really were hungry, accumulated some $18,000,000 worth of spot time under 3-7 year contracts, which he sold to agencies and/or advertisers. By 1956, C&C is reputed to have sold International Latex Corp. (Playtex girdles, etc.) $20,000,000 worth of time.

Banks are understood to have loaned money on this time backlog, and it's being used to help finance the Hazel Bishop acquisition. This week, too, *New York Times'* John S. Thompkins revealed that Guild Films Inc., from which Reuben R. Kaufman has just retired as chairman, succeeded by John J. Cole, formerly associated with "Matty" Fox, is capitalizing its $6.5-7,000,000 time-for-film assets which were said to exceed the total assets stated in its last annual report. Presumably, it's about to disclose sale of its accumulation of station spots to some new sponsor or sponsors.

Heretofore, the film people have kept their "spot holdings" a deep-dyed secret, and few stations would let it be known that they went into barter deals—many of them "from hunger because of the high cost of films, the lack of ready cash and lately, the recession." Feature films admittedly are among the most popular fare in TV currently. NTA took a crack at barter for awhile, dropped it as unsatisfactory; nearly all other syndicators claim they want no part of "due bill" business.

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FCC Comrs. Ford and Lee seized the occasion of reps' appearances on witness stand this week to probe into the matter, implying by their questions the suspicion that stations might be relinquishing their rules-required control over programming by the practice of letting film people re-sell spots on run-of-schedule basis.

Reps made it clear they regard barter as "competition," for they get no commission from such business. Avery-Knodel's Lew Avery was vehement in calling barter "inimical" to the broadcasting business. "It's dangerous and reprehensible," said he. "In the American system, bartering has no place. If a station doesn't have the money for film, it might as well quit."

"The effect on reps is discouraging and injurious," said Katz Agency pres. Eugene Katz. "Bartering undersells the station's own staff and representatives. It starts a degeneration of the business. The licensee has less control over commercials. He gets less dollar income from his programs."

Brokerage of time—acquisitions for re-sale—has long been frowned upon by the authorities, though from early radio days until TV it's known that some of the best stations have acceded to it. According to Mr. Fox, as quoted in the *Times*, bartering for film isn't brokerage in the usual sense because 20-sec. & 60-sec. spots do not constitute programs but are commercials within programs.

Fox said TV stations are more liberal in trading time spots than they would be with cash because they can commit a large volume of unsold future commercial time, some of which wouldn't be sold anyhow, and because stations aren't asked for prime spots at peak evening hours.

Last week, C&C Television and Guild Films, both over-the-counter, and Hazel Bishop Inc., traded on American Stock Exchange, enjoyed active trading which continued through this week.

Hollywood vs. TV: Congressional help for harassed movie industry—"even a subsidy if necessary" to protect it from further TV inroads—was called for by 20th Century-Fox pres. Spyros P. Skouras at annual stockholders' meeting in N. Y. this week. He said Hollywood's sales of feature films for TV showings is "to be greatly regretted," no more post-1948 movies should be released, exhibitors must "organize & meet squarely" competition from home screens. But he added "Twentieth will not be a martyr" if other moviemakers continue to turn over late products to TV.

Nevertheless, 20th Century-Fox income from 7-year $16,940,000 deal last year with NTA for release of 237 oldies to TV (Vol. 13:21) presumably sustained company's consolidated earnings at $2,147,711 (84¢ per share) in first 1958 quarter vs. $2,171,680 (82¢) year earlier. Gross income for period was $32,510,164 vs. $32,863,275. Skouras predicted earnings for 6 months would reach about $5,000,000 ($2.20) vs. $4,070,000 ($1.54) in first 1957 half. He also disclosed company bought up 52,800 of its own shares in first quarter and 284,300 more in April for $7,805,480—including 191,000 shares from Howard Hughes.

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Details of plan whereby United Artists affiliate Gotham TV Film Corp. would take 80% control of Associated Artists Productions (which owns $12,000,000 block of pre-1948 features—mostly Warner Bros.—for TV use) were reported at AAP's annual meeting in Wilmington. AAP shareholders will be offered $12 per share by Gotham within 2 weeks after settlement of pending suit by NTA, which charges ex-AAP pres. Louis Chesler and associates backed out of deal to sell 820,000 AAP shares to NTA for $9.40 per share.

In other movie-TV developments this week: (1) Theatre Owners of America pres. Ernest Stellings, who thought up scheme to meet TV competition by buying up post-1948 films through exhibitors' trust fund (Vol. 14:13), revealed for first time how much money he thinks would be needed initially—$10,000,000. (2) Four Star Films Inc. (Dick Powell, Charles Boyer, David Niven) took over 20th Century-Fox Western Ave. studios in Hollywood to produce 312 TV films (30-min. episodes in 6 series) for 1958-59 season for $28,000,000. Four Star will employ 500 actors & technicians fulltime for projects.

Songwriters Protective Assn. (Burton Lane, pres.), comprising mainly writers of show music and pop songs, has changed name to American Guild of Authors & Composers, plans to expand to embrace all creators in music field.

'Station Reserved Time'—Proposal of the Reps

FCC Regulation Suggested to Set Aside Non-Network Periods Adjacent to Option Time

Statement by **Eugene Katz**, pres., **The Katz Agency Inc.**, **on behalf of Station Representatives Assn. before FCC, May 21.**

(See also *Industry Finale in Network Case—Reps' Pitch* on p. 4 and *Reps vs. The Networks* on p. 5)

THE BARROW REPORT explains in some detail how option time may disadvantage smaller business entities and deprive TV audiences of the benefits of additional program sources which are discouraged by network option time privileges.

In our work for the stations we represent, we have seen option time deter competitive programming in two important ways: First, by displacing or evicting programs from the times assigned to them. Second, by denying use of maximum audience periods to non-network programming whether or not these periods are occupied by network programs. The option time clause, it is true, enables networks on short notice to clear time in many markets for network programs. This is the affirmative use of network option time. But it also has a negative use. It is a Sword of Damocles dangling over option hours—which, of course, are also the maximum audience hours—and it effectively prevents their use by other than network advertisers and other than network programs. Anyone who ventures into these hours does so at the risk of being abruptly removed whenever the network is able to sell a program.

Licensees in most cases are hesitant to make program investments in option periods because of the possibility or probability of network pre-emption of this time. Non-network program sources are likewise reluctant to invest in programming these periods. The result is that local, regional and national non-network advertisers cannot enjoy the advantages of these periods even when they are not being used by network advertisers.

From the Network Viewpoint

A network sales brochure explains this process, from the network viewpoint, in the most unmistakable terms. It says: "Securing good time periods is the biggest difficulty facing the sponsors of any film cleared on a spot basis. All stations with network affiliations must clear time for the networks between 7:30 p.m. and 10:30 p.m. This forces the buyer of spot time, in most cases, to purchase off-beat fringe time—time periods with a much smaller potential audience. These clearance problems are only magnified in the case of a new property [program], since the best non-network time periods are sold out. Furthermore, a good time secured on a network affiliate is often subject to cancellation, for the local affiliate usually must accept a network order, cancelling the spot order on four weeks notice."

This network sales argument is correct: non-network advertisers, in most cases, must accept off-beat, fringe time.

Theory vs. Practical Aspects

This is the problem. What should be done about it? The Barrow Report recommends that the difficulty should be resolved by eliminating option time entirely, leaving the scheduling of all TV programs open to free competition. From a theoretical point of view this appears to be a solution. It would let the forces of free competition control the placement of programs and would reduce rather than increase government regulation of our industry.

However, we find that theory in this case runs counter to substantial practical considerations. The networks and their affiliates are unanimously of the opinion that effective network operation is impossible without option time. They maintain that without the affirmative feature of option time—the ability to clear time on short notice in the major markets of the country—it will be impossible to have effective networks. We agree that networks need option time. We are as interested in healthy network operations as are our clients, for much of the value of the station time we sell is created by the strength of network programming. We therefore oppose the elimination of option time.

But that does not resolve the problem of local and non-network advertisers. Dr. Stanton [CBS president] testifying for CBS admitted that option time "is a shield against natural economic forces which would otherwise threaten the destruction of networking." If, as Dr. Stanton states, option time is necessary to protect networking from the operation of natural economic forces, then those who urge its retention are prepared to accept government regulation to protect it. By the same reasoning, it seems to us, they must be prepared to accept additional regulation to redress the imbalance created by interference with "natural economic forces."

The "Station Reserved Time" Plan

As we see it, a solution must be found which retains the affirmative features of option time but removes the negative feature — the "Sword of Damocles" aspect to which we have already referred. We believe that the problem can be solved by a rule which provides as follows:

(1) Continue the present rule dividing the broadcast day into 4 segments and permitting option time within each segment for 3 specified hours.

(2) Provide specifically in the rule that a station shall be free to enter into an affiliation contract with a network providing for option time or that it may elect to exclude option time from its contract. If its affiliation contract does not provide for option time, the following portions of this proposed rule shall not apply.

(3) For those affiliates who decide to give the network an option on a portion of their time, the affiliation contract shall reserve certain specified times as "Station Reserved Time." Such "Station Reserved Time" may not be utilized by any network organization for a commercial program. (Sustaining programs are acceptable.)

(4) "Station Reserved Time" in markets having three or more stations of comparable facilities shall be as follows:

(a) When network option time comprises a period of 3 consecutive hours, "Station Reserved Time" shall be one hour. When network option time comprises a period of more than 2 and less than 3 consecutive hours, "Station Reserved Time" shall be 45 minutes. When network option time comprises a period of 2 consecutive hours or less, "Station Reserved Time" shall be 30 minutes. "Station Reserved Time" shall follow immediately after option time. However, if the option hours are so scheduled that "Station Reserved Time" following the option hour bloc falls into another one of the time segments, an equivalent amount of "Station Reserved Time" shall precede the option hours bloc in question. You will recall that the Chain Broadcasting Regulations divide the day into 4 day-parts: 8 a.m. to 1 p.m., 1 to 6 p.m., 6 to 11 p.m. and 11 p.m. to 8 a.m.

(b) To illustrate: if a network has option time from 10 a.m. to 1 p.m., 2 p.m. to 5 p.m. and 7:30 p.m. to 10:30 p.m., "Station Reserved Time" will be 9 a.m. to 10 a.m., 5 p.m. to 6 p.m., 7 p.m. to 7:30 p.m. and 10:30 p.m. to 11 p.m. The periods 8 to 9 a.m., 1 to 2 p.m. and 6 to 7 p.m., although not subject to option, can be utilized by the network if the station so desires—just as at present. (You observe that there is a difference between station time and "Station Reserved Time." Station time can be disposed of by the station to any advertiser. "Station Reserved Time" is reserved for non-option time users.)

(c) The requirements of "Station Reserved Time" shall apply to only 6 days of the week.

(d) The requirements of "Station Reserved Time" shall not prevent the completion of a broadcast of a special event, or special sports spectacle, etc., which might run into such "Station Reserved Time."

(5) In markets having only two comparable facilities, the one-hour period of "Station Reserved Time" shall be 45 minutes, the 45-minute period shall be 30 minutes, and the 30-minute period shall be 15 minutes.

(6) In markets having only one facility there shall be no requirement for "Station Reserved Time."

Barrow Report's "Damaging Restrictions"

Before proposing this plan for "Station Reserved Time" we have done our best to study other suggestions which have been made to redress the inequities produced by option time. Several of these are reproduced in the Barrow Report. They include the Report's recommendation that option time be completely eliminated, the reduction of option time, the limitation of network use of time to option hours—and several others which it is unnecessary to attempt to summarize here. All of them seem to us to impose damaging restrictions on network operations.

We believe our suggestion for "Station Reserved Time" avoids these excessive prohibitions. We believe it preserves the affirmative advantages of option time. The "Station Reserved Time" plan not only ensures as much network option time as at present, but it also makes substantially as much time available to networks over and above option time as they have been able to use in their most prosperous period. And it has the advantage of removing the threat of network preemption from a significant number of time periods where non-network and local elements will be free to develop programs secure in the knowledge that their investment will not be wiped out by the enforcement of a network option.

In testifying before this hearing, the networks argued that the elimination of option time would erode network clearances; that even if all affiliates turned down the same number of network programs their rejections would be checker-boarded over the entire week's schedule and network operation would be effectively blocked in all time periods. The "Station Reserved Time" plan meets these network objections by permitting networks to option the same time from ALL affiliates.

Adverse Factors in Periods of Recession

We perceive in the network presentation before this hearing the tacit argument that nothing need be done about option time because the present softness in network television has left plenty of time available and because there are many time periods which are not now being utilized by network commercial programs. Yet it is in periods of recession that the "Sword of Damocles" aspect of option time produces the most adverse results. For in these circumstances the networks may be unable to supply the number of commercial programs which the stations normally expect while option time provisions prevent other organizations from stepping into the breach. For no organization can afford to make heavy investments in programming time periods when its occupancy of the time can be cut off by exercise of a network option on short notice.

It seems appropriate in this connection to remind the Commission that the very option time rules which the networks are now so energetically defending against the recommendations of the Barrow Report were originally opposed by CBS and NBC with even greater force. The then president of CBS said, in 1941, about the present option time rule: "The prohibition of exclusive option time will make the clearing of time for the arrangement of a national network program an almost impossible task."

Further, he stated at that time: "The combined effect of the Rules . . . would be to destroy the present structure of broadcasting." And, "networks are today (1941) the greatest and most expeditious means of mass dissemination of news, information and public discussion. They are peculiarly a vital factor of national defense in the present emergency. The inevitable uncertainty, chaos and confusion, which the Rules will cause, is contrary to the public interest."

These predictions also proved to be unfounded.

The then president of NBC viewed the present Chain Broadcasting Regulations with no less alarm. He stated: "Elimination of option time on a firm basis will cause irreparable injury to NBC and its affiliated stations by making it financially and physically impossible to handle a sufficient volume of business to support the existing programs of the network organization." "The inevitable consequence will be the destruction of nationwide network broadcasting."

Networks Flourish Under Chain Rules

CBS and NBC have, of course, survived the mild restraints imposed upon them by the bitterly opposed Chain Broadcasting Regulations, and the American public has not been deprived of its peculiarly vital network communications system. The networks have managed to produce more and more income and render more and more public service. Yet their insistence today upon the sanctity of the present option time rules is cast in almost the same language as was their opposition to them in 1941. In 1941 they stated that every recommendation in the Chain Broadcasting Report was inimical to healthy network operation. Today they support every regulation initiated by that Report.

We believe our "Station Reserved Time" proposal deserves serious consideration from the Commission, from affiliates AND from the networks. We think it perpetuates all of the advantages which networks and affiliates now derive from option time. In addition it gives affiliates a chance to build program sequences of their own which will be immune to dislocation and disturbance. And it accomplishes these objectives without sacrificing programming flexibility.

In spite of the amount of effort we have spent on it, our proposal can undoubtedly be improved by constructive criticism and suggestions from affiliates, networks and the Commission. We urge the Commission to expose our "Station Reserved Time" formula to other elements in the industry for improvement and refinement. We believe it will meet the test of this exposure. When it has done so, we hope the Commission will adopt it as a Rule to correct the defects of the present Regulation.

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Personal Notes: Don McGannon, pres. of Westinghouse stations, with program v.p. Richard Pack and national program mgr. Wm. Caland, flew to Brussels this week to be present for series of concerts by Benny Goodman's band which Westinghouse is sponsoring at Brussels Fair; McGannon goes to Rome May 28, returns to New York June 1 . . . J. B. Fuqua, pres. & gen. mgr. of WJBF, Augusta, wins second term in Ga. House of Representatives . . . Ted Fetter promoted to v.p. & program director of ABC-TV; Charles Ayres named eastern sales mgr. . . . Wm. Exline, ex-Peters, Griffin, Woodward, named sales mgr. of KIRO-TV, Seattle . . . Richard Golden promoted to sales presentations director of CBS-TV network . . . Richard P. Kepler, ex-WISC-TV, Madison, Wis., named station mgr. of WJMR-TV, New Orleans . . . Louis J. Berkman, pres. of Parkersburg Steel Co. and v.p. & a major stockholder in Friendly Group (including WSTV-TV, Steubenville, O.; KODE-TV, Joplin, Mo.; WBOY-TV, Clarksburg, W. Va.) has acquired control of United Printers & Publishers Inc., greeting card manufacturers, which is acquiring 3 Canadian firms in that field—Rust Craft Ltd., Friendship House Ltd., Volland Ltd. . . . John I. Hyatt has resigned as commercial mgr. of KTVI, St. Louis . . . Tony Kraemer, ex-WRCA-TV, N. Y., named sales development director of Crosley stations, succeeding Anne Hetfield, resigned . . . Jack Levy, Washington correspondent of *Variety*, is ill at family home in N. Y.; his place is temporarily being occupied by Mrs. Florence Lowe, wife of recently resigned correspondent Herman Lowe, now director of development, Albert Einstein Memorial Hospital, Philadelphia . . . Lester Krugman, ex-Emerson Radio, named exec. director of adv. for NTA, succeeding Kermit Kahn who assumes exec. supervision over other NTA operations; Lynne Krauthamer promoted to director of film operations . . . Herbert B. Pearson named eastern div. mgr. of Guild Films . . . Phil Cooper named western sales exec. of Atlantic Television Corp., Hollywood . . . Wm. P. Gallagher promoted to sales director of Columbia Records, succeeding Hal B. Cook, recently named v.p. & sales director of Warner Bros. Records . . . Howard L. Kany, mgr. of CBS Newsfilms, elected pres. N. Y. chapter of Sigma Delta Chi.

Hubbell Robinson Jr., CBS exec. v.p.-programs, says there's nothing to trade rumors he's going to join General Motors as asst. to its pres. Harlow Curtice in charge of all TV-radio activities. Job is one for which unsubstantiated rumor had also previously bracketed ex-NBC pres. Pat Weaver.

Robert E. Button, director of Voice of America, onetime with NBC-TV, named public affairs adviser to Ambassador W. Randolph Burgess, permanent U. S. representative on North Atlantic Council with headquarters in Paris. He's succeeded by Henry Loomis, ex-White House aide.

ADVERTISING AGENCIES: Edward M. Stern, Eugene C. Pomerance, Homer Heck named v.p.'s of Foote, Cone & Belding . . . E. L. Hill & C. L. MacNelly Jr. promoted to senior v.p.'s of Ted Bates . . . Mrs. Frances B. Shaw promoted to a v.p. of C. J. LaRoche . . . West P. Woodbridge, ex-Robert Otto & Co., named a v.p. of Dowd, Redfield & Johnstone . . . Robert L. Dellinger promoted to v.p. of Grant Adv., Dallas . . . Bruce L. Altman & Merv Oakner named v.p.'s of Anderson-McConnell, Los Angeles . . . Lee Nestor promoted to a v.p. of W. S. Walker adv., Pittsburgh . . . Richard Kerr, ex-Lawrence Fertig, named v.p. of J. M. Hickerson . . . Wm. P. Jackson, TV-radio supervisor for N. W. Ayer, N. Y., takes European sabbatical to tour, write novel . . . Lucille Nason, of Compton Adv., elected pres. N. Y. chapter, American Women in Radio & TV.

Merl L. Galusha, mgr. of GE's WRGB (Ch. 6) and Robert F. Reid, mgr. of its WGY, both Schenectady, promoted to mgr. of programming & technical operations and of marketing, respectively, for GE's combined TV-AM-FM-shortwave operations under gen. mgr. J. Milton Lang; Frank A. Pasley continues as mgr. of accounting, Caleb Paine as director of public service, Willard Purcell as director of advanced technical planning for all stations.

Comedian Danny Thomas is disclosed as purchaser, for $150,000, of radio KGEE, Bakersfield, Cal. (1230 kc, 250-U), sold by C. Dexter Haymond who continues as gen. mgr. Thomas will own 90% through his Marterto Productions, and his business mgr. Eli Parker 10%. They have no other radio-TV station holdings. [For other AM sales, see weekly *AM-FM Addenda U*.]

Merger of INS into United Press, due to be announced at week's end, will affect about 400 editorial workers in Hearst-owned newspaper press association, in addition to those employed by INS services to TV-radio (Robert H. Reid, sales mgr.) and International News Photos (Edwin C. Stein, managing editor).

John S. Cross was sworn in as FCC commissioner May 23 in brief ceremony at Commission, Chairman Doerfer administering oath. Comr. Bartley, recently confirmed for his second term, will take oath near end of term which expires June 30.

Regional rep Bulmer & Johnson Inc., Minneapolis, is closing doors at end of month, with new Wayne-Evans & Assoc., headed by Bud Sitt and Pat Clements, being organized to service most Bulmer & Johnson clients.

Reub Kaufman, recently resigned Guild Films chairman, has opened own TV film packaging, financing, distribution service under own name at 15 E. 48th St., N. Y. (phone Murray Hill 8-2636).

Compton Adv. merges with Carvel, Nelson & Powell Adv., Portland, Ore., latter to continue with own name, servicing local clients.

Weed rep firm opens Dallas office at 1309 Main St., Homer H. Odom, mgr. (Riverside 1-1871).

Obituary

Elmer Davis, 68, old-school newsman and pioneer CBS & ABC radio commentator, wartime director of the Office of War Information, died in Washington May 18. Widely eulogized by TV-radio newscasters and editorially by major newspapers, Elmer Davis' contribution to his profession was well summed up by *Washington Post* columnist Lawrence Laurent: "A generation of radio reporters, most of whom now work without regard to a sponsor's politics or legislative desires, have a debt to this man."

New and Upcoming Stations: Longest lapse yet between starts of new stations is currently under way, last one having been educational KNME-TV, Albuquerque (Ch. 5) on May 1 (Vol. 14:18) and next one not due until mid-June in Montana (see below). On-air total remains 536 (92 uhf). Also due in June is previously reported (Vol. 14:12) educational WJCT, Jacksonville (Ch. 7), now taking proof-of-performance measurements and due on air soon as possible.

Also taking proof-of-performance measurements is newly-powered KSTF, Scottsbluff, Neb. (Ch. 10), nearly 3 years old and now a full-fledged station on its own—no longer satellite of parent KFBC-TV, Cheyenne—with 238-kw ERP and new 675-ft. tower. It still gets network service off air from KFBC-TV, about 100 mi. distant, but does its own local public service, news, sports, film, some spots—and is sold nationally only in combination with KFBC-TV.

Canada, with 51 outlets on air, reports summer debuts planned for 4 more outlets—repeater CFCL-TV-2, Elk Lake, Ont. (Ch. 2) [see below]; CKBL-TV, Matane, Que. (Ch. 9); CHAB-TV, Moose Jaw, Sask. (Ch. 4); CKOS, Yorkton, Sask. (Ch. 3).

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

KRTV, Great Falls, Mont. (Ch. 3) has ordered Gates transmitter, plans June 15 start, but hasn't signed with network, writes co-owner Robert R. Laird, whose father Francis Laird owns other 50%. It will be second outlet in town where sale of KFBB-TV (Ch. 5) fell through because of fear of CATV (Vol. 14:19). Make of 100-ft. tower was not reported. Dan Snyder, ex-radio KUDI, Great Falls, is gen. mgr. Rates not set; rep will be Forjoe.

KCMT, Alexandria, Minn. (Ch. 7) has 2-kw RCA transmitter on hand, plans Sept. 1 start with NBC-TV & ABC-TV programs, writes gen. mgr. Glenn Flint. Construction of 1000-ft. Stainless guyed tower has begun and RCA traveling wave antenna is scheduled for installation as soon as it arrives in early Aug. Owners include E. C. Reineke, Thomas K. Barnes & Julius Hetland, of WDAY-TV, Fargo, N. D. (Ch. 6), who control 41% of stock. Kenneth L. Olson, from WDAY-TV, has been named chief engineer. Base hour will be $200. Rep not chosen.

KCIX-TV, Nampa, Ida. (Ch. 6) has ordered 5-kw RCA transmitter for June 15 delivery and plans July 15 programming, reports owner Roger L. Hagadone, former owner of radio KYME, Boise. Blaw-Knox 310-ft. tower and building are ready at site 3.5-mi. S of Meridian, Ida. RCA 2-bay antenna, due there June 15, is scheduled for installation June 25. Rates are not set yet. Rep will be McGavren-Quinn.

KXAB-TV, Aberdeen, S. D. (Ch. 9), planned as affiliate of parent KXJB-TV, Valley City-Fargo, N. D. (Ch. 4), has changed target to Sept. 1, reports pres.-gen. mgr. John W. Boler. Standard Electronics 10-kw transmitter is due July 15, when studio-transmitter building is due for completion. Construction of 400-ft. Stainless tower hasn't begun, but 6-bay RCA antenna is scheduled for installation Aug. 1. Henry Benchler, from KCJB-TV, Minot, will be resident mgr. Base hour will be $150. Rep will be Weed.

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CFCL-TV-2, Elk Lake, Ont. (Ch. 2), planned as second unmanned automatic repeater by parent CFCL-TV, Timmins, Ont. (Ch. 6), has 1.5-kw GE transmitter due June 14, plans first test programs June 20, writes owner J. Conrad Lavigne. Satellite CFCL-TV-1, Kapuskasing, Ont. (Ch. 3) began last Dec. Construction of 400-ft. Wind Turbine tower begins June 5 and Sinclair antenna is due to arrive June 15. Foundation for transmitter house has been completed. CFCL-TV plans to raise base hour from $180 to $200 when CFCL-TV-2 gets on the air. Reps are Paul Mulvihill & John N. Hunt.

Canadian channel changes announced, following agreement with U. S.: Oliver, B.C., add Ch. 8; Edmunston, N.B., change Ch. 13-minus to Ch. 13; Cornwall, Ont., add Ch. 8-plus; Pembroke, Ont., change Ch. 13-minus to Ch. 13; La Sarre, Que., change Ch. 13 to Ch. 13-plus; Three Rivers, Que., change Ch. 13 to Ch. 13-minus. Cornwall allocation is with condition that transmitter must be at least 170 mi. from U. S. stations, power no more than 50 kw, antenna no more than 500 ft. (or equivalent) over a sector covering northern & southern limits of Lake Champlain.

Sun-Ray Drug Co.'s brothers William & Harry Sylk this week applied, as Dade Bcstg. Co., to acquire the *Miami Herald-Miami News*-Niles Trammel controlled radio WCKR, Miami (5-kw, 610-kc) with WCKR-FM (97.3 mc) for $800,000 cash. Deal is personal venture, though Sun-Ray also owns radio WPEN, Philadelphia. Seller Biscayne TV Corp. will retain WCKT (Ch. 7), WCKR gen. mgr. Owen Uridge either going over to TV or continuing with the AM. [For other radio station sales & transfers, see *AM-FM Addenda U.*]

Translator starts: K75AH, Indio, Cal. began April 24 repeating KRCA, Los Angeles; K72AP, K76AK & K80AM, Window Rock, Ariz. plan June 1 start carrying KOB-TV, KOAT-TV & KGGM-TV, Albuquerque; K70BA, Lewiston, Ida. began May 20 repeating KREM-TV, Spokane.

Educational TV & Radio Center, Ann Arbor, Mich., Ford Foundation-financed, may be moved to new Rockefeller-projected Lincoln Center for Performing Arts, N. Y.

Community antenna operator Bill Daniels, who owns system in Miles City, Mont. among others, this week went all-out in attack on Mont. telecaster Ed Craney in letter to Mont. Congressional delegation. If KGEZ-TV, Kalispell (Ch. 9) went dark, he said, it was because of poor business judgment—because 2000 CATV customers in town could scarcely mean difference between profit and loss. As for Craney, most active in fighting CATV systems: "You might be interested in knowing that Mr. Craney himself has been interested enough in CATV that he personally invested money to investigate the possibilities of participating in the CATV business himself, but since he is not an investor, he does not like it. He wants a monopoly which the community antenna operators would like too, but in no case have we ever appealed to you or to any member of the FCC in order to obtain a monopoly."

Videotape got powerful public demonstration last week when, a few minutes after the live telecast of the Preakness at Pimlico, CBS-TV put the tape recording on the same network with same analyst Bryan Field doing a second (and, some said even better) analysis of the big race during the videotape version. Wrote *N. Y. Times*' Val Adams: "The speed of Ampex might be of benefit to comedians who don't get laughs first time they tell a joke."

Storm-damaged WEAT-TV, W. Palm Beach (Ch. 12), resumed operation with regular facilities May 20, having used auxiliary tower since April 26, when it returned to air after going dark April 22.

FCC Bats 1-2 in Court: Court of Appeals took FCC to task in 2 decisions this week, upheld it in another. In most litigated TV case on record, court for third time sent back to Commission the site change granted WSPA-TV, Spartanburg, S. C. (Ch. 7). Last time court sent it back, it told Commission that: (1) Site change resulted in "a curtailment of service to the Spartanburg area which, unless outweighed by other factors, is not in the public interest"; (2) WSPA-TV had made misrepresentations to FCC which were "calculated, deliberate and not insignificant."

Commission examined matter again, then on July 18, 1957 affirmed its previous decision by concluding that site move assured WSPA-TV of CBS-TV affiliation, thus assured station would actually be built, outweighing question of curtailing service to Spartanburg. Secondly, FCC said, the misrepresentation was not "willful deception."

Decision by Judges Edgerton & Bazelon (Fahy dissenting), reflected real irritation with FCC. Wrote Bazelon:

"Perhaps the record would support a finding that no network affiliation would be available [to WSPA-TV] at the original site. It may be, also, that a finding could be made that other network services would have less value to the community than CBS because they would be more duplicative of existing services. But these are matters for findings by the Commission and the Commission has made no such findings . . . To say that a 'calculated, deliberate' misrepresentation is not 'willful' is a contradiction in terms. The Commission's determination that [WSPA-TV] was not guilty of willful misrepresentation is, therefore, not a valid finding supporting the conclusion of reliability."

Dissenter Fahy stated: "I do not think we should consider the Commission's decision on remand as intended to evade our decision but as a good faith conclusion that the misrepresentation was not such wrongful conduct as to disqualify [WSPA-TV]."

Second decision covered experimental grant of Ch. 12 to WJMR-TV, New Orleans, now duplicating on both Ch. 20 & Ch. 12. Based on arguments of co-channel WJTV, Jackson, Miss. (Ch. 12), Judges Edgerton & Bazelon (Danaher dissenting) stated that FCC should have held a hearing on the experimental application. WJTV claimed that its own license was illegally modified when WJMR-TV was permitted to operate 162 mi. from WJTV site instead of the 190 mi. required by rules, and it said WJMR-TV is really operating commercially on Ch. 12, really doesn't have true experimental. Court majority agreed: "In view of [WJTV's] allegations tending to show that [WJMR-TV] was not proposing a bona fide experiment, we find the Commission erred in granting the application without hearing."

Judge Danaher disagreed, said experiment could help resolve "the whole intermixture conflict," saw no reason for substituting court's judgment for Commission's on a decision "reconcilable with the directions of the statute."

Third decision was a quickie. Grantee WOCN, Atlantic City (Ch. 52) had challenged FCC's denial of his petition to move WRCV-TV's Ch. 3 from Philadelphia. Judges Miller, Bazelon & Danaher merely said: "We hold the Commission acted within its discretion."

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Another now-infrequent vhf decision is at hand—for Ch. 10, Onondaga, Mich. - Commission instructed staff to draft final decision favoring share-time applications of TV Corp. of Mich. (part owned by radio WILS, Lansing) and State Board of Agriculture, latter to surrender uhf WKAR-TV, E. Lansing (Ch. 60). Due to lose: Triad TV, headed by C. Wayne Wright, mgr. of radio WALM, Albion-Marshall, Mich.; WIBM, Jackson; WKHM, Jackson.

Site change of KBET-TV, Sacramento (Ch. 10), which has been to court and back, received initial decision in station's favor this week. Turning aside arguments of McClatchy Bcstg. Co., examiner Herbert Sharfman ruled that KBET-TV's application to change from Pine Hill to Logtown was made in good faith; that it didn't deliberately misrepresent its coverage; that new site should provide more reliable service.

Texas Tech grant for Ch. 5, Lubbock, was made effective immediately, and the following translator CPs were authorized: Ch. 72, Peach Springs, Ariz.; Ch. 75, Seaside, Ore.; Ch. 70, 74 & 80 for Fillmore, Meadow & Kanosh, Utah; Ch. 72, 77 & 83 for Delta & Oak City, Utah.

WCNY-TV, Carthage, N. Y. was granted waiver of rules to permit identification as Watertown as well as Carthage.

Allocations petitions: (1) By WFBL, Syracuse, to add Ch. 9 & 11, delete Ch. 8, WHEN-TV to shift from Ch. 8 to 9. (2) By Community TV Corp., to have Ch. 12 assigned to Pembina, N. D. instead of Hallock, Minn.-Pembina, N. D.

In FCC's action last week (Vol. 14:20), setting sale of WMBV-TV, Marinette, Wis. (Ch. 11) with radio WMAM for hearing on protest, it should be noted that Commission declined to stay effectiveness of sale approval—therefore stations are being operated by purchasers (Murphy-Bridges interests).

Now—TV-Labor Peace? NABET strike trouble at NBC & ABC (Vol. 14:19) was averted this week by new 3-year agreement covering 2000 engineers & technicians, unresolved contract issues involving about 100 editors & publicists to be submitted to arbitration. Terms of NABET settlement generally followed provisions won by IBEW in 11-day strike against CBS (Vol. 14:16). On other labor fronts: (1) Writers Guild of America rank-&-file ratified new contract offers by CBS, NBC & ABC, senior continuity writers on 3 networks getting raise to $183 weekly from $171. (2) AFTRA planned appeal to NLRB for national referendum among all TV actors to resolve jurisdictional TV tape dispute with Screen Actors Guild. (3) NAB labor relations mgr. Charles H. Tower urged Senate Labor subcommittee to recommend Taft-Hartley Act amendments closing loopholes in provisions on secondary boycotts and coercive picketing, said advertisers on struck TV-radio stations need protection from union pressures.

Relief for TV & radio stations from overtime provisions of Fair Labor Standards Act is provided for in bill (HR-12095) introduced by Rep. Abernethy (D-Miss.). It provides for exemption of stations from overtime provisions of Act for employes of stations outside standard metropolitan areas. NAB employer-employe relations mgr. Charles H. Tower says bill would put broadcasters "on an equal basis with those who are part of the small market broadcaster's economic environment," including small market newspapers.

Tax financing of translators is constitutional in Utah, district court Judge Joseph Nelson ruled in Pocatello this week. Community antenna operators who brought suit against such financing indicate they'll appeal to state supreme court.

"Shopping lists" of TV-radio-film programs available for exchange for Soviet programs are solicited by State Dept. from interested American companies.

Too Much Program 'Sameness': Rep. Oren Harris (D-Ark.), chairman of House Commerce Committee and its much-publicized "oversight" subcommittee investigating FCC, this week got into an unusual subject for a Congressman—programming. His angle was unusual, too, in address before Conn. Bcstrs. Assn. in New Britain May 23.

First he made it clear, elaborately, Congress has no control over programming: "Congress cannot change the heart of broadcasting, and that is programming, unless Congress decides—and I hope that day will never come—that the Govt. should take over broadcasting in whole or in part."

What he's concerned about, said Rep. Harris, is that broadcasters are programming so much the same—in pursuit of "ratings"—and that public might simply decide not to watch very much at all. He used automobile illustration:

"The year 1958 could very well go down in history as the year in which many people of this country began to tire of being offered by most automobile makers the same long, low, expensive, chrome-trimmed, and expensive-to-operate car . . . I am wondering how long it may take before some people discover that, not unlike the car makers, most broadcasters are offering substantially the same fare on their stations.

"Of course, you the broadcasters firmly believe that you know exactly what people want. 'Ratings' being all important to you, you may feel that 'it can't happen to us.' I have the impression that the automobile makers, too, had the very sincere conviction that they knew what people wanted. Perhaps they did, and it just happened that many people simply changed their minds . . .

"Most broadcasters appear to be aiming at the maximum number of shows with the highest rating. The result may be that if many people decide that they want to see something else and if they are unable to find something else by turning the knob to another station, they may decide to turn the knob of their sets to the 'off' position, and they could decide to leave it in that position for prolonged periods of time."

Harris also urged more editorializing, but expressed hope broadcasters "will of course observe the rules of fairness." He looks for "an important side effect":

"In editorializing you will not be able to look at 'ratings' in order to decide whether your efforts are successful. As a matter of fact, I am not so sure whether the popular approval of an editorial is a good measure of its quality. In editorializing, you will find that to a large extent you must shoulder responsibility for your editorials yourself and you cannot pass that responsibility on to the listeners or the viewers. Having shouldered this responsibility yourself in the case of editorializing, you may rely to a lesser extent on 'ratings' and to a greater extent on your own proper sense of values. Such increasing self-reliance will, I hope, give you the courage to offer to different segments of your listeners and viewers the kind of programs which they may learn to like."

ANA Blasts Triple Spots: Demand for revision of NAB's TV Code, and for tighter station-break time sales agreements between networks & affiliates, came this week from Assn. of National Advertisers which complained "important segment of advertisers are victims of the triple-spotting abuse in TV." ANA protest said 115 advertisers answered questionnaire on practice, 32 reported they suffered from it. Networks responded quickly. CBS-TV said it doesn't favor 3 or more spots in break period, but "cannot force an affiliated station to reduce number," although CBS o-&-o stations aren't allowed more than 2, in line with NAB Code. NBC-TV said network & affiliates' board agree triple spotting "is undesirable and have consistently opposed it," that "all efforts are being made" to end practice. ABC-TV said it's "very much aware of the adverse effects" of multiple spots, and is "confident that virtually all ABC-TV affiliated stations now are cooperating toward the elimination of this practice." NAB hadn't seen ANA survey at our press time, withheld comment on ANA blast.

Rorabaugh Report on spot TV advertising, covering first quarter and released May 15, is based on reports from 333 stations. Publisher N. C. (Duke) Rorabaugh estimates 350 stations share 95% of spot dollars, says his goal is to pick up other 17 stations for his 10th anniversary issue, covering second quarter.

Average TV viewing hit new high in 12 months ending in March—5 hours, 13 min. daily per TV home, 12 min. higher than previous year, according to TvB. It reports that network evening TV audiences were up 7% for first 4 months of 1948, daytime up 14%.

How to fight ad taxes is described in new "Community Action Plan" manual issued by Advertising Federation of America, 250 W. 57th St. N. Y., to be distributed on "restricted" basis. Details will be presented at AFA convention in Dallas June 8-11.

Harris Probe—New Phase: House legislative oversight subcommittee got going this week—but slowly & circuitously—on its long-promised "eye-opener" exposures of FCC scandals in addition to now-celebrated Miami Ch. 10 example. It moved into—or toward—20 suspect TV cases listed for immediate investigation (Vol. 14:20).

Subcommittee headed by Rep. Harris (D-Ark.) spent most of week listening while Library of Congress specialist James P. Radigan Jr. and subcommittee researcher Robert S. McMahon droned into record previously-released reports—14 on comparative TV cases, 6 on station sales.

Then House investigators got down to first case, Harris assuring reporters "it is going to get a little more interesting as it goes along." First case turned out to be not one of 20 cases specifically cited on list, but one involving alleged political pressures by high Republican leaders in Springfield (Ill.) Ch. 2 case.

As testified by subcommittee investigator Stephen J. Angland, who submitted staff reports, letters & memoranda, FCC Comr. Lee switched his vote on award of Springfield Ch. 2 after GOP House Whip, Rep. Arends (R-Ill.), told him that applicants who first won CP were "a bunch of New Dealers." Other ex-parte influence in behalf of ultimate winner WMAY-TV and against Sangamon Valley TV Corp., Angland said, came from ex-GOP chairman Leonard W. Hall, Rep. Simpson (R-Ill.), ex-Ill. State Auditor Orville E. Hodge, now in prison for embezzling $1,000,000 of state funds.

FCC awarded Springfield Ch. 2 to WMAY-TV June 29, 1956 (Vol. 12:26), reversing examiner's decision. But Commission followed up at once with deintermixture rule-making which gave Ch. 2 to St. Louis & KTVI, leaving WMAY-TV with still-unactivated Ch. 36. This point was not brought out at hearing, but subcommittee counsel Robert Lishman told us that "ramifications" of Springfield case—to be brought out next week—led into St. Louis, where Ch. 11 case is among 20 on subcommittee's list.

* * * *

"We are only now laying the foundation for future evidence of political influence in the FCC," Lishman said, promising to prove "beyond a reasonable doubt" that "ex-parte pressure in this and other cases was more responsible for FCC decisions than announced standards."

Comr. Lee was en route from Chicago's EIA convention and could not be reached directly for comment on Angland's charge of vote-switching. But through his office he denied it. "To the best of my knowledge," he said, "I never knew any of the principals involved in the Springfield Ch. 2 case and never met any of them. I was never contacted on the merits of this case." Lee's office also checked FCC minutes, reported that they prove he consistently favored WMAY-TV, never changed vote.

Other Republicans named by Angland denied to reporters that they exerted political pressures to swing Ch. 2 away from Sangamon Valley, owned 4% by Mrs. Ernest Ives, sister of 1952-1956 Democratic Presidential nominee Adlai E. Stevenson, and her husband & son. Arends said he never called anybody "a bunch of New Dealers," that he had had lunch with Lee, but was "neutral" in Ch. 2 case. Simpson said Hodge "asked me a lot of things" but that he didn't "recall any Springfield case," never interceded with FCC for Hodge or WMAY-TV.

Open invitation to testify was issued later by Lishman to all named in case. "No one wants to do anything here not supported by evidence," subcommittee counsel said. He added he would "imagine a lot of them would want to" appear before subcommittee.

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Week of May 26: More Springfield Ch. 2, Angland again on stand. "Nobody knows now just where it may lead us," Lishman told us. He said additional evidence gathered by his staff will show that "so-called standards & reasons" announced by FCC in decisions "have no substance in reality."

Chairman Harris next plans to introduce amendment to Federal Communications Act requiring payment of transfer fee to Govt. by sellers of TV stations. He said this would help eliminate "windfalls" in station deals such as those cited as examples in subcommittee's staff report.

And Bernard Schwartz, subcommittee counsel who was fired in blow-off which preceded Miami Ch. 10 disclosures, was heard from again. In interview with *Washington Star*, he asserted that subcommittee has "labored mightily and brought forth a mouse—not even a mouse." He also reported he is writing a book about his experiences with subcommittee.

Violation of FCC network rules by Crosley Bcstg. Corp. was cited by FCC this week, in exchange of letters released by Commission, with FCC accepting Crosley's assurance violation wouldn't be repeated. Commission said Crosley, unable to accept certain NBC-TV programs on its Ohio stations, had prevented NBC-TV from putting the programs on competing stations by threatening to cancel other programs. Crosley said it believes it hasn't violated any rules, guaranteed it wouldn't in any event, said it would pass the word to the responsible personnel.

NATIONAL ADVERTISING volume as a whole is 2% ahead for quarter—with network TV leading all media, up 15%, network radio up 4%, newspapers down 9%, magazines down 2%. Figures are by *Printers' Ink*, whose monthly National Advertising Index does not, however, embrace TV-radio spot or local.

Coincident with *Printers' Ink* figures, which presumably are compiled in cooperation with same McCann-Erickson researchers who have estimated "Annual Volume of Advertising in United States" since 1947, with breakdowns for all media (see *Television Factbook No. 26*, p. 27), Television Bureau of Advertising this week announced that network TV billings as whole in first quarter were up 13.5% while spot went up 1.8%. Network billings represented advertiser expenditures of $143,704,116 (for breakdowns by networks, see Vol. 14:19), spot totaled $119,062,000 (as reported by 321 stations).

The TvB spot report is based on quarterly findings by N. C. Rorabaugh, and it analyzes spot by day parts and type of spots in addition to listing the top 100 national & regional spot TV advertisers and their expenditures by product classifications. It shows 33.2% of quarter's spot buys were day, 56.9% night, 9.9% late night. Announcements, including participations, comprised 70.3%, IDs 11.8%, programs 17.9%.

The sponsor expenditure lists for both networks and spot are available from TvB, 444 Madison Ave., N. Y. The *Printers' Ink* index & percentage figures for all media for March are as follows:

Medium	Index March 1958	Index March 1957	% Change from 1 month ago	% Change from 1 year ago	% Cumulative change
GENERAL INDEX	207	204	0	+ 1	+ 2
Total Magazines	150	158	— 5	— 5	— 2
Weekly	166	175	— 7	— 5	— 4
Women's	114	121	0	— 6	+ 3
General Monthly	177	184	— 8	— 4	+ 1
Farm	95	107	+ 7	—11	—16
Newspapers	184	202	0	— 9	— 9
Network Television	422	370	+ 2	+14	+15
Network Radio	28	29	—10	— 3	+ 4
Business Papers	217	209	+ 5	+ 4	— 2
Outdoor	163	154	+ 1	+ 6	+ 1
Direct Mail *	224	222	+ 1	+ 1	+ 2

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers 1950-52. "Cumulative change" in the last column refers to the change, from the same period last year, of the index average from January through March, 1958. * Direct mail is not included in the general index, as data usually lag one month.

Canadian broadcasters, in annual meeting in Montreal last week cheered Progressive Conservative Party for its assurance that a separate regulatory body would be established—ending CBC's domination of dual public-private system—looked forward to eventual establishment of commercial TV stations competing with CBC outlets in major cities. Following U. S. lead, organization changed name to Canadian Assn. of Broadcasters, elected: pres., Vernon Dallin, CFQC-TV, Saskatoon, Sask.; TV v.p., Geoffrey Sterling, CJON-TV, St. John's, Nfld.; radio v.p., Philip LaLonde, CKAC, Montreal.

Better TV reporting was theme of speech by CBS-TV v.p. Sig Mickelson before annual convention of Conn. Broadcasters' Assn. in New Britain this week. He offered 5-point program: (1) Improved personnel. (2) More original reporting. (3) Quality performance at all times. (4) Sound financing. (5) Greater unity among broadcasters when attacked.

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING • WASHINGTON 5, D. C. • TELEPHONE STERLING 3-1755

Trade Report
May 24, 1958

EIA CONVENTIONEERS SEE 'BOTTOMING-OUT': Always an excellent forum for sounding off, Electronic Industries Assn.'s annual convention in Chicago this week heard industry leaders discuss No. 1 problem -- declining sales and lower profits. In formal talks and informal corridor chatter, effect of recession was main conversation piece. But there was a note of optimism throughout -- an expectation that the worst is over and autumn will see an upturn in consumer business.

Outgoing EIA pres. W. R. G. Baker, unable to attend because of illness, said in speech read for him by exec. v.p. James Secrest:

"While both production and sales of consumer goods have been down and military orders have not taken up the slack in employment and plant capacity, most signs point to an economic upturn later this year. The electronics industry should be in the forefront of this recovery." He acknowledged many manufacturers have found the going tough and profits slimmer or non-existent, but insisted the industry today appears more stable than ever before. He added:

"Never one to cry too long over spilt milk, however, and long accustomed to quick changes to meet competition, the electronics industry, I'm confident, will adapt itself to changing times and market conditions, whether for the military or commercial customer. In fact, the industry already has changed its production mix drastically since 1950. Between 1952 and 1957 home entertainment business dropped from 58% to 20% of total electronics sales, while the military share rose from 20% to more than 52%. Industrial electronics sales, which were negligible decade ago, now are running close to radio-TV-phono equipment in dollar volume."

Long-range tax relief proposal to spur industrial research came from Hoffman Electronics pres. H. Leslie Hoffman in accepting the 1958 Medal of Honor. He'd give corporations a direct Federal tax credit of 35% of amount spent on approved research and development of commercial products & services up to one percent of gross sales, limiting the tax credit, however, to 35% of such expenditures or $500,000 annually, whichever is the lesser. While such a credit might cost the Govt. $90,000,000 a year at first, he said its benefits would result in many-fold return in new taxes.

"We are not joining in the parade of those who advocate a reduction in taxes simply to permit more spending," said Hoffman, a past pres. of EIA. "We are making a sound business proposition -- suggesting an investment on the part of both Govt. and industry from which both parties will profit."

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New production record by electronics industry will be set in fiscal 1957-58, said Frank W. Mansfield, Sylvania v.p. & chairman of EIA's marketing data committee. He estimated a $7.5 billion total vs. $5.7 billion a year ago. Added: "When distribution, service, installation and broadcast revenue is added total will go to about $12.5 billion" vs. $11 billion for fiscal 1956-57.

Another optimistic note was sounded by Packard-Bell pres. Robert S. Bell, chairman of EIA's consumer products div. Said he: "Though the sales of TV declined, inventories have been maintained at normal levels or below. Industry stability has been achieved in the face of reduced consumer buying resulting from the recession."

[For other news of EIA convention, see pp. 17-18.]

TV-Radio Production: TV set production was 67,949 in week ended May 16 vs. 68,125 preceding week & 80,949 in 1957. Year's 19th week brought production to 1,672,788 vs. 1,994,000 last year. Radio production was 104,077 (45,582 auto) vs. 159,967 (46,215 auto) preceding week and 251,249 (102,111 auto) last year. For 19 weeks, production totaled 3,522,252 (1,136,789 auto) vs. 5,604,000 (2,227,000).

CHICAGO PARTS SHOW SWINGS WITH STEREO: It was stereo all the way at this week's Electronic Parts Distributors Show at Chicago -- dispelling any lingering doubt the master minds of the home electronic entertainment products field see it destined to help lift business out of the doldrums of lagging TV-radio sales. At EIA convention, too, stereophonic sound was the cynosure of interest.

Whopping orders for hi-fi components were reported, stimulating feeling that recession blues might fade in the prospect of biggest phono year ever. We tried to find out just how big hi-fi & stereo market will be this fall. Best consensus we could get was educated guesstimate, that total sales should exceed $275,000,000 -- up some $70,000,000 from 1956.

"Keep your eye on '59," said those in the know. "That's when stereo will come into its own." Why? Partly because it's new this year and needs to win more public acceptance. More importantly, though, they expect bugs to be ironed out by next year and compatible stereo records on the market in volume.

Only problem giving pause to stereo boom right now is that of record availability. Phono makers want better assurance from record manufacturers that stereo discs will be ready when stereo phonos reach retail outlets. Partially reassuring was word from two of big record companies -- RCA & Columbia -- that stereo records will be released in mid-summer. Capitol plans limited number of releases. Audio Fidelity, Esoteric & Urania have a few out now.

Battle for stereo market looms between component makers and manufacturers of packaged units. That's evident from exhibits and demonstrations at the Parts Show. While component makers who cater to audiophile market were out in force as usual, their dominant position as far as stereo was concerned was challenged by several of the "biggies." GE showed stereo versions of its cartridge as well as complete line of hi-fi components for first time. CBS-Hytron chose Show to introduce its own stereo cartridge. Stromberg-Carlson showed big line of hi-fi & components.

We've kept you apprised of new stereo developments right along and can report that, while they were not out with big demonstrations at the Parts Show, the other major manufacturers passed word around that they are ready with stereo. These included Admiral, Philco, RCA, Westinghouse & others. DuMont entered stereo field this week with 4 units to convert hi-fi models. It adds $125 to cost of phonos priced from $120 to $300. Said DuMont receiver div. mgr. Allen B. DuMont Jr.: "Expansion of DuMont line into stereo is prompted by heightened consumer interest."

Further on stereo records: There's still apparently plenty of life in the much publicized CBS compatible disc, demonstrated at IRE March convention in N.Y., then returned to labs for refinement (Vol. 14:13,14). May Audio Magazine, bible of the audiophiles, has 3 articles describing & evaluating CBS stereo system, says it's coming thing, may be eventual answer to compatibility. [For details, see p. 18.]

Trade Personals: John C. Sharp retires as pres. & gen. mgr. of GE's Hotpoint div. after 29 years with company . . . Herbert K. Okrongly, ex-Zenith, named asst. gen. sales mgr. of Herold Radio & Electronics . . . Gerald L. Landsman promoted to asst. director of research & development, Motorola military electronics div. . . . Michael Balog promoted to new post of mfr. mgr., Sylvania semiconductor div. . . . Dermot A. Dollar promoted to new post of RCA director of exhibits . . . James J. Cassidy, ex-trade editor of *Television Digest*, named associate editor of *Electrical Merchandising* . . . Donald B. Nason promoted to sales v.p. of Reeves Instrument Corp. . . . Thomas J. Riggs Jr. resigns as exec. v.p. of Gabriel Electronics, Cleveland; Robert T. Hood promoted to v.p. & treas. . . . George T. Sanford promoted to v.p., Alden Electronic, Westboro, Mass.

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British Pye stereo system, demonstrated recently in London, goes on market in June for about $170.

Business failures among radio-TV-electronics manufacturers during 11 months ended March 31 declined 20% from corresponding period year ago when 34 companies were in financial straits, according to report to EIA convention in Chicago this week by T. B. Judge, chairman of EIA's credit committee. Number of component mfrs. suffering financial reverses dropped from 14 in 1956 to 8 in 1957. Practically no concerns in the phono-hi-fi field were in trouble. Marked increase was noted in financial difficulties among makers of test equipment, instrument and communication equipment. Forty-four new electronics firms were established vs. 42 last year.

Signs of the Recession Times: Distributor TV-appliance newspaper adv. lineage in Baltimore dropped 10-30% during first 4 months compared with 1957. Distributors attribute decline partly to reduced factory co-op ad funds.

Westinghouse TV sets are now being produced in Sweden by AB Scan-West, Stockholm.

1958 EIA Officers: New EIA pres. is David R. Hull, v.p. of defense programs of Raytheon Mfg. Co. He's a retired Navy Captain and electronic engineering officer, Harvard graduate, went with IT&T (Farnsworth) before joining Raytheon in 1950. He succeeds Dr. W. R. G. Baker, retired GE v.p.

EIA board of directors at Chicago convention this week also elected: exec. v.p. & secy. James D. Secrest (re-elected); treas. Leslie F. Muter, pres. of Muter Co. (re-elected); gen. counsel Wm. L. Reynolds (re-elected); chairman consumer products div. Robert S. Bell, pres. Packard-Bell, Los Angeles; chairman military products div. S. R. Curtis, v.p. Stromberg-Carlson; chairman parts div. Russell E. Cramer Jr., v.p. Radio Condenser Co.; chairman tube & semiconductor div. Arthur L. Chapman, pres. of CBS-Hytron; director of engineering dept. W. R. G. Baker, retired GE v.p. (re-elected).

Other board action: (1) Appropriated $15,000 to initiate compilation of "primer" on educational TV installations to be issued as guidebook for boards of education and others interested in ETV. (2) Approved continued campaign for repeal of 10% excise tax on TV-radio sets and parts. (3) Approved in principle Federal tax credit to corporations for research expenditures as proposed by H. Leslie Hoffman at convention banquet (p. 16). (4) Recommended continued investigation of effect of Japanese imports on American industry, particularly transistorized radios & components.

Sale of Westrex Corp., Western Electric wholly-owned subsidiary which distributes sound recording equipment for movie and phono record industries, to Litton Industries, Beverly Hills, has been tentatively arranged. Sale conforms to 1956 anti-trust consent decree between Justice Dept. and Western Electric parent, AT&T (Vol. 12:14).

Stereo Feud—One Side: There's still plenty of life in CBS compatible stereo recording system sent back to labs after initial demonstration at IRE March convention in N. Y. (see p. 17 & Vol. 14:13-14). That's theme of articles in May *Audio Magazine*—2 highly technical, one editorially chastising critics for "sour grapes."

Writes editor C. G. McProud: "As might be expected, the CBS Labs' announcement inaugurated a series of publicity blasts which implied that the stereo effect was being compromised to produce a compatible record, and that the originators of the blasts would never compromise stereo in order to make a compatible record, all of which sounds suspiciously like sour grapes. We well remember 1948 when some of the companies stated that they would not produce LPs, but the memory of the public is short, and no one commented when these companies finally came forth with LP releases. In any case, we agree with Mr. Canby [author of second article] that some modification of the recording process will be employed by all manufacturers before many months have passed."

Inferring CBS system will eventually be used, Edward Tatnall Canby writes: "I suggest that a year from now you put meters, vertical vs. lateral, on a batch of stereo records, any old brands, and see what you get in output. Dollars to doughnuts. . . .

"With an almost fully interchangeable disc, compatible every which way, there can be a much needed 'smooth transistion' from normal LP recording to full stereo LP, with practically no dislocation in the record business itself . . . This is usefully important if stereo disc is to move in smoothly. This is a cake that could well be worth having and eating, too."

Dr. Peter C. Goldmark, CBS Labs pres. & director of research, with engineers Benjamin B. Bauer & Wm. S. Bachman, co-author third article giving complete technical details, titled "The Compatible Stereophonic Record."

DuMont's 1959 line of TV receivers, introduced this week, offers 19 basic models ranging in price from $190 for 17-inch all-wood cabinet portable to $530 for 24-inch fruitwood console. Also listed are 2 TV-AM-FM consoles at $1200. Engineering features include DuMatic remote control, permanent fine tuning and provision for stereo sound. Remote control is standard equipment on 7 models providing on-off, channel selection & volume control. Phono jack in 14 models permits use of hi-fi TV speaker as auxiliary unit for stereo systems. Also introduced was new portable hi-fi phono in 3 styles from $120 to $140.

Exports of electronic products from U.S. were at near record level in 1957, Raytheon v.p. & chairman of EIA international dept. Ray C. Ellis told EIA convention in Chicago this week. He said sales of TV-radio broadcast equipment abroad totaled $11,200,000, gain of $3,000,000 over 1956. Declines were noted in exports of TV sets and radios. Transistor exports quadrupled. Also reported was a continually expanding world market for U.S. phonos and equipment.

Sales of tube and semiconductor industry in 1957 totaled $384,000,000, increase of $10,000,000 over 1956, according to report to EIA convention in Chicago this week by D. W. Gunn, Sylvania tube sales v.p. and chairman of EIA tube and semiconductor div. He said transistor sales established "phenomenal record" of $69,739,000 in 1957, nearly doubling 1956 sales.

Bill to end excise taxes on TV-radio sets was introduced this week by Rep. Bray (R-Ind.).

Electronic medical miracles—including "artificial kidneys, lungs & even hearts"—are predicted by RCA chairman Brig. Gen. David Sarnoff in speech prepared for May 25 meeting of World Congress of Gastroenterology in Washington. In another of his frequently-prophetic surveys of electronic age potentials, he says day may come when electronic substitutes for organs & limbs will be "as familiar as artificial teeth or hearing aids." Sarnoff admits "idea is fantastic, but, as the marvels of electronics unfold, the line between fantasy & fact is ever harder to define."

British flat picture tube was demonstrated in London this week, but no reports on performance are available yet. Tube is being developed by Dr. Dennis Gabor, of Imperial College of Science & Technology, and manufacturing rights are held by National Research Development Corp. Spokesman for latter conceded tube is far from commercial availability.

Federal excise tax collections from TV-radio manufacturers for 9 months ended March 31 were $117,376,000, an increase from $114,717,000 during same period year ago. Collections for first 1958 quarter, however, declined from $45,250,000 in 1957 to $44,720,000 this year. Collections from phono makers in first quarter were $5,247,000 vs. $4,635,000 year ago.

Mercury Records has purchased Decca's Richmond, Ind. pressing plant, pres. Irving B. Green stating capacity will be upped to 2 million 45's, 600,000 LP's monthly.

New 24-channel microwave transmitter-receiver unit, model MM-9E, is offered by RCA.

Financial Reports:

AB-PT Scores New Gains: American Broadcasting-Paramount Theatres, which had net operating profit of $1,854,000 (43¢ per share) in first 1958 quarter vs. $1,743,000 (40¢) year earlier (Vol. 14:17), continued to advance in second quarter, pres. Leonard H. Goldenson told this week's annual meeting in N. Y. He disclosed no figures for period, but said both theatre & broadcasting business are "ahead of last year, despite strong competition and the present economic conditions." Reviewing AB-PT divs., Goldenson said movie business rebounded sharply from low point last fall, noted that TV advertisers are "somewhat cautious" about next season's shows, acknowledged again that radio network "has not been profitable," reported Microwave Associates Inc. and Technical Operations Inc. (in which it holds stock) are operating at profit. As for ABC-TV color prospects, Goldenson reiterated that network will be ready when demand warrants colorcasting, said $20-25,000,000 has been earmarked for facilities, but predicted wide acceptance of color TV won't come before fall of 1960.

Standard Coil Products Co., Chicago, paid its pres. James O. Burke $55,200 last year, according to its proxy statement for June 10 annual meeting. He holds 421,150 shares of 1,470,000 shares outstanding, or 28.65%, plus 26,000 indirectly through Tripp Building Corp. Director Victor E. Carbonara, also pres. of subsidiary Kollsman Instrument Corp., drew down $94,220, big part being Kollsman bonus, holds 100 shares. Secy. Arthur Richenthal drew $82,512, also including Kollsman bonus, holds 1875 shares; his law firm drew $60,000 in legal fees from Standard Coil and subsidiaries. Report also shows Glen E. Swanson, pres. of Solar Mfg. Co., owns 48,200 shares; the Swanson Foundation, organized for charitable purposes, owns 29,500.

Walt Disney Productions earned $1,633,250 ($1.06 per share on 1,537,054 shares) on gross revenues of $22,499,750 (including $7,886,027 TV income) in 6 fiscal months ended March 29 vs. $1,532,391 ($1.03 on 1,492,416) on $16,457,933 gross revenues ($6,747,759 from TV) year earlier. Half-year gross from movie rentals was $7,707,280 vs. $6,631,805. Lower relative net profits were attributed by pres. Roy O. Disney to higher operating costs. Disney has renewed ABC-TV contracts for *Disneyland*, *Mickey Mouse Club*, *Zorro*.

Reports & comments available: On CBS, in analysis by David A. Noyes & Co., 208 S. LaSalle St., Chicago. On Zenith, in *Previews* by Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. On IT&T, in brief by Herbert E. Stern & Co., 30 Pine St., N.Y.

National Telefilm Associates' Ely Landau and Oliver Unger, described as "a portly pair of shoestringers" when they started 5 years ago, are subject of article in May 15 *Forbes Magazine* titled "Used Movie Czars."

Guild Films Inc. reports it lost $463,227 in fiscal year ended last Nov. 30 vs. net income of $8187 in fiscal 1956.

Dividends: Magnavox, 37½¢ payable June 16 to stockholders of record May 23; Telechrome, 7½¢ June 18 to holders June 4; 20th Century-Fox, 40¢ June 28 to holders June 13; Sprague Electric, 30¢ June 13 to holders May 29; Oak, 25¢ (reduced) June 13 to holders May 29; AT&T, $2.25 July 10 to holders June 10. Gabriel, 10¢ (reduced) June 16 to holders June 6; GE, 50¢ July 25 to holders June 20.

TV-Electronics Financial Guide

We still have limited supply of our 20-pp. Special Report on Financial Data on Television-Electronics Companies, published May 10. Report tabulates 104 companies, shows where stock is traded, capitalizations, and for the years 1950-57 each firm's sales, pretax earnings, net profit, net per share, dividends, total assets, price ranges. Copies of Report available at $2 each; 10 for $12.50; 25 for $20.

Comdr. McDonald's Bequests: Will of Comdr. Eugene F. McDonald, who died of cancer at age 72 in Chicago May 16 (Vol. 14:20), stipulates that his Zenith Radio stock, real estate holdings, etc. be placed in a trust fund—45% of income to go each to son Eugene F. III and daughter Mrs. Guntram Weissenberg, 10% to his nephew Eugene M. Kinney, recently elected Zenith director and v.p.-hearing aids, until children reach 40. Will was dated Dec. 9, or 17 days before he entered the hospital for the first time. Trust embraces McDonald's approximately 10% ownership of Zenith stock, valued at more than $7,500,000 at current market, an apartment house at 2430 Lakeview Ave., Chicago, and real estate at McGregor Bay, Ont. His summer home on Mackinac Island, Mich. was left to Kinney, and personal effects & jewelry to various members of his family. Only sister, Mrs. Wilson Towns, Kinney's mother, had kept house for him most of time since 1947 divorce of wife, the former Elba Inez Riddle, a descendant of President Zachary Taylor, now remarried. Executors of estate are Kinney and Edward McCausland, a Zenith attorney; trustees of trust fund are McCausland and the 2 children. Note: Comdr. McDonald was subject of eulogy in May 20 *Congressional Record* by Rep. Libonati (D-Ill.), including article from *Chicago Tribune* whose late publisher Robert R. McCormick was an intimate friend.

AT&T vs. Justice Dept.: Hint that Justice Dept. may renew anti-trust action against giant AT&T came this week from Asst. Attorney General Victor R. Hansen in testimony before House Judiciary subcommittee, now in 10th week investigating original 1956 consent decree (Vol. 14:13). Both AT&T and subsidiary Western Electric have been asked to furnish Dept. with reports on steps taken to comply with decree, agreed with Chairman Celler (D-N. Y.) that changing economic conditions might require Govt. to "take another look" at AT&T.

Two courses of action are open: (1) Govt. might ask Federal court to "modify" 1956 decree. (2) Initiate new action based on "a different legal theory."

Committee was told AT&T may have failed to comply with section of decree which limits it to common carrier communications services only, by enlarging its private communications services through affiliated companies. Hansen said AT&T had filed tariffs with state regulatory bodies that clearly are not common carrier services.

Throughout investigation, AT&T witnesses and Justice Dept. have defended 1956 settlement from Celler's charges that it was "too soft" and failed to accomplish original purpose of separating Western Electric from parent AT&T.

Guide for component manufacturers selling TV-radio makers in May 19 *Electronic News*, lists 54 firms, officers, buyers, purchasing policies.

Cable Theatre Off: Bartlesville, Okla. cable-theatre experiment suspends operations June 6, as expected (Vol. 14:20)—but pres. Henry S. Griffing of operator Video Independent Theatres cautions industry not to write obituary of the concept. "We believe more strongly than ever," said he, "that audio-visual entertainment by wire will be in the home in future years as surely as TV, vacuum cleaners and washing machines. We just happened to be a little premature."

Reasons for suspension are those heretofore given. Too few subscribers could be obtained because: (1) Public prefers to pay by the picture, not on a monthly "package" basis. (2) Free telecast of older movies jaded public's appetite for new pictures. Another reason was enormous cost of leasing lines from telephone company.

Griffing made it clear his plant stands ready to resume when conditions are right. A metering system, permitting per-program billing, has been developed by Jerrold Electronics Corp., will be unveiled shortly—but it's not in production yet. Whether or not metering alone will be enough to justify resumption of system, not even Griffing knows.

There were no "hidden factors" in the failure. For example, film producers were willing to continue cooperation, offering new features for the experiment.

Dropout of Bartlesville may encourage other wired-system entrepreneurs to start pitching again. These could include Skiatron's "Matty" Fox whose grand plans for wiring up Los Angeles and San Francisco for major league baseball seem to have dissipated completely. But sports promoters still look hungrily to some form of pay-as-you-see TV for untold wealth. Good roundup of quotes on subject from sports bigwigs is contained in story by John M. Ross in May 18 *American Weekly*. They haven't given up hope.

More Boosts for Color: President Eisenhower's ruddy complexion, face and bald head quite sunburned, showed to exceptional advantage on color TV as he appeared May 22 at formal dedication of NBC-TV's new $4,000,000 fully color-equipped Washington studios (WRC-TV & WRC) along with some 400 notables of govt. and industry. It was first time the President had appeared on live color TV from nation's capital, a touch of drama being added when NBC pres. Robert Sarnoff pressed a button that shifted from black-&-white to color.

Even the President was impressed, and he expressed himself as "completely overwhelmed by the technical complexities and problems the broadcasting industry has been solving." He will be presented a color video tape of the ceremonies, recorded at NBC Burbank studio. He was taken, as were guests, on a tour of the ultra-modern plant on Nebraska Ave., with its 849-ft. tower, which RCA-NBC engineering executives claim is a model of its kind.

Note: Color TV got another fillip this week when New York's Hotel Tuscany, 120 E. 39th St., which claims to be first to introduce air-conditioning and TV in every room as well as feature telephones in every bathroom and walkie-talkies for staff, demonstrated color-in-every-room-at-no-extra-cost installations to newsmen. Equipment is an RCA Antennaplex master antenna, receivers being Sanford consolettes. Said RCA consumers products v.p. Robert A. Seidel:

"Hotels throughout the country have already recognized the importance of TV as a means of attracting guests and providing them with that something extra . . . We feel that countless other hotels will follow the lead of the Tuscany in installing substantial numbers of color TV receivers."

COMMON STOCK QUOTATIONS

Week Ending Friday, May 23, 1958

Electronics TV-Radio-Appliances Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
10⅛	7	Admiral	9⅝	+¼
23¼	19⅜	AmBosch .30e	23¼	+2⅛
18	13	AmBcstg-Par 1	17½	+½
37⅞	32¼	AmMy&F 1.60	34⅝	+1
178⅛	167⅞	AT&T 9	178	+1½
27⅞	22⅜	Amphenol 1.20	25⅝	+⅛
29⅞	24½	Arvin 2	24½	—
7¼	5⅝	Avco .20e	6¾	+¼
25¾	18	BeckInst 1¼f	20	+1⅞
53	44½	BendixAv 2.40	48⅝	+⅝
32½	27⅝	Burroughs 1	32½	+⅝
18⅝	15¾	Clevite ¼e	16⅜	—⅛
32	24½	CBS "A" 1b	31⅝	+¾
31¾	24⅛	CBS "B" 1h	31⅜	+⅞
17¼	12½	Col Pict ⅜t	17¼	—
35¼	27⅞	Cons Elec .40	32	+½
26¾	19½	Cons Electron	25	+½
16½	12¾	Cor-Dub .20e	15¼	+¼
86¾	74⅝	CornGlass 1a	83¾	+¾
3⅝	3	Davega	3⅜	—
35	30	Daystrom 1.20	33⅛	+2⅝
16¼	13⅞	Decca 1	15	+¼
24	14	Disney .40b	23⅞	+¾
107⅞	97⅛	EastKod 1.55e	104	—½
37	29	EmerElec 1.60	36½	+½
6⅝	4⅛	EmersonRadio	6⅛	—⅛
8½	7	Gabriel .60	7⅝	—
65¾	55	Gen Dynam 2	56⅞	+⅝
64¼	57	Gen Electric 2	59	+⅛
8½	4⅝	Gen Inst. .15g	8½	+½
41	28⅝	GnPrEquip.85e	30¼	+⅛
30	22¼	Gen Tire .70b	24	+⅜
47⅜	40⅜	Gen. Teleph. 2	46¼	—
27⅛	21	HoffmanElec 1	27⅛	+1⅛
357	300	IBM 2.60	350½	+1½
35⅛	29¼	IT&T 1.80	34⅝	+¾
41½	36⅛	I-T-ECirB .90e	37½	—
7⅞	6¾	ListIndust ¼e	6¾	—⅛
46	36⅞	Litton Ind.	45¼	+2¼
17½	12⅞	Loew's	16	—⅝
37	30¼	Magnavox1½h	35¾	—¼
28¾	23⅝	Mallory 1.40h	25½	—¼
88¾	76	Mpls.H'll 1.60a	87½	+2½
42¼	35	Motorola 1½	37¼	+1½
9	7⅜	Nat'l Thea ½	9	+½
38⅜	30⅝	Paramount 2	37½	+⅞
17⅛	12⅜	Philco	15⅛	+⅜
35	30¼	RCA 1a	34⅛	+1
27¼	21½	Raytheon 1¼t	26¼	—⅛
7⅛	5	Republic Pic	5½	—
34¾	27¼	SangElec 1.80	27¼	—½
16⅛	13¼	Siegler .80	13½	—
4	2¾	Sparton	3⅝	+¼
20⅝	17¼	SperryRan .80	18¼	+⅜
8⅝	6	Standard Coil	8	—⅛
18	14½	Stanley-War 1	15⅝	—⅝
34⅜	29	Stew Warn 2h	33⅞	+1⅜
25	20	StorBcstg 1.80	24⅞	+1⅜
37½	31½	Sylvania 2	36⅛	+1
37⅝	26¾	Texas Instru	35⅞	—
55¼	41⅜	ThomProd 1.40	45⅝	+1⅜
26⅞	23¼	Tung-Sol 1.40h	24⅞	+⅜
30¼	21¾	20thC-Fox 1.60	29¾	+½
22⅞	15¼	UnitedArt 1.40	22⅛	+⅞
22⅝	19	Univ. Pict	20½	—¼
19½	16⅞	WarnBros 1.20	19⅛	+⅝
65½	57¼	Westingh El 2	58	+½
78	67½	Zenith ½h	78	+2¾

AMERICAN STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
4⅛	2⅞	Allied Artists	4	—⅛
45	34½	Allied Con 1a	38½	+½
15⅛	12⅞	AmElectro ½	11⅞	—1⅝
10⅛	8⅜	AssocArtProd	9¼	—
12½	7¼	AudioDev	11⅜	+⅛
10⅛	7⅜	BelockInst ⅛t	8⅞	+⅛
1⅛	⅜	C & C TV	1	+⅛
3¾	2⅞	Clarostat .15g	3⅛	—⅛
4⅞	3	DuMont Lab	4	—⅞
4⅛	2⅞	Dynam Am	3⅝	—⅛
13⅛	10	EletcronicCom	12	—
7⅞	6⅜	Electronics Cp	6⅝	—⅛
31⅝	19½	FairchCam½g	24¼	+⅞
24⅞	17¼	General Trans	21¼	+⅝
17¼	14⅝	Globe Un .80	15½	+⅛
3¾	2½	Guild Films	3¾	+⅝
37⅝	30½	Hazeltine 1.40b	37⅝	+3½
2⅞	2	Herold Ra .20	2¼	+¼
4⅝	3¾	Int Resist .20	4	—
6¼	4¼	Lear	6⅛	+¾
11/16	⅜	Muntz TV	11/16	—
3¾	2½	Muter Co. ¼t	3¾	+⅜
9¼	5⅝	Nat'l Telefilm	8⅞	—⅛
1¾	1	Nat Union El	1⅝	—
6⅞	2¾	Norden-Ketay	3	+¼
3⅝	2⅞	Oxford El .10r	3⅛	+⅛
16	11	Philips El	14	—
8⅞	6⅝	Servomech	8⅞	+⅜
6	3⅜	Skiatron	4⅛	—
5¾	3½	Technicolor	5¼	—½
4½	3½	Trans-Lux .20g	3⅞	—⅛
4⅞	4	Victoreen Inst	4	—⅜

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked
Advance Ind	2 5/16	2 9/16
Aerovox	3¾	4¼
Airborne Inst	48½	50
Altec Co. .80	6	7
AMP Inc .50	19½	20½
Ampex	66½	70
Baird Atomic	7½	8½
Cinerama Inc.	1¾	2
Cinerama Prod.	1¾	2
Cohu Electronics	8	8½
Collins "A" .35	13¾	14¾
Collins "B" .35	13½	14
Cook Elec. .40d	18½	19
Craig Systems	6⅛	6⅝
DuMont Bcstg.	7⅝	8⅛
Eitel-McCullough (5% stk)	24½	26
Elec Assoc (stk)	40	43
Erie Resistor .40b	6	6½
Friden Ind. 1	50¼	53
Giannini, G. M.	12½	14
Granco Products .05	1⅛	1½
Gross Telecasting 1.60	18¾	20
Hewlett-Packard	25⅜	26
High Voltage .10g	30¼	32
Hycon	2 1/16	2⅜
Indiana Steel Prod. 1.20a	18	19
Jerrold	2	2¼
Ling Industries	2⅛	2½
Leeds & Northrup .60b	22	24
Machlett Labs .25g	16¾	17¼
Magna Theatre	1⅞	2¼
Maxson (W. L.) .05	5⅝	6
Meredith Pub. 1.80a	30¼	33
National Co. (4% stk.)	11¼	12
Oak Mfg. 1.40	13⅜	14
Official Films .10	15/16	1⅛
OR Radio	18¼	20
Pacific Mercury TV	6¾	7¼
Packard-Bell .50	11⅝	12
Panellit	5⅛	5½
Perkin-Elmer	22	24
Philips Lamp (14% of par)	37¼	39
Reeves Soundcraft (stk.)	3¼	3½
Sprague Electric 1.20	27½	28½
Taylor Instrument 1.20	28½	30
Tele-Broadcasters	3	3½
Telechrome .30	8¼	8¾
Telecomputing	4¼	4⅝
Teleprompter (stock)	9	9½
Time Inc. 3.75	60	63
Topp Industries (stock)	9	9¼
Tracerlab	6	6½
Trav-Ler	1¼	1½
United Artists	4⅝	5
Varian Associates	17¾	18½
Webcor .15c	9¾	10
Wells-Gardner	7½	8
WJR Goodwill Sta. .50d	13	13½

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. h Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. b Declared or paid after stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. • No trads

Television Digest with ELECTRONICS REPORTS
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Special Supplement
May 24, 1958

Beethoven and Rock 'n' Roll

The Anatomy of Song-Selling—a Professional Appraisal

Neither ASCAP Nor BMI Nor Disc Jockeys Nor Ballyhoo Can Guarantee a Song's Success

By GEORGE R. MAREK
Vice President & General Manager, RCA Victor Record Division

Text of Statement Before Subcommittee of U. S. Senate Committee on Interstate & Foreign Commerce, May 21, 1958 Opposing S. 2834 to Prohibit Broadcast Interests from Engaging in Music Publishing and Record Manufacturing

LEST YOU BELIEVE that I appear before the Committee solely as a businessman, permit me to be autobiographical to the extent of mentioning that I have long espoused the cause of music—all music! For many years I was Music Editor of *Good Housekeeping Magazine*, and I have written such books as *The Good Housekeeping Guide to Musical Enjoyment*, *Puccini* and *The World Treasury of Grand Opera*.

Let me say, then, that I welcome this opportunity to testify—not only on behalf of the record business, from which I make my living, but on behalf of music itself to which my love and my enthusiasm belong. I am quite in agreement that the true facts regarding the operation of the music industry should be developed.

The essence of the charges made by the proponents of the legislation [S. 2834 by Sen. Smathers (D-Fla.) proposing to prohibit broadcast interests from engaging in the music publishing and record manufacturing businesses] is that there is some kind of an improper flirtation going on between Broadcast Music Inc., the radio & television broadcasters and the phonograph record companies. The result of this is supposed to be that (a) the public is being forced to listen to music it doesn't like; and (b) that it can't hear the music it does like.

We are asked to believe the argument that the public sits in front of their radios or phonographs or TV sets, hungering for music which we, the all-powerful record companies, deliberately suppress—and that all the public gets from us is an inferior type of music which we foist upon them for one reason only: that we get some kind of an economic advantage from this inferior type of music.

What Is Meant by Superior Music?

I can indulge with you in a long and reasonably learned discussion as to what are supposed to be "inferior" or "superior" types of music, but when we get all through it will be one man's opinion. More of that later. For the moment let's accept that what is meant by superior music is the music by the older popular composers—the Victor Herberts, the George Gershwins, the Richard Rodgerses—the sweet, sentimental songs of yore, and the poor public just is not allowed to hear this music.

If these charges were substantially or even slightly true, I would be the first to be concerned. However, in my view the charges are nothing short of fantastic in their inaccuracy.

For we have no incentive whatsoever to do anything of the kind. Even if we had, it would have to be supposed that we are powerful enough to ram down the throats of the public music that they don't want, and to do this through association with a network. Now, only two major record companies are related to networks—RCA Victor and Columbia. Three major companies—Capitol, Mercury and Decca—do not have any radio or TV network association.

Can't Swing Public Taste

I cannot speak for Columbia, but I can say on behalf of RCA that even if we wanted to we could not swing public taste. Our ego might be flattered by this supposition of power were it not that we know that no such condition can exist. Our share of the record business, important and, I hope, beneficial as it is to music, is only one share of the total business, a share variously estimated as between 18% and 25%. In 1939 there were no independent companies of any significance from an industry standpoint while today there exist over 1300 different labels, aside from the major ones, and their total sales represent a substantial percentage of the total music done in the industry, particularly of the so-called "pop" music.

This is a good thing. We enjoy having competition, for reasons of developing the record business, of turning music into mass entertainment—and for pure business reasons. We manufacture a portion of the records for several of these independent companies.

Because of the development of high fidelity-tape recordings, anybody with an enterprising spirit and relatively few dollars can today get into the record business. It is not necessary, as it once was, to make a large capital investment in recording facilities, pressing equipment and distribution organizations. The result is that many small companies are prospering, and some of these are scoring notable successes with their ability to produce fast-selling hits on single records.

Who Made Last Year's Pop Hits

Chart A shows who made the pop hits of this country in the last year. It is prepared from a *Billboard* article (January 13, 1958) captioned: "Indies Hit '57 Tape with 70% of Pop Single Hits." What do we find? 207 disks made the list and 48 different labels are represented. *Billboard* arrived at its 70% figure by considering 44 of the labels, which accounted for 146 of the hits, as independents, with the other 4 labels—Columbia, RCA Victor, Capitol and Decca—accounting for 61 of the hits. The two major companies associated with networks—Columbia and RCA Victor with their subsidiary labels—accounted for 48 of the hits, or about 23% of all the hits listed. Not an overly large percentage, is it?

The figures indicate that we must compete for our hits, without worrying where those hits come from, or who

CHART A

Best Single Record Sellers in Stores, 1957

Record Label *		Total Selections	Performing Rights ASCAP	BMI
Columbia Epic	RCA Victor Groove Vik	48 (23%)	19 (40%)	29 (60%)
ABC—Paramount Aladdin Argo Atlantic Bally Baton Brunswick Cadence Cameo Capitol Chance Checker Chess Coral Decca Disneyland Dot Ember Era Fraternity Gee Glory	Gone Imperial J & S Jubilee Kapp Keen Lance Liberty London Luniverse M-G-M Mercury OJ Okeh Paris Phillips Roulette Specialty Sun VJ Verve	159 (77%)	39 (25%)	120 (75%)
		207 (100%)	58 (28%)	149 (72%)

* Based on *Billboard*, Jan. 13, 1958.

CHART A-1

20 Best Selling RCA Victor Single Records, 1950-1957

Year	Number of Best Sellers	ASCAP	BMI	Misc.
1950	20	12	6	2
1951	20	12	7	1
1952	20	11	9	
1953	20	12	8	
1954	20	14	6	
1955	20	12	7	1
1956	20	8	12	
1957	20	9	11	
Totals	160	90	66	4

publishes them. What is the percentage of ASCAP to BMI of these hits? The hits listed other than Columbia's and RCA Victor's were approximately 25% ASCAP, with the balance BMI, while the Columbia and RCA Victor hits were 40% ASCAP, or almost twice as many. These figures speak for themselves. First, Columbia and RCA Victor neither make the country's laws of taste—nor a large portion of the country's top songs. Second, their hit records show a substantially higher percentage of ASCAP than the industry hits.

I am sure none of these other record labels is concerned with whether the song it is trying to make a success is BMI or ASCAP, and few, if any, have direct connections with radio or TV broadcasting. All they are trying to do is to give the public what the public wants—and thereby make a living.

What about us? We are in exactly the same boat, only I sometimes think that life is a bit more difficult for us. We are not, let's admit it, an eleemosynary institution, although I am proud enough of our service to music to say that we have in half a century done more for the propagation of good music than many an educational institution. But we also are concerned with making money for our 170,000 stockholders. And, incidentally, only if we do make money can we afford to do something for education.

BMI or ASCAP Not a Deciding Factor

So the pressure is on for making successful hit records, and the men who are in charge of choosing the songs to be recorded care not one pale iota whether it's a BMI or an ASCAP tune, or who operates BMI or ASCAP, or who controls them, or which publishing firms and artists are affiliated with whom. Indeed, in the race for good material —a race which goes to the swift, not by weeks or days but literally by hours—they do not even stop to inquire what affiliation a song has. They couldn't care less. For they too, as I am, are charged with the responsibility of making successful records which the public will like and buy. If, in my capacity as general manager of the business, any one of our Artist & Repertory people were to bring me a song to be recorded, I would no more stop to inquire whether that song was BMI or ASCAP than they would. My only concern would be "Has it got a chance as a hit?"

Now, there are other operational facts which make it clear that a record company can have absolutely no interest in whether a particular musical selection is from BMI, ASCAP or some other source. In the first place, copyright royalties which we pay for mechanical reproduction rights are limited by statute, and the amount we pay is exactly the same whether it is paid to a music publisher affiliated with ASCAP, BMI or with some other organization. Thus, we have no financial interest whatever in whose copyrighted music is used.

Secondly, the bulk of the popular music recorded by our artists is brought to our attention by various music publishers. Many of these publishers wear two hats; that is, they own both a BMI and an ASCAP music publishing firm. I am also informed that in perhaps a number of instances the publisher himself, when he is dealing with music of a composer not affiliated with either BMI or ASCAP, may not decide whether the music will be published by the BMI or by the ASCAP publishing firm which he controls until after the record has been made.

In summary, the task of selecting music that will be a "hit," is by its very nature so difficult and perilous that it would be utterly absurd to handicap ourselves by predetermining the composers or publishing firms from whom we should take our music. If RCA Victor should follow that course, I predict we would be out of business before long.

There is still one further fact which influences the selection of music: the star who is going to sing it or the band leader who is going to play it. The artist has his say. All of our contracts provide that the selections to be recorded must be mutually agreed upon by company and artist. Our stars are not backward in expressing a strong opinion as to what material is good or bad for them. They too want to have a hit.

Let us look at RCA Victor's history with respect to pop singles. Chart A-1 shows a breakdown of our 20 best selling singles for the years 1950 through 1957. What does it show? Of the 160 selections, 90 were ASCAP, 66 BMI, 4 miscellaneous.

Chart A tells the story of the industry single record hits for 1957 and Chart A-1 shows the story of our singles. But that isn't the only kind of music we sell. Leaving out so-called "Classical" music, let us not forget a very substantial part of our business called the "Pop album" business. Popular albums include many types of material—shows and motion picture sound tracks and personality albums such as *Lena Horne at the Waldorf* and sacred music.

Falsity of Charge That ASCAP Is Avoided

In Pop albums—which I think are often bought by older people rather than the teen agers who represent the major market for hits—the recording companies do use many of the songs of the composers about whom you have been hearing. Indeed, we could not make successful albums without this standard type of music. Chart B shows the 31 best-selling albums in the industry for the year 1957, as reported in *Billboard* (Dec. 23, 1957). There was a total of 395 selections in these albums; 316 of them were ASCAP and 77 were BMI, with the remaining 2 in the public domain. ASCAP had 80%.

Now, let us examine music as a whole and see how many copyrighted selections have been recorded by RCA—be they Pop hits, in Pop albums or whatever form—comparing ASCAP to BMI selections. Charts C, C-1 & C-2 for 1956 & 1957 show the complete falsity of the charge that we deliberately avoid ASCAP music. Of the 17,073 copyrighted selections released during 1956 & 1957, 9,822 were ASCAP—58%. And as long as I am talking about the great standards—what I may call the classics of the popular field—let me show you that these exceptional, beloved songs have been more often released by us *after* the emergence of BMI—in other words, after the villain entered down-stage left—than *before.*

The selections on Chart D are those which Mr. Arthur Schwartz [ASCAP composer, who testified in favor of proposed bill] entered into the record stating they had fallen off in broadcast performance since 1948. As you can see, RCA released over 3 times as many of these selections after 1948 than before that year. Other songwriters of popular music who appeared before this Committee in favor of the Bill referred to other well-known compositions

CHART B

Best Popular Album Sellers in Stores, 1957 *

Position	Album	Artist & Label
1	My Fair Lady	Original Cast, Columbia
2	Hymns	Tennessee Ernie Ford, Capitol
3	Oklahoma!	Sound Track, Capitol
4	Around The World In 80 Days	Sound Track, Decca
5	The King And I	Sound Track, Capitol
6	Calypso	Harry Belafonte, RCA Victor
7	Love Is The Thing	Nat King Cole, Capitol
8	The Eddy Duchin Story	Sound Track, Decca
9	Songs Of The Fabulous 'Fifties	Roger Williams, Kapp
10	Film Encores	Montovani, London
11	Loving You	Elvis Presley, RCA Victor
12	Elvis	Elvis Presley, RCA Victor
13	An Evening With Harry Belafonte	RCA Victor
14	Jerry Lewis Just Sings	Decca
15	A Swingin' Affair	Frank Sinatra, Capitol
16	Belafonte	Harry Belafonte, RCA Victor
17	Steady Date With Tommy Sands	Capitol
18	Spirituals	Tennessee Ernie Ford, Capitol
19	Where Are You	Frank Sinatra, Capitol
20	Wonderful, Wonderful	Johnny Mathis, Columbia
21	Belafonte Sings of the Caribbean	Harry Belafonte, RCA Victor
22	Pat's Great Hits	Pat Boone, Dot
23	This Is Sinatra	Frank Sinatra, Capitol
24	High Society	Sound Track, Capitol
25	Songs for Swingin' Lovers	Frank Sinatra, Capitol
26	The Pajama Game	Sound Track, Columbia
27	Day By Day	Doris Day, Columbia
28	Elvis Presley	RCA Victor
29	The Platters, Vol. 1	Mercury
30	Pal Joey	Sound Track, Capitol
31	Ricky	Ricky Nelson, Imperial

Number of Albums	Number of Selections	Public Performance Rights ASCAP	BMI	Public Domain
31	395	316	77	2

* Based on *Billboard*, Dec. 23, 1957

CHART C

Number of Copyrighted Selections Released by RCA Victor Record Div., 1956 & 1957 (Combined) *

Type	Total	ASCAP	BMI	Misc.
Popular	11,940	8280 (69%)	3148 (26%)	512 (5%)
Country & Western	1,690	443 (26%)	1135 (67%)	112 (7%)
International	2,529	362 (14%)	1652 (66%)	515 (20%)
Childrens'	105	30 (29%)	29 (27%)	46 (44%)
Classical	809	707 (87%)	49 (6%)	53 (7%)
Total	17,073 (100%)	9822 (58%)	6013 (35%)	1238 (7%)

Public Domain Selections Released*	
Popular	901
Country & Western	161
International	39
Childrens'	22
Classical	1003
Total	2126

*Includes selections of same performance released for sale through regular channels of distribution in different forms, such as 45rpm and 78rpm single records, 45rpm Extended Play records, 33-1/3 Long Play records, and prerecorded tapes.

CHART C-1

Number of Copyrighted Selections Released by RCA Victor Record Div., 1956

Type	Total	ASCAP	BMI	Misc.
Popular	6998	4788 (68%)	1956 (28%)	254 (4%)
Country & Western	833	206 (25%)	571 (68%)	56 (7%)
International	1384	213 (15%)	832 (61%)	339 (24%)
Childrens'	22	3 (14%)	1 (4%)	18 (82%)
Classical	509	439 (86%)	32 (6%)	38 (8%)
Total	9746 (100%)	5649 (58%)	3392 (35%)	705 (7%)

Public Domain Selections Released*	
Popular	518
Country & Western	37
International	22
Childrens'	6
Classical	539
Total	1122

*Includes selections of same performance released for sale through regular channels of distribution in different forms, such as 45rpm and 78rpm single records, 45rpm Extended Play records, 33-1/3 Long Play records, and prerecorded tapes.

CHART C-2

Number of Copyrighted Selections Released by RCA Victor Record Div., 1957 *

Type	Total	ASCAP	BMI	Misc.
Popular	4942	3492 (71%)	1192 (24%)	258 (5%)
Country & Western	857	237 (28%)	564 (66%)	56 (6%)
International	1145	149 (13%)	820 (72%)	176 (15%)
Childrens'	83	27 (32%)	28 (34%)	28 (34%)
Classical	300	268 (89%)	17 (6%)	15 (5%)
Total	7327 (100%)	4173 (57%)	2621 (36%)	533 (7%)

Public Domain Selections Released*	
Popular	383
Country & Western	124
International	17
Childrens'	16
Classical	464
Total	1004

*Includes selections of same performance released for sale through regular channels of distribution in different forms, such as 45rpm and 78rpm single records, 45rpm Extended Play records, 33-1/3 Long Play records, and prerecorded tapes.

CHART D

ASCAP Compositions Selected on Basis of A. Schwartz Testimony

Selection Title—(Year First Recorded)	No. of Releases * Before 1-1-48	After 1-1-48
A Pretty Girl (1919)	11	20
Alexander's Ragtime Band (1911)	9	36
All The Things Your Are (1939)	9	53
Always (1926)	15	50
Carolina In The Morning (1922)	6	5
Dancing In The Dark (1931)	11	56
Embraceable You (1930)	5	16
I Got Rhythm (1930)	6	25
I'll See You In My Dreams (1925)	12	28
Indian Love Call (1924)	25	79
Louise (1929)	8	6
More Than You Know (1929)	6	23
My Blue Heaven (1927)	13	21
My Heart Stood Still (1927)	7	34
My Melancholy Baby (1927)	15	24
Night and Day (1932)	22	64
Ol' Man River (1928)	13	21
Over The Rainbow (1938)	9	56
Smoke Gets In Your Eyes (1933)	16	103
Something to Remember You By (1930)	5	14
Star Dust (1931)	34	127
St. Louis Blues (1916)	59	115
Where or When (1937)	6	26
Without A Song (1931)	3	14
Total	325	1,016

* Includes selections of same performance released for sale through regular channels of distribution in different forms, such as 45rpm and 78rpm single records, 45 rpm Extended Play records, 33-1/3 Long Play records, and prerecorded tapes.

which they had written or had an interest in. We have compiled Chart D-1 to show the number of releases of these selections again before and after 1948. As you can see, the chart shows a total of 70 before and 210 afterwards. Again, 3 times as many.

To answer that, let us clearly understand how a hit is promoted. There are several ways: If it's used importantly in a motion picture, that could help a great deal. If the jukeboxes buy it, so that the kids can put in their nickels or dimes and hear it, that helps the sale of the record to the home. But it is quite true that of all ways of promoting a record, the most important is having it played on radio and, to a certain extent, on TV, although radio still has a greater influence on the popularity of records than TV.

The Importance of the Disc Jockey

So we now come face to face with a very important gentleman, the disc jockey. He too is not an entirely independent potentate because he too must play what his audience enjoys hearing. But let's give him everything that is his due and say that promotion via disc jockey is the one most important influence in exposing a new record.

Nothing could be further from the truth than to say that NBC has shown a marked preference for RCA Victor recordings. They couldn't show favoritism even if they wanted to. They couldn't because they, like we, are charged with the responsibility of attracting the widest possible audience, which means giving the public what the public wants to hear and see. They are just as much under the pressure of competition as the Record Division is.

But the most important reason why RCA's relationship with NBC has nothing whatever to do with our success or lack of it in the record business, lies simply in the fact that the disc jockeys have had the greatest success on local independent radio stations, and you will find mighty few disc jockeys of note operating as network attractions. We have made a compilation of the radio stations listed on the *Variety* Disc Jockey Poll for the 6 weeks from Jan. 15, 1958 through Feb. 19, 1958 inclusive. It shows that of the 216 listings, 138 were for independent stations and only 78 were for stations affiliated with a network. Only one was an owned and operated station of one of the networks. Some of the stations were listed by *Variety* more than once during this period while others were not. A disc jockey, if he is to be successful, is exactly as local a phenomenon as the local high school dance, the local department store, or the particular local lovers' lane in which young people like to meet.

Drumbeating Won't Make Flop Into Hit

I said before that the disc jockey was not all-powerful. Here we come to the most fascinating aspect of the entertainment business, and one in which I deeply believe. Namely, that the best kind of promotion, hoopla, advertising, publicity, or what have you, is no guarantee that the piece of music on which it is expended is going to please the public. In the most fundamental sense, we cannot sell anything. The public has to want to buy it. Unless the record has within it the germ of success—and don't ask me what that germ is because I do not know—no amount of drumbeating will transform a flop into a hit. Many of us so-called "experts" have our garages or apartments filled with records our distributors and dealers could not sell which we "knew" were going to be great hits. We promoted them well. We spent time, money, effort on them. They were failures.

While we are on the subject of promotion, I feel I must comment on certain matters raised in the record. Mr. Schwartz referred to an RCA Victor Records' advertisement entitled "New Sales Force" which appeared in the Sept. 25, 1957 issue of *Variety*. This advertisement listed 3 radio shows and 5 TV shows on NBC. Mr. Schwartz

CHART D-1

ASCAP Compositions Selected on Basis of Proponents' Testimony

Selection Title—(Year First Recorded)	No. of Releases* Before 1-1-48	After 1-1-48
Kim Gannon Tunes		
A Dreamer's Holiday (1949)	—	2
Always In My Heart (1942)	5	10
Autumn Nocturne (1941)	2	12
I'll Be Home For Christmas (1946)	1	8
Moonlight Cocktail (1941)	3	12
So Lovely (1938)	2	—
Total	13	44
Du Bose Haywood-Gershwin Tunes		
I Got Plenty O'Nuttin (1935)	7	20
It Ain't Necessarily So (1935)	8	19
Summertime (1935)	14	61
Total	29	100
Burton Lane Tunes		
Everything I Have Is Yours (1933)	5	9
When I'm Not Near The Girl I Love (1946)	2	2
How About You? (1941)	3	10
How Are Things in Glocca Morra (1946)	2	8
Old Devil Moon (1946)	2	11
Total	14	40
Joan Whitney Tunes		
Candy (1945)	2	4
Far Away Places (1948)	—	11
High On A Windy Hill (1940)	4	9
It All Comes Back To Me Now (1940)	4	2
My Sister & I (1941)	4	—
Total	14	26
Total	70	210

* Includes selections of same performance released for sale through regular channels of distribution in different forms, such as 45rpm and 78rpm single records, 45rpm Extended Play records, 33-1/3 Long Play records, and prerecorded tapes.

tried to imply that there was an improper use of NBC's broadcasting facilities to further sales of RCA Victor records. What Mr. Schwartz failed to state was that all of these shows are or were sponsored in whole or in part by the Radio Corporation of America for the promotion of all RCA consumer products, including TV sets, radios, phonographs and records. These shows were paid for by RCA at the prevailing broadcast rates and were booked through the company's regular advertising agencies. There is nothing free in this campaign. It costs us just the same as it would any other sponsor.

Mr. Schwartz also stated that NBC "arranged" for a promotional tieup between the TV show *Bride and Groom* and RCA Camden records, leaving again an inference that NBC was favoring RCA records. NBC did not make any such "arrangement." RCA Victor's advertising manager for Camden records negotiated a contract dated Sept. 18, 1957 with King Television Productions, an organization completely independent from NBC and RCA, for the use of Camden records on the show.

The Effect of Contests

Another witness, Joan Whitney, testified about a contest which RCA Victor ran on a BMI selection entitled *The Man with the Banjo* recorded by the Ames Brothers. Her composition *Man, Man Is for the Woman Made*, an ASCAP selection, also recorded by the Ames Brothers, was on the other side of the record. She claimed that she was unaware of this practice of having contests to promote records, and that she considered this contest an unfair practice in so far as her composition was concerned. As I have stated frequently, we are not concerned with whether a particular selection is ASCAP or BMI. We are only concerned with selling phonograph records. In this particular instance we ran a contest on *The Man with the Banjo* because it naturally tied into National Banjo Week. I would also like to point out that mechanical copyright royalties were paid on Miss Whitney's composition for all records sold. Therefore, she got the benefit of any sales which were made as a result of the "Banjo" promotion.

We run many, many contests. For example, we had one on the Georgia Gibbs recording of *Fun Lovin' Baby* which was an ASCAP selection, the reverse side of which was *I Never Had the Blues*, a BMI composition. This contest was national in scope and was run in conjunction with Gerber's Baby Food. At approximately the same time as the *Banjo* contest, there was a contest involving the June Valli recording of *Tell Me*—an ASCAP tune—and the reverse side of this record was *Boy Wanted*, also ASCAP. We also ran a contest on the Tony Travis (*Love Is*) *The $64,000 Question*—a BMI tune—and the reverse side of that record was *Drummer Boy*, also a BMI composition. I could relate to you any number of contests, some of which feature ASCAP selections and some of which feature BMI. The only factors considered in deciding which side of the record to use are: "Does the selection fit within a promotion idea?" "Is that the side which will best sell the record?"

RCA Acquisition of Victor Talking Machine

It has even been charged that RCA's purpose in entering the phonograph record business by acquiring the Victor Talking Machine Co. was to record music allegedly controlled by NBC, through BMI, and to exploit these recordings over NBC stations.

I was not a member of RCA when the Victor Talking Machine Co. was acquired, and accordingly I cannot state what considerations motivated RCA's decision. However, there are certain facts which make this charge unbelievable. In the first place, Victor was acquired by RCA in 1929, but BMI was not organized until 1939. Secondly, if the intention was to use NBC stations as a means of exploiting RCA Victor records, this intention was implemented in a most peculiar manner, for I understand that NBC did not permit the use of phonograph records on network broadcasts until 1949 and was one of the last broadcasters to permit use of these records on its own stations.

In addition, during the 1930's RCA opposed use of its phonograph records by radio stations, and from 1932 through 1937 each record released had a notice on its label that it was not licensed for radio broadcast. I was interested and amused to learn that, in a suit filed by RCA in 1938 to prohibit a radio station from broadcasting Victor records, our complaint stated that we had been damaged because the "injudicious and excessive repetition of records" on the air enabled the public to enjoy them without charge, thereby reducing the demand for records and decreasing sales.

Taste of the Public—Likes and Dislikes

We get back to that mercurial, ever-changing, amorphous and yet completely strong-willed expression of the people themselves—their likes and their dislikes.

And here we come near to the question which may underly this whole discussion: Why is it that rock 'n' roll music is so popular and why is it, conversely, that some of the old, sweeter-type songs are no longer quite so popular? Well, I cannot tell you why it is that the younger generation has spoken so decisively in favor of a type of music which I don't happen to like particularly—but then I like Verdi and Brahms—and which some of the older people look upon with horror. Perhaps it is because they consider it their type of music, belonging to them—and perhaps they feel that rock 'n' roll is an expression of the strong, nervous beat of a postwar generation. Perhaps. All I am sure of is that rock 'n' roll is popular not only in this country but has swept the world, that it is relatively equally popular in conservative England, in far-off Australia, in India, in Germany.

So there must be something in this music which captures the imagination and love of the young people. It must be music which is indigenous to the psychology of today. In the Magazine Section of the April 4, 1958 *New York Times* there is an article discussing its world-wide popularity.

Other people are, of course, quite at liberty to disapprove of the tastes of the younger folks. That won't do these people any good, but they will at least be following an historic pattern.

Over and over again new forms of music have been derided, railed at, and deprecated. The older generation has clucked its tongue and shaken its head over new music. Incidentally, that's as true of our greatest music as of the butterfly, temporary entertainment, popular music. *Tristan and Isolde* was called names that one could apply to rock 'n' roll today—not that there is any comparison! It was called "cat music"—"the incomprehensible wailings of a madman."

In the 19th Century when the waltz came up, it was predicted that "this licentious dance would open the sluice gates of immorality and degradation."

Is rock 'n' roll, I quote, "an expression of protest against law and order, that bolshevik element of license striving for expression in music"? Is it, I quote, "an influence for evil"? Does it, I quote, "with its moaning saxophone and the rest of the instruments with their broken, jerky rhythm, make a purely sensual appeal"? Does it, I quote, "call out the low and rowdy instinct"?

Well, what I have just quoted you was not said about rock 'n' roll, but was said by the national music chairman of the General Federation of Women's Clubs in August 1921 in an article in *The Ladies' Home Journal*. She was talking about the jazz which we now have recognized as legitimate music and as part of the American musical tradition. I do not think that the composers of the music which was popular in 1921 now have any right to say that music which is popular today is being forced on the public by illegitimate means. Let us not be hypocrites and pretend that *Yes, We Have No Bananas* has become Schubert or Brahms. Let's not—to be brutally honest about it—be deluded into taking up a foolish and insupportable charge by songwriters who, at least for the moment, have been unable to gain the favor of today's teenage group.

ASCAP, BMI—and Elvis Presley

Indeed, I think none of us has a right to say what the public should or should not hear, what is good taste and what is bad taste. We have a right to our opinions, to our own likes and dislikes, as long as they remain opinions only. I do not want to be an arbiter of taste.

At this point I would like to divert for a moment and respond to the request of Senator Monroney and present to the Committee the number of ASCAP and BMI selections recorded by Elvis Presley. Of a total of 83 selections released by RCA Victor Records, 26 or 31% have been ASCAP and 57 or 69% have been BMI. Mr. Vance Packard adverted to Mr. Presley in his testimony stating that the *first major move* was to give Elvis TV exposure by arranging a guest spot on NBC's *Milton Berle Show*. This is not true. We at RCA Victor tried to arrange a spot on NBC but were unsuccessful. It was only after Elvis had several appearances on the CBS network—the Dorsey Brothers' *Stage Show*—that Elvis appeared with Milton Berle on NBC. Thereafter, he had additional appearances on CBS with Ed Sullivan.

Perhaps the Government has also helped in making Elvis a world-wide attraction. I quote from John Gunther's recent book *Inside Russia Today* (p. 322)—". . . Also recordings of American jazz bring bizarre prices on the black market, as much as 400 rubles ($100 at par) for a single record. These recordings are taken on tape from Voice of America or other broadcasts, and then reproduced on, of all things, discs made of discarded X-ray plates salvaged from the hospitals. A marked favorite at the moment is Elvis Presley . . ."

Now back to our subject of taste. Things are really not as black as some of the public denigrators of American taste would lead us to believe. The cardinal mistake that so many people make is to talk about "taste," "America's taste," "what the young people like," as if it were all an entity, one loaf of bread with the same dough and flavor on top, in the middle and at the bottom. But there is no such thing, fortunately, as one taste. Taste is a thousand-layer cake. To be sure, the layers are of unequal thickness, but they make a cake in which there is room for diverse kinds of taste, different flavors, variegated music.

The New American Appetite for Music

There has sprung up a great new appetite for music in our country, and with all modesty I may say that the recording companies, who have made so wide a repertoire available to the public, are to be thanked for a fine contribution to our musical development. There should be room for all music—rock 'n' roll and sweet songs and Berlioz and Sam Barber's new opera, *Vanessa.*

There is such room! When 210,000 people buy a fairly expensive recording of Beethoven's Ninth Symphony conducted by Toscanini, one can hardly claim that America is musically illiterate and its taste debauched. I happen to agree with a statement made by Victor Borge, quoted by John Crosby, which says: "Across the country there is a tremendous demand for good music, and for music, period, from Elvis Presley to concert stuff. Music is music, no matter how presented. It says something to people, whether it's wearing a cowboy hat or white tie. We must not condemn music which is not on a level as high as we'd like."

My conclusion is this: it is absolutely untrue that the public is being deprived in any way or form of any music that it wants. It is absolutely untrue that it cannot hear the music it likes to hear. For sound and good business reasons, the record companies have no other interest than to recognize and satisfy the only legitimate bosses of the music business—*the people who buy music.* There is no need for any legislation such as the bill we have been discussing. RCA is opposed to it.

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THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

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SUMMARY-INDEX OF THE WEEK'S NEWS — May 31, 1958

DuMONT-DAYSTROM MERGER DISCUSSED: "All sorts of deals are cooking at the moment," was all the comment we could elicit from financial people concerned with merger deals involving Allen B. DuMont Laboratories Inc. -- and best dope we could get is that consolidation is being considered with Daystrom Inc., headquartered in nearby Murray Hill, N.J. "Terms haven't jelled yet," was response when we asked whether report is true that deal contemplates exchange of approximately 7½ shares of DuMont common (2,361,092 outstanding, some 28% owned by Paramount Pictures and traded on American Stock Exchange) for one of Daystrom (905,432 shares outstanding, traded on N.Y. Stock Exchange). DuMont executives were understandably stonily mum.

Daystrom's apparent desire to expand consumer product lines, notably in TV for first time and in hi-fi, makes merger seem logical -- for DuMont has always been a big name in TV sets and tubes, currently is planning expansion into stereo phono. Also talked about is possible merger of DuMont with Raytheon or Hoffman, both relatively prosperous, both experienced in TV-radio, though Raytheon quit TV last year.

This week some 69,000 shares of DuMont were traded and it closed at 5½, new 1958 high, whereas only 4400 shares were traded week ended May 23 & 7200 week ended May 16. Daystrom turnover was 3000 shares, closing at 33¼, not much change from preceding week; curiously, exactly 2300 shares of Daystrom were sold in each of preceding 2 weeks. [For further details on Daystrom-DuMont, see p. 13.]

BUSINESS—SMALL-TIME AND/OR BIG-TIME: Even as big-time reps were seeking FCC relief from the "sword of Damocles" they allege the networks dangle over affiliates (p. 2), even as an ill-attended Senate subcommittee hearing was recording pleas of small-market station operators that something be done by Washington about the severe "competition" they're suffering from community antenna services (p. 4), we received 2 missives this week that are particularly apropos the question, "How's Business?"

To the extent that they represent bigger-market and better-placed (network affiliated) stations, the reps answered the question affirmatively when put to them during intervals of the hearings last week on their proposed "Station Reserved Time" plan (Vol. 14:21). To the extent that business may be improved by small operators as well as big, we commend a reading of our extracts from the 2 letters (p. 6) -- one from a small-town TV-radio station operator, the other from an industry economist with big-time contacts and experience, who usually knows whereof he speaks.

Richard P. Doherty's penetrating analysis of telecasting business prospects, which we recently published (Vol. 14:17), is now supplemented with some pertinent observations on the local business potential and how better to tap it.

FCC INVESTIGATION—'MORE OF SAME': Patchwork pattern of political pressures on FCC was developed desultorily by House probers as they plodded through another week of hearings on Springfield (Ill.) Ch. 2 case (Vol. 14:21), members of legislative oversight subcommittee continuing to profess surprise & shock (for details, see p. 10).

"This type of thing has showed up repeatedly so far in one form or another," said Chairman Harris (D-Ark.) at conclusion of this week's proceedings, which seemed to do little more than confirm that (1) politics do play a part in TV station business and (2) gossip & speculation about FCC are characteristics of industry.

"There will be more of the same as we go along with the investigation," Harris promised, listing questioning of executives of KTVI, St. Louis (Ch. 2) as next step in scheduled exposes of 14 comparative TV cases and 6 station sales (Vol. 14: 20-21). Also on tap soon: case of Boston Herald-Traveler's WHDH-TV (Ch. 5).

If nothing more than more of the same is uncovered by Harris, more telecasters may be in for some uncomfortable hours on stand -- and stations may need chartered vans to transport all of their subpoenaed records to Washington.

But if subcommittee is going to recapture headlines it won earlier by its disclosures in Miami Ch. 10 case (Vol. 14:6 et seq), it will need to turn up more sinister evidence of wrongdoing than it has so far in this phase of probe. As one daily reporter put it to us after sitting through this week's testimony: "The only way I can make the paper with this story is to tie it to Alaskan statehood."

REACTIONS TO 'STATION RESERVED TIME': It's somewhat too early to measure the exact reactions to Station Representatives Assn.'s proposed "Station Reserved Time" plan, whereby certain periods would be kept free from network encroachment. As expounded to FCC last week by leading rep Eugene Katz (for text, see Vol. 14:21), plan would retain to the stations, for non-network national or for local programs, one hour in every quarter of the day -- the object being to keep networks out of non-option time and of course to give the reps more prime time to sell for national spot.

The transcript of Katz's testimony and the text of the other SRA spokesmen's statements have been mailed by SRA to all commercial TV stations for comment.

A hasty survey of our own, among key stations, reps and networks, would seem to indicate very little real prospect for the plan. Stations evince scant enthusiasm, though as one put it, "The scheme is much more constructive and makes a lot more sense than the original idea of bucking network option time without whose adjacencies the reps themselves wouldn't have much to sell."

Reps seem to be warming up to the idea, however, but they don't cut much ice politically and they face a Congress and an FCC unwilling to extend surveillance over the business side of broadcasting. Despite Barrow Report, we give the idea of outlawing network option time or setting up new kinds of option time little chance -- not via the present complex of Washington, at least.

Networks are opposed to the rep plan, naturally, claiming they exert no undue influence on stations, as charged, and that stations have free choice to accept or reject their non-option time offerings -- usually choosing to accept overlap shows (like Playhouse 90, What's My Line? etc.) because of their excellence. Most pertinent criticism of SRA scheme, both by networks and stations, is that it might preclude stations from taking unscheduled news & special events shows from networks, to say nothing of extraordinary sponsorships such as one-shot spectaculars.

"It would be tragedy to forbid network news in station time," said one manager. As for networks inching into non-option time with top shows, inclination was to feel that's stations' own affair, own choice, none of reps' business. "What would we do," said a station man, "if business fell off so that we really faced a gaposis of schedule or where we ourselves prefer what the network may have to offer?"

"Just another twist to option time," is how a top network executive characterized the SRA plan. "You might call it national reps' option time. Unless I miss my guess, the affiliates are going to tell them they better let well enough alone." Another network topkick waxed sarcastic: "They're contradicting themselves, aren't they, in first opposing option time and now saying it's okay and there ought to be more of it -- for the reps? They aren't licensed, aren't concerned with public service programming, and when business gets tough they run to Uncle Sam to protect their mighty bucks. Theirs is one business that can't miss; if business gets tough, all they have to do is fire a few people and close a few offices."

It's apparent the reps' real quarry is to drive the networks out of the rep business; that, though they liked the Barrow findings at first, they've backed entirely away from their original opposition to option time; that they now can't even go along with expressed Dept. of Justice position that option time violates the anti-trust laws, for if it does, so logically would "Station Reserved Time."

And it's even clearer that, short of a political prairie fire which they're not likely to set off on their own or via their own stations, the reps' chances of setting up the "Station Reserved Time" by way of FCC fiat are nil.

SENATE COMMITTEE PICKS AT ALLOCATIONS TANGLE: Two major themes emerged from FCC's testimony before Commerce Committee this week: (1) Wait for TASO technical findings before making any major move. (2) More deintermixture would help -- now. [Commission also gave views on community antennas, translators, satellites, illegal boosters, etc. and their impact on regular stations -- see p. 4.]

FCC Chairman Doerfer still turns thumbs down on deintermixture (i.e., making cities all-vhf or all-uhf) -- but several of his colleagues, maybe majority, talked up deintermixture. Doerfer said that deintermixture "holds little promise for the future." He's still concerned about loss of fringe service by shifting some operators from vhf to uhf, said FCC should have more technical data, still to come from TASO, before it considers moving all TV to uhf, or similar drastic changes. He does think, however, that careful vhf mileage cuts in certain areas would help.

Zone I cut from 170 to 167 mi., for example, would be all right with him. "I'd like to find some way," he said, "to assure vhf operators so they wouldn't be afraid things would fall apart. We should have a little looseness in the joints." Engineering Comr. Craven said small mileage cuts are like "being a little bit pregnant." He'd wait for more accurate interference data from TASO.

Said Craven: "I'm for deintermixture as an immediate answer, the intermediate stage. The basic allocation problem is that there is too wide a range in TV. It's not technically possible to make cheap, good all-channel TV sets. There are developments on the horizon, concerning long-distance communications, which will have a big impact. There's not enough space for safety and special services. There are not enough channels for aircraft in the jet age. We need more for industrial radio. We must take an overall look to accommodate them all. The Office of Defense Mobilization has offered to take a long-range look. We should take them up on it."

Comr. Hyde stuck by previous pro-deintermixture views, said that uhf is not being abandoned. "There are 92 uhf stations operating," he said, "plus 125 translators, a very significant segment of TV. The 70 uhf channels offer a great potential for competitive TV." Comr. Bartley asserted: "We did too little in deintermixture. Albany is what took the wind out of my sails. [FCC made that area all-vhf instead of proposed all-uhf.] I think the only immediate answer is deintermixture."

Comr. Ford's position: "Partial deintermixture didn't work. The present 12 vhf channels aren't enough. We should seek a solution to make use of the uhf. I'm not ready to concede that uhf should be abandoned. Maybe I will, but I don't believe it now. My opinion is that technical data will show uhf works well." Neither Comr. Lee nor new Comr. Cross offered comment.

Uhf telecasters' Committee for Competitive TV was represented by Wm. Putnam, who heads highly successful WWLP, Springfield, Mass., and exec. director Wallace Bradley. A director of TASO, Putnam said TASO is an engineering group but has been assigned a "political" problem. He insisted TASO is merely going to find that signal goes further with more power, shadows more at higher frequencies, has more man-made interference at lower frequencies. "The uhf is perfectly satisfactory for broadcasting," he said. "It has no technical deficiencies and many advantages." Bradley urged elimination of TV-receiver excise tax, said it would promote production of all-channel vhf-uhf sets.

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We can't tell you where the foregoing leaves allocations, frankly. FCC has before it a formal motion to start taking a new look right now (Vol. 14:20). There is substantial sentiment for more deintermixture. But, there's also strong belief Commission shouldn't act without TASO's forthcoming data, due by year's end.

Senate Commerce Committee is impatient with the Commission, obviously, but it's difficult to see it producing new laws to "do something" in such a complex matter.

Attendance by Senators was light indeed. For most of hearing, only one or 2 were on hand. Sen. Lausche (D-O.) was acting chairman during allocations portion of hearing. The Senators asked few questions. Committee counsel Kenneth Cox, who handled similar hearing 2 years ago, did most of probing -- showed good grasp of overall problem and of specific allocations actions.

Arbitrate TV Economics? "Economic impact" question, as old as broadcasting itself, remains nub of FCC's problems concerning success or failure of small TV stations faced with competition from community antenna systems, translators, illegal boosters, satellites, etc. During this week's hearings on subject by Senate Commerce Committee, FCC Chairman Doerfer focused on question time and again—something he has done consistently.

"My main problem is this," he testified. "Congress intended to practically ignore the economics question. Our primary job is to prevent interference. I'd like Congress to consider 'economic impact.' Our function is to supply Congress with the facts and let it appraise the philosophy of the Communications Act."

Small-town telecasters made substantial impression on the few Senators who attended sessions, but CATV system operators haven't been at bat yet. They're due at date to be scheduled later, probably June 9 or June 23. Hearing on networks interrupts, starts June 3.

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Theme of telecasters was that CATV and translators are forcing off air local TV stations—substituting for grass-roots programming the output of "Hollywood and N. Y., the movie capital and Tin Pan Alley." Prime initial objective is to stop CATV systems from using microwaves to bring variety of big-city signals into local markets, cutting "heart" out of stations' coverage. They'd like to see CATV and translators "regulated" out of the way entirely. They've achieved some success so far, in that FCC is now delaying action on pending microwave applications which would feed CATV systems. But it hasn't touched operating microwaves.

Senators were also impressed with testimony of ex-Sen. Edwin C. Johnson, former chairman of their committee, who plumped for legitimization of illegal boosters. As Governor of Colo., he "granted" them. He testified that they don't bring interference, but could; therefore, FCC should control them. He said that uhf translators give excellent service but are too costly. He pushed for regulation of CATV systems, said States would have to step in if FCC continues delay.

From questions propounded by Committee counsel Kenneth Cox, it seems that he, for one, wouldn't object to CATV systems filling in service in "normal" coverage areas of stations, but does oppose extension beyond—same for translators. It's good guess this reflects views of Chairman Magnuson (D-Wash.). NAB's testimony, through mgr. of govt. relations Vincent T. Wasilewski, was similar—plus assertion that CATV systems are "pirating" copyrighted material.

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National Community TV Assn. didn't get on stand, but its witnesses' prepared statements defend their operations on "public interest" and legal grounds. Milton Shapp, pres. of Jerrold Electronics Corp., operator of 9 systems and manufacturer of CATV equipment, insisted that no TV station has gone off air because of CATV competition. He analyzed all stations that have gone dark, said only 6 operated in cities with CATV systems. In each of latter, he said, the few homes served by CATV could hardly have meant difference between success and failure.

Shapp argued that CATV actually stimulates stations to give better service—adding microwaves, lengthening hours, etc. CATV has "paved way" for stations, he said, citing such cities as Casper, Wyo., where CATV built up audience, brought in microwave from Denver at $100,000 a year, before 2 regular stations started. On other hand, he stated, stations spur CATV to improve service—adding extra signals, improving quality of signal, installing microwave, etc.

NCTA counsel E. Stratford Smith stressed legal angles, said CATV isn't common carrier, said FCC can't discriminate against CATV systems as customers of microwaves. He also seized upon Doerfer's philosophy, stating: "The Commission's function is not one of evaluating the economics of station operation, of the market, and of determining how much and what kind of TV a community should have." He claimed that FCC has already disposed of policy questions it's considering in newest "inquiry," shouldn't be going through them again.

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Telecasters were particularly bitter about the microwaves serving CATV systems in their towns, because FCC forces stations to drop own private microwaves and buy service, if they want any, from common carrier feeding CATV. And telecasters say CATV works "hand-in-glove" with microwave operators.

Ed Craney, KXLF-TV, Butte, leading witness for telecasters, put their position this way: "The FCC should provide ground rules. I believe CATV will break down free TV. If we had CATV in Butte with 3000 subscribers, I'd close down. We could go into the cable business and we wouldn't be hurt—but the public would be." He said that his private microwave costs $50-$100 a month to operate, but common carrier wants $12,000.

Washington in-fighting has become quite fierce. NCTA holds annual convention in Washington's Mayflower Hotel June 10-12. CATV operators, many of them influential in home states, will meanwhile be talking to their Congressmen. Latest addition to speakers' list is Sen. Bible (D-Nev.), who was acting chairman for a time during this week's hearings.

Witnesses this week, in addition to FCC members who testified or submitted statements: Vincent Wasilewski, NAB; Ed Craney, KXLF-TV, Butte, Mont.; Barclay Craighead, KXLJ-TV, Helena, Mont.; Art Mosby, KMSO-TV, Missoula, Mont.; C. N. Layne, KID-TV, Idaho Falls, Ida.; Frank Reardon, KGEZ-TV, Kalispell, Mont.; ex-Sen. Edwin C. Johnson; Dwight Dahlman, secy., Wyo. Public Service Commission; Wm. Grove, KFBC-TV, Cheyenne, Wyo.; Mildred Ernst, KWRB-TV, Riverton, Wyo.; Fred Weber, WBOY-TV, Clarksburg, W. Va.; Marshall Pengra, KLTV, Tyler, Tex.; Pat Beacom, WJPB-TV, Fairmont, W. Va. (dark); Wallace Bradley & Wm. Putnam, Committee on Competitive TV.

If "U. S. flavor" is preserved, there are advantages in shooting TV film in Britain, according to Earl Rettig, pres. of NBC's California National Productions, just returned from European trip. He paid tribute to Britain's "attractive and efficient organization of manpower and facilities," but cautioned that U. S. audiences want American stars, though British supporting casts are satisfactory.

Video film recorder priced under $10,000, designed to work with any closed-circuit TV system, is being produced by Vuetronics Co., 7352 Beverly Blvd., Los Angeles.

Senate Okays ETV Bill: With surprising speed, Senate this week approved $51,000,000 Federal aid to educational TV bill (S-2119) sponsored by Chairman Magnuson (D-Wash.) of Commerce Committee, sent it along to House where he said "much enthusiasm" for passage has been shown.

Action by Senate May 29 came just 3 days after Commerce Committee approved measure following 2 days of hearings month earlier (Vol. 14:17). Unprecedented bill authorizes Federal grants up to $1,000,000 for school TV equipment to each state, D. C., Alaska & Hawaii; it had been given little chance earlier in Congress which often has displayed hostility to govt. aid to local schools.

Eisenhower Administration opposed Magnuson bill at hearings, arguing through Dept. of Health, Education & Welfare that Federal money isn't "necessary to assure continuing development of educational TV." Acting Secy. Elliott L. Richardson followed up May 14 with letter to Magnuson reiterating non-support of bill.

But measure had strong support of ETV professionals across country—and Commerce Committee told Senate it "feels this legislation is imperative" as "modest & simple proposal but with tremendous, far-reaching effect on the general public" to help solve problems of teacher shortages, rising school enrollments, inadequate equipment.

Ironically, ETV program would be administered by an unsympathetic HEW Dept., which would set up standards for grants to be observed by state or local govt. agencies, state colleges, non-profit ETV organizations. Grants would apply only to equipment. Local agencies would be responsible for land, buildings, operation, maintenance.

Final enactment of measure not only would spur development of ETV channels (85 vhf, 171 uhf), only 32 of which are now in use, but would give market boost to manufacturers of closed-circuit and other ETV equipment.

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Senate action coincided with Conference on Educational TV in Washington co-sponsored by HEW's Office of Education and National Assn. of Educational Broadcasters, attended by 150, 85 of them delegates. Sharp differences of opinion on ETV's role were heard. Dr. Marshall McLuhan, U of Toronto, said electronic education already made conventional classrooms obsolete. But exec. secy. Dr. Wm. G. Carr of National Education Assn. said TV's use was "limited" as aid to classroom teacher.

But NYU v. p. John E. Ivey, expanding on Magnuson bill's program, told Washington conference that nation needs not only more ETV but a school network spanning the country. Heart of educational system—providing "greatest exposure of the nation's top intellectual manpower to all fields of education"—would be state-controlled TV networks, he said.

In other ETV developments: (1) N. Y. Metropolitan Educational TV Assn., which had faced shutdown from lack of funds, reported it will continue operations through summer, "emergency financing" having been arranged through Ford Foundation-financed Educational TV & Radio Center, Ann Arbor. (2) Washington County (Md.) school officials reported much-publicized 2-year Hagerstown ETV experiment demonstrates that TV teaching can reduce school costs, increase teaching effectiveness. (3) Northeastern U & Boston U offered first Mass. college credit courses this summer over Educational WGBH-TV, Boston (Ch. 2). (4) NAEB scheduled conference on televised instruction at Purdue U, Aug. 24-Sept. 4.

Ford Views the Law: FCC Comr. Frederick W. Ford, who became a member of Commission with more pre-knowledge of its legal workings than anyone since Rosel Hyde was elevated from general counselship, this week told Federal Communications Bar Assn. what he thought was wrong with Communications Act—and he kidded the lawyers a bit about their role in amending Act. All 7 commissioners were on hand for luncheon, and attendance was heavy, with attorneys eager to hear Ford's first speech as FCC member.

While looking up legislative history of 1952 McFarland amendments, he said, "you get to know what case was involved" when a practitioner plumped for particular change. He urged FCBA to take another look, made these points:

(1) "Separation of functions." Law still isn't clear on who can talk to commissioners about adjudicatory cases. He provoked laughter by adding quickly: "Regardless what the law says, I don't intend to talk to anyone about adjudicatory cases." FCC should be able to talk to its "review section" lawyers about cases. "When I was on the section, we were able to help commissioners by pointing out their previous positions. It made for more consistency. And we didn't influence the vote."

"Prosecutory" arm of FCC shouldn't have anything to do with decisions, Ford said, but "Commission should be able to talk to its 'lawyer'—general counsel and his staff. I know of no other situation where you can't talk to your lawyer."

(2) "Protest" section must go. Ford simply endorsed what all commissioners have said many times.

(3) "McFarland Letters." Notifying parties they must go through a hearing, giving them 30 days to acknowledge, is just a waste of time, contributes to big AM backlog.

(4) "Due process inconsistencies." Competing applications get elaborate protection and time-consuming procedures but: "When a station is sold, does due process determine who is going to operate the stations?" FCC should look more closely at buyer.

(5) FCC's basic role. "If Congress wanted to make FCC a court, it would have done so. It's better to have a well-rounded Commission than a legalistic approach to regulation of the industry."

Several attorneys, in question-answer period, asked why FCC couldn't act faster on petitions for reconsideration. Ford replied that Commission used to act fast, could do so again if red tape were unwound.

CBS-TV's severance of affiliation with *Tacoma Tribune's* KTNT-TV, Tacoma-Seattle (Ch. 11) in favor of Saul Haas-controlled KIRO-TV, Seattle (Ch. 7) when it began operation last Feb. (Vol. 14:6) is basis of $15,000,000 triple damage anti-trust suit brought against the network, Queen City and Mr. Haas this week in Federal district court for the western district of Washington State. KTNT-TV operators, who have 250-watt AM, claim Haas illegally used his 50-kw AM, long a CBS affiliate, as vehicle for agreement requiring CBS to transfer its TV affiliation in event Queen City got TV—calling it an "illegal tie-in." Case takes on political overtones in view of 4% interest in Queen City held by Sen. Magnuson (D-Wash.), chairman of Senate Committee on Interstate Commerce. Court papers were filed by J. H. Gordon, Tacoma attorney, and Lloyd Cutler, of Washington law firm of Cox, Langford, Stoddard & Cutler.

On Going After Business: How one small-market station is faring during the recession, and how all classes of TV stations might build up their local business, are subjects of 2 significant letters we received this week from "constant readers" whose observations are particularly apropos in light of the favorable reports on how the major-repped stations are doing collectively, as adduced at last week's FCC hearings on the Barrow network study report [see *How's Business? Good Say the Reps*, Vol. 14:21].

Business doesn't come over the transom—"we create it"—is nub of report from Les Biederman, who operates string of 5 local radios in Michigan and is also gen. mgr. of WPBN-TV, Traverse City, Mich. (Ch. 7), an NBC optional which recently completed FCC hearing for Ch. 4 in Cheboygan (83 mi. distant), which it seeks in order to make a stronger bid for national spot and network business.

"Our total business," he states, "is slightly over last year, and we expect this to be our best year [since TV was founded in 1954]. Of course, our TV is a loser for us. Just too small a market." If Cheboygan channel comes through, 2 stations will be sold as one market though neither will be a satellite. Here's problem, probably typical of many small-market operations:

"If we try to sell a local hardware dealer a TV spot for $20, he faints. Much better to sell 2 spots on different stations for $10 each. And the national advertiser doesn't even have respect for you unless you charge him $30—a strange commentary on our business. We can sell nationally at rates of less than 25¢-per-1000, yet the major agencies won't give a look at it. They merely worship size and complain about the rates per 1000 in the large markets.

"If they were really to analyze the smaller markets on their actual delivered rates-per-1000, the small market TV would be in the black instead of the red. But they just don't do it [and] their coverage figures are so far out of date that it is silly . . ."

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"Local business for the majority of TV stations has never been up to levels fully desired by station management," is basic point of our second report—by management consultant Richard P. Doherty, ex-NAB employe-employer relations v.p., whose penetrating analysis of the state of the broadcasting business [see *No More Riding the Gravy Train!*] aroused considerable interest on eve of NAB convention (Vol. 14:17).

"Local," he points out, "is a huge piece of the nation's total advertising pie—but TV has received only crumbs, considering the industry as a whole. In 1957, all media advertising aggregated $10.3 billion, with approximately $4.2 billion, or 42% of the whole, spent by local merchants and other local business units. Over the entire nation, TV gets only 6%-7% of all these local ad dollars, the newspapers running off with the lion's share of fully 62%.

"The key to TV stations tapping a greater share of available local advertising expenditures rests largely with 3 factors: (a) more aggressive and creative selling by stations; (b) pricing (rate structures) which is geared to local budgets; (c) greater effectiveness in the use of local TV advertising. The stations themselves largely have control over these elements.

"If local sponsors are to achieve the most effective results from TV advertising, they should be guided by 10 basic points. Equally, TV stations should recognize these same points if they expect to deliver the best results for local advertisers. The 10 points are:

(1) Treat TV as a regular and consistent member of the "first team" of local advertising operations.

(2) Use more program sponsorship.

(3) Give greater consideration to "appropriateness" of programs (audience composition-wise) rather than rely primarily on ratings.

(4) When programs are sponsored, spend some extra money in newspapers and "on-air" promotions to stimulate greater viewership interest.

(5) Rely more heavily on live commercials.

(6) Use TV advertising for "hard sell" to move up-dated and fashionable merchandise rather than as "semi-institutional" advertising or a mechanism to get rid of out-moded articles.

(7) Where live commercials may not be feasible, try motion films even with "voice over film."

(8) Experiment with the effective use of rear view projection as a component part of live commercials.

(9) Consult with station management on "TV copy" to avoid "radio type copy adapted to TV."

(10) Develop a strong "point-of-sales" merchandise tie-in with TV advertising.

More on How's Business—from 3 station operators whose stock is publicly traded (over-the-counter): Harold F. Gross, pres. of Gross Telecasting Inc., operating WJIM & WJIM-TV, Lansing, Mich. (Ch. 6), advises stockholders that "business during the first quarter continued the steady increase recorded during the last quarter of 1957. Operating revenues and profits exceeded corresponding period of the previous year [Vol. 14:11] and we are hopeful that the second quarter will continue this gain." H. Scott Killgore, pres. of Tele-Broadcasters Inc., reports his 8 radio stations (Vol. 14:20) increased gross by 17.4% in first quarter over same 1957 period, states radio industry as a whole looks forward to another "excellent year." And Storer reports for the 7 radio & 5 TV stations it owned both in 1958 & 1957 that their aggregate revenue "showed a slight increase during the first quarter of 1958 over [same] period of 1957."

"I hate TV. It's a bastard art. It requires you to do things which are utterly unrelated to what you're saying. You have to keep your heel on a chalk mark on the floor. Then, if you're using charts, you have to remember whether to keep the stick in your right hand or your left. Then you have to look at camera one for 2 minutes, on to Camera 3, back to Camera 2. It makes me sick."—H. V. Kaltenborn, veteran broadcaster, now 79, quoted in *Newsweek*.

Drop in newspaper adv. lineage was 7.8% in first 4 months of 1958 compared with same period last year, according to Media Records study of 52 cities. Total lineage was 841,255,000 lines vs. 912,484,000, with auto adv. down 23%.

National radio spot was up 4% in first 1958 quarter over same period last year, says Station Representatives Assn. Total was $46,171,000 vs. $44,411,000, making it largest first quarter in history.

Do You Know That . . .

THIS SHOULD WIND UP our disquisitions on the present whereabouts of ex-network top executives, notably vice presidents, which started out to be one article and required 4. Our 3 preceding columns (Vol. 14:13, 16, 19) and this one give you reports on 139 persons, which should about cover the lot, though it's possible we may have missed a few in our researches. Moreover, situations change nearly every week—as, for example, last week when CBS affiliate relations v.p. **Herbert V. Akerberg**, long-ailing veteran of that network since its inception, retired and indicated he may go into station consulting; ex-Mutual v.p. **Robert A. Schmid**, lately an NTA v.p., resigned to devote fulltime to his own radio daytimer WESC, Greenville, S. C.; and we were informed ex-ABC v.p. **Leonard Reeg** has shifted over to Leo Burnett Co.'s Hollywood branch. As for those not previously reported on:

Industry & finance claimed quite a few ex-NBC v.p.'s: **Vic Norton**, now pres. of American Hard Rubber Co., N. Y.; **Mort Werner**, now v.p. of Kaiser Industries; **Sid Strotz** (1933-50 veteran, 8 years as Hollywood chief), now Coca-Cola franchiser for Pittsburgh area, living in Fox Chapel, Pa.; **I. R. (Chick) Showerman**, ex-central div. boss, now partner in Taylor & Showerman, Chicago, thriving industrial motion picture producer.

Charles L. Glett, who went over to CBS with Don Lee Network and was CBS Hollywood v.p. in 1950, is now pres. of National Film Investments Co., Beverly Hills, subsidiary of big National Theatres Inc., which recently purchased WDAF & WDAF-TV, Kansas City, and is currently talking merger with NTA (Vol. 14:19). **Charles Rynd**, ex-ABC v.p., is now pres. of Audio-Video Products Corp., N. Y.

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Clarence Menser, real NBC old-timer who started in 1929 as dramatic director in **Bill Rainey's** production dept., having taken sabbatical from a professorship of speech & drama at Knox College, in Illinois, ran the whole gamut of early network jobs. He quit as program v.p. in 1947 to operate citrus groves in Jupiter, Fla., also a small radio station in nearby Palm Beach. He sold both, now has other farmlands, may be addressed at Villapine, 2500 Pine Ave., Vero Beach, Fla. Also down there, in Orlando, owner of a butane gas franchise and heading a mortgage loan business, is **Jesse Barnes**, ex-MBS sales v.p.

John K. Herbert, ex-v.p. in charge of NBC-TV network, is now publisher of Hearst's *American Weekly*. **Frank E. Mason**, who left presidency of INS to become NBC pres. "Deac" Aylesworth's public relations v.p., now heads Loudoun County Press Inc., publishing several Va. weeklies, lives at Old Oaks, Long Lane, Leesburg, Va., has office at 3100 Chrysler Bldg., N. Y.

C. M. Underhill, CBS program chief 1948-51, then ABC program v.p. 1951-54, is now in U. S. Steel Corp.'s public relations dept. **A. A. (Abe) Schechter**, NBC's first news director, who served on Gen. MacArthur's staff in the Pacific, returned to become MBS news v.p., now has own public relations business at 580 Fifth Ave., N. Y. **Bill Brooks**, ex-NBC public relations v.p., was last reported in that field with Milburn McCarty & Assoc., N. Y.

* * * *

High up in rep field are **Ernest Lee Jahncke**, scion of an old New Orleans shipbuilding family, namesake of father who was Asst. Secy. of the Navy under Hoover; he joined NBC soon after graduation from Annapolis, returned from war to join ABC station relations, rose to v.p. & asst. to ex-pres. Robert Kintner (now NBC exec. v.p.), is now v.p. & asst. to pres. of Edward Petry & Co. Up from CBS ranks came **Edward P. Shurick**, now exec. v.p. of Blair-TV, who resigned as CBS-TV station relations v.p. last year. Ex-Katz, ex-ABC film syndicate v.p. **Don Kearney** is now sales mgr. of Corinthian (Whitney) stations. **Bill Davidson**, who quit NBC to go with ABC and then with old Free & Peters, is now NBC v.p. in charge of its WRCA-TV, N. Y.

NBC engineering v.p.'s who went on to other jobs include O. B. Hanson, ex-network chief engineer, now with parent RCA as v.p.-engineering services, and Charles W. Horn, ex-chief of research & development, then a wartime Navy captain, now a TV-radio manufacturer in Mexico City (Cia. Distribuidora Mercantil, S.A.). **Jack Poppele**, ex-MBS & WOR engineering v.p., later head of VOA, now is a consultant, also owns part of unique Santa's Land playground near Putney, Vt., resides in So. Orange, N. J.

Mefford R. Runyon, now exec. v.p. of American Cancer Society, N. Y., was v.p. & a director of CBS 1937-45, v.p. Columbia Records 1945-48. **Carl Haverlin**, pres. of BMI since 1947, was ex-Mutual station relations chief. **E. P. H. (Jimmy) James**, who was NBC sales promotion mgr. 1937-42, joined MBS after Army as v.p. for adv. & research, left in 1949 to reside in Arizona because of health of his children, returned a few years ago to become a Nielsen v.p. in Chicago. Also a Nielsen v.p. is **John Churchill**, ex-CBS & BMB.

* * * *

Among other alumni of NBC v.p. ranks: **Alfred H. (Doc) Morton**, recently with Voice of America, lives at 25 E. 86th St., N. Y. **Philips Carlin**, pioneer programmer, resides at 6 E. 45th St., N. Y. **Lloyd Egner**, retired in 1949 as transcription dept. chief, first joined Hudson & Manhattan R.R., since 1951 has lived in Washington (now 2800 Quebec St. NW) doing consulting work at home and abroad. **Wm. R. (Billy) Goodheart**, recently resigned sales v.p., owns farms in Ohio, is also working on various enterprises in Ariz. **John McDonald** is professor at U of S. Carolina.

Quite a few v.p.'s have gone from one network to another in various capacities: **Robert Weitman**, now CBS v.p., recently was ABC program v.p., and **Robert Lewine**, ex-ABC program v.p., has same title now at NBC. **James Stabile**, now director of NBC-TV talent dept., was ABC legal v.p., as was **Geraldine Zorbaugh**, now legal chief for CBS radio. **Don Durgin**, ex-ABC radio v.p., is now an NBC sales v.p. **Ed Botthof**, ex-ABC radio v.p., is now with NBC sales, Chicago. **Charles Ayres**, ex-NBC radio v.p., is now with ABC-TV sales, N. Y. **James H. Connolly**, ex-v.p. in charge of ABC's San Francisco office, is now with NBC-TV sales. **Murray Grabhorn**, ex-ABC sales and v.p. for owned-stations, is now with Mutual sales.

* * * *

That about completes the v.p. list. Some network topkicks who never attained v.p. titles but were very prominent in their day and have since done nicely are also worth mentioning. For example: NBC's first press & public relations chief, **G. W. (Johnny) Johnstone**, now TV-radio director of National Assn. of Manufacturers; **Easton Woolley**, ex-NBC station relations chief, now a broker in Salt Lake City (address, 5340 Cottonwood Lane); **Ruddick R. R. Lawrence**, NBC director of program sales 1950-53, now v.p. of N. Y. Stock Exchange and mastermind of its big current promotional campaigns.

Also, **Richard B. Moore**, ex-ABC attorney, now mgr. of KTTV, Los Angeles; **Maurice B. Mitchell**, ex-mgr. for CBS of WTOP, Washington, later aide to NBC v.p. Charles R. Denny (recently upped to RCA v.p.-new products) and now pres. of Encyclopaedia Films, Wilmette, Ill.; **Jesse Butcher**, 1929-33 CBS director of public relations, same for NBC 1936-37, later in agency work and wartime radio director of USO and National War Fund, now TV-radio director of U. S. Information Service; **Reginald M. Brophy**, ex-NBC, now pres. of Canadian Motorola Electronics Ltd.

Tape Dispute Settled: Video tape jurisdictional quarrel between IATSE & N. Y. Film Producers Assn. which flared into one-day strike against 35 makers of TV commercials (Vol. 14:19) was settled this week. Agreement running to Dec. 31, 1960 provides for trial period ending Dec. 31, 1959 "during which producers and the various union crafts will work together to determine rates & working conditions." Pact is subject to ratification by FPA members at June 3 meeting. Meanwhile, Screen Actors Guild asked AFL-CIO pres. George Meany to arbitrate its video tape jurisdictional dispute with AFTRA, which wants NLRB referendum among all actors instead (Vol. 14:21). And in Hollywood, Screen Directors Guild and major studio & TV producers negotiated against June 2 strike deadline on union's demands for higher pay—including increased residual payments for reruns of post-1948 features on TV (Vol. 14:18).

Casualty of the TV times: David E. Smiley, publisher of the *Tampa Times* (circ., about 47,000), operator of WDAE (5-kw, 1250 kc) and WDAE-FM (100.7 mc), unsuccessful applicant 3 years ago for Ch. 13, this week announced sale of his newspaper to *Tampa Tribune* (circ., 136,000 daily, 155,000 Sun.) operator of WFLA-TV (Ch. 8), WFLA (5-kw, 970 kc) & WFLA-FM (93.3 mc). Morning *Times* will henceforth be published in evening *Tribune* plant. Smiley retains the radio stations. In 1954, WDAE sought Ch. 13, was selected by examiner but reversed by FCC in favor of Tampa Television Inc. (Walter Tison group), which in 1956 sold station, now WTVT, a CBS basic, to present owners, *Daily Oklahoman* group for \$3,500,000 (Vol. 12:26, 29). Broker in *Tampa Times* deal, amount undisclosed, was Allen Kander.

Creation of United Press International through merger of UP and INS last week leaves 2 TV film services virtually unchanged. Reorganization did not effect UP Movietone under direction of mgr. W. R. Higginbotham. INS-Telenews, which serves some 158 TV stations, becomes Hearst Metrotone Telenews, still owned by Hearst organization. Only problem is to recruit new sales staff since Telenews previously used INS sales personnel. At last report, Robert H. Reid transfers from INS sales mgr. to Hearst to direct new Metrotone Telenews sales force.

Census of radios will be taken in 1960 after all. Census Bureau Director Robert W. Burgess said this week Bureau had reversed previous position (Vol. 14:16) "in order to provide up-to-date information on number and location of households" with radios but would not collect data on types of sets because it would cost too much to do so. Earlier, Howard H. Bell, asst. to NAB pres., urged radio census in speech before Kansas Assn. of Broadcasters, said data is needed to identify radio households county-by-county and to get current information on number of FM sets & battery operated portables.

Better regional spot business reporting was urged by Lawrence Webb, managing director of Station Representatives Assn., in talk before Pa. Assn. of Bcstrs. at Wernersville May 22. Compared with published media, "we're flying blind," he said. He termed present national spot reporting system good but not extensive enough or fast enough.

Telechrome test signal equipment—"vertical blanking interval" system—is now in use at all 3 networks, 15 independent stations, according to v.p. H. Charles Riker. Latest signal available through device is one well known in Europe—"sine squared square-wave"—now being tested by networks.

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Personal Notes: Elmore B. (Buck) Lyford leaves NBC station relations to become exec. asst. to William B. Rines, now pres. of the corporations licensed for WCSH-TV & WCSH, Portland, Me. (Ch. 6); radio WLBZ, Bangor with newly acquired WTWO there (Ch. 2); radio WRDO, Augusta; Mrs. Henry P. Rines, his mother, has withdrawn from the presidencies . . . **Wm. J. Muellen**, ex-sales mgr. of WPOR, Portland, Me., named national sales mgr. of Hildreth stations—WABI-TV, Bangor (WABI); WAGM-TV, Presque Isle, Me. (WAGM); radio WPOR . . . **Michael Horton**, ex-NBC News, named information director of CBS News . . . **Mort Rubenstein** promoted to art director, **Marvin Fuchs** to production mgr., of CBS-TV adv. & sales promotion dept. . . . **Zaro Calabrese**, ex-WABC-TV, named art director of ABC-TV . . . **Norman P. Bagwell**, business mgr. of WTVT, Tampa, named mgr. of WKY-TV & WKY, Oklahoma City, replacing **Raymond W. Welpott**, onetime gen. mgr. of WRGB, Schenectady, who quit WKY Television System Inc. (*Oklahoma City Oklahoman*) last week to join his former chief **P. A. (Buddy) Sugg** at NBC; Bagwell, onetime FBI agent, becomes member of board, with **James Terrell**, WKY-TV commercial mgr., appointed asst. station mgr. for WKY-TV, and **John Moler** promoted to same post at WKY . . . **Robert Olson** appointed administrative asst. to mgr. **E. B. Dodson** at WTVT, Tampa, in addition to his duties as operations mgr., with **John Haberlin** named asst. mgr. in addition to commercial mgr. . . . **Walter Bartlett**, ex-*Indianapolis Times*, named sales mgr. of WLWC, Columbus, O., succeeding **Gregory Lincoln**, resigned . . . **Robert F. Lewine**, NBC-TV v.p., elected pres. of N. Y. chapter of Academy of TV Arts & Sciences . . . **Dick Gifford** promoted to national sales mgr. of KFJZ-TV, Fort Worth, succeeding **Joe Evans**, now gen. sales mgr. of Storer's WVUE, Wilmington-Philadelphia . . . **Don Davis**, gen. mgr. of KMBC-TV, Kansas City, presently in Europe, wins $2500 cash award for best local TV campaign promoting 25th anniversary of Jack Wrather's *Lone Ranger* . . . **Malcolm W. Dale** named sales mgr. of merged WNEP-TV & WILK-TV, Scranton-Wilkes-Barre . . . **Richard J. Butterfield**, ex-commercial mgr. of KCRG-TV, Cedar Rapids, named sales v.p. of KMSP-TV, Minneapolis . . . **Ray C. Smucker** named sales mgr. of KVAR and radio KTAR, Phoenix, also continuing in charge of radio KYUM, Yuma, also controlled by John J. Louis family . . . **George A. Koehler**, mgr. of WFIL-TV & WFIL, elected pres. of Pa. Assn. of Broadcasters . . . **Julian Schwartz**, WSTC, Stamford, elected pres. of Conn. Broadcasters Assn. . . . **Ralph W. Weil**, exec. v.p. & part-owner of WOV, N. Y., elected pres. of N. Y. chapter of Broadcast Pioneers . . . **Al Markin**, ex-CBS, named exec. asst. to pres. George Gould, Telestudios Inc. . . . **Bernard Weitzman** promoted to v.p. in charge of business affairs of Desilu Productions.

Several NAB committees were appointed this week, in advance of June 16-20 Washington board meeting. Chairmen: general fund finance—Alex Keese, WFAA-TV, Dallas; membership—Ben B. Sanders, KICD, Spencer, Ia. and Joseph J. Bernard, KTVI, St. Louis, co-chairmen; TV finance—C. Howard Lane, KOIN-TV, Portland, Ore.; bylaws—Joseph E. Baudino, Westinghouse stations. Co-chairmen of convention committee will be vice chairmen of TV and radio boards, to be elected.

McConnaughey, Sutton & L'Heureux Washington law firm dissolves, former FCC Chairman McConnaughey to spend full time in Columbus, O. offices, George O. Sutton to continue his previous practice, former McConnaughey assistant Robert D. L'Heureux to start own practice June 2 at 921 Albee Bldg., Washington (Metropolitan 8-4575).

Edward DeGray, ABC v.p., & Armand Hammer, MBS pres.-chairman, newly designated to represent their networks on NAB board.

Robert W. Sarnoff, NBC pres., receives honorary Doctor of Laws degree from Pennsylvania Military College.

ADVERTISING AGENCIES: **Edward Kogan**, ex-Edward H. Weiss, appointed TV-radio director of Joseph Katz Co. . . . **Herbert W. Cooper** promoted to exec. v.p. of Meldrum & Fewsmith, Cleveland . . . **Nelson Metcalf**, ex-Lennen & Newell, named v.p. of C. J. LaRoche . . . **Willard Benner** promoted to v.p. of Ted Bates . . . **Murray Bolen** elected v.p. of Benton & Bowles, Hollywood . . . **Lennen & Newell** absorbs Merchandising Factor, San Francisco, names MF pres. Marshall Weigle a senior v.p. . . . **Emory Ward** named v.p. of Sullivan, Stauffer, Colwell & Bayles . . . **Grover J. Allen**, ex-WBKB, Chicago, named associate TV-radio director of Geoffrey Wade Adv. there.

Robert E. Eastman's new radio rep firm (Vol. 14:18) has set up headquarters under his name at 527 Madison Ave., N. Y. (Plaza 9-7760), with the ex-ABC Radio pres. in charge. Chicago office at 333 No. Michigan Ave. (Financial 6-7640) is headed by Richard Arbuckle, ex-NBC Spot Sales; San Francisco office in Russ Bldg. (Yukon 2-9760) by Richard H. Schutte, ex-sales mgr. of KCBS, succeeded at the CBS radio station by Seymour Whitelaw.

Motorola becomes first industrial associate member of National Assn. of Educational Broadcasters.

Sale of KSO, Des Moines (5-kw, 1460-kc) to N. L. Bentson, Joseph R. Floyd & Edmund R. Ruben for $202,500 was announced this week. Buyers own KELO-TV (Ch. 11) & KELO, Sioux Falls, S. D. with satellites KDLO-TV, Florence (Ch. 3) & KPLO-TV, Reliance (Ch. 6), and radio WLOL, Minneapolis. Anton J. Moe, sales mgr. of WDAU-TV, Scranton, Pa. (Ch. 22) will be gen. mgr. of KSO. Sellers also own WXLW, Indianapolis, which they retain. Broker was Allen Kander. [for week's other radio station sales and transfers, see *AM-FM Addenda V*.]

Control of WTVP, Decatur, Ill. (Ch. 17) will pass from W. L. Shellabarger (68.75% owner) and associates, now that FCC has approved deal whereby they get $200,000 for stock and debentures, additional $100,000 for lease of real estate for 5 years, with option to buy at end of lease for $225,000 (Vol. 14:15). Buying principals are George A. Bolas, media director of Tatham-Laird Inc., Chicago, with 30%; W. Clarke & Gilbert Swanson, Campbell Soup execs., 15% each. Shellabarger retains approximately 5%, also continues as owner of real estate.

"The Mystery Men of Broadcasting" titles article on station reps in May 23 *Printers' Ink*, theme being "no other major group in the industry is as widely misunderstood."

Springfield Ch. 2 (Cont.): Major disclosures in this week's FCC investigation by House Commerce legislative oversight subcommittee: inactive WMAY-TV, Springfield, Ill. (Ch. 36) lost $46,589 in 1954-57, had only $24.71 in checking account at local First National Bank by Oct. 31, 1956, owes back fees to Washington counsel Marcus Cohn—and has sole physical asset in vacant studio site bought with borrowed $13,000.

But instead of sympathizing with WMAY-TV's uhf plight—following FCC deintermixture proceedings which transferred its original Ch. 2 award to St. Louis' KTVI (Vol. 14:21)—House probers led by Rep. Harris (D-Ark.) bombarded pres. Gordon Sherman & v. p. Richard S. Cohen with questions intended to show that politics colored award in first place.

Over & over again, subcommittee counsel Robert Lishman and subcommittee members took Sherman & Cohen back & forth over their relations with ex-Ill. State Auditor Orville E. Hodge, now in prison for embezzlement, who had said he interceded for them with Sen. Dirksen (R-Ill.) and Rep. Simpson (R-Ill.) in contest with Sangamon Valley TV for Ch. 2.

Sherman conceded he and Cohen met "2 or 3 times" with Hodge to discuss help in winning Ch. 2 from Sangamon after examiner's initial decision had favored Sangamon. But Sherman said he knew nothing about any contacts made by Hodge in his behalf—or that ex-GOP chairman Leonard W. Hall had interested himself in the case.

Cohen said he approached Hodge "as a friend—not as a politician" for "advice" on how to "neutralize" political influence he said had been exerted by Sangamon. But he testified he never asked Hodge or anyone else to "contact anybody in Congress." Rep. Moss (D-Cal.) commented, in disbelief: "You are not only a young man—but very naive."

Ex-Sen. Scott Lucas (D-Ill.), retained by Cohen as counsel for hearing, suggested: "No doubt there has been a lot of politics involved in every TV license that ever has been granted." "That's becoming very obvious," snapped Rep. Williams (D-Miss.).

Subcommittee also explored what chairman Harris described as "strange & curious" events revolving around 1956 award of Ch. 2 to WMAY-TV (Vol. 12:26) subsequent to FCC rule-making which exchanged St. Louis Ch. 36 for Springfield Ch. 2 in 1957 (Vol. 13:9), and advance reports on FCC's intentions (Vol. 12:11 et seq).

Sherman testified that early in 1956—even before award of Ch. 2 to WMAY-TV—he had talked with KTVI pres. Harry Tenenbaum & exec. v. p. Paul E. Peltason about deintermixture prospects. Subcommittee counsel Lishman wanted to know whether "these gentlemen ever told you you were butting your head against a stone wall in trying to keep Ch. 2 in Springfield." Sherman replied: "Yes, sir, they sure did."

Asked by Lishman if Tenenbaum & Peltason had told him they were going to get Ch. 2, Sherman said: "There was an inference about that." Sherman also related that he had discussed an offer then by Tenenbaum & Peltason to help him obtain uhf equipment for Ch. 36—but that WMAY-TV still has no studio, no equipment, no network affiliation, no present prospects for going on air.

Immediately after recessing hearing on WMAY-TV, Harris announced next witness June 2 would be Tenenbaum, opening subcommittee's look into complex St. Louis TV deals which have involved KCPP (Ch. 11), KWK-TV (Ch. 4) & KMOX-TV (Ch. 11) as well as KTVI. St. Louis stations are among 20—14 in comparative cases, 6 in sales—listed by subcommittee for investigation (Vol. 14:20).

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White House was linked to contested TV cases earlier in week by subcommittee staffer Stephen J. Angland. He introduced Oct. 27, 1953 letter to Sherman Adams, The Asst. to President Eisenhower, from Comr. Hyde (then FCC chairman): "I thought it might be helpful if you had the attached outline information concerning television contests in St. Louis & Flint, Mich." Adams' office thanked Hyde for his "thoughtfulness." Significance of this exchange was not developed in hearings, however.

In another subcommittee flurry, *Boston Herald-Traveler's* WHDH-TV (Ch. 5), another station scheduled for comparative-case-&-station-sale phase of probe, refused to comply with subcommittee subpoena demands for all its accounts. Company challenged power of subcommittee to compel disclosure of private records which it said were "unrelated to the committee's inquiry."

Harris replied that subcommittee "will not be interfered with in connection with efforts to obtain legitimate information," but at week's end he had not pressed point further. *Herald-Traveler* said terms of subpoena were so broad that it even seemed to cover expense accounts filed on assignments by newspaper's sports writers.

Grant of a 5th vhf station to North Dakota Bcstg. Co. (John W. Boler) was recommended by examiner Elizabeth C. Smith this week after hearing on application for Ch. 11, Fargo. Boler owns: KXJB-TV, Valley City (Ch. 4); KCJB-TV, Minot (Ch. 13); KBMB-TV, Bismarck (Ch. 12), all N. D., plus KXAB-TV, Aberdeen, S. D. (Ch. 9). Examiner held there would be no overlap between Grade A contours of Fargo & Valley City stations; that Grade B overlap isn't disabling in this situation; that 5 vhfs to Boler isn't "undue concentration"; that Boler's payment of expenses to competitor Marvin Kratter who withdrew was proper under FCC policy.

CP for WTVQ, Pittsburgh (Ch. 47), appears on way to extinction—Ed Lamb, operator of WICU-TV, Erie (Ch. 12) & WICU, this week cancelling 1953 deal by which he would have taken it over for $5000 from Ronald B. Woodyard & Loren Berry (Vol. 9:30).

Experimental Ch. 12 application for Philadelphia was withdrawn this week by Storer Bcstg. Co., operator of WVUE, Wilmington-Philadelphia (Ch. 12). Storer notified FCC that too many delays would be involved, in light of Court of Appeals decision remanding New Orleans experimental Ch. 12 grant to WJMR-TV (Ch. 20) back for a hearing (Vol. 14:21). Court had concluded that Commission should have conducted hearing to determine whether New Orleans operation would be truly experimental. Storer had proposed to operate with directional antenna from Philadelphia antenna farm (Vol. 14: 8, 15).

Site change of WTVD, Durham, N. C. (Ch. 11) was held up by FCC this week, as it granted protest of WFLB-TV, Fayetteville (Ch. 18), designated move for hearing. Move is from site 9 mi. north of Durham and 20 mi. north of Raleigh to about 32 mi. southeast of Durham and 10 mi. southeast of Raleigh, includes height increase to 1510 ft.

Smart move of FCC, as it set celebrated Miami Ch. 10 case for hearing to start June 23, was to explore possibility of having a judge serve as hearing examiner—feeling it would be wise to have presiding officer with no FCC connection. Hearing is to determine whether former Comr. Mack should have disqualified himself from voting and whether parties had indulged in improper actions to influence vote. All original contestants and Justice Dept. are permitted to participate. Commission is satisfied that it could legally appoint a judge as presiding officer but it probably will take precaution of getting Civil Service Commission to certify him as a hearing examiner—if it finally does find judge to serve. Party North Dade Video is asking FCC to tighten issues to limit number of witnesses, shorten hearing.

Abandonment of FM allocation plan is proposed in rule-making started by FCC this week, with industry comments due July 7. Reason for dropping table, Commission said, is that it has outlived usefulness—pattern having been set by great number of operating stations. It said that application processing could be speeded by eliminating time-consuming rule-making required each time a channel is assigned to new location. [Location of FM stations and grantees, by channel, comprises Part III of our annual *AM-FM Radio Station Directory*, copies of which are still available at $7.50.]

Court of Appeals, by 3-0 decision, turned down appeal of WITV, Ft. Lauderdale, Fla. (Ch. 7) against grant of Ch. 10, Miami, to WPST-TV. WITV had sought to get into Ch. 10 hearing, but court stated that WITV's license "contained no express or implied terms insuring financial success or freedom from hurtful competition by such developments in the area as here occurred."

Switch from Ch. 15 to Ch. 13, temporarily, is sought by WVEC-TV, Hampton-Norfolk. It told FCC there is "intolerable" interference to uhf reception caused by second harmonic of local oscillators of sets tuned to WAVY-TV (Ch. 10). WVEC-TV is applicant for Ch. 13 in 3-way competition.

Class IV (local) AM stations may apply for 500-w or 1-kw under certain conditions, following amendment of rules effective July 7. Applications won't be granted until "appropriate coordination of the rule change can be effected with other North American countries."

Two translators were granted by FCC this week—Ch. 72 & 74, Grants Pass, Ore., to California Oregon TV Inc., operator of KBES-TV, Medford, Ore. (Ch. 5) and KOTI, Klamath Falls, Ore. (Ch. 2).

Single TV application filed this week was for Ch. 23, Yakima, Wash., by John W. Powell, employe at KIMA-TV there. This brings total pending to 118 (29 uhf). [For details, see *TV Addenda 26-R.*]

Clips from the Current Press—

(Digests of Noteworthy Contemporary Reports)

"TV or not TV; that is the question
Whether 'tis nobler in the mind to suffer
The pressures of increasing enrollments
Or to take up arms against a sea of troubles
And by electronics end them.
To grunt and sweat under a weary life
And make us rather bear those ills we have
Than fly to others that we know not of?"

—Wanda B. Mitchell, Evanston (Ill.) Township High School teacher, before Educational TV conference sponsored by Dept. of Health, Education & Welfare in Washington.

"In all of the lively chitchat in Washington [about the FCC investigation] it has been widely assumed that there is no alternative to the status quo . . . Such doesn't happen to be the case. The root of the chaos in broadcasting lies in the simple fact that a scarcity of channels for video broadcasting has been artificially sustained & encouraged far longer than necessary . . . A national switch to uhf does not mean every problem will be solved overnight. But it will put a termination date on the present haphazard system of granting licenses and regulating broadcasting; it will lay the ground for correcting inconsistences in channel assignments which simply do not make sense to any reasonable man."—Jack Gould, *N. Y. Times.*

"On the teacher's desk [of the future] the traditional bright red apple will have been replaced by a multiple-control panel and magnetic tape players. The tape machines will run 3 recorded lessons especially geared to the level of the students, ranging from the slow learners to those who are highly advanced. Each pupil will follow the lesson with headphones. When the pupil has a question he will be able to talk to the teacher directly on his intercom without disturbing the rest of the class. In this way the teacher will actually be able to conduct as many as 3 classes at the same time."—RCA pres. John L. Burns, addressing recent National School Boards Assn. convention.

"The power of TV is formidable, of course. The greatest showcase for the manufacturer of goods to advertise his wares; the greatest medium whereby a clergyman might persuade the viewer to allow religion to work in his life, to let it give him victory over his problems. TV, in many respects, sets the tone, morals, idealism and conditioning of the American mind. There is no question in my mind but that TV is in the public domain. It belongs to the people, like the beaches, the right of way." — Dr. Norman Vincent Peale.

"I am afraid that I am a perpetual optimist, because I still believe that 1958 can be better than 1957 in the TV business if everyone handles his business in a reasonable manner. And the other areas of electronics, i.e., components, industrial products and military, all look as though they should finish ahead of 1957. It may sound silly [but] I will be happy between now and Dec. 31 and [could be] disappointed only the day after."—Robert S. Bell, pres., Packard-Bell Electronics.

"It may not be an exact analogy, but I don't think books have suffered much from magazine competition. I don't see why films, which are, after all, animated books, should suffer from TV, which is simply an animated magazine."—Prince Philip, husband of Queen Elizabeth.

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING WASHINGTON 5, D C. • TELEPHONE STERLING 3-1755

Trade Report
May 31, 1958

RCA OUT WITH 'SOUP-to-NUTS' STEREO LINE: If you're hot on stereo as the likely hypo to sagging electronic home entertainment business, as are most of the top executives in the industry, you'll want to know all the details about RCA's big stereo package -- hi-fi's, discs, tapes, recorders, combos, in fact, the works -- which comes out for the public to see and buy Mon., June 2.

It's a big line which RCA consumer products exec. v.p. Robert A. Seidel told newsmen, who were given sneak preview Thursday, is "designed to bring stereophonic music into the home at mass-market prices." Ready are: (1) Fifteen stereo-orthophonic phonos which play both stereo discs and monaural records, priced from $129.95 for low-end portable to $2500 for 3-cabinet "sound center" with record turntable, tape-cartridge player, tape recorder, AM-FM, 2 additional speakers. (2) Fifty-five stereo records, including 17 classics, for June release, priced from $4.95 to $8.95. (3) Thirty-two stereo-tape cartridges "as easy to play as phono records." (4) Two instruments for playing stereo cartridges -- tape recorders as well as players -- priced at $295 & $450. (5) Seven auxiliary speaker systems -- from $9.95 to $125.

A $1 billion a year market for recorded music and players in a short time was foreseen by Seidel which, he said, would be a 200% increase over 5 years ago. George Marek, v.p. & gen, mgr. of record div., said stereo discs will be "slightly higher" in cost than monaural LPs, but he gave no firm prices.

New phonos play either stereo or monaural records, said Raymond M. Saxon, v.p. & gen. mgr. Victor div., so as not to obsolete music lovers' present libraries. He said present single-channel records sound better on new stereo phonos since the equipment amplifies nuances of recorded sound not re-created on comparable monaural reproducing phonos now in existence.

Other major phono makers are hot on RCA's trail with stereo. Philco will show its new stereo line to distributors conventioning at the Forrest Theatre in Philadelphia, June 2-3. And, Sylvania unveils its stereo in Buffalo, June 9.

BAD FAITH CHARGED AGAINST CO-OP AD TAX: Manufacturers and admen minced no words in telling Internal Revenue Service this week it acted against public interest, reneged on earlier promises, by trying to slap an excise tax on cooperative adv. allowances. Public hearing on new IRS tax ruling (Vol. 14:13-14,16) brought aggrieved industry representatives out in force to ask reversal of ruling that co-op funds are actually part of factory selling price and, as such, subject to excise tax -- 10% in the case of TV-radio-phonos & components.

That it's contrary to Administration policy of encouraging increased sales through lower prices and increased advertising & sales promotion, was one of many charges against tax ruling brought by spokesman Maurice G. Paul, Philco asst. treas. and pres. of Federal Excise Tax Council. Some others: (1) Ruling repudiates commitment by Treasury Dept. to House Ways & Means Committee in 1956 to officially recognize that retail advertising is not proper subject for excise taxes. (2) Co-op tax would "foster price pyramiding & increase consumer prices." (3) Tax would result in marked reduction in local TV-radio-newspaper advertising.

Suggestion that co-op funds are used as tax dodge by manufacturers was denied by Paul who added they are largely controlled by retailers, not the manufacturers, and that IRS proposal shows a "woeful lack of understanding of the serious economic consequences" of such a new tax burden.

Co-op advertising is mainstay of retail trade, said Edward Crimmins, research director of Advertising Checking Bureau, which administers co-op plans for some 150 manufacturers. He backed up Paul by insisting retailers control co-op advertising and that expenditures cannot possibly be considered part of factory sales price. Same opinions came from James J. Bliss, counsel for National Retail Merchants Assn.

Statements opposing co-op tax ruling were filed by many trade groups. Among them: National Assn. of Manufacturers, Newspaper Advertising Executives Assn., the Advertising Federation of America, So. Cal. Broadcasters Assn., National Appliance & Radio-TV Dealers Assn., Electronic Industries Assn.

Sincere willingness to reconsider was impression gained by most observers from officials' comments during hearing -- though it may be wishful thinking. Formal decision may be some time coming, thus leaving manufacturers in tenuous position due to retroactive nature of proposed rule.

TV-Radio Production: TV set production was 73,468 in week ended May 23 vs. 67,949 preceding week & 80,436 in 1957. Year's 20th week brought TV production to 1,746,256 vs. 2,074,000 last year. Radio production was 161,882 (52,119 auto) vs. 104,077 (45,582 auto) preceding week and 243,270 (97,750 auto) last year. For 20 weeks, production totaled 3,684,134 (1,188,908 auto) vs. 5,847,000 (2,325,000).

DuMont-Daystrom Merger? There's many a slip—and merger of Allen B. DuMont Laboratories Inc. with Daystrom Inc. (p. 1) may founder on the shoals of finance—but fact is that such a fusion of interests would follow trend of big holding companies, especially in electronics fields, toward diversification.

Daystrom makes electrical, electronic & nuclear products, is not in TV-radio set manufacturing or very heavily in consumer electronic products fields. In 1955 it acquired Weston Electrical Instruments Corp., now Daystrom-Weston Co., Newark & Puerto Rico, making electric indicating equipment, with a systems div. that makes automatic controls for processing and data handling. Its Heath Co., Benton Harbor, Mich., makes do-it-yourself radio kits, hi-fi equipment, analog computers.

Big furniture div. at Olean, N. Y., with plant in Alma, N. C., makes tubular steel and wooden dinette tables and chairs. Other divisions: Daystrom Electric Corp., Poughkeepsie, N. Y., sound recorders, precision machinery & equipment; Daystrom Instruments, Archbold, Pa.; Daystrom Pacific, Santa Monica, Cal., gyroscopes and subminiature electronic controls.

DuMont's big name and know-how in TV and cathode ray tubes, in which it pioneered, and its announced intention of invading fast-developing stereo phono field, make it a logical quarry for a company like Daystrom. Two years ago, ex-Raytheon v.p. David T. Schultz was named DuMont pres., following spinoff in 1955 (Vol. 11:34-35) of its broadcasting subsidiary (name recently changed to Metropolitan Broadcasting Co.) which is traded over-the-counter and which lately has expanded its TV operations into radio broadcasting, and currently is showing a profit (Vol. 14:15). Dr. DuMont is still chairman of Labs, but no longer connected with the broadcasting company.

DuMont Labs in its 1953 heyday exceeded $72,000,000 sales, earned more than $1,500,000 net profit, but it fell into deficit operations in 1955-57 and first quarter 1958 (for financial history from 1950, see our Special Report on May 10, 1958 on *Financial Data on TV-Electronic Companies).* It has had considerable turnover and reduction of key personnel, its board now dominated by Paramount Pictures executives and including Armand Erpf, the Carl M. Loeb, Rhoades & Co. partner who engineered the broadcast spinoff and who is currently in the midst of the merger talks. Latest *Poor's Register* shows it employs 4000.

Daystrom Inc. pres. is Thomas Roy Jones, its payroll about 7100. In fiscal year to March 31, 1958 its consolidated sales are expected to be reported at some $80,000,000, having exceeded $60,000,000 in first 9 months to Dec. 31, 1957 when its net profit was $1,754,000 ($1.94 per share). In whole of fiscal 1957, sales were record $74,402,239, net profit $2,458,811 ($2.77), also a record. [For capitalization-sales-earnings-dividends-price range data for preceding years from 1950, see same Special Report.]

Fair trade legislation continued at a slow boil in Congress this week with introduction of 3 new bills by Sen. Humphrey (D-Minn.) aimed at firming up retail prices. Senate Commerce Committee postponed indefinitely action on Humphrey's Federal price maintenance bill (S-3850), similar to Harris Bill (HR-10527) on which House Commerce Committee concluded hearings last month (Vol. 14:18). Other Humphrey bills were: S-3851 to prohibit loss leader sales and S-3852 to ban sales at unreasonably low prices to destroy competition. Both are before Senate Small Business Committee and scheduled for hearing June 23-25. Fair trade lobbyists were busy lining up support for House adoption of Harris Bill at this session of Congress, discounted possibility of Senate action before adjournment.

New EIA statistics: Monthly factory sales of stereo phonos will be reported by EIA's marketing data dept. as soon as machinery to collect figures can be set up. Only total phono sales have been reported heretofore. Also, special reports will be issued monthly on FM factory sales, on retail sales of all phonos and on transistorized portable radios.

DuPont and IT&T sign agreement whereby former makes and sells new grade of ultra-high-purity silicon produced by processes developed by latter's British affiliate—Standard Telecommunications Laboratories Ltd. DuPont says purity of new silicon "is expected to surpass all types" now available.

Fourteen phosphor samples, to provide industry with uniform standards of comparison, are offered at $3 each by Standard Sample Section, National Bureau of Standards, Washington. Phosphors include those used for TV, radar, radioactivity counters, etc.

Trade Personals: Sam Kaplan, veteran Zenith Radio v.p.-treas., elected to board vacancy caused by death of pres. E. F. McDonald (Vol. 14:20), with asst. v.p. J. E. Brown promoted to engineering v.p. & chief engineer to succeed the late Gilbert E. Gustafson; Kaplan joined Zenith in 1923, was elected v.p. in 1948, treas. in 1952 . . . Wm. C. Wichman promoted to gen. mgr., GE Hotpoint div., succeeding John C. Sharp, retired pres. & gen. mgr., title of pres. being abolished; Reginald H. Jones succeeds Wichman as gen. mgr., GE Supply Co. div., Bridgeport . . . Robert Rosen, ex-pres. of Cosmopolitan Adv., named adv. & sales mgr. of Zenith Radio Corp., N. Y., succeeding Herbert K. Okrongly, now asst. gen. sales mgr. of Herold Radio . . . Richard J. Stafford promoted to marketing administrator of Sylvania home electronics div.; Charles L. Hubbard promoted to product planning mgr.; John E. Lau to sales mgr. for radio & hi-fi . . . Roland H. Martin, ex-Norge, named Sylvania northwest district sales mgr. . . . George O. Crossland promoted to central region sales mgr. for GE receiving tube div., succeeding Gordon E. Burns, now national distributor sales mgr. . . . Dr. Sidney J. Stein promoted to engineering & research director of International Resistance Co., Philadelphia; Leo J. Jacobson heads engineering div., Dr. John Bohrer, research div. . . . Wm. E. Kress resigns as Philco midwest marketing mgr. . . . Royal Weller promoted to engineering v.p., Stromberg-Carlson, Rochester.

ELECTRONICS PERSONALS: Maj. Gen. Jerry V. Matejka, telecommunications chief of Office of Defense Mobilization, resigns, hasn't indicated plans; position remains vacant pending action on President Eisenhower's proposal to merge ODM and Federal Civil Defense Administration . . . John W. Guilfoyle promoted to operations v.p., IT&T's Federal Electric Corp. . . . Eugene J. Vigneron promoted to mgr., of Sylvania Electronic Systems, Needham, Mass. . . . Neill A. Teets, ex-Clevite, named sales mgr. of Chesapeake Instrument Corp., Shadyside, Md. . . . Robert E. Busher promoted to sales v.p. of Friden Inc., suceeding Lawrence B. Taylor, resigned . . . Hugh C. Bream, ex-Rheem Mfg. Co., named marketing v.p. for Hoover Electronics, Baltimore.

DISTRIBUTOR NOTES: Zenith appoints George H. Lehleitner & Co., New Orleans, for TV, radios, phonos . . . Webcor appoints East Coast Appliance Co., Columbia, S. C., for phonos, tape recorders . . . Sues, Young & Brown (Zenith), Los Angeles, promotes Edward J. Dymek to sales v.p. . . . Jensen Mfg. Co. appoints Sinai-Johnson Co., San Francisco, for hi-fi . . . Philco plans to open factory branch in Boston, replacing J. H. Burke & Co., whose pres., Joe Burke, retires after more than 25 years as independent distributor . . . Michael D. Kelly resigns as gen. sales mgr. of Sylvania Sales Corp., Chicago . . . Pilot Radio establishes N. Y. distributing branch, replacing Adolph L. Gross Assoc.

TV & Radio Shipments: TV manufacturers shipped more sets to dealers in March than in Feb., but totals for March and the first 1958 quarter were below 1957, EIA reported this week. Dealer shipments in March were 406,658 vs. 398,560 in Feb.; first quarter, 1,356,759 vs. 1,457,636 year earlier. Shipments of radios to dealers during the first 13 weeks of 1958 totaled 1,338,862 vs. 1,612,044 in same 1957 period.

First quarter TV shipments by states:

State	TV	Radio
Ala.	17,724	16,787
Ariz.	9,806	6,431
Ark.	11,436	8,640
Cal.	125,082	89,228
Colo.	12,123	10,408
Conn.	21,736	18,653
Del.	3,540	2,824
D. C.	13,340	15,583
Fla.	54,135	40,261
Ga.	26,176	24,330
Ida.	4,440	3,585
Ill.	84,940	99,319
Ind.	32,424	22,969
Iowa	15,668	16,550
Kan.	16,749	13,890
Ky.	22,998	19,941
La.	24,291	18,387
Me.	6,519	6,554
Md.	19,801	25,614
Mass.	43,942	49,942
Mich.	47,603	45,689
Minn.	21,564	25,759
Miss.	11,079	9,059
Mo.	31,834	34,994
Mont.	7,793	5,022
Neb.	11,737	6,906
Nev.	2,204	2,363
N. H.	3,691	4,225
N. J.	48,575	53,038
N. M.	5,696	4,472
N. Y.	154,020	205,557
N. C.	25,838	23,965
N. D.	4,457	4,156
Ohio	73,504	76,833
Okla.	16,470	14,035
Ore.	13,837	13,210
Pa.	95,940	93,830
R. I.	7,189	6,617
S. C.	10,904	11,186
S. D.	4,971	3,003
Tenn.	22,742	21,661
Tex.	66,950	70,300
Utah	7,447	5,678
Vt.	2,509	2,682
Va.	24,260	22,629
Wash.	21,626	19,161
W. Va.	13,773	8,438
Wis.	23,205	26,598
Wyo.	4,977	1,740
U. S. TOTAL	1,353,265	1,332,702
Alaska	803	1,110
Hawaii	2,691	5,050
GRAND TOTAL	1,356,759	1,338,862

Tape recorder sales will top 600,000 this year, 850,000 in 1960, according to survey by Minnesota Mining & Mfg. Co., leading tape maker. Dollar volume should exceed $100,000,000 this year, $150,000,000 by 1960.

Novel book is *Electronic Puzzles & Games*, by Matthew Mandl (Gernsback Library, N. Y., 120-pp., $1.95). It's designed to give children a start in electronics and amuse experienced technicians.

CBS-Hytron pres. Arthur L. Chapman predicts industrial electronic sales will increase 50% by 1962, reach $2 billion by 1965.

TV in Japan: Unlike Japanese transistor radio production—1,000,000 slated for export to U. S. this year (Vol. 14: 6, 12, 16)—all of TV set production this year will be consumed on the islands, reports Commerce Dept.'s May 12 *Foreign Commerce Weekly*. Indicative of surging TV business in Japan is anticipated 1958 production of more than 1,000,000 sets, up 67% from last year, compared with mere 18,000 sets in 1953. Price has dropped from $389 for 14-in. set in 1953 to $167 for similar set today. At least 90% of Japanese TV production will be 14-in. sets for two reasons: (1) Larger screens are taxed 30% of factory price, 14-in. 17%. (2) Small rooms in Japanese homes favor smaller screens. TV ownership in Japan is about one home out of 22. Although current production lags behind capacity, Japanese manufacturers expect increased sales with further upturn in nation's economy, lower prices.

Factory sales of transistors for the first 1958 quarter were up 76% over the same three months last year. Total of 9,038,798 units worth $20,306,372 were sold vs. 5,125,000 worth $14,612,000 a year ago. Factory transistor sales for March were 2,976,843 worth $6,795,427, drop from February's 3,106,708 worth $6,806,562, but higher than March 1957 totals of 1,904,000 at $5,321,000.

"Adventures of the Mind" series in *Saturday Evening Post* is authored in May 31 issue by Dr. Vladimir K. Zworykin, RCA electronic research director. Titled "Magic Eyes for Medicine," article describes advances in medical electronics, deplores physicians' reluctance to employ new electronic devices.

Sylvania pres.-chairman Don G. Mitchell will receive honorary degree of Doctor of Science from U of Cincinnati at June 6 commencement. He also holds honoraries from Northeastern U, Rensselaer Polytech, Stevens Institute, Parsons College, Middlebury College.

Closed-circuit TV will enable sidewalk superintendents to watch construction of new giant Niagara Falls power plant from safe distance.

Financial Reports:

CBS's WILLIAM S. PALEY & Frank Stanton ranked 23rd & 25th, respectively, among top earners of 1957, according to May 24 *Business Week*, which tabulates salaries and other compensations for leading executives in various categories of industry with comparisons with 1956—to arrive at general conclusion that executive pay did not trend up last year. Top earner of all was Bethlehem Steel pres. Arthur B. Homer, $623,336 in salary & bonuses before taxes. Among the others:

	1957 Salary	Additional Comp.	1956 Salary	Additional Comp.
AVCO MFG. CORP.				
Victor Emanuel, chmn.	$150,000	—	$125,000	—
K. R. Wilson Jr., pres.	77,517	—	—	—
James D. Shouse, Chmn. Crosley Bcstg. Corp.	87,500	—	75,000	—
AMERICAN TEL. & TEL.				
F. R. Kappel, pres.	$187,850	—	$ 51,783	—
E. J. McNeely, exec. v.p.	130,370	—	—	—
C. W. Phalen, exec. v.p.	107,750	—	67,606	—
C. F. Craig, chmn.*	113,283	—	257,200	—
** Chmn. to May 31, 1957.*				
COLUMBIA BROADCASTING SYSTEM		A		A
Wm. S. Paley, chmn.	$299,807	$ 35,584	$300,000	$ 16,526
Frank Stanton, pres.	299,807	24,625	300,000	12,335
Henry C. Bonfig, v.p.	54,230	—	—	—
(A) Paid or set aside for pension plan.				
GENERAL ELECTRIC CO.				
R. J. Cordiner, pres.**	$264,973	1,863s.*	$259,988	1,741s.
P. D. Reed, Chmn.**	168,740	1,131s.*	165,032	1,044s.
R. Paxton, exec. v.p.**	170,603	976s.*	—	—
** Shares valued at 56⅜ a share. Payable in 15 to 20 annual installments after termination of employment. ** Reed retired as chmn., Cordiner became chmn., and Paxton pres. April, '58.*				
PHILCO CORP.				
J. M. Skinner Jr., pres.	$ 72,083	—	$ 57,689	—
Leslie J. Woods, exec. v.p.	45,000	—	40,000	—
John M. Otter, exec. v.p.	50,000	—	50,000	—
W. Balderston, chmn.*	55,875	—	75,000	—
** Resigned Dec. 26, 1957.*				
RADIO CORP. OF AMERICA		A		B
David Sarnoff, chmn.	$200,000	—	$200,000	—
Frank M. Folsom, pres	165,000	$ 15,000	165,000	$ 19,993
John L. Burns, pres.*	125,000	20,000	—	—
E. W. Engstrom, sr. v.p.	110,000	10,980	110,000	13,993
** Became pres. March 1, 1957. (A) Bonus is payable in five annual installments, if earned out, and amount shown was paid in 1957. (B) Amount paid in 1956.*				
WESTINGHOUSE ELECTRIC CORP.				
G. A. Price, chmn.	$138,779	A	$117,833	—
M. W. Cresap Jr., pres	109,979	A	94,666	—
J. K. Hodnette, exec. v.p.	97,767	A	—	—
(A) 1,018 shares, 1,018 shares and 707 shares, respectively, awarded as portion of compensation for 1957. Payable in shares of common stock in five annual installments after retirement.				

General Instrument, leading components manufacturer, doubled earnings to $1,020,840 (74¢ per share) on record consolidated sales of $39,195,749 in fiscal year ended Feb. 28 vs. $505,407 (37¢) on $33,254,735 year earlier. Profit for latest period was figured after giving effect to tax benefits from acquisition of Radio Receptor Co. (Vol. 14:12). Sales increase was attributed largely to 32% boost in military-industrial electronic products volume, but chairman Martin H. Benedek said General Instrument sold more TV tuners than in 1956 despite lower industry production, "maintained its position" as supplier of deflection components to TV set-makers, increased unit & dollar volume of radio intermediate frequency transformers. He said that operating profits from TV components—because of "unsatisfactory pricing" and recession—"leave much to be desired," however, indicating that lower TV sales in first fiscal quarter will help make its returns "unsatisfactory."

Oak Mfg. Co. earned $30,653 (5¢ per share) on sales of $3,459,157 in first 1958 quarter vs. $138,210 (21¢) on $4,736,847 year earlier.

Stockholders of C&C Television Corp. (Matty Fox, pres.), formerly C&C Super Corp., are being asked to approve 1-for-10 reverse stock split and change firm's name to Television Industries Inc. at special meeting June 17. They're also asked to approve reduction in authorized shares from 10,000,000 to 3,000,000. C&C is the firm which acquired RKO film backlog, holds substantial film-for-time barter spots (Vol. 14:21) and proposes to acquire control of cosmetics manufacturer Hazel Bishop Inc. (Vol. 14:19). Its annual report shows 1957 net income from operations of $937,323 which, after allowing for net loss to July 31, 1957 on non-TV operations, left net loss of $205,257 for year. Under reorganization agreement of July 31, 1957 it had transferred to National Phoenix Industries Inc. all non-TV operations, shares in latter being distributed to stockholders.

Major diversification into TV field was completed this week with purchase of Hal Roach Studios, Culver City, by Scranton Corp., Scranton, Pa., whose major stockholder is F. L. Jacobs Co., Detroit auto parts manufacturer. Jacobs recently acquired Symphonic Electronics Corp. (Vol. 14:20), claiming to be largest exclusive manufacturer of conventional & hi-fi phonos. Already deep in TV film business (*Gale Storm Show, Racket Squad, My Little Margie*, etc.) Hal Roach plans new TV film distributing firm, production of commercial & industrial films, increase in present schedules for TV & theatre films. Hal Roach Jr. remains as pres. of new Scranton div.

Barnes Engineering Co., Stamford, Conn., spun off old Olympic Radio in 1955 with R. Bowling Barnes going over as pres., reports net loss of $36,393 on consolidated sales of $579,574 for 6 months to Dec. 28, 1957, expects sales for second 6 months of fiscal year ending June 30, 1958 will approximate $900,000. Sales were adversely affected due to Defense Dept.'s procurement stretchouts, along with legal costs of suit filed by Servo Corp. of America. Backlog on March 28 was $580,000. Sales estimate for year to end June 30 includes $250,000 of wholly-owned subsidiary Multra Corp., which did $105,000 in 6 months ended Dec. 31.

IT&T had best first quarter in history, consolidated earnings rising to about $6,000,000 (84¢ per share) vs. $5,900,000 (82¢) year earlier, pres. Edmond H. Leavey told stockholders at annual meeting in N. Y. this week. Orders at end of period were "slightly under" those on hand at close of first 1957 quarter but "were still very substantial," he said, reporting that earnings of telephone & radio operating companies, and American Cable & Radio "continue to improve."

Beckman Instruments first quarter sales were $9,699,892 vs. $9,844,533 same 1957 quarter, but had net loss of $353,314 vs. profit of $62,740 last year. Sales for 9 mos. ended March 31 were $29,327,875 (net loss $435,529) vs. $27,488,706 (net profit $770,571) same period last year.

Technicolor earned $78,971 (4¢ per share) in 16 weeks ended April 23 vs. $69,000 (3¢) year earlier.

Dividends: Sylvania, 50¢ payable July 1 to stockholders of record June 10; **Hoffman**, 25¢ June 30 to holders June 13; **Decca Records**, 25¢ June 30 to holders June 16; **Meredith Publishing**, 45¢ June 12 to holders May 29; **Arvin Industries**, 25¢ June 30 to holders June 9.

Reports & comments available: On Hoffman, in study by H. Hentz & Co., 60 Beaver St., N. Y. On Westinghouse, in review by Green, Ellis & Anderson, 61 Broadway, N. Y. On IT&T, in study by Fahnestock Co., 65 Broadway, N. Y.

Pay TV—More Talk: It didn't take long for pay-TV proponents to jump into vacancy produced by "temporary" demise of Bartlesville cable-theater experiment (Vol. 14:21). We thought it would be Skiatron's Matty Fox. We were wrong. It was International Telemeter's Lou Novins.

After paying tribute to work of Video Independent Theatres in Bartlesville ("Everyone . . . owes Henry Griffing a debt of gratitude"), pres. of the Paramount Pictures subsidiary stated that the cable-theatre experience confirmed Telemeter's contention—that public wants to pay on per-program, pay-as-you-see system. Telemeter proposes coin-in-the-slot device.

Novins said Telemeter would start 3 cable-theatre projects early next year—reportedly at locations near New York, on West Coast and in Canada. "In a matter of weeks," he said, "Telemeter will make announcements signifying that pay TV is moving from conversation into hardware, from planning into the market place."

Zenith, whose late pres. Comdr. E. F. McDonald was pay TV's strongest force (Vol. 14:20), hasn't commented yet.

Former President Truman plumped for toll TV this week. In letter to Arlington, Va. *Northern Virginia Sun*, he said: "Pay TV has great possibilities," ought to be given a trial. "No one knows, of course, precisely how it would work out," he said, "but it can reasonably be expected to bring to millions of Americans high quality entertainment and cultural programs they could never hope to get any other way." Everyone's curious as to why Truman's views should be expressed in relatively obscure newspaper. There's common belief it was engineered by Frieda Hennock, ex-FCC member, friend of Truman, now counsel to Zenith.

Dr. Norman Vincent Peale, the noted clergyman, took other view. In June 7 *TV Guide*, he's quoted: "It's simple. Pay TV won't pay. The people can't afford it. . . Our family could afford pay TV, but we're all against it because pay TV presents the great danger of filling the pockets of the few and emptying the pockets of the many. This is a case where the interests of the smallest citizen who is lacking in influence must be protected. Pay-TV is a form of tax; the scheme won't take hold. But we must do all we can to prevent it." He said he has never found a religious leader in favor of subscription TV.

FCC Raps Knuckles: WABT, Birmingham (Ch. 13) is first station to get chastised by FCC for editorializing "unfairly" on pay TV (Vol. 14:16). More are expected. Commission noted that station's news editor delivered anti-pay editorial Jan. 31, urged viewers to write Congressmen. Then, station had program Feb. 3 featuring panel of 3 of its employes, one of whom spoke in favor of subscription TV—but viewers weren't urged to write Congressmen. Said FCC: "A standard of reasonable fairness would call for the presentation by a proponent of subscription TV during the same evening or at approximately the same time on a week day shortly thereafter. This did not take place. It does not appear that your choice of proponents of subscription TV fulfilled your 'affirmative duty to seek out, aid and encourage the broadcast of opposing views' on this controversial issue of public importance." However, Commission concluded, station's past record outweighs this instance of "unfairness."

First telecast from U. S. Pavilion at Brussels Fair, to the 11-nation Eurovision network, was May 26 Benny Goodman jazz concert, whose week's appearance at Fair was underwritten by Westinghouse stations.

COMMON STOCK QUOTATIONS

Week Ending Thursday, May 29, 1958

Electronics — TV-Radio-Appliances — Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
10¼	7	Admiral	10	+⅜
21½	19¾	AmBosch .30e	21¾	+1⅛
18	13	AmBcstg-Par 1	17½	—
37⅞	32¼	AmMy&F 1.60	35	+⅜
178⅞	167⅞	AT&T 9	178⅞	+¾
27⅞	22¾	Amphenol 1.20	26½	+⅝
29⅞	24	Arvin 2	24	−½
7¼	5⅝	Avco .20e	6½	−¼
25¾	18	Beckinst 1¼1	19⅞	−⅛
53	41½	BendixAv. 2.40	51½	+2⅞
32¾	27⅝	Burroughs 1	32¼	−¼
18⅜	15¾	Clevite ¼e	17	+⅝
32	24½	CBS "A" 1b	30	−1⅝
31¾	24¼	CBS "B" 1b	29⅞	−1½
18	12½	Col Pict ⅗t	16¼	−1
35¼	27⅞	Cons Elec .40	31⅜	−⅝
26¾	19½	Cons Electron	24¼	−¾
16½	12¾	Cor-Dub .20e	16	+¾
86¾	74⅝	CornGlass 1a	83⅝	−⅛
3⅝	3	Davega	3¼	+⅛
35	30	Dayatrom 1.20	33¼	+⅛
16¼	13⅞	Decca 1	14⅞	−⅛
21½	11	Disney .40b	21½	+⅝
107⅞	97⅛	EastKod 1.55e	101⅞	+⅞
37¼	29	EmerElec 1.60	37¾	+1¼
6⅝	4¼	EmersonRadio	6¾	+⅝
8½	7	Gabriel .60	8¼	+½
65¾	55	Gen Dynam 2	57½	+⅝
64¼	57	Gen Electric 2	59¾	+⅝
9¼	4⅝	Gen. Inst. .15g	9	+½
41	28⅝	GnPrEquip.85e	29¾	−½
30	22¼	Gen Tire .70b	25	+1
48¼	40⅜	Gen. Teleph. 2	48¼	+2
27¾	21	HoffmanElec 1	27¾	+⅝

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
357	300	IBM 2.60	348¾	−1¾
35⅛	29¼	IT&T 1.80	35	+⅜
41½	36¼	I-T-ECirB .90e	37½	—
7⅞	6¾	ListIndust ¼e	7	+⅛
47⅝	36⅞	Litton Ind.	47⅝	+2⅞
17½	12⅞	Loew's	15⅞	−⅛
37	30¼	Magnavox1½b	35½	−⅛
28¾	23⅝	Mallory 1.40b	26⅝	+⅞
89¾	76	Mpls.H'll 1.60a	89¾	+2¼
42¼	35	Motorola 1½	37⅝	+⅜
9	7⅜	Nat'l Thea ½	8¾	−⅛
38⅜	30⅝	Paramount 2	37⅝	−⅛
17⅛	12⅜	Philco	15⅞	+⅛
35	30¼	RCA 1a	34⅞	+¾
28¾	21½	Raytheon 1¼t	28¾	+2½
7⅛	5	Republic Pic	6⅝	+1⅛
34¾	26¾	Sang Elec 1.80	27½	+¼
16⅛	13¼	Siegler .80	13⅝	−⅛
4	2¾	Sparton	3¾	+⅛
20⅝	17¼	SperryRan .80	18	−⅛
8⅝	6	Standard Coil	8¾	+¼
18	14½	Stanley-War 1	16	+⅝
31⅜	29	Stew Warn 2b	31	+⅛
25⅜	20	StorBestg 1.80	24⅞	—
37½	31½	Sylvania 2	35⅞	−⅛
37⅝	26¾	Texas Instru	35	−⅞
55¼	41⅜	ThomProd 1.40	45½	−⅛
26⅞	23¼	Tung-Sol 1.40b	25	+¼
31¼	21¾	20thC-Fox 1.60	31¼	+1⅜
23	15¼	UnitedArt. 1.40	23	+⅞
22⅝	18½	Univ. Pict.	20½	—
19½	16⅞	WarnBros 1.20	18⅞	−¼
65½	57¼	Westingh El 2	58	—
79⅜	67½	Zenith ½b	79⅜	+3⅝

AMERICAN STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
4⅛	2⅞	Allied Artists	4	—
45	34½	Allied Con 1a	38⅜	−⅛
15⅛	12⅞	AmElectro ½	12¾	+1
10⅛	8⅜	AssocArtProd	9⅜	+⅛
12½	7¼	AudioDev	11¼	−⅛
10⅛	7⅜	Belocklnat ⅛t	8½	−⅜
1⅛	⅜	C & C TV	15/16	+1/16
1⅞	1⅝	Cin'ma Inc.	1⅞	—
3¾	2⅞	Clarostat .15g	3½	+⅜
4⅞	3	DuMont Lab	5¼	+1¼
4⅛	2⅞	Dynam Am	3¾	+⅛
13⅛	10	EletcronicCom	12	—
7⅞	6⅜	Electronics Cp	6¾	+⅛
31⅝	19½	FairchCam½g	24¾	+½
24⅞	17¼	General Trans	20¾	−½
17¼	14⅝	Globe Un .80	16¼	÷¾
3⅞	2½	Gaild Films	3¾	—

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
37⅝	30½	Hazeltine 1.40b	36⅞	−¾
2⅞	2	Herold Ra .20	2⅞	+⅝
4⅝	3¾	Int Resist .20	3⅞	−⅛
6¼	4¼	Lear	6	−⅜
¾	⅜	Muntz TV	11 16	—
4	2½	Muter Co. ¼t	3⅞	+⅛
9¼	5⅝	Nat'l Telefilm	8⅝	−¼
1¾	1	Nat Union El	1½	−⅛
6⅞	2¾	Norden-Ketay	2⅞	−⅛
3⅝	2⅞	Oxlord El .10r	3	−⅛
16	11	Philipa El	11¼	+¼
9¼	6⅝	Servomech	9⅛	+¼
6	3⅜	Skiatron	4	−¼
5¾	3½	Technicolor	5¼	—
4½	3½	Trans-Lux .20g	4	+⅛
4⅞	3⅞	Victoreen Inst.	4	—

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked
Advance Ind	2 3/16	2½
Aerovox	3¾	4½
Airborne Inst	48½	50
Altec Co. .80	6	6¾
AMP Inc .50	19⅝	20¼
Ampex	65¾	67
Baird Atomic	8	9
Cinerama Prod.	1¾	2
Cohu Electronics	7¼	7¾
Collina "A" .35	14	15
Collins "B" .35	14	15
Cook Elec. .40d	18¼	19
Craig Systems	6¾	7
DuMont Bcstg.	7⅝	8⅛
Eitel-McCullough (5% stk)	27	29
Elec Assoc (atk)	40¾	42
Erie Resistor .40b	6	6½
Friden Ind. 1	51½	54
Giannini, G. M.	12⅞	13¾
Granco Products .05	1⅛	1½
Gross Telecasting 1.60	19½	21
Hewlett-Packard	25⅛	26
High Voltage .10g	30¼	32
Hycon	2¼	2⅝
Indiana Steel Prod. 1.20a	18	18½
Jerrold	2	2⅜
Ling Industries	2	2½
Leeds & Northrap .60b	21¾	23

	Bid	Asked
Machlett Labs .25g	16¾	17¾
Magna Theatre	1⅜	1¾
Maxson (W. L.) .05	5½	6
Meredith Pub. 1.80a	30	32
National Co. (4% stk.)	11¼	12½
Oak Mlg. 1.40	14	14½
Olficial Films .10	15 16	1⅛
OR Radio	18	19
Pacific Mercury TV	6⅜	6¾
Packard-Bell .50	11⅝	12
Panellit	5⅛	5½
Perkin-Elmer	22¼	23¼
Philips Lamp (14% ol par)	37½	39
Reeves Soundcralt (stk.)	3 3 16	3⅜
Sprague Electric 1.20	27	28
Taylor Instrument 1.20	29	30
Tele-Broadcasters	41	43
Telechrome .30	8⅜	9
Telecomputing	4¼	4½
Teleprompter (stock)	5⅝	6¼
Time Inc. 3.75	58¾	60
Topp Induatries (atock)	9	9½
Tracerlab	6⅛	6½
Trav-Ler	1¼	1½
United Artists	4⅛	4¾
Varian Associates	17⅞	18⅛
Webcor .15c	10¾	10⅞
Wells-Gardner	8	8½
WJR Goodwill Sta. .50d	13¼	13½

Rates ol dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid alter stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, delerred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. • No trade

THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest

with ELECTRONICS REPORTS

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SUMMARY-INDEX OF THE WEEK'S NEWS — June 7, 1958

CATV OPERATORS CONVENE, GEARED TO FIGHT: Community antenna system operators have been accustomed to putting out limited "brush fires" -- but, as their National Community Television Assn. holds convention in Washington's Mayflower Hotel Tues.-Thu., June 10-12, they know they have a real forest fire on their hands. Biggest turnout yet is expected -- about 400 vs. 300 at last year's convention in Pittsburgh.

CATV operators have won fights quite consistently with state regulatory agencies which sought to control them. And FCC has consistently held that it has no authority over them, is by no means sure they need to be controlled. Fact is, until recently, just about everyone was delighted with the systems.

But a group of small-town telecasters is up in arms and doing bang-up job of persuading Congress and FCC that they're being hurt; that public will suffer if stations do; that CATV systems are the villains (Vol.14: 18-19, 21-22).

CATV operators are up against a formidable foe -- the telecasters, their Washington attorneys and their skilled trade assn. NAB, all of whom have had decades of experience in persuading Congress and FCC. CATV operators, by and large, are men of considerable substance and agility, know their way around home states very well. They're now trying to catch up in Washington. They have money -- and now they have the determination.

Concept of "joining 'em if you can't lick 'em" hasn't had much attention from telecasters, up to now. CATV business has been considerably more profitable than small-market telecasting -- and a lot easier way of making a living.

But telecasters are waking up, too. We have the word of Bill Daniels, former NCTA pres. who operates several systems and recently started CATV brokerage firm in Denver (Vol. 14:17), that:

"We have more buyers than sellers. Prospective purchasers include a good number of TV & radio stations and movie operators. We have a lot of deals working.

More systems are being offered now; one good reason is that many are plumb out of depreciation, and taxes are eating them up; a purchaser can start the depreciation over again." His most recent sale was Oil City, Pa. system (about 5000 subscribers) to Nathan Levin firm in N.Y., whose CATV principal is W. Randolph Tucker, and which handles investments for Rosenwald family.

Senate Commerce Committee hearings on the station-CATV battle resume week of June 23, and CATV witnesses are busy sharpening up their testimony, since they didn't get to bat last week (Vol. 14:22). Recently, the political tide has been running against them; they're going to have to work hard to stem it. A good summary of telecasters' arguments and legal position was presented this week by Washington attorney James A. McKenna in speech before Colo. Broadcasters & Telecasters Assn. in Colorado Springs (for details, see p. 4).

TV IMPLICATIONS IN DROPPING FM ALLOCATIONS: If FCC finally abandons FM allocation table, as it proposed last week (Vol. 14:22) -- and it seems to be foregone conclusion that it will -- some lessons useful to TV may be learned. Reason given by the Commission was that plan is no longer needed to keep too many channels from gravitating to big cities, where immediate demand existed. Commission says that existing stations & CPs have settled pattern so this can't happen.

FCC last year proposed to drop TV allocation plan but rescinded proposal to wait for more accurate engineering data to come from TV Allocations Study Organization (Vol. 13:37). Curiously, FM and TV situations are quite similar, in terms of grants outstanding. FM has 668 licenses & CPs; TV, 719 (536 on the air).

FCC hasn't reissued an up-to-date FM allocations table since 1947, and we had been urged recently to publish a new table because of surge in FM applications (Vol. 14:13). There seems no point in doing so now. However, we do have a master up-to-date table and we'd be glad to prepare additional copies at nominal cost.

There's varying opinion among Washington attorneys & engineers as to impact to come from abandoning FM table. Some believe it won't cause a ripple. Others think prospective applicants may hasten to nail down CPs now rather than face possible competitive multiple-city hearings later. Currently, a channel may be used only in city to which it's allocated. Without plan, applicants could file for any channel anywhere, as long as it fits engineering-wise.

There will be somewhat greater expense in getting CPs without a plan. Engineers will have to conduct "channel searches" as they do in AM -- and hearings may be lengthened by "307(b) issues" -- to determine which city needs service most.

INTENSIFIED DRIVE FOR ALLOCATIONS SOLUTION: New FCC attack on allocations problems continues to shape up, following Commission testimony last week before Senate Commerce Committee (Vol. 14:22). FCC doesn't know tack it will take, but it's really working -- has special meeting on deintermixture scheduled for June 9. Among latest ideas it is considering are short-range and long-range suggestions of engineer Comr. Craven and ABC's new petition to convert 14 two-vhf-station markets to 3-vhf.

There's impetus among commissioners to get ball rolling toward alleviation of station shortage -- even before TV Allocations Study Organization (TASO) produces its refined technical data. At the moment, there seems to be a majority in favor of deintermixture -- but this is counterbalanced by a concern lest drastic reallocation deprive public of service in some areas.

Craven's proposal isn't intended as a finished plan, rather as a "starting point" for Commission discussions. He's thinking in terms of immediate answer to get 3 stations in major markets -- through drop-ins, channel shifts, deintermixture, etc. -- and a long-range (7-10 year) shift of all TV into a 25-channel contiguous band starting with present Ch. 7 (174-180 mc), dropping Ch. 2-6 and uhf. As an engineer and allocations specialist, his judgment commands attention from colleagues. Other engineering member, new Comr. Cross, hasn't said anything yet about allocations, and it will be interesting to see how his views jibe with Craven's. [For details of ABC's latest proposal, see p. 8.]

DuMONT MERGER TALKS STILL UNDER WAY: Daystrom-DuMont negotiations (Vol. 14:22) have fallen through -- but conferences looking to one form of merger or another, possibly with aircraft firm holding defense electronics contracts, were being continued this week. Difficulty now appears to be that aircraft interests, while possibly desiring DuMont's staff and know-how, notably in tubes & communications apparatus, aren't particularly interested in consumer products such as TV, radio, hi-fi. But negotiators think they can find way, if needed, to separate operations.

Said a spokesman close to both DuMont and major stockholder Paramount Pictures, shortly after DuMont Labs pres. David T. Schultz told newsmen that "discussions [with] Daystrom Inc. have been discontinued":

"I guess Jones [Thomas Roy Jones, pres. of Daystrom] has his problems, too. But I would guess that some kind of deal will be worked out with somebody within the next 60 days." He said Wall Street Journal quote of Paramount Pictures pres. Barney Balaban, which indicated that 26% stockholder Paramount was considering taking over itself, was incorrectly interpreted. Balaban didn't mean that at all, he said.

Only thing definite right now: All parties in interest -- DuMont, Paramount, prospective alliances, bankers -- are maintaining discreet silence. Trading in stock of DuMont Labs this week totaled only 3300 shares vs. 69,000 week before. It closed at 4⅛, down from last week's 1958 high of 5¼.

CREEPING GOVT. THREATS TO NETWORK PRACTICES: Washington gave the networks another uncomfortable week. Pressure to restrict them increased from several quarters:

(1) Network witnesses were given brisk going over by Sen. Bricker (R-O.), as he conducted hearings on his bill (S-376) to require FCC to exert direct control over networks. Sole Senator present most of time, he made it clear to reporters after hearing that he wasn't pressing for passage of bill this season -- but he also made it plain that he believes networks are too powerful, may be able to get across their own "philosophies," have too much influence concentrated "in one section of the country," may be able to deny advertisers vital "access" to TV, hold life-&-death control over affiliates.

(2) Asst. Attorney General Victor Hansen gave opinion that certain network practices -- option time, must-buy, alleged program "tie-ins" -- are illegal "per se" (automatically wrong, like sin), and he received wide publicity. He gave us exactly same view over month ago (Vol. 14:18) but several newspapers, notably June 1 N.Y. Times, gave it prominence on eve of Senate Commerce Committee hearings.

(3) Rep. Emanuel Celler (D-N.Y.), chairman of House Judiciary Committee, decided time was ripe for another jab at FCC, told Commission that Hansen is right and it had better outlaw the practices or he'll do something -- like hold hearings.

* * * *

FCC Chairman Doerfer isn't panicked by these developments. In testimony before Senate Commerce Committee this week, he emphasized that S-376 is "premature" until Commission finishes network hearings and evaluates them; that Hansen's opinion is "tentative" and "informal"; that some of Hansen's information came from anonymous witnesses who ought to be cross-examined in the open.

Doerfer said FCC would "have no choice," on other hand, but to outlaw practices referred to by Justice Dept. if latter offers "formal opinion" that they're illegal. "I've always felt," he said, "that FCC is not particularly expert on antitrust matters." But he's by no means ready to buy Justice's opinion yet, and Justice has agreed, he said, to wait until FCC finishes network hearing. No dissent from Doerfer's view was expressed by other Commissioners during Senate hearing.

Hansen sounds quite firm in his opinion, which he said has been cleared by Attorney General Rogers, so it's thought he'll stick by it "formally." This raises the persistent question as to whether Hansen might go for a "compromise," such as that proposed on option time by Station Representatives Assn. (Vol. 14:21-22). Some lawyers think that he might -- and call off his attack -- though SRA plan for "Station Reserved Time" is actually an extension of option time formula.

Basic fear of the 3 network v.p.'s, as they testified before Senate Commerce Committee, was that Bricker bill would provide "wide open door" to FCC, now or in future, to step into the dangerous area of network program control and interference with business practices. [For details of testimony, see below.]

The Anti-CATV Position: Representing KLTV, Tyler, Tex. (Ch. 7), one of strongest opponents of community antenna systems, Washington attorney James A. McKenna summarized stations' position in speech before Colo. Broadcasters & Telecasters Assn. in Colorado Springs June 6.

"Whether we (as broadcasters) like it or not," he said, "CATV systems have become a significant instrumentality by which TV programs are being brought to a substantial portion of our population. The impact of CATV operations on our TV broadcasting is so immediate and direct that in my opinion they should be subject to regulation. And the character and impact of their operations are such that they should be regulated by the Federal Govt. rather than by the separate states . . .

"The Commission is not required to accept the theory that a broadcaster can be a party to frustrating and perhaps even nullifying the normal expansion of TV in other areas by permitting his signal to be used by CATV systems in areas where local TV might otherwise develop and prosper. The Commission can in all probability attach limitations or conditions to his license, recognizing that the TV broadcast station has a property right in the use of its signal and program material, which would require the licensee so to use that right to avoid frustrating the Commission's overall objectives . . .

"The Commission's power to grant or refuse microwave licenses to CATV systems in order to protect the table of allocations seems clear. The Commission's power to regulate 'rebroadcasts' of a station's signal in another area cannot be seriously questioned. The Commission's authority to refuse licenses to a person who pirates or unlawfully appropriates the property rights of others seems plain . . .

"If experience shows that those powers are inadequate to insure local live free TV stations in small communities, the Commission should at that point seek additional legislation from Congress."

Since CATV operators challenge virtually all these points, it would seem that some pioneering litigation is in the offing.

New Haven's giant redevelopment program, cynosure of city planners throughout the country and involving reconstruction of Oak St. area, will embrace new $1,400,000 office & studio building to be erected by WNHC-TV (Ch. 8) and WNHC. Roger W. Clipp, Triangle group v.p. & gen. mgr., announcing plans to integrate TV-radio expansion with $40,000,000 civic project, said building will also house Union-New Haven Trust Co. and Metropolitan Life offices.

Jerrold Electronics Corp. moves headquarters to Jerrold Bldg., 15th St. & Lehigh Ave., Philadelphia 32, Pa. (Tel. Baldwin 6-3456).

Ampex Videotape shipments: 2 to WGN-TV, Chicago; one to KOTV, Tulsa; one to WTAR-TV, Norfolk; one to WFAA-TV, Dallas.

Sen. Wayne Morse (D-Ore.), no punch-puller, speaks at next luncheon meeting of Federal Communications Bar Assn., Willard Hotel, Washington, June 19.

The Embattled Networks: FCC chairman John Doerfer's consistent philosophy came to fore again this week, as he testified before Senate Commerce Committee on Sen. Bricker's bill to impose direct FCC regulation on networks (see above).

As he did last week in hearing before same committee on station-CATV fight (Vol. 14:22), he demonstrated belief FCC's main job is to provide facilities, minimize electrical interference. He showed he doesn't go along with those who feel that Commission should keep close tabs on programs or arbitrate economics.

Doerfer was reluctant, therefore, to go along with Bricker bill. Besides urging bill be held up pending conclusion of Commission's network hearings, he expressed concern with broad nature of measure. Bricker and Committee counsel Kenneth Cox argued that bill would merely empower FCC to do directly what it now does indirectly. But, said Doerfer:

"S-376 in its present form is silent with respect to the substantive purpose of the proposed measure. Nowhere does it spell out the specific evils which the bill is designed to correct or the standards to be used in making regulations applicable to network organizations. Past hearings and Committee documents dealing with this subject do not, in the opinion of the Commission, provide sufficiently clear legislative history of the purposes of S-376. Lacking such Congressional direction, the Commission would have no basis for determining how the bill should be administered."

Bricker pooh-poohed this worry, said FCC has no more explicit Congressional direction on how to regulate stations, asserted that if Congress has to spell out details it may as well abolish Commission. As for Doerfer's fear of "program control," Bricker said: "The Constitution takes care of censorship and freedom of speech. There's no attempt here to set that aside, I assure you."

Doerfer was careful to emphasize that Asst. Attorney General Victor Hansen's opinion on option time, must-buy and program tie-ins (p. 3) was tentative. He added, however: "Recent Supreme Court opinions certainly have changed my opinion on anti-trust violations. It's up to the industry to change Congress' mind if certain practices do violate the law."

Rest of commissioners said they agreed with Doerfer's formal statement, but Comr. Craven said that he doesn't go along with Doerfer's view that Commission has authority to weigh stations' "program balance"; that Congress never intended FCC to touch programming at all.

* * * *

CBS v.p. Richard Salant said CBS would have no objection to Bricker bill if it definitely limited FCC to do only what it can now do indirectly. "What troubles us," he said, "is that it does not define the areas, scope or extent of potential regulation." On surface, bill looks innocuous, he said, but it's ominous when coupled with FCC's network study staff (Barrow) report. "A reading of that Report as a whole," he asserted, "confirms that its authors contemplate deep Federal entry into areas hitherto left to the free competition of the market place"—in relations with advertisers, with affiliates and in programming. He noted, for example, Report's statement that Govt. ought to "counteract" the dangers of "uniform social, economic and political viewpoints."

Bricker's questions showed he thinks there are such dangers. Salant insisted that public won't let that happen: "Our job is to find everything significant, let the public decide. You can't force any ideas down anyone's throat."

Bricker said that he'd have little concern if there were 6 or 12 networks, plenty of "diversification," but that 3 networks represent too much "concentration." Salant's worries, he said, "are in the realm of fiction."

* * * *

NBC exec. v.p. David Adams expressed similar fears: "This would extend govt. supervision to a whole new area of private enterprise in the fields of entertainment, information and advertising. The scope and content of this new authority are not defined in the bill. As a result it could be used by the FCC to regulate the services, economics and business dealings of the networks in accordance with whatever views that agency might have now or in the future."

FCC already can regulate what goes over air through its station licensing function, he said. It makes no more sense to regulate networks, too, he stated, than it would to let FCC regulate other program suppliers—film syndicators & distributors, program packagers, advertising agencies, national spot reps.

"The fact that an enterprise involves an important service to the public," he asserted, "certainly does not mean that it requires govt. regulation. On such an argument, govt. regulation should be imposed on the newspapers and magazines of this country, because they too provide a valuable service to the public."

Among other points made by Adams: (1) It would be "suicidal" for networks to be "unfair" to advertisers. (2) Affiliates have testifed they neither need or want any "protection" from networks. (3) Network business already has "built-in controls"—from public, affiliates and advertisers. (4) There are great dangers foreshadowed by Barrow Report's statement that "it is not possible to predict the complete range of potential future regulation."

* * * *

ABC v.p.-gen. counsel Mortimer Weinbach's main point was that station scarcity is responsible for whatever problems FCC and Congress find in networking, and he strongly urged Committee to consider ABC's new allocations proposal (see p. 2). But he also saw dangers in Bricker bill.

"If you give FCC the power," he said, "it will use it. The bill would superimpose on the networks the whole licensing principle without examination by Congress. This is regulation of a business—instead of regulation of use of the air waves. FCC doesn't know what Congress might have in mind." FCC already has ample powers to deal with networks, he said.

"If further legislation is necessary at all," Weinbach stated, "it should take the form, after full and adequate hearing, of a comprehensive bill with proper safeguards and standards directed to the specific subject matter."

He also argued that consideration of bill is "premature," should await conclusion of FCC network hearings: "At most, the timeliness of S-376 appears to be reduced in its simplest terms to whether the advantages of eliminating this claimed procedural awkwardness outweigh the disadvantages flowing from the introduction of a system of regulation which, however limited it might appear to be on its face, might radically change the character of American broadcasting. Such a grave undertaking at this time hardly seems justified under the circumstances."

Bricker wasn't exclusively critical by any means, in fact spoke up several times to congratulate networks on their contributions—but he always coupled this with observation that there are dangers of "concentration of power."

No Influence, Says Choate: Categorical denial — "without reservation"—by *Boston Herald-Traveler* publisher Robert B. Choate that he or anybody else ever tried "outside influence" on FCC to win hotly-disputed Ch. 5 award for WHDH-TV enlivened hop-skip-&-jump proceedings of House Commerce legislative oversight subcommittee this week.

And anybody who has given contrary information to subcommittee headed by Rep. Harris (D-Ark.) is an "unmitigated liar," added Choate (who is WHDH Inc. pres.) in blistering statement to press as House investigators shifted from Washington to Boston for on-spot look at Ch. 5 case—and excursions into SEC & FTC cases.

Included in "influence" denial by Choate was "any director, officer, counsel, or employe of the *Boston Herald-Traveler* or any other person working with them." Directly challenging Rep. Williams (D-Miss.), acting subcommittee chairman at Boston hearing, Choate said there were no trips to Washington, no telephone calls there "or any other place in the world in the furtherance of any such non-existent plan."

Immediate purpose of Boston trip by Williams and ranking minority subcommitteeman Rep. Wolverton (R-N. J.) was to explore reasons why *Herald-Traveler* refused to comply fully with subpoena demanding all WHDH-TV records (Vol. 14:22). Citing Fourth Amendment against unreasonable search & seizure, newspaper protested sweeping terms of subpoena, arguing they weren't relevant to subcommittee's investigation of conduct of 6 Federal regulatory agencies.

Williams said there'd be no objection if subpoena were narrowed to exclude *Herald-Traveler* staff newsgathering activities—"provided, however, that if any such activities were directed at attempts to influence the decision of the FCC in the award of Ch. 5, then such papers must be produced."

Subcommittee "has information" that such activities were engaged in by *Herald-Traveler* officers, lawyers & staffers, Williams asserted. He listed trips to Washington, "telephone calls to persons in Washington, St. Louis and Manchester, N. H. in furtherance of the same plan." Ex-FCC Chairman McConnaughey had testified in April that he had lunch in Washington with Choate himself while Ch. 5 case was pending, but that he had steered conversation away from it (Vol. 14:14).

Most of 2-day 2-man Boston hearing was devoted to diversion from FCC matters into SEC & FTC decisions which Williams said were "predicated upon maladministration, inefficiency and possibly even corruption." He said they involved Boston millionaire Bernard Goldfine, "ex-parte pressures by high govt. officials," such firms as East Boston Co., Boston Port Development Co., Northfield Mills Inc., Strathmore Woolen Mills Corp.

It was first time subcommittee had interrupted its pursuit of FCC scandals long enough to dig publicly into other Federal agencies. Among names brought into SEC-FTC inquiry: Presidential Asst. Sherman Adams, who has been mentioned in connection with FCC cases, too. Williams said Adams and some Senators had occupied Boston hotel rooms paid for by Goldfine.

Earlier in week Chairman Harris said in Washington —following one day of potpourri testimony about behind-scenes contacts in TV cases—that subcommittee aims at winding up FCC phase of investigations in about a month, then will begin drafting bill.

Harris wouldn't indicate just what proposed corrective legislation would cover, but staff reports have assailed such alleged FCC practices as permitting "payoffs" and "trafficking" in station sales & transfers. Subcommittee itself has issued one interim report criticizing FCC (Vol. 14:14).

Nobody cited in this week's Washington proceedings was called to testify for himself. But subcommittee staffer Stephen J. Angland spread many names into record, asserting each either approached FCC members about pending cases or was aware that others were doing so.

Among those named by Angland in professed effort by him to buttress evidence of "pattern" of backstage influence on FCC: CBS Inc. chairman Wm. S. Paley, CBS Inc. pres. Frank Stanton, ex-NBC pres. Niles A. Trammell and *Miami Herald* publisher John S. Knight of Miami's WCKT, Sen. Bricker (R-O.), ex-GOP Chairman Leonard W. Hall, TV-radio commentator Tex McCrary, ex-Senate investigating (McCarthy) subcommittee counsel Roy M. Cohn, Tampa lawyer Miles H. Draper.

In all, Angland's testimony (accompanied by batches of documents) touched on 9 TV cases. They ranged—in who-said-what-to-whom fashion—from Miami to St. Louis to Cheboygan, Mich.

Subcommittee was scheduled—always subject to change—to be back at old stand in Washington week of June 9, resuming hearings on case of Springfield (Ill.) Ch. 2 and its deintermixture shift to St. Louis & KTVI (Vol. 14:22), leading into complex station situations there. Case had been listed for this week, but got sidetracked. First witness called for June 9: KTVI pres. Harry Tenenbaum. Angland told us at end of this week that he wasn't sure, but thought 2 days would clean up pending St. Louis inquiry. Subcommittee had no firm plans for where it goes next.

Do You Know That . . .

BIG GAME HUNTERS in the industry who have enjoyed the rare privilege of going on African safari are relatively few—especially those who have had as their guide the legendary Harry Selby, of famed Kerr & Downey Co., Nairobi, Kenya Colony. We know only 4 of them, one being **Larry Gubb**, retired former Philco chairman, who went in 1956 but did most of his shooting with color camera. Some of his spectacular footage has been shown publicly and, for our money, would make a splendid TV film show.

Most-publicized African safari, of course, was **Arthur Godfrey's** a few years ago. Most modest hunter we know is **Bill Balderston**, also ex-Philco pres. & chairman, who has a ranch at Moose, Wyo., where he hunts moose and caribou and an occasional bear and where he says the rainbow trout fishing is incomparable.

Edward T. Meredith, the Des Moines magazine publisher (*Better Homes & Gardens, Successful Farming*), whose firm also has 4 TV & 4 AM stations, has hunted in Africa, as has **Donald W. Reynolds**, the Arkansas-Nevada newspaper publisher, also a group TV-radio station operator. Their enthusiasm for the sport knows no bounds. In fact, it was Ed Meredith who persuaded Don Reynolds to try the same adventure.

Meredith took his young son with him to Kenya, East Africa, about 6 years ago for a 30-day hunt with Harry Selby. They shot lion, buffalo, leopard, elephant, rhinoceros, eland, impala, oryx, gazelle, gerenuk, water buck, dik-dik—the whole gamut of cross-word puzzlers.

They also shot some zebra and wildebeest (gnu) for lion and leopard bait. Ed's fondest memories of the hunt, as he related them to us: "Besides our white hunter, we had 13 native boys. They had prodigious appetites and we shot numerous plains animals for their food. We had no harrowing experiences and were attacked by no vicious animals, though we did have some exciting times . . . heard lions roaring fairly nearby at night, and a few times hyenas sniffed around our tents. The food was good, the weather both good and bad, and I assure you one gets to know his son real well after 30 days in the bush—and, perhaps unfortunately, the son gets to know his father too well."

Don Reynolds devotes 7 chapters of his book *From Rhinos to Prime Ministers* to his hunting experiences in Kenya & Tanganyika, and you gather from it that the adventure is all the movies crack it up to be. But it isn't all easy and deluxe, as he relates it: "You kill your own dinner, wash in muddy river water, live in a tent and pay just about double the cost of a deluxe suite at the Waldorf for the privilege.

"You miss your first 2 chances [shooting at game] . . . then all of a sudden you almost fall over a little Thompson gazelle! The antlers look as big as an old-time Texas longhorn. You bang away and, wonder of wonders, he drops in his tracks. The native bearers run up, pat you on the back, shake your hand and brag about the fresh meat we will all have for dinner, thanks to the prowess of the mighty bwana. Brother, you're hooked . . . you are a sportsman!"

Lot of small game, first, then a crack at rhino which the guide said Reynolds shot with his double-barreled .470 rifle. Sticking out in mind is the after-dark scariness of Africa, the jackals barking, the lions roaring their coughing roars. Also, fresh in Reynolds' lively "Scotch memory" is the $140 license fee entitling one to 2 of each species of certain specified animals, the $70 fee for a rhino or leopard, $56 for a lion, $8.40 for a zebra, $210 for an elephant. And the luxury of an iron cot after 10 hours on the veldt in a jeep.

Phil Lasky, v.p. and onetime part owner of Westinghouse's KPIX, San Francisco, tells us he couldn't get time enough away from his African cruise ship recently to do any shooting (he's a crack marksman) but he's now so hipped on the idea of an African hunt that he proposes to organize a group of congenial souls for a safari next year. But old-time broadcaster **Herb Hollister**, who still owns a small daytimer in Ft. Collins, Colo., along with a Chrysler agency in Boulder, Colo. and lots of valuable real estate, did get away for an African safari last year, recently regaled his fellow BMI board members with movies of his adventures.

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Personal Notes: Jack Reber, recently resigned director of NBC-TV Spot Sales and ex-sales mgr. of WRCA-TV, N. Y. on June 2 joined Cascade Broadcasting Co., Yakima, Wash. (Thomas C. Bostic, gen. mgr.) as exec. coordinator of its KIMA-TV, Yakima (Ch. 25), its 3 TV satellites and its 3 radio stations (see *TV Factbook No. 26*, p. 256) . . . Lester Bernstein, associate editor of *Time*, joins NBC July 14 as director of information, replacing Michael Horton, now director of CBS news dept. information, handling speeches, policy statements, etc.; Bernstein reports to exec. v.p. Ken Bilby . . . Frank Stanton, pres. of CBS, returns from European trip June 15, having left at end of May when chairman Wm. S. Paley returned from abroad; CBS-TV exec. v.p. Hubbell Robinson has gone to London and Paris to plan production of new film series, *The Invisible Man* . . . P. A. (Buddy) Sugg, NBC v.p., named a director of TvB . . . Gene Accas resigns as v.p. of ABC-TV to take executive post with Grey Adv., N. Y. . . . C. R. Watts promoted to new post of asst. gen. mgr. of KROD-TV, El Paso . . . Charles E. Denny, onetime mgr. of WSEE, Erie, named gen. mgr. of radio WBNY, Buffalo . . . Francis H. Conway promoted to sales mgr. of WDAU-TV, Scranton, succeeding Tony Moe, now gen. mgr. of radio KSO, Des Moines . . . John Cummins, ex-KFMB-TV, San Diego, named local sales mgr. of WFGA-TV, Jacksonville . . . Robert M. Flanigan, ex-midwest radio national sales mgr. for Storer stations, joins John E. Pearson Co. Chicago office . . . Beryl D. Hines, ex-CBS News, joins *Television Digest* as an associate editor . . . Wm. O. Tilenius takes extended leave of absence from rep John Blair & Co., succeeded by John Doscher, ex-NBC network sales . . . Bernard Kobres, ex-sales mgr. of WSUN-TV, St. Petersburg, forms Kobres Adv., Tampa . . . Martin Manulis, ex-producer of CBS *Playhouse 90*, named production mgr. of 20th Century-Fox-TV, Hollywood, succeeding Henry Asher, now sales mgr. in N. Y. . . . Robert O. Hall, takes leave of absence as head of cinema dept., U of So. Cal., to join program staff of Educational TV & Radio Center, Ann Arbor, for a year . . . Karl A. Smith has retired from Washington law firm of Hogan & Hartson, whose TV-radio specialists also include Duke M. Patrick, Lester Cohen, Corwin Lockwood, Parker Hancock, Stanley S. Harris.

FCC Comr. Robert T. Bartley was sworn in for second term June 5, Chairman Doerfer administering oath. As preface to ceremony, Doerfer noted jocularly that swearing in, in cases of reappointment, usually comes at end of term (June 30)—"but in this case we're overruling Bob, as we usually do, and giving him a little overlap." Reference was to Bartley's policy of dissenting on grants of applications to multiple owners when coverage of their stations overlap.

Louis C. Stephens, from FCC rules & standards div., appointed legal asst. to Comr. John S. Cross; Bruce S. Longfellow, from technical & allocations branch, engineering asst.

ADVERTISING AGENCIES: Wm. D. Tyler, ex-Leo Burnett, named v.p. of Benton & Bowles . . . Kirk L. Billings, ex-Emerson Drug, named v.p. of Lennen & Newell . . . Vincent F. Aiello, ex-Kudner, named senior v.p. of MacManus, John & Adams . . . Harry C. Graybill promoted to v.p. of N. W. Ayer's San Francisco office; Raymond W. Heffron to v.p. of Boston office, succeeding E. Craig Greiner, retired . . . Raymond J. Nason & Dudley R. Martin promoted to v.p.'s of Meldrum & Fewsmith, Cleveland . . . Tom McAvity became v.p. in charge of TV-radio programming in home office of McCann-Erickson June 1; George Haight named v.p. in charge of west coast TV-radio programming services . . . Russell C. Doyle promoted to pres. of Doyle, Kitchen & McCormick, succeeding H. B. Doyle who continues as chairman . . . James J. Tennyson promoted to v.p. of Sullivan, Stauffer, Colwell & Bayles . . . E. M. Sinclair, from Chicago office, elected v.p., Leo Burnett Co. of Canada Ltd., Toronto . . . Eugene I. Harrington, ex-pres. of Fletcher D. Richards, N. Y., named chairman of Honig-Cooper, Harrington & Miner, San Francisco . . . Eugene Hulshizer promoted to v.p. of Doherty, Clifford, Steers & Shenfield . . . Robert A. Mogge named v.p. of Arthur R. Mogge, Chicago . . . Douglas C. Manson, ex-v.p. Benton & Bowles, named director of public relations for Joseph Katz Co., N. Y. and Baltimore.

Frank M. Russell, NBC Washington v.p., has signed 5-year contract with network to represent it with own consulting firm after July 1. He opens offices then at 1737 DeSales St. NW, will also continue representing parent RCA on special matters. No successor to his vice presidency is planned. NBC pres. Robert Sarnoff stated that contract was made "to assure ourselves of his services beyond his normal retirement date in 1960." Russell joined NBC in 1929 under its first pres., M. H. Aylesworth, having served as aide to several Secretaries of Agriculture after graduation from Iowa State and a period as a newsman.

Irl T. Newton Jr., ex-RCA mgr. of broadcast and TV antenna & tower equipment, 1945-52 associate of consultant Everett L. Dillard, has opened own TV-radio consulting engineering offices at 422 Washington Bldg., Washington (Executive 3-7165) and at 17 Grove St., Haddonfield, N. J. (Hazel 9-4986). He's well known for planning work on multiple TV antenna installations, last year gave paper on subject at NARTB convention.

Rev. Clayton T. Griswold, who founded and has headed United Presbyterian Church's TV-radio dept. since 1948, was paid high tribute and presented with commemorative plaque by dept. chairman Clair R. McCollough (WGAL-TV, Lancaster, Pa.) at Presbyterian union assembly in Pittsburgh this week. He retired recently, has been succeeded as exec. director by Rev. Lawrence W. McMaster Jr.

Herman D. Kenin, Los Angeles & Portland violinist-lawyer, personally chosen to be new pres. of American Federation of Musicians by retiring pres. James Caesar Petrillo, was formally elected at Philadelphia convention this week.

American Women in Radio & TV will meet June 13-15 in Washington for "summer jubilee" week end as guests of local chapter, Hotel Assn. of Washington.

Obituary

Thomas C. Rockwell, 56, chairman of General Artist Corp., died of a heart attack in St. Vincent's hospital, N. Y., May 29.

William B. Henri, 71, retired pres. of Henri, Hurst & McDonald, died in Chicago May 21.

ABC's Major-Market TV Plan: Mileage cuts, directional antennas and precision offset are keys to ABC's new allocation proposal, filed with FCC this week, to add third vhf channel to 2-vhf-station markets (see p. 2).

Though petition says there are about 35 "problem markets" among first 125, current petition reports that ABC has completed study on only 14, submitting proposals on 12, still looking for answers on other 2. ABC insists that engineering techniques are sufficiently advanced to insure that co-channel and adjacent-channel stations will get proper protection despite mileage cuts—and it asserts that Commission needn't wait for TV Allocation Study Organization's findings. Some ABC proposals are new; some are now pending before Commission. Here they are:

(1) Louisville—Add Ch. 7. (2) Syracuse—Add Ch. 9 & 11, deleting Ch. 8. Substitute Ch. 8 for Ch. 11 in Kingston, Ont. (3) Rochester—Add Ch. 13. (4) Providence—Add Ch. 8 & 13, shifting Ch. 12 to New Haven.

(5) Jacksonville—Add Ch. 10 or shift Ch. 2 from Daytona Beach. (6) Knoxville—Add Ch. 2, shifting it from Sneedville, Tenn., or add Ch. 8. (7) Mobile-Pensacola—Move Ch. 3 to site about half-way between the cities.

(8) Birmingham—(a) Add Ch. 4 by shifting it from Columbus, Miss. Ch. 3 & 9 to be added to Columbus, Ch. 4 to be substituted for Ch. 9 in Dothan, Ala., or (b) Add Ch. 3. (9) Grand Rapids-Kalamazoo—(a) Add Ch. 11, or (b) Shift Ch. 13 from Cadillac, Mich.

(10) Oklahoma City—Shift Ch. 5 from Enid. (11) Shreveport—(a) Add Ch. 2, or (b) Add Ch. 4, or (c) Shift Ch. 10 from El Dorado, Ark., or (d) Shift Ch. 5 from Alexandria. (12) Greensboro-Winston-Salem-High Point—Add Ch. 8, substituting Ch. 13 for Ch. 8 at Florence, Ch. 7 for Ch. 13 at Charleston.

ABC said it hasn't come up with answers yet for Wheeling-Steubenville and Toledo.

Markets with one vhf station are really tough, ABC confessed, so it suggests "the Commission may desire to give consideration either to (1) deintermixture to all-uhf or (2) duplication on uhf of existing vhf services in order to prepare the way for later transition to uhf."

Weed Broadcasting Scholarship, first ever set up by a rep and possible forerunner of more to come, was bestowed for 8th consecutive year June 6 on meritorious student selected by the Iowa State U broadcast faculty—with Joseph J. Weed, SRA director and prominent TV-radio rep, as speaker at annual TV-radio training program dinner. Said Weed, a Fordham graduate, whose firm's list includes WOI-TV, Ames (Ch. 5), pioneer educationally-owned outlet, which operates commercially: "I believe our profession is being neglected. Most of the curricula in most of the universities in this nation, intended to train young folk for careers in TV broadcasting, are insufficient. They are second rate . . . TV gives promise of being the greatest medium of communications the world has ever known. What we need now are people—young, alert, creative people—who can program this medium constructively and sell it constructively. Our young people who show talent for selling must be given as much attention and as much encouragement as [those] who show talent for producing and creating."

New reps: WUSN-TV, Charleston, S. C. June 1 to Select Station Representatives (from Weed); WINK-TV, Ft. Myers, Fla. to Walker-Rawalt (from defunct McGillvra); upcoming CKOS-TV, Yorkton, Sask. names Devney Inc.

MBS Expansion Plans: Mutual's pres. Dr. Armand Hammer, accompanied by Washington v.p. Robert F. Hurleigh and new Washington counsel Jack P. Blume, of Fly, Shuebruk, Blume & Gaguine, called on 5 FCC commissioners June 6 to assure them MBS has no intention of folding and to outline plans under new regime in which George Vogel resigns as exec. v.p. and Larry Field, ex-Petry, joins network June 16 as Hammer's aide. The millionaire art gallery co-owner and oil operator has taken personal charge of the network, has acquired options on stock of ousted co-purchasing group led by Paul Roberts and Bertram Hauser (Vol. 14:9), thus presumably avoiding stockholders suit (Vol. 14:16). Big radio network presently is providing 5-min. news every half hour, with 15-min commentaries at 8 & 9 a.m., 1 & 7 p.m., and plans new nightly 25-min. news shows from June 9—*The World Today*, 8:05-8:30 p.m., with Westbrook van Voorhies, ex-*March of Time*, and *Capital Assignment*, 8:35-9 p.m., with top Washington newsmen. Nucleus of staff now includes, besides Hurleigh as chief newsman, Sydney Allen, sales v.p.; Joseph Keating, program director; Phil Lampkin, music director; Charles Godwin, station relations. Vogel becomes managing director of Ethos, 141 E. 44th St., N. Y., which continues to act for MBS as merchandising-promotion consultant.

Rate increases: WNTA-TV, Newark-N. Y., May 7 added Class AA hour (7:30-11 p.m. Mon.-Fri.) at $2000, min. at $300, Class A hour changing from $1500 to $1200. WTTG, Washington, June 1 raised base hour from $1000 to $1300, min. remaining $120. WSM-TV, Nashville, May 1, hour from $825 to $900, min. $165 to $180. KFEQ-TV, St. Joseph, Mo. June 1, hour $400 to $500, min. $80 to $100. KTSM-TV, El Paso, June 1, hour $325 to $375, min. $65 to $75. Spot increase: WCAU-TV, Philadelphia, adds Class AAA 20 sec. rate (8-11 p.m. daily) at $800, Class AA rate (7:30-8 p.m. Mon.-Fri., 7-8 p.m. Sat. & Sun.) going from $750 to $600. Rate cut: WVUE, Wilmington-Philadelphia, May 1, cut base hour from $1600 to $1200, min. $375 to $250.

TV & radio station revenue will be better this year than last despite downturns in national economy, according to NAB survey of 200 TV & 800 radio operators. Replies to questionnaires from fourth of industry—excluding networks—indicated most TV stations expect 1958 revenue will rise about 3.5% above 1957, most radio stations anticipate 2% increase. Stations based estimates on first-quarter 1958 trends. Of TV stations in survey, 66.8% expected increase, 19.4% decrease, 13.8% no change. Of radio stations, 54.6% expected increase, 22.2% decrease, 23.2% no change.

Modern radio audience is "predominantly adult," radio rep Adam Young Inc. claims in new brochure, based on Pulse data on 10 top markets, intended to refute trade arguments audience is "actually non-adult, and therefore of little import to the national advertiser." Report is available from Adam Young offices.

Billings increase of 35% by WABC-TV, N. Y., in 2nd 1958 quarter over 1957 period is reported by v.p.-gen. mgr. Robert L. Stone of ABC o-&-o stations. He forecast "even healthier summer record."

TvB sales advisory committee to coordinate strategy and check effectiveness of "research-oriented selling ammunition" is being set up by pres. Norman E. Cash.

United Lutheran Church, at annual convention of Pittsburgh Synod, revealed it has approved budget of $500,000 with which to enter religious TV field.

Movie Shoe on TV's Foot? TV is running into same troubles that have beset movie industry since advent of rival entertainment medium—mounting production costs, shortage of sure-fire personalities, public's increasing selectivity of shows—Paramount Pictures pres. Barney Balaban told stockholders this week at annual meeting in N. Y.

TV's problems as "brash newcomer" in entertainment industry have been "temporarily alleviated" by release of 5000-odd pre-1948 features to home screens, but they'll be played out in 2-3 years, said Balaban—and what then? He said he knew of no major studio likely to sell out its post-1948 feature products, so:

"With production costs of live programming rising constantly, TV would seem to be facing some serious problems. What happens to TV is bound to affect the motion picture industry—favorably or unfavorably—as it has in the past." Balaban intimated that any decline in TV's popularity would be reflected in boxoffice upturn.

Paramount will continue to stress theatrical film production, Balaban said—but at same time it's not neglecting TV business. On top of big $50,000,000 deal with Music Corp. of America for pre-1948 feature package (Vol. 14:6, 17), he reported company has cleaned out library of shorts & cartoons—including post-1948 stock—in $1,700,000 sale to TV following earlier deals totaling $4,500,000. Buyer is Harvey Publications, publisher of comic books.

And Balaban assured stockholders that Paramount's International Telemeter is moving quickly into pay-TV operating void left by suspension of Bartlesville cable-theatre experiment (Vol. 14:22). He said Telemeter has right cable-theatre formula—meters giving living room spectators their choice of movies, sports, other programming. Present plans are to go into 3 of 6 markets now being considered for closed-circuit pay system—"those easiest to go into," said spokesman, who declined to reveal cities.

No "presiding officer" has been selected yet to conduct FCC's hearing on Miami Ch. 10 (Vol. 14:22), due to start June 23. Commission is still thinking of getting someone outside FCC, possibly a judge or retired judge. FCC general counsel Warren Baker is expected to handle burden of Commission's presentation, though FCC's broadcast bureau will also be represented. One party, L. B. Wilson Inc., has shifted counsel from Leo Resnick to Paul Segal. Justice Dept., announcing it will participate in hearing, said it would strive to be fair, avoid overlap with its proceedings before grand jury which has been hearing witnesses in same case.

Experimental Ch. 6 grant, sought by WITV, Ft. Lauderdale, Fla. (Ch. 17), was missed by just one vote this week on station's petition for reconsideration. Comrs. Doerfer, Bartley & Craven would have given WITV go-ahead on simultaneous use of Ch. 17 and Ch. 6. Majority reiterated belief WITV's program wouldn't make "substantial contribution to the TV art," would produce "merely cumulative" data. WJMR-TV, New Orleans (Ch. 20) has been conducting simultaneous telecasts on Ch. 12.

Final decision on 770-kc clear channel was foreshadowed this week when FCC announced it has instructed staff to draft document affirming examiner's recommendations: Change classification from 1-A to 1-B, authorize both KOB, Albuquerque & WABC, N. Y. to operate with 50-kw, unlimited time, with directionals at night to protect each other. KOB has been operating with 50-kw day, 25-kw night; WABC has been 50-kw day & night.

Gimbel's radio WIP, Philadelphia (5-kw, 610-kc), founded in 1922 by big dept. store family and managed by Benedict Gimbel, is subject of current sale negotiations—but no deal has been made yet, according to Mr. Gimbel. Asking price for pioneer independent with its FM is said to be $2,500,000 and among prospective purchasers is Todd Storz group. Rumors of sale apparently began with Gimbel's recent gall bladder operation, but he says he has no intention of relinquishing management. Station once held CP for TV Ch. 3, which it dropped, reapplying before freeze for Ch. 12, losing out post-freeze when that channel was assigned to Wilmington. Note: Following discussions this week, Todd Storz left for Miami, planned to be in Ciudad Trujillo, Dominican Republic, week of June 9.

Radio WFTL, Ft. Lauderdale, Fla. (1400 kc, 250-U), formerly affiliated with off-air WFTL-TV (Ch. 23), has been sold for $300,000 by *Ft. Lauderdale News* to company in which 25% of stock is held by Joseph C. Amaturo, 20% owner & gen. mgr. of radio WESO, Southbridge, Mass.; 25% by Walter B. Dunn, account executive with H-R Representatives Inc., N. Y.; 50% by 19 other stockholders, including Henry A. Loeb, Thomas L. Kempner & Armand Erpf, of Carl M. Loeb, Rhoades & Co., investment bankers identified with Metropolitan Broadcasting Co. (formerly DuMont). [For other radio station transfer applications and grants, see *AM-FM Addenda W*.]

Hugh Halff Jr. will control WOAI-TV, San Antonio (Ch. 4) and WOAI, according to application filed with FCC. Station asks permission to buy 360 shares (24%) of stock from the National Jewish Hospital at Denver for $1,145,000 and retire it to treasury, which will boost Mr. Halff's holdings (600 shares) from 40% to 52.6%. Holdings of Hugh A. L. Halff estate, Catherine H. Halff executor (180 shares), will go from 12% to 15.7%; those of G. A. C. Halff Foundation (360 shares) from 24% to 31.57%. Pres. & gen. mgr. of Southland Industries Inc., licensee of the Halff stations, is James M. Gaines, ex-NBC v.p.

CBS executives Frank W. Nesbitt and Howard W. Cann have purchased WLAK, Lakeland, Fla. (5-kw, 1430-kc) for $300,000. Nesbitt is director of CBS network sales development, Cann an account executive, and they will retire from CBS to operate station when sale is consummated. Seller S. O. Ward retains his interest in WHUB, Cookeville, Tenn. Broker: Allen Kander & Co. [For week's other radio station sales and transfers, see *AM-FM Addenda W*.]

Site-change CP of WTVD, Durham, N. C. (Ch. 11) was reinstated this week after protest was dropped by WFLB-TV, Fayetteville (Ch. 18) [Vol. 14:22]. WTVD is moving from 9 mi. north of Durham and 20 mi. north of Raleigh to 32 mi. southwest of Durham and 10 mi. southeast of Raleigh.

Salesmen Howard E. Kalmenson of WABC-TV, N. Y. and Richard N. Jacobson, WABC radio, are buying 50% of KMOP, Tucson, Ariz. (500 watts D, 1330 kc) for $60,000. Present owners Ray Odum & A. V. Bamford retain 50%. Broker: Allen Kander & Co.

Two applications for new TV stations filed this week were for Ch. 10, Terre Haute, Ind. by owners of WLBH, Mattoon, Ill. and for Ch. 39, Bakersfield, Cal. by auto and truck dealer D. S. Stricklen. This brings total pending to 119 (30 uhf). [For details, see *TV Addenda 26-S*.]

One CP granted by FCC this week—Ch. 3, Sterling, Colo., to Bi-States Co., owners of KHOL-TV, Kearney, Neb. (Ch. 13) and KHPL-TV, Hayes Center, Neb. (Ch. 6).

Television Digest with ELECTRONICS REPORTS
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Trade Report
June 7, 1958

MAKERS SHOW 'ANTI-RECESSION' LINES: TV's master merchandisers showed their new 1959 lines to distributors this week with customary fanfare -- apparently convinced business is headed for a pickup this fall. What some of the big-wigs had to say about state of the industry, potential in TV, radio, more especially stereo, was in many instances more important than the wares shown.

Admiral, Philco, RCA, Zenith exhibited new 1959 TV sets, radios, hi-fi phonos equipped for stereo. Stromberg-Carlson anounced stereo conversion kit and console.

There was plenty of optimism. And, convention speech-makers backed up their words with new features, fancy styling, much gadgetry -- all designed to titillate the fancy of prospective customers. The thin, thin look was apparent everywhere -- portables shrinking so much they look like briefcases. As predicted, remote control was generally featured. And, blond and walnut finishes were liberally sprinkled among the customary mahogany models. Picture tubes are shallower, chassis smaller.

Longer discounts pleased distributors most. Said Henry Bowes, newly appointed Philco marketing v.p.: "We can't make money until our dealers do." It was apparent that the plight of distributors and dealers was of much concern to all.

Color got the brush-off from all save RCA which backed up its lonesome color drive with 6 models priced from $495 to $1200, extended factory warranty on color parts and tubes from 90-day to one-year, showed a "wireless wizard" remote control device which turns set on or off, changes channel, adjusts tint & color controls, selects volume, locks in fine tuning from any point in the room. Philco advised its distributors there would be fewer color sets sold in 1958 than 1957, but said it's ready to go if life appears in color trade. Said Zenith sales v.p. L. C. Truesdell: "Color is still in the conversation stage at both consumer and dealer level." And Admiral pres. Ross Siragusa blasted networks for blocking color (see p. 12).

But Siragusa was most enthusiastic about stereo and he predicted that retail hi-fi sales would reach $750,000,000 by 1963, said potential sales "in this already booming industry are almost unlimited." Admiral's new stereo line includes TV-stereo combination series on which prices start at $400. We told you about RCA's big stereo package last week (Vol. 14:22) which was well received by distributors June 2.

Stromberg-Carlson announced a stereo conversion kit as well as a consolette with the required second-channel amplifier-speaker system. Sylvania announces its stereo line (along with TV's) in Buffalo, Mon., June 9; Westinghouse will be out in mid-Aug. with stereo line and conversion kits.

Zenith, industry's top money maker and believed to rank now with GE-Hotpoint right after RCA in unit sales, told distributors it has set sights on still bigger share of both TV & radio markets. Truesdell boasted Zenith has upped TV sales 14%.

* * * *

Philco piqued industry interest by revealing "semi-flat" tube. It's a standard 110-degree tube with 2 inches chopped off neck, gun shoved into glass envelope. Depth is only 12½ inches. Bowes told distributors development went on in subsidiary Lansdale Tube plant so tube makers couldn't spill the beans. Another Philco first is "floating tube" connected to chassis & controls by 25-ft. wired tape. Set is designed as an end table. And, Philco has table & console in which picture tube is perched starkly on top. It defies description, must be seen.

Also among week's developments was announcement that Hoffman has pocket-size, solar-powered, 6-transistor radio which goes on market June 15.

[For further details on new 1959 lines, see p. 12.]

Production: TV output was 64,957 week ended May 30, reflecting Memorial Day holiday, compared with 73,468 preceding week & 72,770 in 1957. Year's 21st week brought TV production to 1,798,357 compared with 2,118,361 last year. Radio production was 147,506 (43,099 auto) vs. 161,882 (52,119 auto) preceding week and 167,781 (59,041 auto) in 1957. For 21 weeks, production totaled 3,874,852 (1,230,485 auto) vs. 5,888,046 (2,418,618 auto) for same period last year.

Trade Personals: Douglas C. Lynch, ex-Brush Electronics, named managing director of RCA International, succeeding v.p. P. B. (Pinky) Reed, who on Aug. 1 transfers to Camden to set up new educational electronics equipment div.; Wm. G. E. Vreeland, ex-GE, named director of RCA export operations, succeeding M. F. Dowley, now div. mgr. of distribution & consumer products . . . Frank W. Walker promoted to new post of v.p. & govt. sales mgr., Motorola communications and electronics div., with headquarters in Washington . . . Dr. Elmer W. Engstrom, RCA senior exec. v.p., awarded Industrial Research Institute Medal for 1958 . . . Charles K. Reiger, v.p. of GE's TV & appliance div., re-elected chairman of NEMA's major appliance div. . . . A. B. McCloskey promoted to marketing v.p. of Westinghouse International; R. L. Jeans to products v.p. . . . Herbert I. Ackerman, ex-Bendix, named district sales mgr. of Motorola semiconductor div. for N. E. & N. Y.; Roy O'Brien promoted to same post for N. J., Pa., W. Va. & southeastern states . . . Clarence F. Van Epps promoted to mfg. director of Stromberg-Carlson electronics div., Rochester . . . W. L. Garrett promoted to East Central regional mgr. of RCA, with headquarters in Cleveland . . . Ralph P. Parker promoted to new post of govt. sales mgr. of International Resistance . . . Robert W. Bergen, ex-Harshe-Rotman, named public relations director of Hoffman Electronics . . . Andrew Sakardy, Ex-Zenith mgr. of sales statistics, ex-Leo Burnett agency, Chicago, has joined Westinghouse Metuchen staff as market researcher.

DISTRIBUTOR NOTES: John Hawkins, for several years gen. mgr. of Philco Distributors, heads new Philco independent distributorship in Phoenix . . . Motorola appoints Tecca Distributing Co., Cleveland, for TV, radio . . . DuMont appoints Flavin & Torrey Co., Omaha, for TV, phonos . . . Joseph M. Zamoiski Co., Baltimore, promotes Harry Schwartz to mgr. of Zenith div.; Martin Caldwell to operations mgr.; Irvin Gomprecht to mgr. of new Gibson dept. . . . GE promotes I. P. Pruitt to district mgr. of new Dallas TV-radio distributorship . . . Webcor appoints All-State, N.Y., replacing Sanford Electronics Corp. . . . Capitol Records, which recently entered phono business, appoints 8 distributors: Farman & Seemann, Los Angeles; General Merchandise, Milwaukee; Ft. Orange Distributing Co., Albany; Johnson Electric Supply, Cincinnati; Coffin & Wimple, Bangor, Me.; Emmons-Hawkins Co., Huntington, W. Va.; G & W Distributing Co., Youngstown, O.; Providence Electric, Providence.

Obituary

Sir George Sterling, 79, born in a N. Y. tenement, who went to England 55 years ago to go into the gramophone business, amassed a fortune in phono-radio fields, retiring in 1939 as head of big British Electrical & Musical Industries Ltd., died in London June 2. He was noted for his charities, his interest in the theatre, his close affiliation with the Labor Party. He was knighted in 1937. Surviving is his wife.

Henry E. Hallborg, 74, retired RCA radio communications engineer, died in Mountainside, N. J., June 3.

OFFICERS-&-DIRECTORS stock transactions as reported to SEC for May:

Allied Artists—George D. Burrows bought 1000, holds 34,686; Sherrill C. Corwin bought 1000, holds 14,000.

C&C TV—Matthew Fox bought 1400, sold 1700 by pledgee, holds 615,300 of which 605,300 are collateral against loans.

CBS Inc.—Henry C. Bonfig bought 200, holds 200; Louis G. Cowan bought 100, holds 100.

Corning Glass—Wm. C. Decker sold 6000, holds 12,237; Thomas Waaland sold 700, holds 1800.

GE—Donald L. Millham sold 1000, holds 7209; Jack S. Parker bought 244, holds 1181.

Guild Films—John J. Cole bought 30,000 in private transaction, holds 30,000; Nicholas Reisini sold 4700 through Robin International Inc., holds 173,000 in Robin International, none personally.

Hoffman—Bruce L. Birchard exercised option to buy 200, holds 200.

Loew's—Charles C. Barry bought 100, holds 200; Louis A. Green bought 1500 through Stryker & Brown, holds 144,035 in Stryker & Brown, none personally; Jerome A. Newman bought 340 and 340 more through Graham-Newman & Co., holds 5670 personally, 6465 in Graham-Newman; Joseph Tomlinson sold 20,000 and 1600 more through Corp. A, holds 160,000 personally, none in Corp. A.

Magnavox—Richard A. O'Connor bought 2755, holds 57,917.

P. R. Mallory—Leon Robbin sold 300, holds 643; Ray F. Sparrow sold 200, holds 22,966.

National Telefilm Assoc.—B. Gerald Cantor bought 1000, holds 110,000; T. H. Sword sold 600, holds 200.

Raytheon—Wm. Gammell Jr. bought 752, sold 100, holds 15,702.

Storer—John E. McCoy sold 500, holds 5500.

Trans-Lux—Harry Brandt bought 1000 and 385 more through H. Brandt Foundation, holds 140,300 personally, 13,405 in H. Brandt Foundation, 200 in Bilpam Corp., 1000 in Brapick Corp., 300 in Marathon Pictures Corp., 12,350 in G. Brandt Foundation, 17,700 in Holding Co. A, 200 for wife.

Warner Bros.—Robert W. Perkins sold 400, holds 100.

Webcor—John H. Ihrig bought 1000, holds 1577.

Westinghouse—Robinson S. Kersh bought 275, holds 935; W. O. Lippmann sold 400, holds 1421.

IT&T pres. Edmond H. Leavey drew 1957 remuneration of $112,881, v.p. Ellery W. Stone (also pres. of American Cable & Radio Corp.) drew $69,550, according to proxy statement issued in advance of recent annual meeting in Hotel Commodore, N. Y. Their IT&T common shareholdings total 286 & 105, respectively. Exec. v.p. Charles D. Hilles Jr. drew $78,520, held 580 shares with 7-year option on 2500 more at $35.25; exec. v.p. Fred Farwell, former exec. v.p. of S. C. Johnson & Sons Inc. and later pres. of Underwood Corp., who quit latter post to join IT&T last year, drew $40,350 from July 1, 1957, holds 1000 shares, has 7-year option on 7500 at $30.

RCA European executives will meet with headquarters chiefs in Brussels June 18-19 for first management meeting under new pres. John L. Burns. Among other N. Y. executives who will participate in meetings in Hotel Amigo: Frank M. Folsom, chairman of exec. committee; Charles M. Odorizzi, exec. v.p., sales & services; Douglas C. Lynch, new managing director, RCA International; P. B. Reed, v.p., international sales (see also Trade Personals). Burns and family left June 7 for vacation preliminary to meeting. Chairman David Sarnoff plans European visit starting later in month.

Armed Forces Communications & Electronics Assn., in 12th annual convention at Washington's Sheraton-Park hotel this week elected: pres., Rear Adm. (USN-ret.) Frederick R. Furth, v.p. of IT&T; first v.p., Maj. Gen. James D. O'Connell; 2nd v.p., Rear Adm. Frank Virden; 3rd v.p., Maj. Gen. Howard W. Grant, USAF; 4th v.p., John Inwood, district mgr. of Western Union, Los Angeles; 5th v.p., Ben H. Oliver Jr., v.p. of N.Y. Telephone Co., Albany; gen. counsel, Ralph L. Walker, Washington; treas., T. B. Jacocks, GE, Washington; exec. v.p., Wilfred B. Goulett, Washington.

Philco Top Echelon Shifts: Philco distributors, in convention at Philadelphia this week, learned of a complete reorganization of the company's Consumer Products div., de-centralization of the sales-advertising-promotion functions, separation of product planning from manufacturing. Tom Kennally, longtime Philco sales head, came back from semi-retirement to tell the gathering new setup heralds return of Philco's merchandising heyday. Arthur D. Little Inc., Boston management consulting firm, blue-printed new organizational structure.

Larry Hardy, veteran of more than 25 years in all Philco operations, heads new Consumer Products div. as v.p. & gen. mgr., with his protege, youthful Henry Bowes, who headed TV div. until mid-March, as his No. 2 man in the v.p.-marketing spot (Vol. 14:12). Formally announced were appointments of 4 regional sales mgrs.—James McMurphy, Philadelphia; John Ramsay, Atlanta; Reese Llewellyn, Chicago; Paul Burks, Los Angeles—and Gibson Kennedy as gen. sales mgr. (Vol. 14:18).

James J. Shallow was shifted from gen. mgr. of radio div. to gen. mgr.-merchandising, assuming most of the duties previously handled by Raymond B. George, now adv. & sales promotion mgr. for home laundry equipment. Fred Ogilby continues as a v.p. in sales but now reports to Bowes.

Henry T. Paiste, another 25-year Philco veteran, formerly v.p. for product performance, becomes director of consumer relations & service. Max Enelow, formerly director of adv., becomes director of adv. & promotion on Bowes staff. John Utz, shifts from mgr. of marketing, Eastern region, to mgr. for special accounts with responsibility for sales to associate distributors.

Other changes announced: Armin E. Allen from TV product mgr. to v.p.-product development & planning, for electronics; Harold W. Schaefer from v.p. & gen. mgr. of appliance div. to v.p.-product development & planning for appliances; E. S. Brotzman from mgr. of TV operations to v.p. of electronics operations; William A. McCracken from manufacturing mgr. of radio at Sandusky plant to v.p. appliance operations, Philadelphia.

RCA's 1959 TV sets will be known as the "10 Million Line," recognizing fact that RCA will make its 10,000,000th TV set this fall. Line comprises 26 black-&-white models, 6 color. Highlight is "wireless wizard" remote control which handles all functions of color set and is adaptable to some black-&-white sets. It's described as 3rd of 6 major product developments which pres. John L. Burns told stockholders May 6 RCA would announce this year, others being stereo tape cartridge and line of stereo disc & tape players (Vol. 14:19). TV line includes 7 new 17-in. portables claimed to have been tested for satisfactory performance aboard a Boeing 707 jet at 35,000 ft. Black-&-white sets range $200-$370; color, $495-$1200. RCA also introduced 2 new all-transistor radios designed to play 5 years on single rechargeable battery, priced at $40 & $50.

Philco showed new 1959 lines of TV, radio, stereo-equipped hi-fi to 1000 distributor executives in convention this week at Philadelphia. There are 17 basic models in new "Predicta" and deluxe lines of table models & consoles priced from $190 to $425. All portables, incorporating new "briefcase" styling have 17-in. picture tube and are priced at $180 and $190. Philco's stereo line of 12 basic models ranges from $140 to $1200. Some models incorporate new type electrostatic speaker. One tape recorder is included in 1959 line. Also shown were complete lines of table & clock radios, portables and transistor sets, 2 AM-FM combinations.

Color: Public Be Damned? Admiral's Ross Siragusa blames the networks for failure of color TV to take hold, saying they're not giving it enough exposure and charging them with an attitude of "public-be-damned." He half-excuses NBC, though he notes sarcastically: "NBC stands almost alone, and its color programming shows up more in publicity than it does in actuality. CBS has done nothing worth mentioning, ABC nothing at all."

"The American people," he told his distributors convention, "can thank the networks for the lack of imagination and guts that it will take to bring beautiful color into their homes. The most important reason for the lack of color TV sales is the selfish attitude—the public-be-damned attitude—of the TV networks.

"The manufacturers . . . have been spending huge sums to bring the wonder of color TV to the people [and] have time and again made serious marketing efforts. [But] we dare not bring out new color TV sets with our technological advances while the networks filter out the rainbow." He said Admiral is pointing to June, 1959 for introduction of a new color chassis and new merchandising techniques.

NBC's reply to Siragusa: "If the other networks would do what NBC is doing, we'd have color all over the dial." Spokesman noted that the networks are facing summer with hugh gaps in sponsor schedules, and merely chuckled at Siragusa's characterization of networks as "money-hungry, profit-hungry." Summer color on NBC will include 2 daytime half hours daily, and a half hour to 2 hours nightly—its biggest summer schedule yet. CBS is not now carrying color, during season did carry some spectaculars, some Red Skelton shows and all Lowell Thomas *High Adventure* films in color. CBS fall plans are uncertain, but spokesman said they probably will be same as last season.

Note: RCA color TV is one of features of American Pavilion at current Brussels Fair. This week, RCA has staff of 6, headed by James P. McCarvill, members of its special exhibits dept., demonstrating also at Polish International Trade Fair in Poznan, doing live programming with one camera, 12 receivers—one of few times color TV has been shown behind Iron Curtain.

New Ampex music systems are equipped to play tape or records, include AM-FM tuner, according to announcement by pres. Phillip L. Gundy in address before Magnetic Recording Industry Assn. in Chicago. He said phonos will play either 2 or 4-track stereo tape, provide up to 3 hours-12 minutes of music on a single 1800-ft. tape. No suggested list prices were announced. Also introduced was $65 kit to convert existing models for new 2 or 4-track tape cartridges.

Featured in Admiral 1959 line, introduced to distributors in Chicago this week, is combination TV-stereo-phono only 14½-in. deep. Showings covered TV, radio, stereo-hi-fi. Sales mgr. Alfred Medica reported that sales of hi-fi phonos for first 4 months of 1958 were 25% ahead of year ago; that "Son-R" remote control is improved and incorporated in more sets than ever before. Styling includes finishes in walnut, mahogany, fruitwood.

Zenith's 1959 lines of TV, radios, stereo phonos were shown to distributors in Chicago this week. Included are 31 TV receivers priced from $140 to $575 and 37 stereo record players. All TV sets have short-neck 90-degree tubes & hand-wired chassis. Also announced was an improved version of the "Space Command" remote control which sales v.p. L. C. Truesdell said had been standard equipment on 30% of Zenith sets in last 3 years.

Financial Reports:

PARAMOUNT PICTURES pres. Barney Balaban, reporting to stockholders meeting this week, again promises DuMont color receivers with "improved tube" by "end of this year." It owns Lawrence one-gun tube, which both Paramount & DuMont executives insist is "more economical and more practical" than the RCA shadow mask tube—and DuMont pres. David Schultz added that forthcoming color sets are nicer looking, have shorter-neck tubes, will be priced lower. However, Schultz added, "I don't know if there will be many of them. We'll practically have to hand tool them."

Paramount owns about 26% of DuMont Labs, presently considering merger deals (p. 3), and largely dominates DuMont board. Balaban pointed out that DuMont broadcasting interests, spun off DuMont Labs several years ago, have been expanded and are now profitable. He also noted that Paramount is now also disposing of some 250 shorts and cartoons for $1,700,000 (p. 9), will also soon sell its N. Y. newsreel lab for $1,200,000 cash.

In 8 years since divestment of theatres under govt. consent decree, he told stockholders, Paramount has bought in 1,464,000 shares of its own common stock in open market at cost of $35,300,000 plus $2,000,000 interest, leaving about 1,839,000 shares outstanding on which $2 dividend has consistently been paid.

Besides windfall out of pre-1948 films it has sold (p. 9), Paramount may have struck it rich, as did Warner Bros., on oil diggings on its Hollywood lot which Union Oil Co. begins drilling June 16 under 20% royalty contract. Paramount also has joined Union Oil on another project involving 50-50 cost and profit-sharing on explorations on 890 acres elsewhere.

Guild Films acquires controlling interest (3,400,000 of 5,000,000 authorized shares) in Standard Sulphur Co., Houston, in deal by which latter—changing name to Inter-World TV Films Inc.—obtains foreign residual property & distribution rights to Guild Films' library of 2500-odd programs. Guild Films also receives $5,000,000 in 10-year 7% debentures redeemable out of 50% of Inter-World TV's net income. Guild Films pres. John J. Cole becomes chairman of Inter-World, which will start distribution with 1100 RKO shorts, *Minutes of Prayer* series, 20 specially-produced TV series. Guild Films lost $463,227 in last fiscal year (Vol. 14:21).

Reports & comments available: On RCA, Raytheon, American Bosch Arma, Sperry Rand, in progress report on military electronic markets by Goodbody & Co., 115 Broadway, N. Y. On Litton, in review by L. F. Rothschild & Co., 120 Broadway, N. Y. On Philips Lamp, in report by Burnham & Co., 15 Broad St., N. Y. On E. J. Korvette, in study by Cady, Roberts & Co., 488 Madison Ave., N. Y.

Sparton Corp. upped first quarter sales to $6,377,638 vs. $5,693,026 in same 1957 quarter, but incurred net loss of $144,441 vs. $117,957 last year. Sales for 9 mos. ended March 31 were $20,805,347 (net loss $31,462) vs. $19,595,201 (net loss $18,184) same period last year.

Columbia Pictures lost $227,000 in first 1958 quarter vs. net income of $175,000 last year; lost $1,047,000 for 9 mos. ended March 31 vs. net income of $1,504,000 same period year ago.

Microwave Associates Inc., in 6 mos. to March 29, earned $37,300 (9¢ per share) on sales of $1,917,000 vs. $63,300 (19¢) on $1,282,000 last year.

Jerrold Electronics Corp., specializing in community antenna and closed circuit systems, grossed $6,055,647 and netted $105,281 (10¢ per share) in fiscal year ended Feb. 28, 1958 vs. $5,142,702 & $166,133 (15¢) in preceding year —but despite decline in profit, pres., Milton J. Shapp reports to stockholders that "our company's position has never been more promising." Besides building community antenna systems, Jerrold owns 9 of them with total of 24,000 subscribers, up 20% in year; they're in Richland, Walla Walla & Wenatchee, Wash.; Ukiah, Cal.; Key West, Fla.; Dubuque, Ia.; Flagstaff, Ariz.; Pocatello, Ida.; Ventnor, N. J. Among its close-circuit installations: Ft. Monmouth, N. J. & Ft. Huachuca, Ariz.; Case Tech, Cleveland; Pocatello school system; Pennsylvania Eastern Psychiatric Hospital; N. Y. Hudson Guild (settlement house-school-apartment hookup); recently suspended Bartlesville (Okla.) Cable Theatre. Stock outstanding totals 1,096,660 shares, traded over the counter (see p. 14), pres. Shapp (1957 salary: $50,000) owning 347,726 and Mrs. Shapp 300,599 shares, or 59.12%.

Officer-director remunerations for 1957, as reported by General Instrument Corp. in proxy statement with notice of June 23 annual meeting in Robert Treat Hotel, Newark: Martin H. Benedek, chairman, $57,000 (owns 94,186 shares out of 1,373,273 outstanding); Abraham Blumenkrantz, director & consultant, $54,000 (12,000 shares); Monte Cohen, pres., $50,000 (3718); Moses Shapiro, exec. v.p., $45,000 (38,950); Alexander P. Hirsch, pres. of Micamold, subsidiary, $57,200 (89,270), with Mrs. Hirsch owning another (63,455); J. Gerald Mayer, v.p., $45,000 (38,850).

Siegler Corp. earned $964,814 (64¢ per share on 1,515,306 shares outstanding) on record high sales of $57,450,025 in 9 months ended March 31 vs. $747,427 ($1 on 746,200) on $22,688,892 year earlier, prior to merger of Unitronics (Olympic Radio & TV, David Bogen, Presto Recording) and Hufford Corp. In 3rd fiscal quarter Siegler earned $207,033 (14¢) on $18,170,219 vs. $207,474 (27¢) on $9,101,043 in 1957 period. In report to shareholders, pres. John G. Brooks said Olympic div. increased TV shipments 5% in first 1958 quarter compared with same period last year, termed hi-fi & radio sales "excellent."

ORRadio Industries, magnetic recording tape manufacturer, earned $113,836 (24.62¢ per share on 462,301 shares) on sales of $2,284,400 in fiscal year ended Feb. 28 vs. $103,118 (24.36¢ on 423,175) on $1,528,931 year earlier. Pres. J. Herbert Orr said tape sales increased 35-60% each of last 3 years.

Emerson Radio reports consolidated earnings of $165,090 (8¢ per share) in 26 weeks ended May 3 vs. $66,900 (3¢) year earlier. For 13 weeks ended Feb. 1 net income was $297,699 (15¢) vs. $196,509 (10¢) in 1956-57 period.

Dividends: RCA, 25¢ payable July 28 to stockholders of record June 20; Telechrome, 7½¢ June 18 to holders June 4; Clevite, 25¢ June 27 to holders June 16; Corning Glass, 25¢ June 30 to holders June 16; Canadian Westinghouse, 25¢ July 2 to holders June 13; Avco, 10¢ Aug. 20 to holders Aug. 1.

Sale of stock in Selectivision Inc., Queens, was permanently enjoined by order of the N. Y. Supreme Court this week (Vol. 14:11). Attorney General Lefkowitz said corporation was found to have fraudulently distributed promotional literature stating it had invested millions in pay TV enterprise when such was not the case.

Andre Meyer, senior partner in Lazard Freres & Co., and Paul M. Mazur, partner in Lehman Bros., both N. Y. investment bankers, elected NBC directors.

COMMON STOCK QUOTATIONS

Week Ending Friday, June 6, 1958

Electronics TV-Radio-Appliances Amusements

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NEW YORK STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg
10¼	7	Admiral	9⅞	—⅛
24½	19⅜	AmBosch .30e	24⅞	—½
18	13	AmBcstg-Par 1	17⅝	+⅛
37⅞	32¼	AmMy&F 1.60	34¼	—¾
178⅞	167⅞	AT&T 9	177½	—1⅜
27⅞	22⅜	Amphenol 1.20	25⅜	—1⅛
29⅞	23⅝	Arvin 2	23⅞	—⅛
7¼	5⅝	Avco .20e	6⅞	+⅜
25¾	18	BeckInst 1¼f	19⅜	—½
53½	44½	BendixAv. 2.40	53½	+2
34¼	27⅝	Burroughs 1	34¼	+2
18⅜	15¾	Clevite ¼e	17	—
32	24½	CBS "A" 1b	31	+⅞
31¾	24⅛	CBS "B" 1b	30¼	+⅜
18	12½	Col Pict ⅜t	16⅝	+⅜
35¼	27⅞	Cons Elec .40	30¾	—⅝
26¾	19½	Cons Electron	24½	+¼
16½	12¾	Cor-Dub .20e	15½	—½
86¾	74⅝	CornGlass 1a	84¾	+1⅛
3⅝	3	Davega	3¼	—
35	30	Daystrom 1.20	33	—¼
16¼	13⅞	Decca 1	15¼	+⅜
24½	14	Disney .40b	24⅜	—⅛
108⅜	97⅛	EastKod 1.55e	108⅜	+3½
37¼	29	EmerElec 1.60	37⅛	—⅝
6⅝	4⅛	EmersonRadio	6½	—¼
8½	7	Gabriel .60	7⅝	—½
65¾	55	Gen Dynam 2	59⅛	+1⅝
64¼	57	Gen Electric 2	60⅜	+⅝
9⅛	4⅝	Gen. Inst. .15g	8⅞	—⅛
41	28⅝	GnPrEquip.85e	28⅝	+1⅛
30	22¼	Gen Tire .70b	25¼	+¼
49	40⅜	Gen. Teleph. 2	48½	+¼
28⅜	21	HoffmanElec 1	28	+¼

1958 High	Low	Stock and Div.	Close	Wk. Chg
357	300	IBM 2.60	352	+3¼
35⅝	29¼	IT&T 1.80	35⅝	+⅝
41½	36⅛	I-T-ECirB .90e	38	+½
7⅞	6¾	ListIndust ¼e	7	—
50¼	36⅞	Litton Ind.	50¼	+2⅝
17½	12⅞	Loew's	16⅝	+¾
37	30¼	Magnavox1½b	35¾	+¼
28¾	23⅝	Mallory 1.40b	25⅜	+1
91⅞	76	Mpls.H'll 1.60s	90½	+¾
42¼	35	Motorola 1½	38¾	+1⅛
9	7⅜	Nat'l Thea ½	8⅞	+⅛
38⅜	30⅝	Paramount 2	37⅝	+¼
17⅛	12⅜	Philco	15⅛	—⅛
35	30¼	RCA 1a	34¾	—⅛
28¾	21½	Raytheon 1¼t	28⅝	—⅛
7⅛	5	Republic Pic	6⅞	+¼
34¾	26⅜	Sang Elec 1.80	26¼	+¾
16⅛	13¼	Siegler .80	13¾	+⅜
4	2¾	Sparton	3⅝	+⅛
20⅝	17¼	SperryRan .80	18½	+⅜
8⅝	6	Standard Coil	8	—⅜
18	14½	Stanley-War 1	16⅝	+⅝
34⅜	29	Stew Warn 2b	33⅞	—⅛
25⅜	20	StorBcstg 1.80	23¾	—1⅛
37½	31½	Sylvania 2	35½	—⅜
37⅝	26¾	Texas Instru	36	+⅞
55¼	41⅜	ThomProd 1.40	46¾	+1¼
26⅞	23¼	Tung-Sol 1.40b	25¾	+¾
31⅛	21¾	20thC-Fox 1.60	30⅞	—¼
23	15¼	UnitedArt. 1.40	22⅛	—⅞
22⅝	18½	Univ. Pict.	20¼	—¼
19½	16⅞	WarnBros 1.20	19	+⅛
65½	57¼	Westingh El 2	57¼	—¾
79⅜	67½	Zenith ½h	80¼	+⅞

AMERICAN STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg
4⅛	2⅞	Allied Artists	3⅞	—⅛
45	34½	Allied Con 1a	38⅝	+¼
15⅛	12⅝	AmElectro ½	12⅝	—⅛
10⅛	8⅜	AssocArtProd	9¼	—⅛
12½	7¼	AudioDev	10¾	—½
10⅛	7⅜	BelockInst ⅛t	8⅜	—⅛
1⅛	⅜	C & C TV	15/16	—
1⅞	1⅝	Cin'ma Inc.	1⅝	—¼
3¾	2⅞	Clarostat .15g	3⅝	—⅛
4⅞	3	DuMont Lab	4⅛	—1⅛
4⅛	2⅞	Dynam Am	3½	—¼
13⅛	10	ElectronicCom	12	—
7⅞	6⅜	Electronics Cp	7⅞	+1⅛
31⅝	19½	FairchCam½g	24¼	—⅜
24⅞	17¼	General Trans	19⅝	—1⅛
17¼	14⅝	Globe Un .80	16	—¼
3⅞	2½	Guild Films	3½	—¼

1958 High	Low	Stock and Div.	Close	Wk. Chg
39½	30½	Hazeltine 1.40b	39½	+2⅝
2⅞	2	Herold Ra .20	2⅛	—
4⅝	3¾	Int Resist .20	4	—
6¼	4¼	Lear	6⅞	+⅞
¾	⅜	Muntz TV	⅝	—1/16
4	2½	Muter Co. ¼t	3⅞	—
9¼	5⅝	Nat'l Telefilm	8	—⅝
1¾	1	Nat Union El	1⅝	+⅛
6⅞	2¾	Norden-Ketay	2⅞	—
3⅝	2⅞	Oxford El .10r	3⅛	+⅛
16	11	Philips El	13⅛	—1⅛
9¼	6⅝	Servomech	9	—⅛
6	3⅜	Skiatron	4	—
5¾	3½	Technicolor	4¾	—½
4½	3½	Trans-Lux .20g	4	—
4⅞	3¾	Victoreen Inst.	3¾	—¼

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked
Advance Ind	2 3/16	2½
Aerovox	4	4½
Airborne Inst	49¾	52
Altec Co. .80	6⅝	7¼
AMP Inc .50	20¼	21
Ampex	66½	69
Baird Atomic	8¼	9
Cinerama Prod.	1⅞	2
Cohu Electronics	6¾	7¼
Collins "A" .35	13¼	14
Collins "B" .35	12¾	13⅜
Cook Elec. .40d	17¾	18½
Craig Systems	6⅝	7
DuMont Bcstg.	6¾	7½
Eitel-McCullough (5% stk)	25½	27
Elec Assoc (stk)	40¾	43
Erie Resistor .40b	6	6½
Friden Ind. 1	54	57
Giannini, G. M.	13½	14½
Granco Products .05	1⅛	1½
Gross Telecasting 1.60	19½	20½
Hewlett-Packard	25½	26½
High Voltage .10g	30¼	32
Hycon	2⅜	2⅝
Indiana Steel Prod. 1.20a	18¾	19¼
Jerrold	2⅛	2½
Ling Industries	2⅛	2½
Leeds & Northrup .60b	21½	22½

	Bid	Asked
Machlett Labs .25g	16¾	17¾
Magna Theatre	1½	2
Maxson (W. L.) .05	5⅞	6½
Meredith Pub. 1.80a	30	33
National Co. (4% stk.)	11¼	12¼
Oak Mfg. 1.40	13½	14
Official Films .10	15/16	1⅛
ORRadio	16¾	19
Pacific Mercury TV	6⅜	7
Packard-Bell .50	12¼	13
Panellit	5⅛	5½
Perkin-Elmer	24½	26
Philips Lamp (14% of par)	37½	38½
Reeves Soundcraft (stk.)	3 1/16	3⅜
Sprague Electric 1.20	27¾	29
Taylor Instrument 1.20	29	30
Tele-Broadcasters	2	2⅜
Telechrome .30	8¼	8¾
Telecomputing	4¼	4¾
Teleprompter (stock)	53¼	57
Time Inc. 3.75	57½	60
Topp Industries (stock)	9½	10
Tracerlab	6⅛	6½
Trav-Ler	1½	1¾
United Artists	4⅞	5¼
Varian Associates	18⅞	19¼
Webcor .15c	10½	10¾
Wells-Gardner	8	8½
WJR Goodwill Sta. .50d	13⅝	14⅛

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid after stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. * No trade

Causa Honoris: Honorary degrees awarded industry folk at current commencements: to Dr. Robert R. Warnecke, director of electronics & acoustics research, Compagnie Générale de Télégraphie sans Fil (French Wireless Co.), Paris, by Brooklyn Polytechnic Institute; to Robert W. Sarnoff, pres. of NBC, by Boston U and Pennsylvania Military Academy; to Don Mitchell, chairman-pres. of Sylvania, by U of Cincinnati; to Edward R. Murrow, CBS, by Grinnell College, Grinnell, Ia.; to Howard K. Smith, CBS News Washington correspondent, by St. Norbert College, West de Pere, Wis. (delivered commencement address June 6); to Eric Sevareid, CBS chief Washington correspondent, by Wittenberg College, Springfield, O.; and Robert Paxton, pres. of GE, from Rensselaer Polytechnic Institute; Alfred Friendly, managing editor, *Washington Post* (WTOP-TV & WTOP), from Amherst, his alma mater (delivered commencement address). Noteworthy, too: Singer Pat Boone, 24-year-old TV-movie star and father of 4 daughters, was graduated this year magna cum laude from Columbia U, having maintained "A" average. And Dick Woodies, New England mgr. of Henry I. Christal Inc., radio reps, 1950 alumnus of Emerson College, Boston, was awarded plaque as outstanding graduate of its broadcast dept.'s first class.

CBS Collegiate Donations: CBS Foundation Inc., formed by CBS to make educational & charitable grants to alma maters of employes, this week granted $34,000 as unrestricted gifts to 11 colleges & universities—its 5th annual group of awards now totaling $194,000 to 37 institutions in 20 states. Grants are limited to CBS employes who have completed either graduate or undergraduate degrees at privately-supported institutions, and amount to $2000 each. This year's grants: Colgate—for Wm. P. Monro, asst. to pres., CBS International. Columbia—Ralph Colin, counsel and director, CBS Inc.; Irving J. Gitlin, director of public affairs, CBS News; Richard F. Hess, asst. to v.p. for radio station administration; Milton L. Maier, director of real estate services. Cornell—Joseph Bambara, v.p., CBS Labs; Jay Eliasberg, director of research, CBS-TV. Dartmouth—Robert V. Evans, asst. gen. attorney, CBS-TV. Harvard—Kenneth W. Hoehn, director of taxes, finance & management services; Cornelius F. Keating, gen. atty., Columbia Records. Iona College—Walter P. Rozett, director of financial & administrative operations, CBS Radio. MIT—John M. Hollywood, aide to pres., CBS Labs. New York U—Richard W. Golden, director of presentations, CBS-TV. Ohio Wesleyan—Preston Pumphrey, asst. to v.p., business affairs dept., CBS Radio. Princeton—Richard A. Forsling, asst. gen. atty., CBS-TV; Cornelius V. S. Knox Jr., sales mgr., CBS Radio, Detroit. Wesleyan U—Arthur C. Elliot, midwestern sales mgr., CBS-TV stations. Foundation's board comprises Dr. Frank Stanton, CBS pres.; Dr. Leon Levy, director; Mrs. Rustin McIntosh, pres. of Barnard College; Sig Mickelson, v.p. & gen. mgr. of CBS News.

Baseball Hits TV Bill: Celler anti-trust bill (HR-10378) requiring pro baseball clubs to demonstrate "reasonable necessity" for any rules limiting telecasts of games (Vol. 14:20) came under concerted attack by major & minor leagues this week. Baseball Comr. Ford Frick and heads of American & National Leagues and National Assn. of Professional Baseball Leagues circulated 20-pp. brief assailing limited exemptions from anti-trust regulations provided in measure for pro sports, asked team owners, officials, stockholders, others to sign it. They said clubs should be permitted to regulate themselves without risking Justice Dept. action.

THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 14: No. 24

SUMMARY-INDEX OF THE WEEK'S NEWS — June 14, 1958

STATION-CATV BATTLE—OPEN POLITICAL WARFARE: "If they want to play politics, we'll play politics. We didn't want to, but we have to." That statement, expressed to us by a director of National Community TV Assn., set tone of this week's convention of NCTA in Washington. And they played politics -- openly and apparently effectively. The community antenna operators were so pleased with impression they made on Senators & Congressmen that they scheduled next year's convention in Washington, too.

The substantial political resources of CATV operators were quite manifest. June 10 reception at Mayflower Hotel, frankly designed for contacts with members of Congress and the FCC, brought out some very influential people. No less a political luminary than Senator Fulbright (D-Ark.) as luncheon speaker, and we noticed, among others, Senate Majority Leader Lyndon Johnson (D-Tex.), Sen. McClellan (D-Ark.), Sen. Barrett (R-Wyo.), Sen. Martin (R-Pa.), all from states with substantial CATV installations; also quite a few top Congressional assistants. In addition, NCTA members from some 40 states swarmed Capitol Hill during the week.

Economic stature of industry is mighty impressive, too -- truly a "sleeper" to many broadcasters accustomed to regarding CATV as piddling. CATV calls itself a $100,000,000 business, in terms of investment -- and the figure looks right. NCTA has 365 members, had 410 registration for convention. Another index: NCTA fought 8% excise tax on their services, won it -- and refunded subscribers $25,000,000!

There are at least 600 systems in U.S., 150 in Canada -- and average U.S. system has more than 1000 subscribers, charging each about $3.50 monthly. Our CATV directory in last Spring-Summer TV Factbook -- most complete extant -- listed 556 systems in U.S., 130 in Canada, as of Feb. 1.

CATV has big ideas. It's vitally interested in cable theatre, closed-circuit local originations, addition of FM, Muzak or other audio sources. By holding its convention in Washington, it opened a lot of eyes.

* * * *

Cable operators were much heartened by short address of FCC Chairman John Doerfer. Though careful not to commit himself in advance of FCC's reconsideration of problem (Vol. 14:21), he left distinct impression he doesn't favor reversal of previous Commission decisions, i.e., that it's doubtful CATV is common carrier, doubtful FCC can regulate it, doubtful CATV can be deprived of microwave service.

Small-city telecasters had succeeded in getting favorable attention from Sen. Magnuson (D-Wash.), whose Commerce Committee had received their side of story in hearings (Vol. 14:22). CATV operators appear on witness stand June 24. Telecasters had succeeded in getting FCC to start inquiry reopening questions previously decided in CATV's favor. Their most concrete success was to persuade Commission to "freeze" microwave applications on which CATV is depending to establish new systems and to increase number of channels given subscribers by existing systems. This week, FCC confirmed freeze is genuine, may last several months.

CATV operators have no doubt that law is on their side -- mitigating against possible restrictive regulation from FCC -- but their fear is that Congress might be persuaded to pass new hampering legislation.

Conventioneers missed few bets. Several of them who also operate radio stations and are members of NAB met with NAB pres. Harold Fellows and govt. relations mgr. Vincent Wasilewski, had amicable session. NAB takes position telecasters have property rights in signals that are "pirated" by CATV. The two camps disagree -- and there it stands, presumably will be fought out in courts eventually.

That "join 'em if you can't lick 'em" idea (Vol. 14:23) seems to have serious basis. Imaginations of numerous operators are working on it, as are those of telecasters and radio broadcasters. A joining of skills & facilities seems more and more possible. It's ironic, but many hamlets are now getting greater choice of signals than most metropolitan areas -- and trend is definitely continuing. [For further details of convention, see p. 5.]

NBC DROPPING WBUF—A BLOW TO UHF MORALE: NBC has given up on uhf in Buffalo -- taking its 5-year-old WBUF (Ch. 17) off Oct. 1 and reaffiliating with WGR-TV (Ch. 2). More bearish mumblings about future of uhf, despite good signals and economic success elsewhere, are bound to be the aftermath, albeit unjustifiable.

What NBC's experience does prove, with utmost finality, is that uhf cannot compete with 2 or more vhfs. Two are now operating in Buffalo, and a third (Ch. 7) will be built after final decision in 3-way contest.

It has been a truism that a uhf can't survive against 2 or more vhfs, but uhf operators had been hoping that somehow the NBC strength would provide the exception. NBC emphasized that it isn't giving up on uhf by any means; that it's looking for another uhf "where the competitive handicaps are not so extreme"; that it has no thought of abandoning its other uhf -- WNBC, Hartford (Ch. 30).

CBS was quick to assert, too, upon query, that it has no intention of droping its 2 uhfs -- WXIX, Milwaukee (Ch. 19) and WHCT, Hartford (Ch. 18).

* * * *

ABC is quite upset about losing WGR-TV as affiliate, and Washington v.p. Robert Hinckley called on FCC members this week to emphasize that NBC's action hurts ABC's competitive position; that ABC's allocation plan is needed (Vol. 14:23). NBC exec. v.p. David Adams had given commissioners advance word of plans -- and reaction we get from latter is that, though regrettable, NBC could do little else.

NBC bought WBUF for $312,000 in 1955, did everything under the sun to put it across -- spending $2,000,000 in facilities, $1,000,000 in operating losses, hiking height, magnifying power to 1 megawatt, throwing in full NBC-TV program schedule, thrusting finest promotional skills into task.

But it just didn't work despite increase of conversions to point where 80% of area's sets could get WBUF. But audience ratings averaged half those of vhf competitors. Moreover, a recently researched 5-year projection still disclosed no daylight. Regarding Hartford, Adams tells us: "It's not ideal, but it's liveable." CBS also has uhf there; local vhf WTIC-TV (Ch. 3) is independent; and ABC-TV service comes from WNHC-TV, New Haven-Hartford (Ch. 8).

CBS's WXIX, Milwaukee, has been operating against 3-vhf competition for some time -- and CBS pres. Frank Stanton recently testified in network hearing that it makes money one month, loses it another. CBS v.p. Richard Salant says: "We have no intention of pulling out of uhf. We'll hang on as long as possible."

ABC-TV will have a problem arising from Oct. 1 affiliation shift of WGR-TV, but latter has promised to give it 50% of prime evening time until Ch. 7 is finally granted and built. There's no telling how long latter will take; initial decision is out (Vol. 14:19) but final grant is yet to come. Holder of initial decision is Great Lakes TV -- a combination of Buffalo Courier-Express; WPIT, Pittsburgh; Cataract Theatres, Niagara Falls; WKTV, Utica.

Educators in Buffalo may take over the vacated channel, a possibility being explored. If they do, NBC will donate WBUF standby transmitter.

Failure of WBUF does cause of uhf no good, obviously. But it shouldn't obscure fact that properly placed uhfs are profitable -- and NBC made point of that this week by noting that it is very happy with job done by its 30 uhf affiliates and that it's in the market for another uhf in area where it has fighting chance.

ELECTRONICS' FOOT-IN-DOOR IN NUCLEAR ENERGY: Electronics industry has been outside looking in, during the great nuclear energy developments of our era. Its work has been important, but small in dollar volume, out of the main stream -- and industry hasn't liked this secondary role one bit.

Looks as if there may be a break on the horizon, however -- in development of electrical energy from "fusion" processes -- a peaceful cousin of the H-bomb.

Under Atomic Energy Commission contracts, at least 5 major projects are making different attacks on problem. One is "Matterhorn" project in Princeton, N. J., and heavy work is being done by a 50-50 venture of RCA & Allis-Chalmers -- building huge device called "Stellerator," splitting $20-25,000,000 contract. Their job is to try out principles of "Matterhorn" director Prof. Lyman Spitzer Jr., head of Princeton U astronomy dept. The name "Stellerator" comes from "stella" (Latin for star) and "generator." Stars develop their energy through fusion.

We traveled to Princeton recently, found group of top-notch men extremely excited about their work. It's long range, many years before commercial reality will be in sight -- but it offers possibility that electronics could eventually dominate the electric power industry. Whereas electronics comprises about 5% of the "fission" (A-bomb-type) energy work -- such as the Shippingport, Pa. plant dedicated by President Eisenhower recently -- it looks as if electronics will wind up doing something like 50% of the fusion job.

"C Stellerator Associates" is name of Princeton venture. Project mgr. is Leonard J. Linde, Allis-Chalmers director of electrical engineering; associate project mgr. is Edward Herold, director of electronic research lab, RCA Labs; business director, George M. K. Baker, administrator of govt. contracts, RCA Labs; technical directors, Dane T. Scag, Allis-Chalmers and Philip T. Smith, RCA. For staff, the two companies have contributed some of their ablest men, even to point of cutting into work on more "commercial" projects. [For further details, see p. 13.]

FCC PUTS STAFF TASK FORCE ON ALLOCATIONS: FCC's much-heralded TV allocations review is under way. On June 9, Commission gave staff instructions to begin a full-scale analysis of whole problem, come up with series of suggested courses of action.

It's estimated job will take 1-1½ years, and final staff recommendations must await technical findings of TV Allocations Study Organization (TASO) -- due near year's end. FCC mode of attack is similar to that it employed in radio clear-channel case, in which staff did come up with concrete proposals (Vol. 14:16).

Some commissioners have some doubts about new project -- but there were no dissenters, presumably because no one can object to a "real study."

Commission action intensifies focus on June 24 resumption of hearings by Senate Commerce Committee. Dr. George Town, exec. director of TASO, is to testify, followed next day by Commission which resumes where it left off (Vol. 14:22).

Ratings on Senate Grill: Nothing in telecasting appears to escape the Congressional scalpel. This week, Senate Commerce Committe set June 26 for its promised (last year) inquiry into impact of rating services on programs. American Research Bureau, Trendex, Pulse and Nielsen have been invited to testify—but others may ask to appear.

Sen. Monroney (D-Okla.) seems to be prime driving force behind inquiry. He simply thinks ratings are cockeyed, and that networks and stations regard them as "Sermon on the Mount." Speaking about Smathers bill to outlaw BMI (Vol. 14:21), he attacked NBC for dropping *Voice of Firestone* on grounds its ratings had slipped, then went on to label rating services as "fancy automatons" relying on "200 guinea pigs in the New York area."

Industry wonders where Committee hopes to get with investigation of segment of business having nothing to do with Govt.—isn't even under attack for anti-trust violations or the like.

Counsel for hearing will be Kenneth Cox—who will also handle June 24-25 CATV and allocations phases—due back in Washington from Seattle home, where he went last week.

British TV Film Boycott? Movies-on-TV threat to British theatre boxoffices is being met by Cinematograph Exhibitors Assn. with drastic sanctions-&-boycott reprisal plan against suppliers of features for home screens. In special bulletin to Theatre Owners of America members, TOA gen. counsel Herman M. Levy says British plan—"laudable" under loose English monopoly law but probably forbidden by U. S. anti-trust rules—provides "united front" against offending producers & distributors. Theatres would refuse movies offered by suppliers who: (1) Make features available to TV without offering them for sale first to corporation set up by British exhibitors. (2) Refuse offers by CEA for purchase of rights. If any exhibitor refuses to observe boycott, British distributors, in turn, boycott him. Note: Foreign film industry roundup by Fred Hift in June 11 *Variety* says "TV looms darkly on the horizon" in Germany, Italy, Japan, Latin America as well as England. There's growing move by theatre interests on Continent, Hift says, to: (1) "Prevent the release of old films to TV." (2) "Seek to tie in the local film business with any new commercial outfits aiming to run new TV channels."

A third British TV service, devoted exclusively to education, was proposed last week by Sir Robert Fraser, director general of commercial Independent TV Authority. He said he didn't know whether such service should be run by Govt. or private interests.

Harris Spotlight Shifts: Following 5 months of hot-turning-to-cold headlines on FCC (Vol. 14:1 et seq), Democrat-directed House investigators of Federal regulatory agencies found a real live one this week in SEC, FTC & Presidental Asst. Sherman Adams. Result: Quick—and eager—turn from FCC into promising new political scandal.

When p. 1 probe stories began breaking around White House, Commerce legislative oversight subcommittee had been stumbling along—to little apparent purpose and diminishing newspaper attention—with inquiries projected into 20 suspect TV licensing-&-transfer cases (Vol. 14:20).

Subcommittee had limped into TV outskirts of St. Louis from Springfield, Ill. after side trip to Boston (Vol. 14:23). Still ahead lay Miami, Jacksonville, Tampa, Sacramento, Hartford, Indianapolis, New Orleans, Knoxville, Norfolk, Seattle, Madison, Denver, Wilmington, Providence, Ft. Wayne, Minneapolis.

Then Harris fishing expedition into affairs of Boston millionaire Bernard Goldfine, who had been in trouble with SEC & FTC, began paying off in staff disclosures of \$37-\$65-per-day hotel suites occupied by President Eisenhower's austere aide Adams and paid for by Goldfine. Investigation was back under banner head lines at week's end. FCC tour was off—at least for now.

Long a target of Democrats, Adams had been mentioned occasionally in testimony almost from start of subcommittee's hunt for political influences on FCC—but never with much documentation.

Previously, dismissed subcommittee counsel Dr. Bernard Schwartz had hinted darkly that President's top staffer led devious "White House clique" in intervening for TV applicants (Vol. 14:7-8). Recently Adams was linked with St. Louis & Flint TV contests by correspondence with FCC Comr. Hyde (Vol. 14:22). Until SEC-FTC case began developing, however, Adams had figured in Harris proceedings mainly as White House spokesman who brusquely demanded—and got—Comr. Mack's resignation for alleged misconduct in Miami Ch. 10 case (Vol. 14:10).

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Now that Adams & White House seemed to be on subcommittee's investigative hook at last, there was no telling when subcommittee might return to incompleted FCC phases, which had been scheduled for windup by July. Chairman Harris, pushing everything else aside to move with full speed into SEC & FTC week of June 16, didn't know himself at this week's end.

And even before Adams story broke, Harris at hearings had betrayed irritation approaching exasperation at slow—and largely unproductive—progress of FCC cases.

"We're ready to go on Miami [Ch. 7] and other cases just as soon as we have time to assimilate the material," subcommittee counsel Robert Lishman told us after 3 days spent questioning pres. Harry Tenenbaum of KTVI, St. Louis, about how he obtained his Ch. 2. But he added that any future FCC hearings were up to Harris.

Soft-speaking Tenenbaum was on & off stand during week—depending on whether subcommittee or its staff had something fresh to add to developing SEC-FTC case. His investment firm partner, KTVI exec. v. p. Paul E. Peltason, waited 3 days in hearing room to be called, then was dismissed after 13 minutes which he spent identifying station correspondence for subcommittee's record.

Lishman and staff lawyer Stephen J. Angland tried to develop something sinister about Tenenbaum's long campaign to drop his money-losing Belleville, Ill. (Ch. 54) and St. Louis (Ch. 36) uhf operations and get a chance with vhf. He testified his Signal Hill TV Corp. [uhf] had net loss of $1,178,000 by Sept. 1956, didn't begin to recoup until he won Ch. 2 in 1957 FCC deintermixture order which removed it from Springfield, Ill., gave Ch. 36 to Springfield.

* * * *

Most damaging admissions by Tenenbaum: (1) He bought lunch at one time or another for all FCC members in Washington. (2) He sent holiday turkeys to all FCC members in 1955-56. (3) He hired Robert F. Jones, who was member of FCC in 1947-52, as special counsel for total fee of $55,000 without making Jones an attorney of record in FCC proceedings. (4) He made 37 trips to Washington between 1954 & 1957 and "went from office to office at the Commission" to plead his case personally. (5) He wrote memo to FCC making new argument about prospective St. Louis Ch. 2 service after his lawyers had finished their pleadings—and without notice to other parties in case. (5) He signed advance contract with GE for vhf equipment in St. Louis before he had any formal FCC assurance he'd get Ch. 2.

Letters introduced into record by Lishman & Angland appeared to conflict at some points with testimony by Tenenbaum & Peltason on circumstances and terms in their vhf equipment negotiations with GE. "They both perjured themselves," Angland asserted after hearing was adjourned subject to uncertain call by Chairman Harris, "that's for sure." Little other excitement was stirred in hearing room by case of St. Louis Ch. 2, however.

Note: When "fuss & flurry" of current Congressional investigations die down, "the constructive things the Commission has been trying to do will stand in proper perspective," FCC Chairman Doerfer told National Community TV Assn. convention this week (see below). He said FCC has suffered "bruises [but] that is no reason to retreat." He added: "I think various committees on the Hill are a form of pressure. Most of the time it's a manifestation of the democratic process. Nevertheless, they are pressures."

CATV Counterattacks: Short ad lib talk by FCC Chairman Doerfer gave community antenna operators substantial lift as he greeted members of National Community TV Assn. during convention in Washington this week (see p. 1).

In line with his "hands off economics" philosophy (Vol. 14:22), Doerfer asserted: "Congress should have determined policy on these matters [questions of regulating CATV] 4 years ago. FCC is not necessarily expert in such fields, particularly when we felt we didn't have authority."

Doerfer said govt. agencies generally ought to give industry a "firm line" in policy, so that "investments can be committed, and, I hope, recovered." He stated that Commission will retain "open mind" during reconsideration of CATV's role (Vol. 14:19) but that "it won't vacillate merely to remain on the popular side."

CATV operators are scheduled to present their story before Senate Committee on Interstate Commerce June 24 in refutation of recent telecasters' attacks (Vol. 14:22).

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Outgoing pres. George Barco, Meadville, Pa., while urging members to fight Federal govt. encroachment by every legitimate means, acknowledged that some operators are running into trouble at local levels. In Lewisburg, Pa., for example, town has established local commission to control all aspects of CATV system there.

Such a local setup is illegal, in Barco's opinion, but he exhorted members to so conduct themselves as not to precipitate local or state clampdowns. He called attention, too, to fact that local gross receipts tax of 7½% has been imposed in 2 Pa. communities.

NCTA gen. counsel E. Stratford Smith didn't hesitate to name names—laid most of CATV's regulatory troubles to political activity of Wm. Grove, KFBC-TV, Cheyenne, Wyo.; Ed Craney, KXLF-TV, Butte, Mont.; Marshall Pengra, KLTV, Tyler, Tex. While blasting them, he also said that some station complaints deserved serious attention. These, he said, were allegations of shabby treatment of now-dark KGEZ-TV, Kalispell, Mont. (Ch. 9) by microwave owner, and assertions that KLTV had had its rate cut from $225 to $50 by CBS because Tyler cable system was giving viewers CBS-TV programs piped in from distant stations.

Smith insisted that the law protects CATV—reasserted his belief that systems aren't common carriers but, if they are, FCC has to protect them; that FCC has no authority to deny systems service from microwave common carriers. It's flatly inconsistent, he stated, to argue that CATV is common carrier, on one hand, violates property rights on the other.

"I don't think the Commission is going to come up with any answers other than it did before," he said, "but we've got to run scared. You're not going to be regulated out of existence, but you're going to have to fight."

Paul McAdam, operator of CATV and radio KPRK, Livingston, Mont., noting that Sen. Mansfield (D-Mont.) had been impressed by "anti-pay TV" mail he'd received, said 3000 Livingston cable subscribers responded by writing to Mansfield in favor of CATV.

Milton Shapp, pres. of Jerrold Electronics, said he'd found that many small telecasters, though very happy because cable systems carried their signals, were extremely reluctant to speak up and antagonize fellow telecasters on other side of fence. He urged operators to make certain they carry small stations' signals, give them fair shake.

Arthur Gladstone, attorney heading FCC section handling microwave applications, broke bad news to convention that pending applications aimed at expanding services of CATV "were certainly in a deep frost." He guessed it would stay that way several months. Microwave applicants aren't sitting still, are fighting to get FCC to lift freeze. Even AT&T is foreclosed; for example, Casper, Wyo. cable system is seeking third channel from Denver, can't get it. Gladstone said he doubts FCC would unfreeze even if local telecasters interpose no objection.

* * * *

Cable operators are convinced that troubles of western telecasters are attributable to poor business judgment—seeking to telecast in too-small market. McAdam, for example, says he begins to see where he might "put up a stick" and start radiating—serving the public his cable can't reach—but supported solidly by foundation of CATV income.

Shapp suggests that cable operators would do well to help translator entrepreneurs—who also can serve people beyond terminus of cables. He believes they can live side by side, getting more signals to more people than weak conventional telecasting station.

Operators have been leery about starting local closed-circuit orginations, fearful of alienating stations whose signals they pick up. Some say their fears were unjustified. One now offers virtually unlimited time to local university.

Sen. Fulbright (D-Ark.), speaking at June 11 luncheon, exhorted operators to add educational programs, by whatever means, said he'd seen closed-circuit educational series, was much impressed.

* * * *

We sat down and talked with every officer and board member of NCTA and of course visited all the exhibits, some of them very impressive. [For list and exhibitors, see adjoining column.] We found everyone feeling Washington trip was very successful. Sample expressions:

George Barco—"Now, Congress knows what we're trying to do. Telecasters can't continue to misrepresent the case. I feel very encouraged."

Homer Bergren, Aberdeen, Wash.—"We're giving more service than ever before [estimated average is 4 channels] yet we're constantly reducing rates. I think that's unusual for any industry. I think Congressmen were impressed with that."

A. J. Malin, Laconia, N. H.—"We had the 8% excise tax which customers paid. We fought and got it eliminated. And we refunded it to our subscribers. I believe that fact makes an impression."

All enthusiastically seconded Doerfer's opinion that public should be able to choose source of its TV signals without govt. intervention—though they'd be delighted with govt. intervention to shut down illegal boosters.

How's business? Good and growing. Modernization of equipment continues at quick pace—many systems now feeding 5 channels, quite a few 7 or more. But the microwave freeze is an immediate & tangible deterrent to growth in an industry serving some 1,500,000 people in 500,000 homes—at about $3.50 per receiver—a factor scarcely to be blinked.

Novel billing system, employed by community antenna system in Sherbrooke, Ont. is tie-up with bank; subscribers pay bill just as they do utilities, bank charging 10¢ per transaction. Pres. of system is Armand Rousseau, also pres. of National Community Antenna TV Assn. of Canada, who says cost of collecting via bank is less than it would be any other way. He also arranged for financing of $100 installation charge through bank loans, guaranteeing bank in event of default, says he has lost only $700 in 2 years.

NCTA Exhibitors: Manufacturers showing equipment at National Community TV Assn. convention in Washington this week numbered 17, didn't include RCA, giving stimulus to rumors RCA is abandoning business. However, there's no change in RCA's activity, according to Theodore A. Smith, exec. v.p., RCA Industrial Electronic Products. "We're still supplying equipment to some systems, quoting on others," he said, "but it hasn't been a major factor with us." The exhibitors: Alto Fonic Music Systems, 935 Commercial St., Palo Alto, Cal.; Ameco, 2949 W. Osborn Rd., Phoenix; Amphenol, 1830 S. 54th Ave., Chicago; B & K Mfg. Co., 3726 N. Southport Ave., Chicago; Collins Radio, 922 Dragon St., Dallas; Electronics International, 20 N. Lee St., Oklahoma City; Entron, 4902 Lawrence St., Bladensburg, Md.; Jerrold Electronics, 15th St. & Lehigh Ave., Philadelphia; Motorola C & E Inc., 4501 Augusta Blvd., Chicago; Muzak, 229 Fourth Ave., N. Y.; Phelps Dodge, 300 Park Ave., N. Y.; Philco, 4700 Wissahickon Ave., Philadelphia; Raytheon, 100 River St., Waltham, Mass.; Spencer-Kennedy Labs, 1320 Soldiers Field Rd., Boston; Times Wire & Cable, 358 Hall Ave., Wallingford, Conn.; Westbury Electronics, 40 Urban Ave., Westbury, N. Y.

National Community TV Assn. elects: pres., Lloyd A. Calhoun, Hobbs, N. M.; v.p., A. J. Malin, Laconia, N. H.; secy., W. Randolph Tucker, head of systems in W. Va. & Pa. operated by Nathan Levin firm, N. Y.; treas., Clive Runnels, Houston, Tex., operator of Williamsport, Pa. system. One new board member was added: Charles Clements, Waterville, Wash. Other board members: Homer A. Bergren, Aberdeen, Wash.; Larry Boggs, Ardmore, Okla.; Howard F. Bruggeman, Carmel, Cal.; Bill Daniels, Casper, Wyo.; Wm. J. Calsam, Oneonta, N. Y.; Glenn H. Flinn, Tyler, Tex.; Karl O. Krummel, Sidney, Neb.; M. F. Malarkey Jr., Pottsville, Pa.; Paul B. McAdam, Livingston, Mont.; Bruce Merrill, Phoenix, Ariz.; Sandford Randolph, Clarksburg, W. Va.; J. Holland Rannells, Cumberland, Md.; Joseph Saricks, Clearfield, Pa.; Ralph S. Shepler, Elkins, W. Va.; John M. Spottswood, Key West, Fla.; Fred J. Stevenson, Fayetteville, Ark.; Robert J. Tarlton, Lansford, Pa.; Frank P. Thompson, Brainerd, Minn.

Hagerstown, Md. closed-circuit educational TV experiment wound up second year last week—pupils participating having increased during year from 6000 to 12,000, schools from 8 to 23. Next year, program will cover 48 schools, 18,000 students. Supt. Wm. M. Brish and project coordinator T. Wilson Cahall predicted that after 5-year experiment concludes Hagerstown will take over support of the operation, now financed by Ford Foundation and electronics manufacturers.

Closed-circuit TV is another of many enterprises in which interest is held by Bill Daniels, former pres. of National Community TV Assn. His Industrial TV Inc., Denver, is installing 3 cameras & 14 monitors for First National Bank of Denver, to enable it to offer full service at drive-in windows; similar project for Casper, Wyo. bank will use 2 cameras, 4 monitors.

New community antenna systems in Canada: Kaslo, B. C.—Kaslo TV, to start July 1, picking up KXLY-TV, Spokane, Jerrold equipment, Bruce Tate mgr., potential of 140 connections. Prince George, B. C.—North Country Assoc., began June 1, local originations only, Jerrold equipment, G. Robinson mgr., potential 2000.

W.Va. Community TV Assn. elects: pres., Sandford Randolph, Clarksburg; v.p., Lyle Coffey, War; secy.-treas., Bertram Cousins, Fairmont.

New & Upcoming Stations: Week's starter is KRTV, Great Falls, Mont. (Ch. 3), which was to begin June 15 as independent, second outlet in town where sale of KFBB-TV (Ch. 5) fell through because of fear of CATV (Vol. 14:19). U. S. on-air total now is 537 (92 uhf). KRTV has Gates transmitter and 100-ft. tower, 2-mi. N of city. Co-owners are Francis Laird, Cal. personnel & management consultant, and his engineer son Robert R. Laird. Dan Snyder, ex-radio KUDI, Great Falls, is gen. mgr. Base hour is $200. Rep is Forjoe.

Canadian on-air total rises to 52 when CKOS-TV, Yorkton, Sask. (Ch. 3) begins operation June 19. It has RCA transmitter and 3-bay superturnstile antenna on 500-ft. Utility tower. It's 110-mi. NE of Regina, Sask., where CKCK-TV (Ch. 2) has been operating since 1954. R. L. Skinner is gen. mgr. of CKOS-TV; Harold Olson, sales mgr.; Kristin Olson, program director; George Skinner, technical director. Base hour is $135. Rep is Stovin-Byles.

* * * *

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

WTAE, Pittsburgh, Pa. (Ch. 4) has 25-kw RCA transmitter on hand, but hasn't a more specific target for programming with ABC-TV than next Sept., reports exec. v.p. Leonard Kapner, also pres. of Hearst's radio WCAE, co-owner with Television City Inc. Studios will be ready for partial occupancy by July 1. Construction of 1060-ft. Blaw-Knox tower has just begun and antenna is to be installed early in July. Base hour not set as yet. Rep will be Katz.

KAYS-TV, Hays, Kan. (Ch. 7) has Aug. 1 target, now that 10-kw Standard Electronics transmitter is set for mid-June delivery, writes Robert E. Schmidt, mgr. & 49⅓% owner. Studio-transmitter building is scheduled for completion about June 19. Anchors and bases have been poured for 700-ft. Liberty tower and 4-bay Alford antenna is scheduled for installation July 5. KAYS-TV plans to pick up ABC-TV programs via private relay from KAKE-TV, Wichita (Ch. 10). Base hour will be $150. Rep will be Katz on sales with KAKE-TV.

WMUB-TV, Oxford, O. (Ch. 14, educational) has 6-section helical antenna installed on 320-ft. Truscon tower, but doesn't plan to start until next Sept., writes Stephen Hathaway, director of broadcasting for grantee Miami U. RCA 1-kw transmitter is on hand, but construction of studio-transmitter building is only ⅓ complete.

WUFT, Gainesville, Fla. (Ch. 5, educational) is clearing transmitter site 5-mi. NW of U of Florida campus and plans Sept. programming, reports Rae O. Weimer, director of the School of Journalism & Communications, U of Florida. It has asked for bids on 5-kw transmitter and 3-bay antenna. It will use 425-ft. Stainless guyed tower. Two studios, one fully equipped, in football stadium have been used for closed-circuit teaching during last 2 years. Two-camera image orthicon chain will be added to 2-camera vidicon chain already on hand. WUFT staff members coming from closed-circuit operation are: Lee Franks, program director; Avery Chenoweth, art director; Granville Gilstrap & May E. Burton, producers-directors; Ralph King & William Boehme, engineers.

WKBM-TV, Caguas, P.R. (Ch. 11) is still awaiting completion of power line to transmitter-studio building atop Cerro Marquessa Mt. (Vol. 14:14) and hasn't set target, reports owner Ralph Perez Perry, also operator of WSUR-TV, Ponce (Ch. 9) and radio WKVM, San Juan. DuMont transmitter is on hand and 6-bay RCA antenna is being assembled for installation on 200-ft. Lehigh tower. Rates not set. Rep not chosen.

KDPS-TV, Des Moines (Ch. 11, educational) is in process of moving into studio-transmitter building, but doesn't expect to meet Aug. 12 target, reports C. F. Schropp, director of audio-visual education for grantee Des Moines School District. It has 5-kw RCA transmitter donated by Cowles Bcstg. Co., 60% owner of KRNT-TV, Des Moines (Ch. 8). Antenna will be installed atop building, 300-ft. above ground; bids on this equipment are to be opened June 23 by Board of Education.

WFPK-TV, Louisville, Ky. (Ch. 15, educational) has 1-kw RCA transmitter ordered for June 16 delivery, but doesn't plan to start programming until next Sept., reports Richard VanHoose, supt. of Jefferson County Public Schools, also trustee of grantee Louisville Public Library. Programs will originate from studios of WAVE-TV, Louisville (Ch. 3). RCA antenna is to be installed on 384-ft. Ideco tower of library's FM radio WFPK week of June 16. Richard Emmett Beeker will be chief engineer.

* * * *

CJDC-TV, Dawson Creek, B.C. (Ch. 5) has ordered GE transmitter for Aug. delivery and plans start next Dec. 15, reports pres. W. P. Michaud. It has just begun construction of studio-transmitter building, plans to use 70-ft. tower with Andrews antenna. Rates not set as yet. Reps will be Donald Cooke and TV Representatives Ltd.

Two TV experimental applications were filed this week, first in many months. For Emporium, Pa., Sylvania seeks 3-watt Ch. 7 vhf translator to: "Provide actual field test data applicable to Doc. 12116. (2) Compare the coverage of a low-powered vhf translator with a low-powered uhf satellite in very rugged terrain. (3) Determine the minimum permissible power output required for acceptable coverage of a typical small community. (4) Investigate the extent of interference to other TV channels or services." For New Rochelle, N. Y., Adler Communications Labs requests 10-watt 1850-2110-mc grant to investigate "commercial acceptibility of relay equipment in the 2000-mc band."

CPs granted by FCC this week: Ch. 12, Mankato, Minn. to KNUJ, New Ulm; Ch. 74 translator in Orangeville, Utah; Ch. 72 & 81 translators in La Barge, Wyo.

Planned decision on 770-kc clear channel, proposed last week (Vol. 14:23), was modified this week to retain classification of channel as 1-A, not changing it to 1-B.

Facility changes: WSYR-TV, Syracuse (Ch. 3) began telecasting over June 7 weekend from new TV-radio center at 1030 James St.; KPAR-TV, Sweetwater-Abilene (Ch. 12) boosted power to 145-kw May 6; CBWT, Winnipeg, Man., shifted to Ch. 3 (from Ch. 4); WOAI-TV, San Antonio (Ch. 4) plans start Oct. 1 from new site near Elmendorf, Tex., using 1500-ft. tower.

Analysis of vhf & uhf propagation data collected by TV Allocation Study Organization will be done by U of Texas under direction of Dr. Alfred H. LaGrone, assoc. professor of electrical engineering. To date, TASO has raised $58,000 of the $75-$100,000 needed for project.

Progress report on TV Allocations Study Organization will be presented by TASO exec. director Dr. George R. Town before Washington IRE section meeting June 24, 8 p.m., Perpetual Bldg.

Article on tall TV towers in June 2 *Television Age* reports there are now 60 higher than 1000 ft., costing total of more than $21,000,000.

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING, WASHINGTON 5, D. C.
Weekly Newsletters Published Saturdays
Television Factbooks Published in February & August
AM-FM Directory Published in January
TV and AM-FM Addenda Published Weekly

MARTIN CODEL, Publisher
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Personal Notes: Stephen B. Labunski, ex-ABC, recently TV-radio director for Crowell-Collier, assigned to search out possible new properties, has become gen. mgr. of radio WMCA, N. Y. as Peter Straus goes to exec. v.p.; he's succeeded at Crowell-Collier by **Robert M. Purcell**, pres. & gen. mgr. of its KFWB, Hollywood, who continues in that job also . . . **Robert A. Cinader**, ex-NBC Cal. National Productions, named v.p. of Hal Roach Studios, recently acquired by Scranton Corp. (Vol. 14:23) . . . **Marvin W. Baiman** promoted to research studies mgr. of NBC; **Jack B. Landis** to research development mgr.; **Wm. S. Rubens** to audience measurement mgr. . . . Rene Lapointe, CKBL-TV, Matane, Que., named pres. of Assn. Canadienne des Radiodiffuseurs et Telediffuseurs de Langue Francaise at Montreal annual meeting . . . **John K. West**, NBC Pacific div. v.p., named exec. v.p. of TV-radio div. of Hollywood Charities 1958-59 drive, headed by actor Ben Alexander . . . **J. Leonard Reinsch**, exec. director of WSB-TV & WSB, Atlanta, represents TV-radio industry on U. S. Chamber of Commerce transportation & communications committee . . . **Charles L. Brooks**, ex-radio KTBC, named gen. mgr. of KRGV-TV, Weslaco, Tex. . . . **Wm. Codding** promoted to chief engineer of WSUN-TV, St. Petersburg, succeeding late **Louis J. Link**; **Charles Ashley**, ex-news director of WEEI, Boston, named to same position with WSUN-TV . . . **Milton A. Gordon**, pres. of TPA, sailed for Europe June 12 aboard the *United States;* in London, he'll confer with British TV officials on film production plans . . . **Harry Ackerman**, v.p. of Screen Gems, is new pres. of National Academy of Arts & Sciences . . . **Leonard J. Grant**, ex-Emil Mogul, named film production supervisor of Lawrence-Schnitzer Productions, Hollywood . . . **Mrs. Reta Anderson** named asst. to Guild Films pres. John J. Cole . . . **Henry** Sullivan, ex-WSGN, Birmingham, returns to No. Carolina to become gen. mgr. of WSOC, Charlotte, as of July 1 . . . **John Alden Grimes**, from Internal Revenue Service, joins Allen Kander & Co. to specialize in property appraisals. . . . **Stephen J. McCormick** named MBS Washington news editor under v.p. Robert Hurleigh, Bill Costello taking over McCormick's White House beat.

David C. Adams, NBC-TV exec. v.p. for corporate relations, will represent network on NAB TV board, assuming post vacated by Frank M. Russell, who is resigning as NBC Washington v.p. to become consultant (Vol. 14:23); P. A. (Buddy) Sugg, NBC v.p. for o-&-o stations and spot sales, succeeds Adams on NAB radio board.

Capt. Pierre Boucheron, USNR, original adv. mgr. of RCA, later gen. sales mgr. of Farnsworth, gen. mgr. WGL, Ft. Wayne, has come out of retirement to become sales mgr. of Grimson Color Inc., 381 Fourth Ave., N. Y. (Dr. Seymour Rosin, pres.) and will promote its new "Scanoscope" TV system recently unveiled at IRE show.

Actor Ralph Bellamy, staunch protagonist of pay-TV, elected to third 3-year term as pres. of Actors Equity.

ADVERTISING AGENCIES: **Paul Newman**, ex-Kudner, named v.p. of MacManus, John & Adams . . . **Grant Worrell & June Adams** promoted to v.p.'s of Erwin Wasey, Ruthrauff & Ryan . . . **Lee Terrill** promoted to exec. v.p. of Campbell-Mithun, Chicago . . . **Samuel E. Gill** promoted to v.p. of Fletcher D. Richards, N. Y. . . . **Thomas W. Skweres** promoted to v.p. of Hanson & Stevens, Chicago . . . **Niles A. Nilson, Bruce F. Stauderman & William F. Jordan** promoted to v.p.'s of Meldrum & Fewsmith, Cleveland . . . **Margot Sherman**, v.p. of McCann-Erickson, named Advertising Woman of the Year by AFA . . . **Frank H. Rath**, ex-Wm. C. Rath & Sons, appointed a v.p. of Wortman, Barton & Russell, N. Y. . . . **John Rockwell**, v.p., named administrative asst. to pres. of Doherty, Clifford, Steers & Shenfield, N. Y. . . . **Addison Yeaman**, ex-Ryan Aeronautical Co., San Diego, named media director of Grant Adv., Los Angeles . . . **Marie O'Meara**, ex-Fitzgerald Adv., New Orleans, named head of TV-radio timebuying dept. of Whitlock, Swigart & Evans Inc. there . . . **Edward T. Sullivan**, ex-Al Paul Lefton Co., named radio-TV director, James Thomas Chirurg Co., Boston . . . **Samuel E. Gill**, ex-v.p. for media-research, Carl S. Brown Co., named v.p. in charge of media, Fletcher D. Richard Inc., N. Y. . . . **Mark B. Bollman Jr.**, for last 2 years mgr. of McCann-Erickson's Atlanta office, named v.p. & gen. mgr. of new Marschalk and Pratt office, 800 Peachtree St.

Lawrence R. Barnett was elected pres. of MCA in major realignment of executives announced June 7 by founder-chairman Jules C. Stein. Maurie B. Lipsey was elected pres. of Management Corp. of America; Herbert I. Rosenthal, pres. of MCA Artists Ltd.; Taft Schreiber, pres. of Revue Productions Inc.; David A. Warblin, pres. of MCA-TV Ltd.; Charles Miller, exec. committee; Karl Kramer, honorary chairman, Revue. Senior v.p.'s elected: Dave Baumgarten, MCA; George Chasin, MCA Artists; Alan J. Miller, Revue; Michael J. Rockford, MCA-TV; Morris M. Schrier, Management Corp.

American Assn. of Advertising Agencies 1958-59 committees include: Broadcast Media — chairman, Leonard Matthews, Leo Burnett Co., Chicago; vice chairman, Ruth Jones, J. Walter Thompson Co., N. Y. TV & Radio Administration—chairman, John F. Devine, J. Walter Thompson Co., N. Y.; vice chairman, Hildred Sanders, Honig-Cooper & Miner, L.A. (both reappointed). Research—chairman, Edward Battey, Compton Adv., N. Y.; vice chairman, Peter Langhoff, Young & Rubicam, N. Y. (reappointed).

Advertising Federation of America, in Dallas convention, elects: chairman, Robert M. Feemster, *Wall Street Journal;* vice-chairman, James S. Fish, General Mills; pres. & gen. mgr., C. James Proud; treas., David H. Kutner, Motorola; secy., Ruth M. Volckman, Sawyer-Ferguson-Walker adv.

Martin Malarkey. community antenna system operator and ex-pres. of National Community TV Assn., last week won first place in Duryea Hill Climb at Reading, Pa., driving Mercedes-Benz 300-SL; 1955 record he set in Climb still stands.

Obituary

Charles E. Pearson, 34, Sun. mgr. of radio WHBI, N. Y., resident of Summit, N. J., died in an auto crash June 7.

Neil Agnew, 62, 20th Century-Fox distribution exec., onetime Paramount v.p., died in Boston June 11. His wife survives.

More Academic Honors: Add these honorary degrees and other marks of distinction bestowed upon industry notables by academic institutions during current commencements and convocations (see also Vol. 14:23): Frank M. Folsom, chairman of RCA executive committee, Notre Dame U's 1958 Laetare Medal honoring American Catholics who have exemplified the ideals of the church in their professional and private lives; Henry Busignies, pres. of Federal Communications Labs (IT&T), Doctor of Science, by Newark College of Engineering; Robert C. Sprague, chairman of Sprague Electric Co., citation for distinguished citizenship, at Convocation on Education, Bates College, Maine; George W. Bailey, exec. secy. of IRE, Doctor of Science, by Lawrence College, Appleton, Wis.; Pauline Frederick, NBC United Nations correspondent, honorary degree from American U, Washington. Also honored this week: Raymond M. Wilmotte, British-born ex-Washington consulting engineer, now with Maxson Inc., degree of Doctor of Science from Cambridge, England; Bob Hope, comedian, honorary Doctor of Letters from Quincy College, Mass.; Nicholas Rahall, who with his 3 sons operates 5 radio stations and who received a medal from his native Lebanon at testimonial dinner June 8 in Beckley, W. Va., his home town, where Lebanese Ambassador Dimechkie presented the award in recognition of his contributions of funds for a city hall, library & laboratory to his native village.

The Alavrez Story: Maria Helen Alvarez, beauteous young TV career woman who recently settled her $10,000,000 suit with partner Jack Wrather by selling her part of their joint station holdings to Wrather and rep Edward Petry (Vol. 14:20), sails June 16 on the *S. S. Lurline* from Los Angeles for 7-week vacation in Honolulu, Japan & Hong Kong, accompanied by her 14-year-old son Joe. She disclosed to *Television Digest*, just before departure, that the settlement involves payment to her of $2,916,000 plus other remunerations in consideration of relinquishment of her interests in KFMB & KFMB-TV, San Diego (Ch. 8), KERO-TV, Bakersfield, Cal. (Ch. 10) and CP for KYAT, Yuma, Ariz. (Ch. 13), plus her 50% stockholdings in Disneyland Hotel. Currently, she's 50-50 partner with Bing Crosby in a 10,000-acre realty development at Borrego Springs, about 40 mi. south of Palm Springs, Cal., and in several oil and ranch properties, and she proposes to acquire several new radio properties upon her return. Mrs. Alvarez founded the present KOTV, Tulsa (Ch. 6) in 1949, when she was only 25, having worked on local radio stations in various capacities; project was financed by oilman George Cameron Jr. and when station was sold in 1952 for $2,000,000—one of biggest TV station deals up to then—she realized substantial profit on her 15% ownership, later went into partnership with buyer Wrather in KFMB-TV and the other station properties, holding 38.89%.

Do You Know That . . .

MORE HONORARY DEGREES and academic distinctions are currently adding lustre to careers of people prominent in various facets of TV-radio-electronic and associated arts & industries—and this spring's crop of *honoris causa* (Vol. 14:23 & above) reminds us that we missed quite a few names in our recent roundup on the subject (Vol. 14:18). To help update the earlier record:

Dr. W. R. G. Baker (the initials stand for Walter Ransom Gail), past pres. of IRE, recent pres. of EIA, whose illness has kept him confined in his Syracuse home since his recent retirement as GE v.p. in charge of electronics, was honored by his alma mater, Union College, with the degree of Doctor of Sciences in 1935. He also holds title of v.p. of Syracuse U.

A 1916 classmate of Dr. Baker's in the Union College engineering school, Meade Brunet, veteran RCA v.p., is a life trustee & vice chairman of the board of that Schenectady institution, also a governor of the Albany Law & Medical Schools and of Albany School of Pharmacy. And RCA's new pres. John Lawrence Burns got an honorary degree last year from Northeastern U, Boston, from which he was graduated in electrical engineering in 1930, earning an M.S. from Harvard the next year.

GE's new v.p. & gen. mgr. for defense electronics, Dr. George Louis Haller (Penn State '27, E.E. '34, M.S. '35, Ph.D. '42) went to that company last year at age 50 from the deanship of Penn State's College of Chemistry & Physics. RCA's Dr. Vladimir Kosma Zworykin, 69 next month, whose name will go down in the history books as one of the great TV tube & circuit pioneers, was graduated from Petrograd Polytechnic Institute in 1912, studied in France, emigrated to America, got his Ph.D. from U of Pittsburgh in 1926, received an honorary from Brooklyn Polytech 1938.

Among the broadcasting fraternity, we omitted to report on Col. James C. Hanrahan, head of Scripps-Howard stations and gen. mgr. of its WEWS, Cleveland, who won an LL.D. from Western Reserve several years ago. Also, Arthur Hull Hayes, pres. of the CBS Radio Network, holds honoraries from the U of Detroit and Loyola U of New Orleans, while James Fassett, CBS Radio supervisor of music, in 1954 got a Doctor of Music degree from Cedar Crest College, Allentown, Pa.

Robert H. Hinckley, ABC's Washington v.p., 1916 graduate of Brigham Young U, received an LL.B. from Elon U, in So. Carolina, while he was Asst. Secy. of Commerce in 1942. Incidentally, the present president of Brigham Young U, founded by the pioneer Mormons in Salt Lake City, is Dr. Glen A. Wilkinson, an alumnus, who still retains his partnership in the Washington law firm of Wilkinson, Cragun & Cargill, in which his brother Ernest L. Wilkinson handles quite a few TV-radio cases.

[We'll have a column later on top-rung educators or ex-educators identified with TV-radio.]

We've reported previously on the academic attainments of CBS pres. Frank Stanton and of Ed Murrow, and recently on this year's awards to CBS's Eric Sevareid (by Wittenberg College, Ohio, in addition to one bestowed in 1953 by Cornell College, Iowa) and to Howard K. Smith (by St. Norbert College, West de Pere, Wis., in addition to one bestowed in 1955 by Tulane U). CBS also boasts 4 honoraries held by its public affairs consultant Lyman Bryson—from Columbia U, Jewish Theological Seminary of America, Moravian College, Bethlehem, Pa. and Occidental College, Los Angeles. Also 4 by Lowell Thomas—from Rider College, Trenton, N. J.; Olivet College, Mich.; Ohio Wesleyan, and U of Tampa.

Telford Taylor, 1940-42 gen. counsel of the FCC, received an honorary degree from his alma mater, Williams College, in 1949 for his work on the Nuremburg war crimes trials for which he also won the Distinguished Service Medal, Order of the British Empire and French Legion of Honor.

Among trustees of educational and cultural institutions, CBS counsel & director Ralph F. Colin, Columbia

Law '21, is trustee of the Museum of Modern Art where he and CBS chairman Wm. S. Paley recently exhibited several Picassos they own; Colin also is v.p. & trustee of the N. Y. Philharmonic and a director of various theatre groups. Cincinnati Radio Inc.'s **Hulbert Taft Jr.**, Yale '30 with a postgraduate year at Cambridge, England, is a trustee of famed Cincinnati Conservatory of Music and of U of Cincinnati evening college. **Paul W. (Fritz) Morency**, pres. of Travelers' WTIC-TV, Hartford, is on the boards of the Connecticut Opera Assn. and Greater Hartford Symphony, and a trustee of Southbury Training School for Boys.

Recently elected a CBS director and pres. of its TV network, **Louis G. Cowan**, who incidentally is married to a daughter of the Spiegel dept. store family, is a trustee of Dalton Schools Inc., has been active in Choate School Fathers Assn., is trustee of International Council, Museum of Modern Art. **Les Biederman**, operator of WPBN-TV, Traverse City and a string of Michigan radio stations, is trustee of Northwestern Michigan College there, an honorary alumnus of the U of Michigan (for his work for education) and winner of a "Wolverine Frontiersman" award for community and educational work.

Note: Names and data on the academic achievements of other industry notables will be welcomed for another follow-up column.

Equal-Time Rule Sought: Clarification of Sec. 315 of Federal Communications Act governing equal access to broadcasting facilities for political speeches was asked by WDSU-TV & WDSU, New Orleans, in letter to FCC this week. Pierson, Ball & Dowd, Washington counsel for the Stern stations, noted that politicians "in the WDSU-TV area in recent years have become increasingly ingenious" in getting around station rules limiting appearances by minor candidates, requested FCC to make "declaratory ruling resolving uncertainties." Questions posed to FCC: (1) May station require that all candidates make broadcasting arrangements directly with station instead of turning up to appear on time sold to other candidates? (2) May station compute "equal opportunities" time on day-to-day, pro-rated basis instead of cumulatively?

Shift of CBS's WXIX, Milwaukee, from Ch. 19 to 18 was proposed by FCC this week to protect the station from harmonic interference problems. When receivers are tuned to WISN-TV (Ch. 12), their oscillators fall on 251 mc; second harmonic of this is 502 mc, falling in Ch. 19 (500-506 mc). FCC said troubling interference travels average of 180 ft. from offending receivers. Commission also proposes to shift grantees WCAN-TV from Ch. 25 to 24, WFOX-TV from Ch. 31 to 30. Changes involve substitution of Ch. 33 for 18 in Ludington, Mich.; Ch. 51 for 37 in Beaver Dam, Wis.; Ch. 31 for Ch. 24 in Chilton, Wis. Another allocations change proposed by FCC was to add Ch. 12 to Pembina, N. D. It denied 2 petitions to commercialize educational Ch. 2, Denton, Tex., received petitions to add Ch. 10 to Medford, Ore., Ch. 11 to Reno, Nev.

Addition of a vhf channel to Providence is no longer in the cards, apparently, for FCC this week instructed staff to draft decision withdrawing proposed rule-making initiated last Sept. (*Addenda 25-F*). Commission had proposed to substitute Ch. 8 & Ch. 13 for Ch. 12, shifting WPRO-TV from Ch. 12 to Ch. 8 or 13; WNHC-TV, New Haven, from Ch. 8 to 12; WGAN-TV, Portland, from Ch. 13 to 12.

Assn. of Maximum Service Telecasters holds board meeting in Washington June 21.

Network Television Billings

April 1958 and January-April 1958

(For March report see *Television Digest*, Vol. 14:19)

NETWORK BILLINGS were on the plus side again in April, putting first 4 mos. of 1958 total 14.1% ahead of corresponding 1957 period. ABC showed biggest percentage gain, with NBC well up—and CBS continuing its No. 1 position. Preliminary indications are that, though networks have big open spots in summer schedules, uptrend will continue through summer and fall, perhaps with narrowing percentage gains.

Television Bureau of Advertising, which announced April figures, also has special reports on network expenditures for the month by top 15 advertisers and top 15 brands, network gross time billings broken down by daytime and nighttime for April & Jan.-April, and estimated expenditures by product classifications. Complete TvB report for April:

NETWORK TELEVISION

	April 1958	April 1957	% Change	Jan.-April 1958	Jan.-April 1957	% Change
ABC	$ 8,739,456	$ 6,682,786	+30.8	$ 35,752,460	$ 26,422,703	+35.3
CBS	20,716,491	19,385,098	+ 6.9	83,432,317	78,097,833	+ 6.8
NBS	18,283,379	15,154,388	+20.6	72,287,402	63,241,934	+14.3
Total	$47,739,326	$41,222,272	+15.8	$191,472,179	$167,762,470	+14.1

1958 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	$9,168,609	$22,094,015	$18,344,111	$49,606,735
February	8,441,988	19,410,741	16,785,315	44,638,044
March*	9,402,407	21,211,070	18,874,597	49,488,074*
April	8,739,456	20,716,491	18,283,379	47,739,326

*Figures revised as of June 5, 1958.

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

Time for hard sell is "when it is hard to sell"—as it is now—Sylvania chairman-pres. Don G. Mitchell told 54th annual convention of Advertising Federation of America in Dallas this week. Said he: "Every dollar we can spare at Sylvania, and every ounce of effort we can muster, is being directed toward holding our sales volume, and I would no more advocate taking arbitrary slices out of our advertising budgets than I would tell a salesman that he has to increase his sales 20%, and then take his travel budget away from him." Mitchell warned that "the company that crawls into a corner these days may never get out of it."

Canada now has 3,074,000 TV homes, representing 75% saturation, reports Canadian Bureau of Broadcast Measurement, Toronto, with breakdown by provinces as follows: Ontario, 1,247,000 (85%); Quebec, 874,400 (84%); British Columbia, 285,300 (67%); Alberta, 185,300 (60%); Manitoba, 141,600 (63%); Nova Scotia, 119,900 (72%); Saskatchewan, 111,900 (47%); New Brunswick, 74,700 (60%); Newfoundland, 22,700 (28%); Prince Edward Isle, 11,300 (49%). County & metropolitan area survey shows Montreal with greatest concentration, 400,100 (94%); Toronto, 331,100 (92%).

Rate increases: KNXT, Los Angeles, April 1 raised base hour from $3500 to $3750, 20 sec. Class AA time remaining $800. KPIX, San Francisco, May 1 raised hour $1750 to $2100, min. $500 to $550. KTIV, Sioux City, added Class AA hour (7-10 p.m. daily) at $300, min. at $90, Class A hour going from $350 to $325.

"Please Stand By": Several criticisms of network policies by ex-NBC pres. Sylvester L. (Pat) Weaver were deleted from interview on Mike Wallace-Fund for the Republic *Survival & Freedom* show on ABC-TV June 8—and hassle over who was responsible followed.

Protesting excisions from program, tape-recorded 2 weeks earlier, Fund pres. Robert M. Hutchins chided ABC-TV pres. Oliver Treyz: "Maximum freedom of expression is necessary for the survival of TV as a vital instrument." Treyz said ABC-TV didn't order deletions, that Wallace's own Newsmaker Productions cut some Weaver statements on grounds they might have libeled or defamed another network (presumably NBC).

Wallace said he feared no libel, but ABC lawyers did, so deletions were ordered by company jointly insuring ABC & Newsmaker Productions against such actions. Spokesman for Weaver, who said he wanted to tell viewers—among other things—what is wrong with network prices, commented: "I think the viewing public got the gist of what he was saying."

In any event, "Please Stand By" sign went up at one point in show while voice & picture disappeared. In another, Weaver was seen talking but couldn't be heard. In undeleted parts of interview, Weaver bitterly deplored what he said was network trend away from diversified programming toward more & more game shows, westerns, mysteries.

The "emergency financing" for N. Y. Metropolitan Educational TV Assn. (Vol. 14:22) turns out to be $50,000 from Avalon Foundation and $42,000 from Educational Radio & TV Center, Ann Arbor. META had said it would close down unless funds came forth immediately. Avalon Foundation was established by Ailsa Mellon Bruce, daughter of former Secy. of Treasury Andrew Mellon and wife of David K. E. Bruce, former Ambassador to France. META pres. Dr. Alan Willard Brown said contributions would carry META through summer but that $200,000 is still needed for season starting in fall.

Radio WALT, Tampa, Fla. (1110 kc, 10-kw D) is being sold for $500,000 to a local group who are also applicants for Ch. 32 in Clearwater *(TV Addenda 26-0)*, according to papers filed at FCC June 13. Realtor Bruce Taylor heads buyers, with physician Alonzo Shadman, and business man Charles G. Sterno, both retired, among 10 other stockholders. Selling firm is headed by E. J. Arnold. [For week's other radio station sales & transfers, see *AM-FM Addenda X*.]

Sale of KULA-TV, Honolulu (Ch. 4), for $685,000 to Kaiser Hawaiian Village TV Inc. by Albert Zugsmith group (Vol. 14:19) was approved by FCC this week. Transfer of ABC-TV affiliate is contingent on Kaiser disposing of his independent KHVH-TV (Ch. 13), plans for which haven't yet been announced. Transaction does not involve Kaiser's radio KHVH, Honolulu, or selling group's KULA.

KITE, San Antonio (1-kw D, 930 kc) has been sold to country music impresario Connie B. Gay for $250,000; he also operates WFTC, Kinston, N. C. & WTCR, Ashland, Ky. and controls numerous country music groups. KITE-FM and local Musak franchise are being retained by present owner, Charles W. Balthrope.

Harry L. Gillam, station mgr., will become 5% owner of KBTX-TV, Bryan, Tex. (Ch. 3), FCC recently having approved deal whereby he acquires 25 shares for $2500.

Call letter change: WKXP-TV, Lexington, Ky. (Ch. 27), now owned by Radio Cincinnati, changed to WKYT.

Strike Threat Eases: Screen Directors Guild and major Hollywood movie & TV film producers negotiated this week toward apparent settlement of contract issues which had threatened to bring walkout by union June 2 (Vol. 14:22). Guild agreed to producers' proposals that question of residual payments for post-1948 features released to TV be deferred 2 years, that discussion of payments for pay-TV releases be put on if-&-when basis, leaving issue of minimum for 30-min. TV films still unresolved now. Meanwhile: (1) Screen Actors Guild won ruling from Cal. Superior Court Judge Kurtz Kauffman in Los Angeles upholding validity of agreements with Telemount Pictures, Mutual TV Productions and Telemount-Mutual for residuals on TV reruns. (2) TV-radio members of Writers Guild of America, West, discussed possible strike against CBS by west coast news & continuity employes in impasse over new contract. (3) AFTRA abandoned 9½-mo. strike against radio WCKY, Cincinnati, conceding it no longer is bargaining agent for station employes, strikers having been replaced. (4) NLRB ordered WTVJ, Miami, to reinstate 5 employes, stop discouraging membership in IBEW & other unions. (5) AFM signed agreement with MCA's Revue Productions governing use of live sound tracks for TV films instead of canned music, extended Hollywood strike against major movie studios (Vol. 14:18) to include independent producers releasing through majors. (6) RCA signed separate contracts with IBEW & IUE providing 7¢ hourly wage increase for 35,000 employes. (7) NLRB scheduled June 24 AFTRA-SAG conference on TV tape jurisdictional dispute (Vol. 14:22).

Grantee WTMA-TV, Charleston, S. C. (Ch. 4) should be given go-ahead to build, FCC examiner Thomas H. Donahue recommended this week in initial decision following hearing on protest of WUSN-TV, Charleston (Ch. 2). Hearing was primarily on WTMA-TV's financial qualifications. Looking at grantee's $67,625 working capital, type of operation proposed, expense-income projections, examiner concluded station "would have little difficulty in meeting both its obligation on the unestimated items of pre-operational expense and also be able to usher the station into an over-all profit position some time within its first year of operation."

CP for KWGB-TV, Goodland, Kan. (Ch. 10) is being transferred from James E. Blair to Tri-State Television Inc., in which he retains a 75% interest, according to application filed with FCC. Other 25% will be held by Helen S. Duhamel, owner of KOTA-TV, Rapid City, S. D. (Ch. 3) and satellite KDUH-TV, Hay Springs, Neb. (Ch. 4), in return for $25,000 she has advanced toward construction. Blair, who retains 100% of radio KWGB, is turning over real estate valued at nearly $200,000 for 20,040 shares and gets additional 3200 shares as reimbursement for $32,000 out-of-pocket expenses. A local committee is undertaking to finance the station by sale of $150,000 in debentures.

Control of KVII, Amarillo, Tex. (Ch. 7) is being acquired by Television Properties Inc. of Dallas, which is buying all stock, except that held by pres.-gen. mgr. Murry Woroner, for undisclosed sum. Buyer also holds option on Woroner's stock, which may not be exercised until after formal transfer of control. Buying firm is controlled by Jack C. Vaughn, oilman & realtor, who also owns 25% of KOSA-TV, Odessa (Ch. 7) & KOSA, his brother Grady H. Vaughn Jr. holding additional 25%. New owners plan interconnection for ABC-TV affiliation. Station has been on air just under 6 months.

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING WASHINGTON 5, D C. • TELEPHONE, STERLING 3-1755
Trade Report
June 14, 1958

BULLISH FORECASTS BY MAJOR SET MAKERS: The optimistic notes sounded in distributor conventions and reported in our previous issue, carried over this week with even stronger overtones of a sharp pickup in TV business this fall.

Most encouraging was Sylvania v.p. Marion E. Pettegrew who went way out on a limb to predict retail sales of more than 6,000,000 sets this year, in a talk to his conventioning distributors in Buffalo, June 9. Said he:

"The recent decline in consumer spending for durable goods has halted, and there are clear indications that such spending, especially for TV sets, will be up sharply during the second half of the year. Consumer spending, currently just below record rate of last fall, probably will establish a new record in the third quarter of 1958. Retail sales now are considerably in excess of production, indicating that inventories are declining rapidly and production must be increased shortly to meet the demand." He said 1958 will be Sylvania's "biggest new product year" and that production schedules will "equal or better" corresponding periods last year.

From Motorola spokesman came an echo to Pettegrew's predictions: "Right now, we are comparing a poor first half with a good 1957 first half. It looks bad. But, this fall we will be comparing sales with a poor second half in 1957. Even a slight pickup, which we expect, will make second half look good by comparison."

GE and Westinghouse saw signs of better times, too. Said new GE pres. Robert Paxton: "Any thought that prices are going down is a dream." He said inflationary pressures are too strong. Westinghouse pres. Mark W. Cresap had similar sentiments. He said: "Appliance prices will not only remain firm, but will increase."

SCANT HOPE FOR EXCISE TAX CUT: As we type this, hope fades fast for excise tax cut this year on TV-radio-phonos & parts (Vol. 14:18). Fearful of opening a Pandora's Box of tax reduction proposals, Senate Finance Committee turned down all requests by interested groups for public hearings -- including EIA tax committee.

A very slim chance remains for some action on the floor of the Senate where the House-approved measure, extending "as is" all corporate & excise taxes for one year probably will come to vote this week. There, Sen. Douglas (D-Ill.) will offer amendments reducing excise taxes. But, his efforts are practically foredoomed to fail because he has coupled a general income tax reduction to excise tax cuts. Any general income tax reduction is impalatable to members of Congress who are being forced to approve Administration requests for constantly increasing defense funds.

TV-Radio Production: TV set production was 69,290 in week ended June 6 vs. 64,957 preceding week & 72,770 in corresponding 1957 week. Year's 22nd week brought total TV production to 1,867,647 vs. 2,225,131 last year. Radio set production was 156,899 (48,892 auto) vs. 147,506 (43,099 auto) preceding week & 167,781 (59,041 auto) in corresponding week last year. Radio output for 22 weeks was 4,031,751 (1,279,377 auto) vs. 6,050,049 (2,477,659 auto) in the corresponding 1957 period.

Retail Sales: April TV set sales at retail were off 42% from March, slightly more than customary seasonal decline. Total sales reported by EIA were 243,132 sets vs. 416,756 in March & 337,956 in April 1957. TV retail sales for the Jan.-April period totaled 1,690,101 vs. 2,020,867 in corresponding 1957 period. Radio set sales at retail were 402,283 (excluding auto) vs. 538,963 in March & 543,092 last year. Radio sales for Jan.-April period were 1,895,951 vs. 2,362,069 in 1957.

Inventories: A "satisfactory" TV set inventory position at the end of May was reported by EIA which estimated 2,000,000 sets were in inventory at all levels, down from 2,200,000 at the end of May last year. Shortened position was achieved in spite of 20% drop in retail sales from corresponding 5 months of 1957.

Electronics' Role in Fusion: "C Stellerator" project of RCA & Allis-Chalmers (see p. 3) is aimed at satisfying world's insatiable appetite for electric power. Associate project director Edward W. Herold, from RCA Labs, doesn't hesitate to gaze far into future. He says that if present rate of increase in power consumption continues, U. S. in 100 years will need 20,000 times what it uses now. Uranium, the base of fission power, is in limited supply, also has dangerous by-products. On other hand, heavy water (deuterium), the fusion base, is so plentiful that cubic mile of sea water contains enough to keep U. S. going for 15,000 years!

Basic principle of fusion reaction is this: A very low pressure gas, called "plasma," using deuterium, must be heated some 100,000,000 degrees. It then reacts, releasing enormous amounts of energy which can be turned into electricity. Main jobs of electronics are to provide the huge high-vacuum chamber and the heat. Plasma must be kept concentrated, away from walls of vacuum chamber, or it will remain too cool; this is done with powerful magnetic field.

RCA's Lancaster, Pa. tube plant is working on vacuum chamber; its industrial electronics products organization, Camden, N. J. will supply the twenty 500-kw superpower tubes which will do the heating, generating frequencies "somewhere under 100 megacycles." Allis-Chalmers will provide the huge DC power generators (about 200 megawatts peak capacity) and associated electrical equipment.

Neither contractor expects to make money on initial project but both see real future. Says business mgr. George M. K. Baker, who comes from RCA Labs: "The next Stellerator may cost $50,000,000, the next $100,000,000, next $125,000,000. Then there are many possible by-products. There will be a wide market for fusion experimental apparatus. Then, the chemical industry just can't wait to work with these fantastic temperatures, to produce reactions and, eventually, products still unthought of."

Herold looks for day when output of fusion power will be so great and so cheap that it can be transmitted by "broadcast" rather than distributed by wire. He can't envision it transmitted more than 5-10 miles—but even that would mean tremendous savings in distribution facilities in metropolitan areas.

Project obviously is no job for small businessmen, but it's apparent that peripheral electronics business is bound to develop. In addition to Princeton work, major fusion-power experimentation is being conducted at AEC's Oak Ridge, Tenn. and Los Alamos, N. M. labs and at U of Cal. Radiation Lab, Livermore, Cal. New York U is doing considerable work on computation and theory.

More FCC Controls? Difficult job of controlling excessive radiation from low-power devices (receiver oscillators, garage-door openers, etc.) was subject of editorial in April *Electronic Technician*, which called on FCC & Congress for more stringent regulation. Recently, FCC Chairman Doerfer responded with letter to magazine, stating that manufacturers are generally cooperative but: "Additional corrective action on the subject area is one properly for the Congress to consider. At the present time, the FCC has no authority under the Communications Act to go to the source, in this case the manufacturer, in order to secure compliance with the Commission's Rules & Regulations. At present, compliance . . . is on a purely voluntary basis as far as manufacturers are concerned. Admittedly, it may seem unfair that the buying public should bear the brunt of our enforcement procedures, but under the Communications Act this Commission has no alternative. Authority to go to the source which creates the device causing radiation would make the Commission's responsibility for the most effective use of the spectrum much simpler and more effective. Should Congressional activity be initiated looking toward this objective, this Commission would support such a proposal."

New statistical service undertaken by EIA will be lists of frequency assignments for entire field of non-Govt. radio communications—covering 14 separate lists and totaling estimated 4989 pages. Prices of volumes will run from $2.48 to $32.57—total $157.38. FCC compiles lists, distributes limited number of copies to govt. agencies, hasn't been able to supply commercial demand. Lists will show frequencies in numerical order, date of issue, call signs, geographical location, coordinates, emission, power.

Diversification into automation: RCA Service Co. informs its TV clients it's now ready to sell radio-controlled garage door operator at $124.50 in kit form, or will install it with own technicians.

New picture tube plant will be opened by GE in Augusta, Ga. this fall to handle replacement orders in South.

Sylvania's 1959 TV line, introduced to distributors in convention in Buffalo this week, includes 5 Sylouette models, 7 Slimline, 9 convertibles for use either as table models or portables. All have 21-in. picture screens. Prices on Sylouettes range from $340 to $400; on Slimlines from $190 to $340. Convertible prices start at $200 & $220, with open list prices on the rest. All sets have 110-degree picture tubes and some cabinets are less than 10 inches deep. Sylvania distributors also saw a new 1959 line of hi-fi phonographs equipped to play either regular or stereo discs, which gen. marketing mgr. Robert L. Shaw said is the "forerunner" of a complete line of stereophonic instruments now in design stage. No prices were indicated for the stereo models. Also revealed were new table, clock and transistorized radios. Distributors learned of a new sales incentive program providing cash rebates from 3 to 5% to retailers who meet quarterly sales quotas.

New TV sets by GE include 9 basic models. In accordance with company policy no suggested list prices were announced, distributors will formulate prices in each area. Feature of the 1959 GE line is a new elliptical speaker, claimed to be the largest ever designed for commercial TV or radio set use, with power rating of 10 watts, frequency response from 40 to 10,000 cycles. Remote control is standard equipment on all models.

Hotpoint's 1959 TV line is the shortest in history, comprising only 14 models, compared with 34 this year. Marketing mgr. Don F. Johnson said Hotpoint has eliminated 24-in. console models from its 1959 line, reduced cabinet depth as much 45%, stressed furniture styling. Two 14-&17-in. portables, previously announced, were carried over.

Muntz's line of 1959 TV sets includes 110-degree picture tube for first time. It's also first company to include 24-in. & 27-in. picture tubes in new line. Shown to distributors in Chicago this week, Muntz line starts with 17-in. portable at $120 and ranges to 27-in. French Provincial at $350. Two color models are included in the line at $500 and $510.

Trade Personals: Philip G. Caldwell, ex-GE broadcast equipment sales chief, later ABC chief engineer for Pacific Coast, is now with Ramo-Wooldridge Co., Los Angeles . . . Harry G. Boyle, ex-RCA, named to new post of asst. sales mgr., DuMont industrial & military equipment div. . . . John T. Thompson, ex-GE, on June 1 became mgr. of newly-formed Raytheon distributor products div.; we regret error in earlier report . . . Dr. Bernard Kopelman promoted to marketing development director of Sylvania-Corning Nuclear Corp. . . . George L. Mansour & Robert H. Newton promoted to v.p.'s of RCA Victor Ltd., Montreal . . . Herbert I. Miller promoted to v.p. of IT&T . . . H. Leslie Hoffman, pres. of Hoffman Electronics, named chairman of EIA committee to select 1958 Medal of Honor winner; he's 1957 winner . . . Craig Howry, ex-gen. mgr. of San Diego Employers' Assn., named director of industrial relations of 'Kin Tel . . . Joseph T. Houlihan promoted to central dist. sales mgr., RCA electron tube div. . . . Dale Kelly, ex-Sparton, named San Francisco regional mgr. of Magnavox . . . Charles R. Ward joins Pacific Mercury as special asst. to chairman-pres. Joe Benaron.

Obituary

Phillips Thomas, 75, pioneer Westinghouse inventor credited with the ultra-audible and glow discharge microphone, early uhf developments, electric eye traffic light, died June 12 when his auto plunged down a 30-ft. embankment near Uniontown, Pa. His 13-year-old grandson Wm. McCullough escaped with slight injuries. With Paul Shannon, he started KDKA's widely-syndicated *Adventures in Research.* He made his home in Edgewood, Pa.

Dr. Frances Elliott Clark, 98, onetime head of RCA Victor educational music dept., later its consultant, died June 11 in Salt Lake City. As head of Milwaukee school system music dept, she was first to use records for educational purposes.

TV-Radio Production: TV-radio production declined in April from March output and was below the 1957 level, according to EIA. TV production totaled 302,559 sets vs. 416,903 in March and 342,386 in April 1957. Sets with uhf tuners totaled 22,296 in April vs. 36,050 in March and 42,374 in April 1957. TV production for Jan.-April period was 1,523,858 sets vs. 1,835,975 for corresponding 1957 period. Radio production in April totaled 697,307 (190,435 auto) vs. 931,341 (234,911 auto) in March and 1,115,813 (380,452 auto) in April 1957. Jan.-April radio production totaled 3,532,066 (1,043,470 auto) vs. 5,075,180 (2,022,467 auto) in like 1957 period. Revised EIA TV-radio production figures for first 4 months of 1958 follow:

	TV	Auto Radio	Total Radio
Jan.	433,983	349,679	1,026,527
Feb.	370,413	268,445	876,891
March	416,903	234,911	931,341
April	302,559	190,435	697,307
Total	1,523,858	1,043,470	3,352,066

TV shipments by manufacturers in 1957 were reported by Commerce Dept. at 6,347,000 sets valued at $809,000,000, vs. 7,574,000 worth $920,648,000 in 1956. Total includes: 3,810,000 table & portable models; 2,444,000 consoles; 93,000 TV-radio-phono combinations. Commerce Dept. figures, furnished by Census Bureau, show 8,604,000 home radios valued at $164,408,000 shipped in 1957 vs. 8,974,000, worth $163,679,000, year earlier; auto radios, 5,592,000 worth $145,049,000 in 1957 vs. 4,906,000 worth $125,758,000 in 1956. Also, phonographs, 3,947,000 ($187,605,000) in 1957 vs. 3,949,000 ($161,711,000) in 1956. Figures are at slight variance with EIA statistics [see *Television Factbook No. 26*, pp. 447, 459] which are a projection of figures received from members; Census Bureau figures are required by law from all manufacturers.

Discriminatory deals with retailers were charged this week by FTC in 2-count Robinson-Patman complaint against Westinghouse and subsidiary Westinghouse Electric Supply Co. One count alleges Westinghouse charged competing dealers different prices for similar 1956 household appliances. Other count claims Westinghouse failed to make "Co-operative Advertising Procedure" promotional allowances available to all competing customers on proportionately equal terms. FTC hearing on complaint was scheduled for July 28 in Cleveland.

Emerson announced a "short, short line" for 1959 comprised of 5 TV models and a stereophonic hi-fi Phonoradio. TV prices range from $148 for a 17-in. portable to $258 for a 21-in. console. All models have 110-degree picture tubes. Phonoradio carries a $168 price tag.

Webcor showed distributors in Chicago this week a full line of stereo phonos, AM-FM phono combinations, portables and tape recorders. Also shown was a new type record changer and tone arm specifically designed for hi-fi and stereo sound reproduction.

Columbia Records Phono div. introduced its 1959 phono line to distributors this week at meetings in N. Y., Chicago & Los Angeles, including instruments equipped to play stereo as well as standard discs.

Decca announced a new line of hi-fi phonos equipped for stereo including 3 consoles, 8 portables. Console prices start at $200, portables at $90. Also introduced were 3 speaker enclosures for stereo priced from $40 to $105.

Factory sales of picture tubes declined in April from March figures but sales of receiving tubes increased, reports EIA. Cumulative sales of both types for the Jan.-April period were below the corresponding 1957 period. Producers sold 590,357 picture tubes with a factory value of $11,974,193 in April vs. 634,779 ($12,643,404) in March and 629,838 ($11,394,043) in April 1957. In the Jan.-April period, picture tube sales were 2,403,182 valued at $47,-787,591 vs. 2,952,318 ($52,974,193) during like 1957 period. Receiving tube sales in April totaled 32,582,000 worth $28,788,000 vs. 28,548,000 ($25,716,000) in March & 27,-970,000 ($25,384,000) in April 1957. Cumulative receiving tube sales for Jan.-April were 117,596,000 ($103,418,000) vs. 153,011,000 ($130,192,000) in same 1957 period.

Litton Industries continues expansion (Vol. 14:10) in deal for acquisition of Airtron Inc., Linden, N. J. manufacturer of radar & other microwave communication gear by Aug. 1. Agreement calls for exchange of undisclosed amount of Litton common & preferred stock for all of Airtron common shares. Airtron's sales in fiscal year ending June 30 are expected to be at $10,000,000 rate vs. $8,600,000 year ago.

Address on "Communications and Defense," by C. C. Duncan, asst. director of operations, AT&T Long Lines Dept., as delivered recently before Armed Forces Industrial College, is now available in reprint form from his office.

Patrick J. Clifford, v.p. of Franklin National Bank, N. Y., named a director of General Transistor Corp.

Financial Reports:

Indiana Steel Products Co., now said to account for one-third of domestic production of permanent magnets, and in some respects a bellwether company, suffered 30% sales decline first quarter but pres. Robert F. Smith reports "incoming business has been showing a progressive increase for the past 2 months which, though not of great magnitude, may indicate a gradual return to a higher level." He added: "The great majority of our customers [who include most TV-radio-electronics manufacturers] are not pessimistic about future business prospects but are buying only for immediate requirements, which makes fast delivery important . . . The bright spot [is] that inventories are low." Interim report to stockholders shows profit for first 4 months of 1958 fell to $118,219 (40¢ per share) from $260,204 (89¢) for same 1957 period.

Standard Coil Products, which lost $266,508 in first 1958 quarter (Vol. 14:20), expects to show profit in first half as result of "considerably improved operations" in TV tuner & other divs., pres. James O. Burke told annual meeting in Melrose Park, Ill. this week. He said "shipments of TV tuners since Jan. 1 are up more than 10% over the same period last year, despite a decrease of about 15% in industry-wide production of sets by TV manufacturers."

Cornell-Dubilier, which netted $754,928 on $32,494,378 sales in fiscal 1957—poorest profit year since 1949 (Vol. 14:2)—lost $51,948 in 6 months ended March 31 on sales of $13,319,184 vs. earnings of $414,804 (76¢ per share) on $16,892,701 in same period year earlier. Statement by company attributed decline to depressed conditions in TV-radio, electric appliance & automotive industries.

Davega Stores lost $140,756 on sales of $20,501,000 in fiscal year ended Feb. 28 vs. loss of $319,932 on $21,222,000 year earlier after special charges of nearly $400,000, representing losses in sale of wholesale subsidiary Triangle Industries Corp. in Jan. 1957. Profit before charges was $78,333 in fiscal 1956-57. Inventory on Feb. 28 totaled $3,120,837—down $618,000 in year.

Consolidated Electronics Industries Corp. reports consolidated net income of $895,450 ($1.14 per share) on sales of $14,625,233 for 6 fiscal months ended March 31 vs. $1,154,803 ($1.47) on $14,800,838 year earlier.

Electronic Specialty Co. earned $320,000 (84¢ per share) in fiscal year ended March 31 vs. $242,000 (67¢) year earlier.

Reports & comments available: On **Hoffman,** in review by Wm. R. Staats & Co., 640 S. Spring St., Los Angeles. On **Litton Industries,** in brief by J. W. Sparks & Co., 50 Broadway, N. Y. On **Sperry Rand,** in memo by E. A. Grimm of Walston & Co., 265 Montgomery St., San Francisco. On **Raytheon,** in study by Reynolds & Co., 120 Broadway, N. Y. On **GE,** in review by James H. Oliphant & Co., 61 Broadway, and in comment by A. M. Kidder & Co., 1 Wall St., N. Y. On **American Bosch Arma,** in sketch by Joseph Faroll & Co., 29 Broadway, N. Y. On **Indiana Steel Products,** in report by engineers Kerr & Co., Kerr Bldg., Laguna Beach, Cal.

Dividends: IT&T, 45¢ payable July 15 to stockholders of record June 20; **Cornell-Dubilier,** 20¢ June 25 to holders June 20; **Herold Radio & Electronics,** passed; **Western Union,** 30¢ July 15 to holders June 20; **Motorola,** 37½¢ July 15 to holders June 30.

Philips Had Good Year: Giant Philips of Holland, surpassed only by RCA in volume of diversified electronics production, in the English translation of its 1957 annual report, just released, shows sales of 3.177 billion guilders ($845,082,000), up 18% from 2.686 billion guilders ($714,476,000) in 1956, which coincidently was up 18% from 1955. Profit for 1957 was 187,000,000 guilders ($49,742,000) vs. 158,000,000 guilders ($42,028,000) in 1956—in both years running 5.9% of net sales. Firm again paid 14% dividend on common stock, 7.6% on preferred. At end of year it employed 160,000, up from 152,000 at end of 1956, with 59,000 in Netherlands at end of each year.

Artistically illustrated report in color notes that 1957 exports from Netherlands rose by 11%, exports to European countries by 16%. Last year saw TV exceeding radio production despite fact that, as report states, "in proportion to radio, TV has so far made headway in only relatively few countries." TV-radio figures are not broken down, but report claims firm has "succeeded in securing a relatively strong position in countries where the market for TV sets has expanded at a slower rate . . . due to the fact that we have been able to reduce to a minimum the nuisance to the user of interference and defects." Report adds:

"Television sets and associated products will continue in the years ahead to constitute an important proportion of our sales. In many of our market territories, the number of TV sets in use is still so small compared with that in countries where TV is firmly established that we may look forward to substantial sales outlets in these markets for many years to come.

"For example, of the 45,000,000 households on the continent of Europe which are within range of one or more TV transmitters, less than 10% possess a TV set, whereas in Great Britain the corresponding number is 55% In Canada and the U. S. the percentages are 85 & 90, respectively. As in the past, the countries of Western Europe have made the most important contribution to the rise in sales."

Good business in portable, all-wave radio receivers for long and medium waves and in hi-fi apparatus was also reported. Former items "proved so successful that it was impossible to meet the whole demand." Complete line of hi-fi, besides amplifier and loudspeakers based on Bi-Ampli principle of direct energy transmission, has as a principal item a magneto-dynamic pickup with diamond needle, now in mass production.

Huge N. V. Philips' Gloeilampenfabrieken, acknowledged toughest competitor of U. S. firms seeking foreign TV-radio markets (Vol. 12:22), is especially strong in Latin America. Report shows assets of 1.341 billion guilders in the Netherlands at end of 1957, with 1.617 billion in other European countries, 557,000,000 in the western hemisphere, 239,000,000 in other countries.

North American Philips Co., N. Y., whose pres. is Pieter van den Berg, has sole right to sell its output in this country, its subsidiaries including Amperex Electronic Corp., Hicksville, N. Y. (tubes); Ferroxcube Corp. of America, Saugerties, N. Y. (magnetic ceramics); Philips Electronics Inc., Mt. Vernon, N. Y. (tubes, x-ray equipment, etc.); Philips Laboratories, Irvington, N. J.; Elmet Products Co., Lewiston, Me.; Consolidated Electronics Industries Corp., Jackson, Mich.

John L. Porter Jr. elected v.p. and Fred A. Freeman promoted to treas., Television Shares Management Corp., which manages Television-Electronics Fund.

COMMON STOCK QUOTATIONS

Week Ending Friday, June 13, 1958

Electronics TV-Radio-Appliances Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
10¼	7	Admiral	9½	-⅜
25	19⅜	AmBosch .30e	24⅛	-⅝
18	13	AmBcstg-Par 1	17⅝	-
37⅞	32¼	AmMy&F 1.60	34	-¼
179¼	167⅞	AT&T 9	179⅛	+1⅝
27⅞	22⅜	Amphenol 1.20	26⅜	+1
29⅞	23⅝	Arvin 2	24	+⅛
7¼	5⅝	Avco .20e	6⅞	-
25¾	18	BeckInst 1¼f	19⅛	-¼
51½	44½	BendixAv. 2.40	54¼	+¾
35¾	27⅝	Burroughs 1	35¾	+1½
18⅜	15¾	Clevite ¼e	17	-
32	24½	CBS "A" 1h	31½	+½
31¾	24⅛	CBS "B" 1h	30½	+¼
18	12½	Col Pict ⅜t	17⅜	+¾
35¼	27⅞	Cons Elec .40	29¼	-1½
26¾	19½	Cons Electron	23⅜	-1⅛
16½	12¾	Cor-Duh .20e	15⅝	+⅛
86¾	74⅝	CornGlass 1a	84¾	-
3⅝	3	Davega	3¼	-
36	30	Daystrom 1.20	36	+3
16¼	13⅞	Decca 1	15¼	-
24½	14	Disney .40h	23⅛	-1¼
109¾	97⅛	EastKod 1.55e	109¾	+1⅜
37¾	29	EmerElec 1.60	37¾	+⅝
6¾	4⅛	**EmersonRadio**	6¾	+¼
8½	7	Gabriel .60	7¾	+⅛
65¾	55	Gen Dynam 2	58¼	-1⅛
64¼	57	Gen Electric 2	60½	+⅛
9⅛	4⅝	Gen. Inst. .15g	8⅝	-¼
41	28⅝	GnPrEquip.85e	34¼	+6¾
30	22¼	Gen Tire .70h	24⅝	-⅝
49	40⅜	Gen. Teleph. 2	48⅜	-⅛
28⅜	21	HoffmanElec 1	28⅛	+⅛
360½	300	IBM 2.60	360½	+8½
37⅜	29¼	IT&T 1.80	37⅜	+1¾
41½	36⅛	I-T-ECirB .90e	37½	-½
7⅞	6¾	ListIndust ¼e	7⅛	+⅛
51½	36⅞	Litton Ind.	51¼	+1
17½	12⅞	Loew's	17	+⅜
37	30¼	Magnavox1½h	37¼	+1½
28¾	23⅝	Mallory 1.40h	25⅝	+¼
91⅞	76	Mpls.H'll 1.60s	91⅝	+1⅛
42¼	35	Motorola 1½	40¼	+1½
9	7⅜	Nat'l Thea ½	8⅝	-¼
39⅝	30⅝	Paramount 2	39⅝	+2
17⅛	12⅜	Philco	15¼	+⅛
35⅝	30¼	RCA 1a	35⅜	+⅝
30	21½	Raytheon 1¼t	30	+1⅜
7⅛	5	Republic Pic	6¾	-⅛
34¾	26⅜	Sang Elec 1.80	27	+¾
16⅛	13¼	Siegler .80	13½	-¼
4	2¾	Sparton	3¾	+⅛
20⅝	17¼	SperryRan .80	18¼	-¼
8⅝	6	Standard Coil	8	-
18	14½	Stanley-War 1	17½	+⅞
34⅜	29	Stew Warn 2h	33¾	-⅛
25⅜	20	StorBcstg 1.80	23¼	-½
37½	31½	Sylvania 2	35⅜	-⅛
37⅝	26¾	Texas Instru	37½	+1½
55¼	41⅜	ThomProd 1.40	47½	+¾
26⅞	23¼	Tung-Sol 1.40h	25½	+⅛
31½	21¾	20thC-Fox 1.60	30⅞	-
23⅝	15¼	UnitedArt. 1.40	22⅛	-
22⅝	18½	Univ. Pict.	20½	+½
20¼	16⅞	WarnBros 1.20	20¼	+1¼
65½	57¼	Westingh El 2	56⅞	-⅜
83⅛	67½	Zenith ½h	83⅛	+2⅞

AMERICAN STOCK EXCHANGE

1958 High	1958 Low	Stock and Div.	Close	Wk. Chg
4⅛	2⅞	Allied Artists	4	+⅛
45	34½	Allied Con 1a	38⅛	-½
15⅛	12⅝	AmElectro ½	11¾	-⅞
10⅛	8⅜	AssocArtProd	9	-¼
12½	7¼	AudioDev	10½	-¼
10⅛	7⅜	BelockInst ⅛t	8⅝	+¼
1⅛	⅜	C & C TV	⅞	-1/16
1⅞	1⅝	Cin'ma Inc.	1¾	-⅛
3¾	2⅞	Clarostat .15g	3¼	-⅜
4⅞	3	DuMont Lab	4	-⅛
4⅛	2⅞	Dynam Am	3⅝	+⅛
13⅛	10	ElectronicCom	12⅝	+⅝
7⅞	6⅜	Electronics Cp	7½	-⅜
31⅝	19½	FairchCam½g	25⅜	+1⅛
24⅞	17¼	General Trans	19⅝	-
17¼	14⅝	Globe Un .80	15¾	-¼
3⅞	2½	Guild Films	3⅝	+⅛
39½	30½	Hazeltine 1.40b	38½	-1
2⅞	2	Herold Ra .20	2¾	+⅝
4⅝	3¾	Int Resist .20	3⅞	-
6½	4¼	Lear	6½	-⅜
¾	⅜	Muntz TV	11/16	+1/16
4	2½	Muter Co. ¼t	4	+⅛
9¼	5⅝	Nat'l Telefilm	7⅞	-⅛
1¾	1	Nat Union El	1½	-⅛
6⅞	2¾	Norden-Ketay	2⅞	-
3⅝	2⅞	Oxford El .10r	3⅛	-
16	11	Philips El	12⅞	-¼
9¼	6⅝	Servomech	9⅛	+⅛
6	3⅜	Skiatron	4½	+½
5¾	3½	Technicolor	5¼	+½
4½	3½	Trans-Lux .20g	4½	+½
4⅞	3¾	Victoreen Inst.	4⅛	+⅜

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked
Advance Ind	2 7/16	2⅝
Aerovox	4⅝	5
Airborne Inst	48	50
Altec Co. .80	19⅞	20½
AMP Inc .50	21⅝	22¼
Ampex	67	70
Baird Atomic	8¼	9
Cinerama Prod.	1⅞	2
Cohu Electronics	6¾	7¼
Collins "A" .35	13⅜	14
Collins "B" .35	13¼	13⅞
Cook Elec. .40d	17¾	18¼
Craig Systems	6¾	7¼
DuMont Bcstg.	6¾	7½
Eitel-McCullough (5% stk)	26	28
Elec Assoc (stk)	40¼	43
Erie Resistor .40h	6	6½
Friden Ind. 1	13¾	14½
Giannini, G. M.	13⅞	14⅝
Granco Products .05	1	1¼
Gross Telecasting 1.60	19¼	21
Hewlett-Packard	26	27
High Voltage .10g	30¼	32
Hycon	2½	2⅝
Indiana Steel Prod. 1.20a	18	19
Jerrold	2	2½
Ling Industries	2⅛	2½
Leeds & Northrup .60h	21½	23
Machlett Labs .25g	16½	18
Magna Theatre	1½	2
Maxson (W. L.) .05	6½	7
Meredith Pub. 1.80a	30¼	32
National Co. (4% stk.)	11	12
Oak Mfg. 1.40	12¾	13½
Official Films .10	15/16	1 1/16
ORRadio	17¼	18½
Pacific Mercury TV	5⅞	6¼
Packard-Bell .50	12	13
Panellit	5⅞	6¼
Perkin-Elmer	23¾	25
Philips Lamp (14% of par)	37½	39
Reeves Soundcraft (stk.)	3	3¼
Sprague Electric 1.20	30¾	32
Taylor Instrument 1.20	28¼	30
Tele-Broadcasters	3	3½
Telechrome .30	8⅜	8¾
Telecomputing	4⅛	4½
Telcprompter (stock)	5¼	5¾
Time Inc. 3.75	56	59
Topp Industries (stock)	9¼	9¾
Tracerlab	6¼	6¾
Trav-Ler	1½	2
United Artists	5⅛	5½
Varian Associates	18¾	19½
Webcor .15c	10	10¼
Wells-Gardner	7¾	8¼
WJR Goodwill Sta. .50d	14	14¼

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid after stock dividend or split-up. k Declared or paid this year. an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. • No trade

FCC & Pay-TV—What Next? FCC is puzzled about subscription TV, wants to do its duty and satisfy Congress at same time—yet isn't quite sure it can do both.

Both Senate & House Commerce Committees have passed resolutions asking Commission to hold off authorizing pay-TV tests pending Congressional review (Vol. 14:6-8). Commission then decided it would hold off—but only until 30 days after Congress adjourns.

Recently, Rep. Harris (D-Ark.), chairman of House committee, asked Commission for status report. This week, Commission responded with letter expressing its uncertainty.

First, FCC indicated by implication it doesn't believe the committee resolutions have force of law. Second, it said that if Congress does pass resolutions asking delay—which would have such force—it would like to have a "terminal date." In short, it wants to avoid an "open-end" resolution which would have effect of delaying pay-TV to death. It seeks to avoid repetition of what happened in radio—when former Sen. Wheeler (D-Mont.) pushed through resolution expressing the "sense of the Senate" that FCC not permit power above 50 kw. Effects of that still stand, though Commission is finally considering higher power.

"It remains our respectful view," FCC wrote, "that if either House of Congress, or both, should contemplate the adoption of such a resolution, it would be preferable to designate a period of such length as Congress may consider sufficient to afford ample opportunity for the enactment of such legislation as may be deemed appropriate, rather than to request an informal 'stay' of indefinite duration."

United Artists, whose main business is financing & distributing theatrical movies made by independent producers, earned $636,000 (59¢ per share) on world gross revenues of $16,485,000 in first 1958 quarter vs. $569,000 (53¢) on $14,389,000 year earlier. Reflecting "strong production program" started last July, gross in 10 weeks of current second quarter rose to $12,190,000 from $11,159,000 in comparable 1957 weeks, and 1958 should be good year, chairman Robert S. Benjamin told stockholders' meeting in N. Y. this week. UA released 52 features to TV last year (Vol. 14:16), is negotiating through affiliate Gotham TV Film Corp. for control of TV-supplier Associated Artists Productions (Vol. 14:21).

Senate voted FCC $8,900,000 for next fiscal year, same figure approved by House (Vol. 14:20), but Senate Appropriations Committee report says Commission shouldn't be directed to spend specific sum on application processing, should use own discretion. House Committee had told FCC it wants it to divert $196,000 for processing. Faced with diverse "instructions," Commission presumably will juggle funds in attempt to keep both legislative bodies happy.

Length of TV shows preferred by audience depends on program type, Pulse reported recently in survey of 1000 N. Y. viewers. Preferences: 90-min. movies, 57% vs. 26% for 60-min.; 30-min. comedy shows, 45% vs. 35% for 60-min.; 60-min. dramas, 48% vs. 25% for 90-min.; 60-min. variety programs, 53%; 30-min. westerns, 41% vs. 34% for 60-min.; 30-min. quiz shows, 51% vs. 40% for no particular preference.

Consolidated Film Industries, Republic Pictures lab div., disclosed it is buyer of Paramount Pictures' N. Y. newsreel lab, reported being sold last week for $1,200,000.

< Errata: Clerical errors are responsible for misquotations in last few weeks' listings of TelePrompTer, traded over the counter; we sincerely regret any inconveniences that may have been caused.

THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 14: No. 25

SUMMARY-INDEX OF THE WEEK'S NEWS — June 21, 1958

ARE NEWSPAPERS GANGING UP AGAINST TV? They're hurting quite badly these recession days -- and the evidence seems to be mounting that newspaper advertising people and even some editorial room folk are ganging up, whether deliberately or coincidently, to deprecate their toughest business and news competitor. That's the essence of NBC pres. Robert W. Sarnoff's much-discussed speech delivered, rather appropriately, at this week's dedication of Newhouse newspaper chain's sumptuous new plant of WSYR & WSYR-TV, Syracuse, headed by ex-newspaper reporter E. R. (Curley) Vadeboncoeur.

Thereby hangs a tale of suspicion, if not intrigue, that might rival one of TV's own dramatics if the problem weren't so serious. Hitherto spoken only in whispers, it's out in the open now — the growing conviction in TV-radio ranks that many newspapers, hard hit by declining linage, are deliberately pecking away at everything about TV that might tend to discredit it with advertisers and the public.

It's long been a bugaboo in broadcasting circles, quiescent while all media rode a high tide of prosperity, and only discussed over the teacups. Now NBC's young president, abetted by his public relations aide Ken Bilby, himself an ex-newspaperman of some distinction, airs it openly with a document which everyone engaged in both business and news sides of the nation's 2 top media should read closely and evaluate in the light of his own experience.

It's important enough, we feel, to warrant publishing as a Special Supplement herewith, available to all subscribers.

The "line" being taken by the ANPA Bureau of Advertising and the Assn. of Newspaper Advertising Executives, in their intra-industry advices and then reflected in selling and news policies, seems to be to crack hard at their foremost competitor on all fronts. Motive is obvious, pointed up in latest statistics showing newspaper linage fell 9% in April (p. 6) while network billings gained 16% in same month. Last year, newspapers accounted for $3.325 billion in advertising, TV for $1.315 billion out of a national total for all media of just over $10.4 billion.

TV is now running into seasonal time-gaps in schedules, to be sure, and networks aren't exactly prospering from effects of the recession, to say nothing of the huge upsurge in spot. Yet it's hard to believe there's actually a deliberate "plot" to talk down and play down TV involving all or most newspapers. For one thing, many (the N. Y. Times, for example) cleave to high ethical standards, carefully separating advertising and news functions. For another, the fact is that some 150 of the 534 commercial TV stations in the U. S., about 30%, are owned in whole or part by newspaper interests, according to our updated files of the list in TV Factbook No. 26, pp. 381-383 -- and those don't include the magazine-owned stations.

One more pertinent fact: TV-radio stations now outnumber daily newspapers by better than 2-to-1 (Vol. 13:52), and it's good guess they're now better-paying customers of both Associated Press and United Press International than the newspapers.

* * * * *

It looks like some hard-pressed admen and publishers, and perhaps editorial workers sensing business office thinking, are inclined to sell TV short or to deride it in the same futile way that car dealers are so vainly trying to scotch the small-car demand. Maybe it's a natural phenomenon -- let's hope an ephemeral one -- of any competitive quest for only so many available dollars.

The younger Sarnoff's speech drew bravos from many sources, including Variety and the competitive networks who seem to agree it was high time to talk-out-loud on the subject. That it will also draw refutations, if not bitter recriminations, goes almost without saying. But none can dispute the validity of his main thesis -- that there's plenty for all media in a healthy economy, which all should join to upbuild. And maybe it's indeed time for the TV medium to begin using its own channels, as Sarnoff suggests, to tell its own story to the public.

'MULTIPLE V' AILMENT HITS 3 MORE UHFS: Further confirmation of uhf's difficulties in face of multiple vhf competition -- as if any were needed after NBC decided to drop its WBUF, Buffalo (Ch. 17) last week (Vol. 14:24) -- is fact that 3 more similarly situated uhf's have bit the dust: WITV, Ft. Lauderdale-Miami (Ch. 17); KSAN-TV, San Francisco (Ch. 32); WFLB-TV, Fayetteville, N.C. (Ch. 18).

All uhf operators are concerned, naturally, that these failures will be interpreted as harbingers of trouble for all uhfs -- which, of course, isn't true. More or less isolated uhf's do all right. Multiple vhf competition is the killer.

What's surprising is that there are still several uhf's continuing in situations comparable with those of the recent uhf dropouts. Answer in most cases seems to be that most such uhf operators hope to shift to vhf. In following markets, uhf stations are up against 2 or more local vhf's: New Orleans, Albany, Hartford, Norfolk, Milwaukee, San Antonio, Tampa-St. Petersburg. But most of the uhf's are applicants for recently dropped-in vhf channels or are hoping that rule-making will produce another vhf. In some cases, they pin hopes on expectation that FCC will drop in vhf's by cutting vhf spacings below present minimum -- along lines proposed in petition recently filed by ABC (Vol. 14:23).

Better-situated uhf's will be jittery until FCC finally concludes its current reappraisal of allocations (Vol. 14:24). They won't rest easily until Commission (1) gives them all vhf, or (2) assures them they won't get more vhf competition. It's the teetering uncertainty that troubles them.

FCC held another allocations discussion this week, arrived at no conclusions, but most commissioners feel they're heading toward something reasonably certain -- though it may take many months to nail it down. Some significant deintermixture decisions are due shortly, will show current FCC lineup. Included will be determination whether Fresno & Sacramento go all-uhf or all-vhf.

After start of uhf Sept. 1952, with inauguration of KPTV, Portland, Ore. (Ch. 27), 172 began operating -- but 80 have quit, one of them educational (see TV Factbook No. 26, p. 360, for list to Feb. 15). On other hand, of 454 vhf starters, only 3 went dark for economic reasons and 4 were deleted in shared time mergers.

Set manufacturers report that sales of uhf-equipped receivers have shown gradual decline over last 3 years. Percentage of all production is about 10%, having drifted down from about 15% three years ago. Some researchers believe it will settle down to about 10%, though one expert thinks it may be about 8% by year's end.

* * * * *

Ft. Lauderdale's WITV, on outskirts of Miami, actually quit the air May 11 -- but it wasn't generally known (not even at FCC) until this week. It was started in Nov. 1953 by Comdr. Mortimer W. Loewi, first gen. mgr. of DuMont Network and financial advisor to Dr. Allen B. DuMont, who had gone to Florida to build the sumptuous "Out of This World" resort at Hallandale, near Miami.

Recently, the station tried to get dropped-in Ch. 6 assigned directly to it, was rejected by FCC, is appealing to courts. It then sought experimental operation on Ch. 6, was turned down. Seeking reconsideration, it was again rebuffed. Now it's one of 4 applicants for Ch. 6 in area served by 3 commercial vhf's, one educational.

WFLB-TV, Fayetteville, started in 1955, quit June 20 because of vhf signals from out of town. Competition from WRAL-TV, Raleigh (Ch. 5) has been rough. And WTVD, Durham (Ch. 11) has CP to move closer to Fayetteville. WFLB-TV protested the move, got it set for hearing, then withdrew protest last week. It concluded only solution is to get vhf itself -- and it will file petition seeking vhf drop-in. Controlling stockholders, headed by Harry Stein, recently sold 49% to local group.

KSAN-TV, San Francisco, which pulls switch June 21, has been a puzzler -- managing to operate since March 1, 1954 despite competition from 3, then 4, commercial vhf's. Owner S. H. Patterson, ex-preacher and Kansas broadcaster, has at times indicated he hoped pay TV would save station. He continues with radio KSAN.

NETWORKS, DEPT. OF JUSTICE—AND MR. BICKS: Networks' Washington problems certainly don't get any lighter. This week, we interviewed Robert A. Bicks, right-hand man to Justice Dept. anti-trust chief Victor Hansen, found just how adamant Justice is in its stand against option time, must buy and program tie-ins (Vol. 14:23).

NBC in particular has its hands full -- what with: (1) U. S. Supreme Court agreeing this week to review decision of U. S. District Judge Kirkpatrick in Philadelphia, who held that since FCC had approved NBC-Westinghouse Cleveland-Philadelphia station swap (Vol. 14:2), Justice Dept. was foreclosed from prosecuting NBC for anti-trust violations, and (2) Philco winning Court of Appeals ruling that it has standing to protest to FCC the renewal of NBC's license for WRCV-TV, Philadelphia (Vol. 14:37). [For details on these 2 cases, see p. 11.]

* * * * *

Bicks has no doubt that option time, must buy and tie-ins are illegal per se; that FCC "must face up to one of 2 decisions": (1) Forbid the practices, or (2) Get Congress to legalize them. Regarding latter, he says: "I doubt that Congress would do that, don't you?" He claims that "all knowledgeable people, including those in the industry, will agree that the practices are illegal, in light of the Supreme Court's Northern Pacific decision on tie-ins."

Justice Dept. will have no choice, Bicks believes, but to go to court if FCC fails to act. We asked if this would be the case, even if it appeared that networks' fears seem justified -- that they might go under or fade into insignificance without the practices they so vigorously defended at network hearings.

"You can't conclude something is illegal, then do nothing about it," he replied. "And there's pretty strong evidence that the networks won't suffer. Did you see Moore's chart?" He referred to testimony of Richard Moore, KTTV, Los Angeles, designed to show that networks obtain good clearances in non-option time; therefore, that they don't need option time. "If this were a declining industry," he said, "there would be a question whether to proceed. But that isn't so."

Option time is the important factor, according to Bicks: "It forces stations to take poorer programs they don't want, along with the good. There's a lot of creative talent in program producers outside the networks. Without option time, programs would be free to rise or fall solely on their merits. If you get rid of option time, the tie-in problem wouldn't be important -- because all producers would have direct access to prime time on stations."

Justice Dept. had been investigating network practices for some 2 years, but suspended when FCC network hearings started. Reason, Bicks said, is that if there were a grand jury proceeding pending during FCC hearings, witnesses would clam up, be afraid to testify freely during the hearings.

Justice's investigation involved listening to complaints of some 60 individuals, who alleged, basically: "We couldn't get our programs on the networks until we let them acquire a piece." Justice is now trying to get the complainants to step forward, let their names be given to FCC -- which would conduct hearings on charges. "The results haven't been very heartening," Bicks said. "We have only a few. Many people are afraid of losing their jobs if they come out in public."

Bicks doesn't see any compromise, either -- like cutting amount of option time somewhat. Nor is he at all impressed with "Station Reserved Time" proposal of Station Representatives Assn. (Vol. 14:21), because it retains option time.

FCC ought to make up its mind by Sept., in Bicks' opinion. He expects it to conclude hearing in early July, with testimony of Dean Roscoe Barrow, who headed FCC's network study staff.

* * * * *

How important are Bicks' views? His title is "First Asst." to Hansen, and he's said to be truly "first." One experienced anti-trust observer tells us that, despite his youth, "Nobody but nobody overules Bicks in the Justice Dept."

Bicks is startlingly young -- 31, graduate of Yale Law School, Phi Beta Kappa. After graduation, he became law clerk to Judge Stanley Fuld, of N. Y. Court of Appeals, then legislative asst. to Sen. Ives (R-N. Y.). In 1953, he was named exec. secy. of Attorney General's Committee to Study the Anti-Trust Laws. In 1955, he was appointed legal asst. to the then anti-trust chief Stanley Barnes.

He comes by law quite naturally -- his father being Alexander Bicks, U. S. Judge for Southern District of N. Y., his mother being a former member of N. Y. law firm of Campbell & Boland.

Morse Seeks Goldfish Bowl: "All communications from Congress to agencies should be a matter of public record. There is no substitute for public disclosure."

That's the primary cure for Congressional pressure on bodies such as FCC, Sen. Wayne Morse (D-Ore.) told Federal Communications Bar Assn. meeting June 19. Asked about "pecuniary interest" of Congressmen in actions of agencies, he suggested that the legislators do as Senators Fulbright (D-Ark.) and Byrd (D-Va.) did recently, when newspaper postal rates were up for consideration—simply ask and receive permission from their colleagues to abstain from voting.

As for Presidential influence: "The wishes of the President and his appointment advisors can be a powerful pressure upon appointees whose reappointment is subject to their good-will. The factor of specialization means that employment opportunities are limited largely to the industry with which the agency deals. This makes it hard to offend industry leaders or can lead to a tendency for informal alliance with a major industry contender . . .

"In the past, Presidents have honored integrity and independence on the part of board and commission officials. Indeed, Presidents Roosevelt and Truman frequently reappointed men who disagreed with their policies. I can attest to the fact that President Roosevelt appointed me to the War Labor Board in full knowledge that I was of different political persuasion and urged me to stay on after I disagreed with Secretary Ickes and majority of the Board."

Another FCC "reform" bill hit House hopper this week. Introduced by Rep. Derounian (R-N. Y.), HR-13035 would "prohibit the using of improper methods to influence the acts or decisions of certain Federal regulatory agencies," is aimed particularly at rescinding Communications Act section permitting honorariums to FCC members for "publications & papers."

'Pattern of Influence' in Washington . . . *An Editorial*

SO MUCH HEADLINE NEWS broke this week around what has rightly been described as "the pattern of influence" on the Washington scene, notably vis-a-vis the independent regulatory agencies, that we can't help crowing a bit, "We told you so." It took the Sherman Adams disclosures, if not the bumblings of Prof. Schwartz and the stupidities of ex-FCC Comr. Mack, to point up what long has been teacup talk in Washington and grist for these columns.

We refer, of course, to political influences exerted directly and indirectly upon the FCC. What has developed over the years, and to an aggravated degree in these days of vastly more valuable TV stakes, is a sort of "system" that may be part & parcel of the democratic process but that ought to be ended. It's the system of who-can-do-what-to-and-for whom. And since actual bribery or venality is seldom revealed, the real culprits are obvious—the big-shots of politics, notably Senators and Congressmen, who will pick up a telephone, call the chairman or some other key man in a govt. agency, ask the status of a case, perhaps interpose an opinion, often "introduce" a friend or constituent seeking help—leaving the inevitable impression that he favors this or that party in interest or point of view.

Quite often the merits of the particular case or issue aren't even known to the person making the call, though a surprising number of legislators are themselves involved in TV-radio licenses (Vol. 14:5-6). Those same Congressmen or Senators or high govt. officials (like Adams) wouldn't think of thus approaching a judge of any court about a pending case. Yet they must know that in abetting the seeker-after-privileges, and affording him an opportunity to drop names or discuss pending cases with the regulators, they're doing something basically wrong.

* * * *

There's a relatively simple remedy for this "system," oddly enough—quite aside from the obvious one of selecting men of integrity and stature for the independent agencies. It's the method devised by the late FCC Chairman Wayne Coy, about which we discoursed in one of our "Do You Know That . . ." columns recently (Vol. 14:9). Whether it's a call from the White House secretariat, from a Senator or Congressman or any other high politico, the regulator need only reply: "Thanks for your interest. Will you please put your request in writing?" And then make such calls and requests part of the public record of the case in point.

"That would cut down most of the demands upon us," a U. S. Senator told us. "We usually don't want to take sides in competitive cases before any agency, certainly no more than we do before any court. We have the right and duty, of course, to push for what we regard as the best interests of our constituencies. But we don't like taking sides in individual cases, and we'd like to find a way to get off the hook when a good friend or a campaign donor, who happens to be a broadcaster, asks us for help."

And we repeat what we wrote in the column on Coy's policy: "That the attorneys for the very people who seek special influences dislike the system, is manifest from the observation of one of the leaders of the FCC bar commenting on the current [Harris] proceedings: 'Maybe they'll clean things up so that we can really practice law again.' "

* * * *

Despite all the crowing of the Democrats that they've finally pinned something on the holier-than-thou Republicans, who played the mink coat-deep freeze scandals of the Truman Administration to a fare-thee-well, it's a fact that White House and Congressional interventions aren't usually partisan matters. As testimony before the Harris committee has revealed, Democrats did much more pressuring of the FCC in recent years than Republicans—probably simply because they're the party in control of Congress and because there are more of them.

The Republicans did it aplenty in their day, too; we recall very vividly, in the early days of radio regulation, when Hoover was in the driver's seat, that the phone ringing and "the White House calling" had members and staff of the old Federal Radio Commission in a frequent dither. And FDR wasn't above putting his personal oar into radio waters occasionally, as when he instructed both Chairmen Sykes and Fly to "do something about newspaper ownership of radio stations" but didn't want them to ask Congress for enabling legislation. Larry Fly certainly did respond to The Boss' bidding.

As for Sherman Adams, it can hardly be said he has been a salutary influence on the FCC. Consider his last appointment. Here was a board that had been given some pretty black eyes by the machine-gunning tactics of the headline-hunting Schwartz. Yet instead of picking someone of stature to help build back the FCC's prestige, Adams threw a sop to the Arkansas delegation and filled an agency already somewhat too heavily weighted with govt. career men with a congenital officeholder simply seeking a better job with more pay. It was Adams, too, who summarily, coldly and without notice plucked his own party's FCC Chairman Hyde out of that office in 1954, when things were rather well in hand, in favor of a purely political appointee (George McConnaughey, of Ohio) whose regime turned out to be the most "political" in the Commission's whole checkered history.

* * * *

There's talk of ripper legislation in the next Congress—when the Administration is apparently destined to be Democratic, topside too—so as to wipe out the FCC and set up an entirely new board. That's what FDR did to the FRC, only he created 7 jobs instead of 5. It's all just talk at this stage, and some think it would merely be a foolish attempt to unscramble the eggs.

What's needed are top-grade selectees for the office, in the first place; some changes in the law, which the best minds in the legal profession would gladly pitch in to help write; and, of course, a goldfish-bowl operation—with politicos, high or low, keeping their hands off individual cases unless they're willing to stand up and be counted.

Advertising Volume Sags: Summer's declining network TV billings remain to be reported, so the medium shows up extraordinarily well in comparison with others reported in *Printers' Ink* monthly National Advertising Index for April and Jan.-April, 1958. Compared with Jan.-April year ago, network TV was up 15%, network radio up 2%, direct mail up 2%, as against newspaper decline of 9%, magazine decline of 4%. Only thing propping up radio's figure, report notes, is fact that it had shown 21% gain in Jan., for in April it showed 7% loss from April, 1957.

April was first time this year, says *Printers' Ink*, that national advertising volume, as a whole, still up cumulatively but only by 1%, failed to show a gain over same month year ago. Partial explanation may be in *Advertising Age's* June 16 report that, besides being sore beset by looming increases in postal rates, magazine publishers are showing big declines in both advertising and in newsstand circulation. For Jan.-April, *Life* was off 321 pages, *Saturday Evening Post* 176, *Business Week* 507, *Ladies Home Journal* 108, *McCall's* 102, *Better Homes & Gardens* 194, *Look* 73. Among the few ahead were *New Yorker*, up 11, and *Coronet*, up 7.

Consumer magazines, said *Advertising Age*, were considerably down, by classifications: weeklies, bi-weeklies & semi-monthlies, down from 9491 to 8523 pages; women's magazines, from 4000 to 3495; home books, from 3817 to 3239; fashion, from 2734 to 2395; movies-radio-romance, from 2165 to 1610; business, from 1596 to 1403. The *Printers' Ink* index and percentage figures for all media for April and Jan.-April:

Medium	Index April 1958	Index April 1957	% change from 1 month ago	% change from 1 year ago	% Cumulative change
General Index	204	206	−1	− 1	+ 1
Total Magazines	150	164	0	− 9	− 4
Weekly	168	184	+1	− 9	− 5
Women's	112	127	−2	−12	− 1
General Monthly	174	188	−2	− 7	− 1
Farm	88	117	−7	−25	−18
Newspapers	183	201	−1	− 9	− 9
Network TV	431	370	+2	+16	+15
Network Radio	28	30	0	− 7	+ 2
Business Papers	202	214	−7	− 6	− 3
Outdoor	160	162	−2	− 1	0
Direct Mail *	222	218	−1	+ 2	+ 2

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-'49 except for the TV base which covers the years 1950-'52. "Cumulative change" in the last column refers to the change, from the same period last year, of the index average from January through April, 1958. * Direct mail is not included in the general index, as data usually lag one month.

TV Block-Booking Okayed: Govt. anti-trust action against block-booking by 5 big distributors of TV movies (Vol. 14:15) was dealt possible precedential blow by N. Y. Supreme Court ruling this week that practice isn't illegal per se.

Rejecting anti-trust arguments by Skyway Bcstg. Co. (WLOS-TV, Asheville, N. C.) in motion to void contract with Matty Fox's C&C Television Corp. for purchase of library of 740 old RKO films, Justice Edgar J. Nathan Jr. of state court held that "films may be sold in block when there is no requirement, express or implied, for the purchase of more than one film."

Action to enforce sales contract had been started by C&C (see p. 15 for story about change of name to Television Industries Inc.) after WLOS-TV defaulted on deal, claiming it was unenforceable under Sec. 1 of Sherman Act. Noting block-booking decision by U. S. Supreme Court in Paramount case, which Govt. won, Justice Nathan said licensing of all or large part of film library as condition for obtaining one or more features "may very well" be illegal, but:

"On this motion the court cannot make a judicial determination that the holding in the Paramount case is applicable to the fact disclosed in the moving papers. The affidavits before the court are wholly inadequate for any such purpose.

"Moreover, the affidavits fail to raise a substantial issue as to petitioner's claim that it was forced to take all the films as a condition to exhibit any one. There is no evidence in the agreement or otherwise that petitioner negotiated for or was refused a license covering selected films. In the absence of such a showing, no triable issue is presented."

Contract dispute between C&C TV and Skyway now goes to arbitration as provided in original agreement, which called for 10-year licensing arrangement, station to pay C&C in spot time to be utilized by International Latex.

* * * *

Note: In unrelated case, appellate div. of N. Y. Supreme Court this week affirmed temporary injunction granted to National Telefilm Assoc. against sale of Associated Artists Productions to United Artists affiliate Gotham TV Corp. (Vol. 14:21) pending trial of $18,000,000 NTA damage suit against AAP. At stake is huge Warner Bros. film library held by AAP for TV release, NTA claiming it has contract to buy majority of stock in AAP.

Rate increases: KMSP-TV, Minneapolis-St. Paul, June 15 raised base hour from $1000 to $1200, min. $200 to $240. KCRA-TV, Sacramento, July 1 raised hour from $900 to $1000, min. $225 to $250. WROC-TV, Rochester, N. Y. May 15 raised hour $700 to $800, added Class AA min. (7:30-10:30 p.m. daily) at $200, Class A min. remaining $150. WFRC-TV, Green Bay, Wis. has added Class AA hour (7-9:30 p.m. daily) at $500, min. at $100, Class A hour remaining $400. KDUB-TV, Lubbock, June 1 raised hour from $350 to $400, min. $70 to $100, with combination hour with KPAR-TV, Abilene-Sweetwater, and KEDY-TV, Big Spring, going from $630 to $675, min. $108 to $130. KCBD-TV, Lubbock, June 1 raised hour from $350 to $400, min. $70 to $100. KCEN-TV, Temple, July 1, hour $350 to $400, min. $70 to $80. WITN, Washington, N. C., July 1, hour $325 to $350, min. $65 to $70. WORA-TV, Mayaguez, P. R., June 15 added Class AA hour (7-9 p.m. daily) at $173, min. at $33, Class A hour remaining $150.

Telethons are tax-free if conducted for exempt charitable organizations and all money collected, "unreduced by any expenses incurred by the broadcasting station," is turned over to beneficiary, according to Internal Revenue Service ruling. Decision (Ruling 58-276) is published in June 9 *Internal Revenue Bulletin.*

TV coverage of American Medical Assn. convention in San Francisco June 23-27, to be provided by educational KQED, is being underwritten by Merck, Sharpe & Dohme div. of Merck & Co. pharmaceutical house. Five "bulletin" type programs will be on TV, 5 on radio KROW, to keep physicians informed of events in 8 scattered locations.

Color commercials run 15-20% more than black-&-white in cost, according to Al Tennyson, head of Kenyon & Eckhardt commercial dept., which handles RCA account, produces all its commercials in color. He said that commonly quoted figure of "30% more" is reduced through experience and volume.

Westinghouse Dropping Reps: Something like $20,000,000 in billings are believed to be involved in Westinghouse Broadcasting Co.'s decision, revealed this week, to drop its sales representatives as of July 1, 1959 in favor of sales offices of its own which it will set up in N. Y., Chicago, Detroit, Los Angeles, San Francisco. Since one-year notices had to be given present reps, WBC isn't hastening plans—but it's assumed new setup will be under direction of A. W. (Bink) Dannenbaum Jr., WBC v.p.-sales.

Four rep firms got notices: Peters, Griffin, Woodward Inc., representing WBZ-TV & WBZ-WBZA, Boston-Springfield; KYW-TV & KYW, Cleveland; KDKA-TV & KDKA, Pittsburgh; radio WOWO, Ft. Wayne; radio KEX, Portland, Ore. Blair TV, representing WJZ-TV, Baltimore. Katz Agency representing KPIX, San Francisco. AM Radio Sales, representing WIND, Chicago.

Announcement was accompanied by expressions of cordial relationships between WBC and the reps affected, WBC pres. Don McGannon stating, "We think we've been fortunate in having the best reps in the business, and there's no thought on our part of selling them down." Most of WBC's reps were "inherited" with stations when purchased.

That the reps were deeply disappointed, was manifest —but Peters firm issued formal statement that it had been prepared for it, and that: "It is gratifying to us that our national spot billings in both radio and TV for the Westinghouse stations are at an all-time high now. We represent 27 other radio stations, including 6 which started with us at the inauguration of our business in 1932 [and] in TV we represent 29 other stations, most of which we have sold continually since their air date . . . No reduction or changes in our staff are contemplated."

Present practice and past trend has generally been toward independent reps for group-owned stations—Storer, for example, sticking with Katz but having own sales offices in addition (though recently it closed down San Francisco office headed by Gayle V. Grubb). On other hand, Crosley group of 5 TVs, besides its radio WLW, continues to maintain own sales offices in New York, Chicago & Cleveland, while retaining NBC Spot Sales for Detroit, San Francisco & Hollywood and Bomar Lawrence & Assoc. for Atlanta & Dallas.

Crosley management has stated it probably doesn't gain in revenues by having own offices—which are said to account for nearly 90% of its spot business—but "we like to eliminate as many variables as possible and we like to call the shots, and that's not said in derogation of the reps who perform a great function." WBC stated:

"It is well known that all advertisers are examining their media purchasers with a deeper intensity. Even though WBC station sales are currently at a peak, we believe that the extension of our own organization to encompass national sales will enable our salesmen to bring a new dimension to presentation of all the elements of broadcasting facilities and the values they represent to the advertiser."

WBC management group is conferring June 24-27 in the Sheraton, French Lick, Ind., its agenda including public service programming, sales promotion, new engineering, editorializing, news, audience research.

Do You Know That . . .

THE NOBLE PROFESSION of teaching claims or once claimed some of the best minds in the broadcasting business—and in pursuit of data for our recent columns on academic distinctions (Vol. 14:18, 23, 24) we encountered some other interesting facts about well-known industry figures. We also ran into the fact that, to borrow some not-very-academic terms, we goofed with a lulu of a boo-boo last week in listing Glen Wilkinson, the Washington lawyer, as president of Brigham Young U. It's his brother, Dr. Ernest L. Wilkinson, who left the firm for the campus job but still retains his law partnership.

Best known of the campus pundits who came into the industry was perhaps **Justin Miller**, who taught law courses successively at Oregon, Minnesota, Stanford, Columbia & California U's before becoming law dean of U of So. California, 1927-30, then of Duke, 1930-35. Appointed to the U.S. Court of Appeals, he resigned to head NAB, 1945-51. Though retired, he's counsel with the Los Angeles law firm of McClean, Salisbury, Greenwald & McClean, resides in Pacific Palisades, Cal. He's a U of Montana LL.B. '13, Stanford J.D. '14, holds honoraries from Yale, Franklin & Marshall, Boston U, Arizona U, Ithaca College.

Not generally known is fact that Neville Miller, the onetime "Boy Mayor" of Louisville, also ex-pres. of NAB, now a Washington attorney, was dean of U of Louisville Law School, 1930-33, later asst. to President Dodd of Princeton, his alma mater '16. Or that Theodore F. Streibert, recently director of USIA, onetime head of the WOR stations and MBS under Macy's, now on Nelson Rockefeller's staff, was asst. dean of Harvard Business School, 1929-33. Recently elected head of University College of North Staffordshire, Sir George Barnes quit the TV directorship of BBC to return to academic life.

C. M. Jansky Jr., the pioneer Washington consulting engineer, is son of the great U of Wisconsin engineering professor (now 87) who "wrote the book" on principles of e.e. & radiotelegraphy. C. M. Jr. helped in the writing, was himself associate prof. of e.e. at U of Minnesota, where in 1920 he founded its pioneer radio WLB (now KUOM), 2nd or 3rd oldest educational still extant. As a student, Wisconsin '17, he founded 9XM, now WHA, Madison—and recalls using vacuum tubes made in his own physics labs.

C. M. Jr. insists WHA is the oldest broadcasting station in the U.S.—regardless of the claims of Pittsburgh's KDKA and Detroit's WWJ.

Among Prof. Jansky's students and workers at the Minneapolis station were his present partner Stuart L. Bailey, ex-pres. of IRE; Dr. Elmer E. Engstrom, the oft-honored RCA senior exec. v.p.; Dr. Lloyd V. Berkner, noted scientific administrator, ex-Bureau of Standards, ex-Carnegie Institute, currently on exec. committee for the International Geophysical Year; Dr. Merrill M. Tuve, now head of the Carnegie Bureau of Terrestrial Magnetism; and the late Millard M. Garrison, partner in the Esterly Page engineering organization at time of his death a few years ago.

* * * *

Among others who have gone into teaching are Thomas M. Cooley II, ex-Weaver & Glassie, Washington counsel for Philco, et al, now dean of U of Pittsburgh Law School; Dr. Dallas Smythe, ex-FCC economist, now prof. of communications, U of Illinois; Walter Emery, ex-aide to retired FCC Chairman Paul Walker, now prof. of radio & communications, Michigan State U; **Harrison B. Summers**, ex-NBC Blue (later ABC) director of public affairs, now prof. of speech at Ohio State U in charge of TV. Prof. Summers' father, incidentally, is editor of U of So. California's *Journal of Broadcasting*.

Dr. Franklin Dunham, TV-radio chief, U.S. Office of Education, was an early NBC educational director; he went on leave to Govt. in 1941, chose to remain, holds honorary degree from St. Bonaventure's College. It's also revealed that the late Dr. James Rowland Angell, when he retired from the presidency of Yale, became an NBC director and its educational advisor; also on NBC's educational council was Dr. Everett Case, now pres. of Colgate, who happens to be RCA-NBC founder Owen D. Young's son-in-law.

NBC's first gen. counsel, now retired, was **A. L. (Judge) Ashby**, who quit to head his alma mater, Olivet College, Michigan, now lives in retirement at 7 Cathy Pl., Menlo Park, Cal. On the RCA-NBC boards is **Mrs. Douglas Horton**, (Mildred McAfee), ex-pres. of Wellesley, and on the CBS Inc. board is **Mildred C. McIntosh**, pres. of Barnard College, Columbia.

Only Rhodes scholars we've been able to discover among the TV-radio fraternity are CBS's **Howard K. Smith** and **Charles Collingwood**. Also a Rhodes scholar, though a sort of "fringe" broadcaster, is **Dr. Frederick L. Hovde**, who as pres. of Purdue supervises its radio WBAA. **Dr. Ray Olphin**, pres. of U of Utah, we learned, did his basic Ph.D research in early TV developments.

Dr. George L. Hall, second in command of Ford Foundation-backed Educational TV & Radio Center, Ann Arbor, Mich., next fall becomes pres. of Casper (Wyo.) College. Program coordinator at the Ann Arbor Center is **Robert O. Hudson**, ex-CBS educational director: secy.-treas. is **Kenneth L. Yourd**, ex-NBC fiscal executive. And exec. director of Joint Committee on Educational TV, also Ford-financed, is **Ralph L. Steetle**, onetime journalism instructor at U of Louisiana.

Various campuses were the first areas of expressions for scores of others in the industry. Did you know that **Sylvester L. (Pat) Weaver**, ex-NBC pres. & chairman, Dartmouth cum laude '30, once taught college mathematics? So did **William J. Dempsey**, of Dempsey & Koplovitz, FCC gen. counsel 1938-40, who was an asst. prof. at Georgetown U while studying law there, Class of '31—his proficiency at math being one reason he's such a whiz at bridge.

William L. Putnam, the ebullient pres.-gen. mgr. of WWLP, Springfield, Mass. & satellite WRLP, Greenfield, Mass., a prime uhf protagonist who is making it pay, taught geology classes at Tufts for 2 years while majoring in geology at Harvard, '45. V.p.-gen. mgr. of KOLN-TV, Lincoln, Neb., 1941 graduate of U of Illinois, **A. James Ebel**, former exec. secy. of National Assn. of Educational Broadcasters, was an asst. prof. of electrical engineering at Urbana, 1945-46.

School teachers may not often be good business men, but one who hasn't done too badly is **Dr. Elroy Schroeder**, founding pres. & substantial stockholder of KNOX & KNOX-TV, Grand Forks, N. D. (Ch. 10); he's also supt. of Grand Forks schools.

Add Academic Distinctions: John E. Fetzer, pres. of WKZO-TV & WKZO, Kalamazoo, owner of various other TV-radio enterprises and one-third owner of Detroit Tigers ball club, received honorary Doctor of Laws degree from Western Michigan U., Kalamazoo; **Red Barber**, veteran sportscaster, who incidentally got his first radio training at U of Florida's WRUF, Doctor of Humanities from Hobart College, Geneva, N. Y. And one who was unreported in our roundup of past recipients (Vol. 14:18, 24): **Robert R. Tincher**, gen. mgr. of Cowles' WHTN-TV, Huntington, W. Va., past chairman of board of trustees of Yankton (N. D.) College and member of Advisory Commission of U of So. Dakota when he managed stations in Iowa, 1955 honorary Doctor of Laws from Morningside College, Sioux City, and annual award for distinguished service to business from U of So. Dakota.

Red Hunt Hits Again: House Un-American Activities Committee returned this week to N. Y. entertainment field, scene of frequent forays against Communist suspects—and bagged 2 TV figures in 2 days of hearings for 18 recalcitrant witnesses who included stage actors, musicians, press agents.

Promptly fired from their TV jobs for refusing to tell Congressional investigators whether they formerly had been Communist Party members were director Charles S. Dubin of NBC-TV's *Twenty-One*, who was not employed by network, and floor mgr. Joseph Papp of CBS-TV's *I've Got a Secret*.

Another witness—U. S. guest conductor Arthur Lief of Moiseyev Russian ballet—was cancelled out of CBS-TV's *Ed Sullivan Show* June 29, after Lief refused to testify whether he is a CP member now or whether any members of ballet orchestra are Communists.

"I am not a member of the Communist Party," Dubin swore when he was called to stand, but said he'd invoke Fifth Amendment to any questions about "past associations," including question as to membership prior to May 8. A freelance director who had worked on *The Investigator* and *Omnibus* in addition to *Twenty-One*, Dubin was dismissed by Barry & Enright, producers of quiz show, after NBC notified packager he is "unacceptable to NBC." Network issued press statement:

"The NBC does not knowingly employ Communists nor permit their employment on programs broadcast over its facilities. Persons who refuse to testify as to their present or past affiliation with the Communist Party render themselves unacceptable as regular employes on NBC programs."

Papp (who also has been producer of N. Y. Shakespeare Festival) testified he is not CP member now but refused to tell Committee whether he had been at any time before Feb. 1955. CBS put out terse statement after he left stand: "The circumstances surrounding the case of Mr. Papp are such that we have decided to dismiss him."

NBC's action against Dubin was criticized by exec. director George E. Rundquist of N. Y. Civil Liberties Union as "indefensible capitulation to the House Committee on Un-American Activities" which "can only help preserve McCarthyism."

Thad Holt, onetime pres. and 25% owner of WABT (Ch. 13) & WAPI, Birmingham, Ala. (then WAPI-TV), which he and 75% owner Edward L. Norton sold in July, 1953 to the *Birmingham News* for $2,400,000 (Vol. 9:15, 24) and which was later sold along with the newspaper to Newhouse interests for $18,700,000 (Vol. 11:49 & 12:4), returns to radio with purchase of WLBS, Birmingham (1-kw D, 900 kc) from widow of Garnett G. Puett for $50,000. Partner in deal, E. C. Atkerson, owns 75% of an electronics supply firm in Atlanta in which Holt has 25% interest. Holt also has extensive real estate investments in Birmingham and San Antonio.

Television Digest with Electronics Reports
WYATT BUILDING, WASHINGTON 5, D. C.

Weekly Newsletters Published Saturdays
Television Factbooks Published in February & August
AM-FM Directory Published in January
TV and AM-FM Addenda Published Weekly

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Personal Notes: Aaron Beckwith promoted to ABC-TV network program sales mgr. . . . Dr. Thomas E. Coffin, NBC research director, named pres. of Radio & TV Research Council . . . M. J. Minahan named budget officer of ABC-TV, succeeded as radio network business mgr. by Clayton Shields . . . Louis J. Riggio assumes new post of sales administration director, CBS Radio, after year as consultant . . . Frank M. (Scoop) Russell, retiring member of NAB board (Vol. 14:24), was guest of honor of board at testimonial luncheon in Washington's Mayflower Hotel, June 20 . . . Donald P. MacDonald, from FCC's TV applications branch, joins Washington law firm of Smith & Pepper . . . Joseph H. McConnell's daughter Elizabeth Howard was married June 14 in Bronxville, N. Y. to Samuel Eells, of Cleveland, graduate of Williams College and presently with Basic Inc. there; Joe McConnell is ex-pres. of NBC, now gen. counsel of Reynolds Metal Co. . . . Jack DeWitt, pres. of WSM-TV, Nashville, is going to Moscow as U. S. delegate to International Astronomical Union conclave, Aug. 12-20 . . . Robert A. Mortenson, gen. mgr. of WIIC, Pittsburgh, named exec. v.p. of WIIC Inc. . . . Vern Dallin, CFQC-TV & CFQC, Saskatoon, Sask. resigns as pres. of Canadian Assn. of Bcstrs. . . . Richard Helledy named St. Louis district mgr. of Ampex . . . Ken Weldon, ex-Republic Pictures, heads new Des Moines office of Flamingo Telefilm Sales . . . Patrick Ahern, ex-Guild Films, named sales mgr., Inter-World TV Films, N. Y.; Richard Guardian heads Mexico City office, R. Gould Morrison, London . . . Robert K. Richards, public relations for NAB, et al, moves to 1737 DeSales St. NW, Washington (Sterling 3-4630).

NAB's TV board elects v.p.-managing director C. Howard Lane of KOIN-TV, Portland, Ore. as chairman, succeeding pres. John E. Fetzer of WKZO-TV, Kalamazoo, and exec. v.p. G. Richard Shafto of WIS-TV, Columbia, S. C. as vice chairman, succeeding pres. W. D. (Dub) Rogers Jr. of KDUB-TV, Lubbock, Tex. Lane also is a director & 3.33% owner of KOMO-TV, Seattle. Shafto is a director of The Bcstg. Co. of the South and gen. mgr. of its radio WIST, Charlotte, N. C. NAB radio board elects v.p. & gen. mgr. J. Frank Jarman of WDNC, Durham, N. C. as chairman, succeeding exec. v.p. Merrill Lindsay of WSOY, Decatur, Ill., with pres. & gen. mgr. Robert T. Mason of WMRN, Marion, O. as vice chairman.

Oliver Treyz, ABC-TV's dynamic young (40) president, is subject of "portrait" article in June 20 *Printers' Ink* which refers to him as the "daring young man with a mission [and a] jet-like pace which sometimes leaves other men feeling left in the dust [and] an effervescence that caused one writer to dub him the Bromo Seltzer Kid."

Ulysses Kay, BMI editorial advisor, is one of 6 U. S. composers selected to visit Russia soon under U. S.-Soviet cultural exchange agreement.

James Michael Harmon, brother of TV station pioneer Marie Helen Alvarez (Vol. 14: 24), has filed for FM station in National City, Cal., suburb of San Diego.

ADVERTISING AGENCIES: Alfred J. Miranda promoted to TV-radio mgr. of Campbell-Ewald, N. Y.; James O. Beaver transfers from Hollywood to TV-radio account executive, Detroit office, succeeded by Jere B. Chamberlain as TV producer . . . Wm. W. Shaul promoted to senior v.p. of Ross Roy Inc., Detroit, succeeding Carroll F. Sullivan who retires June 30 . . . Julia B. Brown, Henry Clochessy and Joseph R. Cross named v.p.'s of Compton Adv. . . . Wm. LaCava promoted to v.p. of Cunningham & Walsh . . . Edward C. Mante, named v.p. of Kenyon & Eckhardt . . . Robert T. Hayes promoted to v.p. of Ralph H. Jones Co., Cincinnati . . . Edwin F. Kirby, ex-NAB public relations, recently with now-defunct People-to-People Foundation, joins public relations staff of Grant Adv., N. Y., where Rudy Behlmer is now TV-radio director, having been transferred from Hollywood office.

Catholic Broadcasters Assn. presented top award for TV-radio religious programming to Storer's WJBK-TV & WJBK, Detroit, at annual convention in Chicago this week. Other citations for time granted, suitability of hours, variety, initiative, technical assistance, cooperation: WNHC-TV, New Haven-Hartford; WOOD-TV, Grand Rapids; KTVI, St. Louis; radios KWNO, Winona, Minn.; WFMJ, Youngstown; WDEL, Wilmington, Del.

Robert E. Sherwood TV awards, sponsored by Fund for the Republic, go to: WRCA-TV, N. Y., for *The Open Mind* & WBZ-TV, Boston, for *Let Freedom Ring*, splitting top honor; CBS-TV *See it Now*, special award; NBC-TV, *Light in the Southern Sky;* ABC & American Jewish Committee, *The Trophy;* WCBS-TV and Metropolitan Educational TV Assn., *Concept: Freedom;* NBC-TV, *Migrants in Chicago.*

Excellent sketch of Lou Cowan, how the wealthy owner of *$64,000 Question* and other top program properties happened to join NBC, his rise to pres. of CBS-TV Network within a year, his job of keeping CBS-TV on top in face of upsurging NBC-TV & ABC-TV, is featured in June *Television Magazine*, titled "Networks in Ferment" and written by publisher Frederick Kugel.

Top TV DXer in world is Bedford Brown, 19-year-old U of Texas junior studying meteorology, according to American Ionospheric Propagation Assn., the DXers' organization. Next is Robert Seybold, 25, pres. of AIPA, a Dunkirk, N. Y. farmer who has received 315 stations, up to 70 in one day.

Obituary

Larry W. Peay and Gilmore R. Harrison, respectively pres. & gen. mgr. of Community TV Systems of Colo. Inc., operator of 6 community antenna systems, were killed June 14 when their Beechcraft Bonanza plane crashed into mountain about 25 mi. from Elkins, W. Va. as they were flying it home from NCTA convention in Washington. There were no other passengers. Firm controls CATV systems in Alamosa, Salida, Antonito, La Jara, Monte Vista, all Colo., and Bozeman, Mont. Peay is survived by widow, 3 sons, one daughter; Harrison, by widow, 2 sons.

Harry Feigenbaum, 67, founder-pres. of Feigenbaum & Wermen, Philadelphia adv. agency, died June 20. Surviving are widow, 2 daughters, 2 grandchildren.

Marco Aurelio Andrada, 54, of Argentina, secy. gen. of the International Telecommunications Union, died in Geneva June 18.

Nate B. Spingold, 72, v.p. and director of Columbia Pictures, died at his home in New York June 14. His widow survives.

NAB Convention Rules: Detailed policies for restricted attendance at—and participation in—future annual NAB conventions, which have grown unwieldy over the years (Vol. 14: 18-19), were spelled out this week at board meeting in Washington.

Principal rules adopted by board, effective for 1959 sessions:

1. "Radio & TV management & ownership conferences are open only to those accredited representatives from active member stations & networks. Those eligible for accreditation by management of such active members are owners, partners, officers & other executive personnel."

2. "Only associate members of NAB who manufacture equipment which is used in the technical operation of a broadcasting station or network will be permitted to exhibit at the convention."

3. "All exhibits will be confined to exhibit areas in the convention hotel as designated by the convention committee and in accordance with rules & regulations prescribed by the committee."

Board also simplified convention format into 4 types of sessions: (1) General assembly. (2) Radio management & ownership conference. (3) TV management & ownership conference. (4) Engineering conference.

Any active or associate NAB member—"and anyone not eligible for membership"—will be permitted to register for convention, allowing attendance at open sessions, including general assemblies, luncheons, banquet. Board also:

(1) Voted opposition—as expected—to Celler bill (HR-10378) exempting baseball clubs from anti-trust laws so they can make "reasonably necessary" agreements to restrict broadcasts of games (see p. 16). Resolution said NAB doesn't think "public's interest" would be served by "blanket authorization" to limit such broadcast events "which have such great appeal to the American public."

(2) Approved code of conduct for broadcast newsmen covering court trials & other public proceedings. Set of 12 rules intended to emphasize "respect for the rights & opinions of others and for the established procedures of public agencies" will be incorporated in new NAB operational guide, *Broadcasting the News.* Copies will be distributed to 2100 NAB members. [For NAB TV board actions, see below.]

FCC's Eminent Jurist: Long step toward improving its battered "public relations" was taken by FCC this week when it selected, as presiding officer for its Miami Ch. 10 hearing, Judge Horace Stern, recently retired Chief Justice of Supreme Court of Pennsylvania.

Commission scarcely could have found a more qualified man. He had been Chief Justice 4 years, member Justice 17 years before that, after serving on Philadelphia Common Pleas Court since 1920. The venerable jurist will be 80 Aug. 7, but those who know him have no qualms about his vigor. Comr. Ford acted as sort of "talent scout" after many people had suggested Judge Stern might be available, and Ford says: "He's very vigorous, very alert. There's no question about his ability to really handle the hearing."

He holds B.S., LL.B. summa cum laude, and LL.D. degrees from U of Pennsylvania, was admitted to bar in 1902, served as major of ordnance in World War I. Announcing his appointment, FCC stated: "Judge Stern is recognized as one of the nation's outstanding trial jurists, with a rich experience in judicial procedures which particularly qualifies him to hear and issue an initial decision on the specific questions involved in this proceeding." He's now classified as a hearing examiner under Civil Service rules, gets paid at rate of $11,610. His secretary will be Helen O'Dea, shared with examiner H. Gifford Irion. His first public appearance as presiding officer will be at pre-hearing conference June 23, after being sworn in that morning.

Purpose of the whole proceeding is to determine propriety of ex-Comr. Mack's voting in the Ch. 10 case and to weigh charges that contestants exerted improper influence on the decision. FCC scheduled current hearing following disclosures made in hearings conducted by Rep. Harris, House Legislative Oversight Subcommittee (Vol. 14:7 et seq). House hearings also precipitated grand jury investigation, still under way in Washington.

Eastern Airlines, previously unsuccessful in attempt to get into case before FCC, was allowed in this week, with intervention limited to Issue 1: "To determine whether any of the members of the Commission who participated should have disqualified himself from voting in the proceedings . . ."

TV Code Tightened: Outright bans on use of actors in "man in white coat" commercials and on any use of subliminal perception techniques were written into TV Code by NAB's TV board at semi-annual meeting in Washington this week—but it took no action on another nettlesome problem, multiple-spot practices.

One section of Code was rewritten to state flatly: "Dramatized advertising involving statements or purported statements by physicians, dentists, or nurses must be presented by accredited members of such professions." Previously Code had countenanced portrayals by actors in such commercials if label of "a dramatization" was flashed on screen for at least 10 sec.

New subliminal perception section of Code, embracing language proposed in March by review board (Vol. 14:13), enjoins subscribers against transmitting "information of any kind" by any form of below-threshhold communication.

Question of triple spotting, subject of demand month ago by Assn. of National Advertisers for revision of Code (Vol. 14:21), wasn't even placed on agenda of TV board. Without formal response to ANA one way or another, members rested on report by review board chairman Roger W. Clipp (Triangle Stations) that present Code language "adequately & clearly" covers any multiple spot abuses: "More than 2 back-to-back announcements plus the conventional sponsored 10-sec. station ID are not acceptable between programs or within the framework of a single program. Announcements scheduled between programs shall not interrupt a preceding or following program."

Clipp added that Code staff is "constantly alert through its monitoring activities to seek out & correct any instances of chipping away at the opening or closing of programs." [For NAB board actions, see above.]

WWTV, Cadillac, Mich. (Ch. 13), founded in Dec. 1953 by old Sparks-Withington Co., Jackson, Mich. (now Sparton Corp.), has been sold to John E. Fetzer for undisclosed sum—transfer papers to be filed within few days. Fetzer is founder-pres. of WKZO & WKZO-TV, Kalamazoo (Ch. 3), about 130 mi. south of Cadillac, which in turn is about 35 mi. south of WPBN-TV, Traverse City, Mich. (Ch. 7). An NAB-TV director, one-third owner of Detroit Tigers baseball club, Fetzer also owns radio WJEF, Grand Rapids; KOLN-TV, Lincoln, Neb. (Ch. 10); one-third of WMBD & WMBD-TV, Peoria, Ill. (Ch. 31).

Court Remands Indianapolis: Crosley's CP for now on-air WLWI, Indianapolis (Ch. 13) goes back to FCC for another go-around, after Court of Appeals this week remanded case on grounds that Comr. Craven shouldn't have voted on final decision without hearing oral argument. Craven came to Commission after argument had been held, read record, then voted. Appeal had been brought by loser WIBC, which argued that law requires commissioners who vote must hear argument. Court vacated CP, told FCC to set case for oral argument again, said Commission could determine how to keep station operating meanwhile—by Crosley or "otherwise."

WIBC now offers to operate station, pending further decision, under joint trusteeship with Crosley. It also offered to buy all of WLWI's equipment and buildings for "reasonable replacement cost." Decision was rendered by Judges Edgerton, Miller & Washington.

* * * *

In another decision, Court of Appeals turned down, with rather brusque language, appeal of WWLP, Springfield, Mass. (Ch. 22) which sought to delete WTIC-TV's Ch. 3 from Hartford. Judges Prettyman, Bazelon & Bastian stated:

"The Commission emphasizes, rightly, that it is impossible to use rigid criteria as the basis for a decision to deintermix or not to deintermix any particular community, because of the widely varying circumstances in individual markets and the numerous factors which bear on the choice in each area. This is a simple factual truth. The problem is an evaluation of factors, differing in each situation. Congress put that evaluation primarily in the hands of its agent, the Commission. It did not authorize the courts to reappraise the merits of such conclusions. . .

"We think the conclusions of the Commission were not only rational but reasonable. The vhf station at Hartford had benefits for the area, and the move to Providence would have been fraught with many practical difficulties. This latter seems tacitly admitted by petitioner-appellants when they suggest that this channel might be deleted entirely or reserved for educational purposes. We do not find the orders of the Commission arbitary, unreasonable, or without ample support."

* * * *

One CP was granted this week—Ch. 13, Alliance, Neb., to KCON, finalization of initial decision. Ch. 83 translator was granted for Gallup, N. M. [For details, see *TV Addenda 26-U*.]

Initial decision favoring grant of Ch. 3, Wilmington, N. C. to WGNI was issued by examiner J. D. Bond. There were 3 applicants originally, but Carolina Bcstg. System withdrew and United Bcstg. Co. dismissed after merger agreement with WGNI.

Three new industrial radio services have been established by FCC, affecting use of 450-470 mc, 27.23-27.28 mc, 162-174 mc. New services are designated "Business Radio Service," "Manufacturers Radio Service," "Telephone Maintenance Radio Service." Complicated series of changes are embodied in "First Report & Order" in Doc. 11991, text of which will be printed in *Federal Register*, later in separate documents by Govt. Printing Office—dates not yet indicated.

Courts Look at NBC: "Primary jurisdiction" on broadcast anti-trust matters won't be determined by Supreme Court until some time next year, even though Court this week agreed to review NBC-Westinghouse station exchange involving the question (see p. 3). Case will be heard this fall.

After NBC & Westinghouse had exchanged their Cleveland & Philadelphia TV & radio stations, NBC also giving Westinghouse $3,000,000, Justice Dept. brought suit in Philadelphia, charging NBC had pressured the swap. But U. S. District Judge Wm. H. Kirkpatrick ruled that FCC's approval of exchange cleared NBC of anti-trust charges and Justice Dept. couldn't do anything about it. Justice & FCC then appealed.

In Philco case (p. 3), decided by Court of Appeals this week, Court ruled that FCC shouldn't have thrown out Philco's protest against renewal of NBC's Philadelphia station licenses, should have listened to its protest—though Court was careful to state it wasn't ruling on weight given to Philco's charges. Philco, in appeal brought by its Washington counsel Weaver & Glassie, had charged that RCA-NBC used its stations to promote its products in ways Philco couldn't—like calling NBC "a service of RCA."

Stated Judges Fahy & Washington: "We think the actual use of the facilities in this manner by NBC has created a situation which gives rise to standing in Philco to file its protest and, if the protest is found legally sufficient, to advance the alleged anti-trust and other practices for consideration by the Commission in passing upon the renewal applications."

Dissenting Judge Madden (who was borrowed from Court of Claims), didn't buy that view at all. "If Philco has standing because of these practices," he wrote, "so does every enterprise which wants to advertise on TV, and finds it expensive to do so, whether the enterprise sells cigarettes, soap, airplane tickets or rides on a bus. The court might, I think, have safely fenced out this infinite number of enterprises which might claim standing. I am not willing to accompany the Court into the new field which it now enters, and must therefore respectfully dissent."

Mrs. Dalton LeMasurier, widow of the pioneer Minnesota TV-radio station operator, who survived tragic crash of private plane in which her husband lost his life year ago (Vol. 13:22, 14:13), is part owner of Wapello County Bcstg. Co. Inc., which is buying radio KBIZ, Ottumwa, Ia. (250-watts, 1240 kc) for $62,500 from KBIZ Inc., also owner of KTVO, Kirksville, Mo. (Ch. 3), across border from Ottumwa. Co-owners with Mrs. LeMasurier, who controls KDAL-TV, Duluth, Minn. (Ch. 3) & KDAL, will be her Duluth station executives, Odin S. Ramsland, Robert A. Dettman & John Grandy, along with Harry Hyett, Minneapolis regional rep, and G. LaVerne Flambo, operator of radios WQUA, Moline & WQUB, Galesburg, Ill. James J. Conroy, pres. & 66% owner of seller KBIZ Inc. states radio operations, which represent but 6.6% of KBIZ Inc. assets, have been burden on budget and sale will provide "spring-board for refinancing KTVO. . . ." During first 2 years of KTVO operation expenses have been cut from $42,000 to $21,000 per month and station is now reported operating in black. [For week's other radio station sales & transfers, see *AM-FM Addenda Y*.]

Television Digest with ELECTRONICS REPORTS
WYATT BUILDING WASHINGTON 5, D C. • TELEPHONE STERLING 3-1755
Trade Report
June 21, 1958

FM RIDES TIDE OF 'GOOD MUSIC' BOOM: FM is riding the crest of upsurging interest in hi-fi & stereo -- and there are indications that growing interest in good music in the home may be at the expense of TV. There's more than a hint of this in conversations we've had with set makers and distributors around the country -- and in the high interest shown in hi-fi and stereo at this week's Chicago Mart.

Hi-fi & stereo customers also buy FM, is the way we get it. High-end, high-profit phono models have captured the leading position in the phono market -- and the dollars available for home entertainment are being poured into "good music" to the tune of almost $800,000,000 this year. That includes better than $200,000,000 for hi-fi components, the balance for packaged hi-fi. And, a forecast of things to come was RCA exec. v. p. Robert A. Seidel's prediction at the Mart that hi-fi sales will soon pass billion dollar mark.

Despite light traffic at Mart, and rumors that set makers may pull out of the show, stereo lived up to its advance billing as major attraction. Good attendance was noted at all special sound studios set up by manufacturers to demonstrate their new lines of stereo and hi-fi equipment. Board action shifted the dates for 1959 summer market from June 22-July 2 to July 6-16. This year's fall Mart is slated for Oct. 27-31; 1959 winter Mart, Jan. 5-16.

Most manufacturers who dropped FM sets from their lines while it was a "dead dog" have re-introduced them in new 1959 lines. While a majority still have FM only in high-end combinations, some have started production of FM sets in anticipation of upswing in stereo broadcasting -- already being featured in many cities.

We'd guess there are about 12,000,000 FM sets in use today -- based on best information we can get unofficially because nobody has kept track of production or sales for several years. EIA is readying a monthly report on FM production & sales but its first report won't be out until sometime in Aug. and there'll be no attempt to catch up on past statistics on such units.

Fact that there are 543 FM stations on air now and 62 applications pending at FCC, gives you some idea of the current upsurge in FM interest.

TV-Radio Production: TV set production was 76,029 in week ended June 13 vs. 69,290 preceding week & 90,655 in corresponding 1957 week. Year's 23rd week brought total TV production to 1,943,676 vs. 2,341,786 last year. Radio set production was 162,575 (51,698 auto) vs. 156,899 (48,892 auto) preceding week & 237,106 (96,523 auto) in corresponding week last year. Radio output for 23 weeks was 4,194,326 (1,331,075 auto) vs. 6,277,189 (2,574,182 auto) in corresponding 1957 period.

COLOR SALES COUNTER RECESSION TREND: Color, still the enigma of the industry, got favorable notice in an unexpected quarter this week. June 20 Printers' Ink, which caters exclusively to the advertising fraternity, titles its special "trends" report "The Happy Surprise of Color Television: Hit by Recession, Its Sales Are Up 30%."

Color set sales up 200% in Cleveland headed list of 20 cities where magazine correspondents visited dealers to size up the situation. Only 4 cities reported sales below corresponding period last year. The score: Baltimore, up 10-20%; N.Y., up 30%; Cincinnati, "considerable increase"; Charleston, S.C., up over 200%; Salt Lake City, up 40%; Chicago, about the same as last year; Kansas City, up 50%; Miami, "good increase"; Milwaukee, up 35-50%; Minneapolis, up 50%; San Francisco, up 50%; Washington, up 20-30%; Los Angeles, up 20%; Omaha, "slight increase"; Des Moines, down slightly; Detroit, down 20%; Indianapolis, down 20%; Richmond, about the same as last year; Seattle, down slightly.

Average increase was estimated at 30%; total sales to date, 50,000; sets in use now, approximately 350,000. Sylvania's research director Frank Mansfield, whose statistical reports are becoming industry guideposts, estimated 320,000 color sets in use at end of 1957 (Vol. 14:9), of which 160,000 were sold that year.

RCA said rate is more nearly 20% ahead of last year; didn't quarrel with the totals. It's producing practically all color tubes being used by the few other manufacturers who continue to have color sets in their lines, but keeps secret figures on sales and production of both tubes and sets.

"Color TV, with all its awesome advertising potential, has been sick since birth with an unknown ailment," said Printers' Ink. "In today's economy it ought to curl up and die. Instead, it's making the biggest gains in the business." Non-technical editor says color TV "now produces a perfect picture," gives a TV commercial "astounding impact." Magazine infers one reason more sets haven't been sold is that "although color is a technical triumph, 65% of U.S. population has never seen it."

Color now accounts for 25% of RCA TV dollar volume, v.p. James M. Toney told newsmen at Home Furnishings Mart in Chicago this week. Some distributors, said he, are doing 45-50% of billings in color. Martin F. Bennett, RCA v.p.-merchandising, wasn't as specific but ventured RCA color operations would be in black this year. He deplored reluctance of manufacturers to enter color market, said real color boom requires competition, and "there'll be no price cuts until there's competition."

TV & Radio Shipments: TV shipments to dealers dropped 47% in April from March—213,520 sets vs. 406,658—according to EIA. Shipments for the first 4 months were 1,570,279 sets vs. 1,787,346 in corresponding 1957 period. Radio shipments to dealers for the first 17 weeks of this year, ending May 2, declined to 1,751,347 sets vs. 2,167,016 in corresponding period last year.

First 4 months' TV-radio shipments by states:

State	TV	Radio	State	TV	Radio
Ala.	19,972	21,972	N. J.	55,802	70,379
Ariz.	11,494	11,193	N. M.	7,015	6,079
Ark.	13,147	10,374	N. Y.	186,075	257,152
Cal.	148,798	128,254	N. C.	30,420	30,529
Colo.	13,895	13,457	N. D.	4,965	5,211
Conn.	25,370	24,342	Ohio	82,639	99,158
Del.	4,193	4,064	Okla.	18,848	18,204
D. C.	15,476	21,575	Ore.	16,619	16,853
Fla.	60,810	53,648	Pa.	112,192	124,488
Ga.	30,295	33,184	R. I.	8,321	9,381
Ida.	5,075	4,734	S. C.	12,547	14,206
Ill.	95,965	129,026	S. D.	5,579	4,050
Ind.	36,948	30,478	Tenn.	25,775	27,641
Iowa	17,652	21,640	Tex.	77,076	89,786
Kan.	18,950	18,086	Utah	8,621	7,125
Ky.	25,932	25,385	Vt.	2,954	4,152
La.	27,780	22,876	Va.	27,637	29,014
Me.	7,996	9,457	Wash.	25,283	25,051
Md.	23,111	33,866	W. Va.	15,708	11,099
Mass.	50,140	64,797	Wis.	26,274	36,048
Mich.	54,031	58,518	Wyo.	5,556	2,367
Minn.	23,977	32,497			
Miss.	12,848	11,800	U. S. TOTAL	1,565,519	1,743,924
Mo.	36,226	46,209	Alaska	967	1,477
Mont.	8,645	6,562	Hawaii	3,793	5,946
Neb.	13,911	9,185			
Nev.	2,667	3,169			
N. H.	4,309	5,603	GRAND TOTAL	1,570,279	1,751,347

Admiral denies FTC charges that some of its marketing practices are illegal (Vol. 14:16), contending this week that its challenged price differentials & promotional allowances to retailers are necessary to meet competition. Accused by FTC of discrimination in TV, radio & appliance sales, Admiral acknowledges it charged some customers in Milwaukee & other areas higher prices than their competitors, but argues that differentials: (1) Made only due allowances for lower selling or delivery costs. (2) Were granted in good faith to meet competition. (3) Involved discontinued goods. (4) Didn't injure public interest. Admiral also says "complaint is moot" because it stopped selling to retailers as of last Dec. 31.

British Color TV: NTSC color is technically satisfactory, BBC has concluded formally, but no decision has been made to start color programming. BBC's engineering conclusions are reported in 40-pp. Monograph 18, available from BBC, 35 Marylebone High St., London, W. 1. BBC has been experimenting with NTSC color since 1953, summarizes: "The statistical analysis of the results of these trials [shows] that the system as tested is technically capable of providing a satisfactory compatible colour TV service in the band 41-68 mc. The shortcomings which were most noticeable are not inherent in the system and should be materially reduced as certain items of equipment are improved." Marconi's supplied much of the equipment used in experiments. Recently, it supplied color mobile unit, including 2 tons of equipment, to Smith, Kline & French Laboratories Ltd. for closed-circuit medical use. Big pharmaceutical house has been most active in similar color work in U. S.

Improved uhf TV receivers are possibility through use of new amplifier under development at Bell Labs. Member of "varactor" family of amplifiers, it uses semiconductor diodes, is said to have extremely low noise factor. One experiment produced 100-mc bandwidth at 400 mc, with gain of 10 db, noise figure of only 3½ db. Spokesman said device is still in experimental stage; that cost for TV use couldn't be estimated yet; that it had "exciting possibilities" for radar, radio astronomy and scatter. It has produced 8-mc bandwidth at 6000 mc, with 5-6 db noise figure.

British flat tube demonstrated recently in London by inventor Dr. Dennis Gabor (Vol. 14:21) elicited this report in May 31 *Wireless & Electrical Trader*: "All contributors to the discussion which followed the lecture agreed that the invention of the tube was a scientific contribution of very great importance, but they considered it much too complicated a device to be manufactured as a commercial article, and they could see no possibility of a practical application of the tube to 405-line TV reception in its present state."

Trade Personals: EIA's newly established engineering dept. policy committee (chairman to be named by members): Ben Adler, pres., Adler Communications; Robert S. Bell, pres., Packard-Bell; Sidney R. Curtis, senior v.p., Stromberg-Carlson; D. W. Gunn, sales v.p., Sylvania; W. S. Parsons, pres., Centralab div., Globe-Union ... Wm. Hatton, ex-v.p. of Federal Telecommunications Lab, lately with Kellogg Switchboard & Supply Co., Chicago, named asst. director of Communications Industries div., Business & Defense Services Administration, Dept. of Commerce . . . Allen E. Reed promoted to new post of Raytheon v.p.-finance, continues as treas. . . . Cameron G. Pierce, ex-ABC engineering chief in Los Angeles, is now pres. of big Ling Electronics Inc., holding company of diversified apparatus producers (see Financial Reports) . . . James M. Crawford, GE v.p. & gen. mgr., motor and generator div., retires July 1 . . . Jack Carlson promoted to sales-planning mgr., Hotpoint TV, Chicago . . . John C. Marshall heads new Arvin consumer products div., consolidating radio-phono mfg. & sales with housewares . . . Allen R. Dutcher and Eric Pohle, ex-DuMont, form Federal Electronic Products, Cedar Grove, N. J., to make components . . . Anthony Dillon, ex-CBS-Columbia, named national sales mgr., Roland Radio Corp., N. Y. . . . Karl O. Bathke, Capitol Engineering Institute field man, named asst. to pres. Eugene H. Reitzke; Washington technical school and research center also has appointed Edward H. Guilford as director of adv. & promotion, Everett A. Corey director of public relations . . . Charles L. Baxter, ex-Central Electronic, named new products mgr. of IT&T tube dept. . . . Ian F. McRae, chairman of GE Ltd., Toronto, named pres. of Canadian Mfrs.' Assn.

Obituary

Joseph Barry Brennan, 66, onetime lab associate of Thomas A. Edison, later factory supt. of Magnavox, died at his home in Cleveland June 13.

DISTRIBUTOR NOTES: Westinghouse realigns consumer products field sales organization, names J. F. O'Donnell eastern area mgr., Mansfield, O.; M. E. Lanning, southern area mgr., Atlanta; Walter T. Baker, western mgr., San Francisco; H. R. Bryant, central area mgr., Chicago . . . Philco promotes Raymond C. Gordon to gen. mgr. of new factory branch in Boston; John Dempsey to sales mgr. . . . Sylvania Sales Corp., Chicago, names Austin J. White, ex-Philco Distributors, as sales mgr. . . . Zenith Radio Corp., N. Y., names Robert A. Rosen, ex-pres. Cosmopolitan Adv., sales promotion & adv. mgr. . . . RCA appoints Sewell Electronic Service, Louisville, for sound equipment . . . Graybar promotes P. J. Zimmerman to operating mgr., Harrisburg; J. C. Finegan to same post, Washington, D. C. . . . Motorola appoints B. K. Spinney Co., Syracuse, & Tecca Distributing Co., Cleveland, for all consumer products . . . Admiral appoints Southern States Distributors, Miami, for appliances . . . GE promotes L. W. Williams to mgr. of new Philadelphia-Allentown district; also promoted: C. G. Johnson to district mgr., Birmingham . . . DuMont appoints A. F. Epting, Charlotte, N. C., for TV & hi-fi . . . Symphonic Radio & Electronic Corp. appoints Sanford Electronic, N. Y., for all consumer products.

National Assn. of Electrical Distributors elects: pres., J. P. Hamblen, Southern Electric Supply, Houston; southern region v.p., J. A. Meier, Florida Electric Supply, Jackson. Re-elected: eastern region v.p., George W. Provost Jr., Doubleday-Hill Electric Co., Pittsburgh; central region v.p., J. M. Vilett, Northland Electric Supply, Minneapolis; western region v.p., Ralph Rohrbach, Pacific Wholesale Electric, San Diego.

Lewis Winner, former editor-publisher of *Service Magazine*, establishes Lewis Winner Technical Convention Co., 152 W. 42nd St., N. Y., to manage conventions for electronic service industry.

Transistor's 10th anniversary was celebrated this week by Bell Labs, and newsmen gathered at the Murray Hill, N. J. center were told, by Labs pres. Dr. Mervin J. Kelly, that transistors have come as far in 10 years as tubes did in 40. He said that semiconductors can now do about 70% of work done by tubes; that "almost one-half the development effort of the nation in device electronics is devoted to semiconductors"; that 1957 volume was estimated at \$100,000,000—and 1965 volume is expected to run \$500,000,000. Transistor was developed by Drs. Walter H. Brattain, John Bardeen & Wm. Shockley, who in 1956 shared Nobel Prize for their achievement. June *Proceedings of the IRE* is devoted to transistors.

GE has developed working model, about size of a quarter, of a thermionic converter that produces electricity from heat. Invention of Dr. James E. Beggs, in cooperation with Dr. Harold F. Webster, it's combination of metal and ceramic discs surrounding a high vacuum, constructed under techniques similar to those for high temperature electronic tubes.

Olympic lines of TV, phonos and combinations for 1959 were introduced at Chicago Furniture Mart this week. Included were 21-in. TV-radio-phono combinations with prices ranging from \$300 to \$450; 24-in. consoles and combinations, \$230 to \$520. Several hi-fi models are stereo equipped.

Arvin enters standard phono and hi-fi market with line of 8 portables, including one stereo model. Prices range from \$40 to \$120.

RCA was struck at 3 Camden area plants by AFL-CIO American Federation of Technical Engineers this week, 1400 draftsmen, cost estimators, quality control technicians & process engineers walking out in contract-reopening stalemate. Engineers said dispute involves job security & seniority rights rather than wages in 2-year agreement which runs until next June. RCA reported "virtually all" of 16,000 employes except strikers at Camden, Moorestown & Cherry Hill plants stayed on jobs.

Factory transistor sales declined in April—the first month-to-month comparison in history to show a decline. EIA reported April sales were 2,856,234 transistors valued at \$7,025,547 vs. 2,976,843 (\$6,795,427) in March and 1,774,000 (\$4,880,000) in April 1957. Four-month totals, however, were considerably above the corresponding 1957 period—11,895,032 worth \$27,331,919 vs. 6,899,000 (\$19,492,000).

Jerrold Electronics Corp. has \$1,000,000 backlog of orders for master TV antenna and closed circuit systems—most of them for military bases & housing, pres. Milton J. Schapp told annual meeting this week. He said military installations represent new market for company, which earned \$105,281 (10¢ per share) in fiscal year ended Feb. 28 vs. \$166,133 (15¢) year earlier (Vol. 14:23).

Japan's bid for U. S. electronics market will be furthered by opening of electronic display center in N. Y. this summer. It's to be jointly sponsored by Japanese Govt. & 68 electronic equipment manufacturers.

Financial Reports:

C & C Television Corp. was renamed Television Industries Inc. this week, stockholders of Matty Fox enterprise (formerly C & C Super Corp.) approving change—along with reverse stock split (Vol. 14:22)—at annual meeting in Wilmington. Split reduces authorized number of shares from 10,000,000 (of which 8,178,715 are outstanding) to 3,000,000, leaving 817,872 outstanding and 118,516 reserved for stock options, combining fractional shares & treasury stock. Unissued shares may be issued without shareholders' approval "for such corporate purposes as may be considered advisable by the board."

Warner Bros. reports net loss of $2,894,000 on film rentals & sales of $31,332,000 and other revenues ($1,204,000 dividends from unconsolidated foreign subsidiaries, $769,000 from capital assets sales) in 6 fiscal months ended March 1. Figure for period represents loss of $394,000 after Federal income tax carry-back credit of $800,000 and special provision of $2,500,000 for estimated loss on advances to independent producers. In first half of preceding year, company had net profit of $2,630,000 after providing for $2,500,000 income taxes and $175,000 contingent liabilities. Film rentals & sales then were $39,744,000, dividends $49,000, capital assets sales $212,000.

Stanley Warner Corp., whose interests run from movie theatres to baby garments and WTRI, Albany-Troy-Schenectady, plans expansion in Cinerama—in which it already is heaviest holder of Cinema Inc.—by taking over Cinerama Productions Corp., producing end of big-screen film enterprise. Latter firm notified stockholders this week it has given shareholders' list to Stanley Warner in anticipation of "proposal," terms not disclosed. Stanley Warner already owns substantial interest in Cinerama Productions.

S. Whitney Landon, of W. Orange, N. J., secy. & asst. to AT&T pres. Frederick R. Kappel, elected to Princeton board of trustees.

Ling Electronics Inc., Los Angeles (Cameron G. Pierce, pres.), which recently merged with Ling Industries Inc. and last year acquired Electronic Wire & Cable Co., Grady-Ling Electric Inc., American Microwave Corp., and which has entered into agreements to acquire all common stock of United Electronics Co., plans within the next year to make United Electronics, Electron Corp. and Ling Systems Inc. divisions rather than wholly-owned subsidiaries. United, located in Newark, makes power vacuum tubes and variable vacuum capacitors. Ling Systems, No. Hollywood & Burbank, makes microwave relay systems. Electron Corp., Dallas, makes closed-circuit TV camera systems.

Daystrom, which figured in recent merger negotiations with DuMont Labs (Vol. 14:22-23), earned $2,333,493 ($2.57 per share) on record sales of $81,713,986 in fiscal year ended March 31 vs. $2,458,811 ($2.77) on $74,402,239 year earlier, results for 1957-58 including those from Transicoil Corp., acquired in July, 1957. Slight decline in earnings was attributed by pres. Thomas R. Jones to recession, decrease in defense orders late last year, increase in research & development expenditures from $4,600,000 to $6,100,000. Noting that general business conditions have "temporarily retarded our rate of progress," he said it was difficult to predict Daystrom's position for rest of current fiscal year.

Reports & comments available: On CBS and IT&T, brief by Amott, Baker & Co., 150 Broadway, N. Y. On 20th Century-Fox, comments by Reynolds & Co., 120 Broadway, N. Y. On Stanley Warner, analysis by Filor, Bullard & Smyth, 39 Broadway, N. Y. On General Dynamics, report by Thomson & McKinnon, 11 Wall St., N. Y. On Raytheon, study by Shearson, Hammill Co., 14 Wall St., N. Y.

Dividends: Packard-Bell, 12½¢ payable July 25 to stockholders of record July 10; Warner Bros., 30¢ Aug. 5 to holders July 18; Columbia Pictures, 2½% stock July 31 to holders July 1.

Hutchins vs. ABC-TV (Cont.): Mike Wallace-Fund for the Republic show on ABC-TV, which last week suffered deletions from taped remarks by ex-NBC pres. Sylvester L. (Pat) Weaver (Vol. 14:24), ran into censorship trouble again this week. An interview with Ambassador to UN Henry Cabot Lodge was blacked out altogether June 15.

When Lodge insisted on editing portions of taped presentation, ABC cancelled the program, showed movie instead. ABC v.p. John Daly explained one change wanted by Lodge constituted "editorial censorship" in violation of network policy.

New hassle in *Survival & Freedom* series brought another heated protest from Fund pres. Robert M. Hutchins.

He called ABC's action "arbitrary" and "experiment in censorship," argued: "In refusing to allow an official of a TV network to determine what statements of his should be broadcast, Ambassador Lodge is perfectly within his rights." Fund spokesman added: "We want to continue the program if we can reach an adequate understanding with the network." Series has 5 shows to go.

Wallace's Newsmaker Productions had guaranteed Lodge right to edit interview. This was contrary to network rules, but ABC did agree that "content could be reviewed in the light of events as of the day of the telecast," according to Daly. But he said "ex post facto editing" demanded by Lodge went beyond any considerations of "libel, slander, bad taste or the national security with respect to public information programs."

System for colorcasting from black-&-white film, long under development at Iowa State College is now being promoted there. New brochure available from College at Ames, Ia. stresses economy, claims: "The system can provide immediate and economical production of spot commercials and other recorded programs in high quality color with minimum capital investment and nominal operating costs for small and large stations." System records color values in terms of gray variations, retranslates values into color signals for telecasting. College estimates station color reproducing equipment will run $18,050. It doesn't manufacture, but offers system at "nominal royalty fee."

Novel uses of videotape, reported by Ampex: On June 7, WJBK-TV, Detroit, was telecasting Tigers-Senators game live from Washington but wanted to carry Belmont Stakes race at 3:30. One minute before race, announcer broke in to tell viewers: "The ball game will continue at 4 o'clock. You won't miss a play." Race was telecast while balance of game was taped—then played back at 4. Another application, scheduled for June 24 during American Medical Assn. convention in San Francisco, will be to conduct closed-circuit live color diagnostic examination of patient, color-record it, play it back to physicians next morning.

Closed-circuit TV system, specially built for educational purposes, is announced by DuMont. It includes two cameras, minimum of electronic equipment, costs $7000. Company says portable system can be used in classroom and no separate control room is required.

CATV & Property Rights: Court suit to determine who has what property rights in station signals is definitely in the works—NAB board this week voting to back a station in such a suit as soon as most favorable situation can be found. It will be first fullscale attempt to resolve question in history of U. S. broadcasting. Basic position of telecasters is that community antenna systems "pirate" their signals (Vol. 14:22-24). In Canada, Ralph Snelgrove, operator of CKVR-TV, Barrie, Ont., told CBC board of governors he plans court test of pickup of his signals by CATV system in Midland, Ont.

Board also authorized filing of formal comments with FCC, objecting to grants of microwaves which would serve CATV systems. Chairman of NAB's CATV committee is C. Howard Lane, KOIN-TV, Portland, Ore.

First comment filed in FCC's inquiry into impact on small-town TV by CATV, boosters, satellites & translators came from KREX-TV, Grand Junction, Colo. (Ch. 5). Station asserted that service should be supplied to public by following means, in descending order of desirability: regular stations, satellites, translators & boosters, CATV.

KREX-TV says it operates satellite KFXJ-TV, Montrose, Colo. (Ch. 10) very effectively, but wouldn't have started it if town had been served by CATV. It also called on Commission to take illegal boosters in hand, said it would be glad to build boosters when they're authorized by FCC.

Now It Can Be Tolled? Jefferson Standard Life Insurance Co.'s WBTV & WBT, Charlotte, N. C. & WBTW, Florence, S. C., also got FCC frown this week for handling of pay-TV issue. Despite avowals of Chairman Doerfer favoring editorializing, despite extenuating circumstances, Commission undertook to set itself up as arbiter of editorial "fairness" in 4-p. letter holding that station had been "unfair" in treatment of the controversy on the air, just as it had said Birmingham's WABT was (Vol. 14:22). Letter was released as Public Notice 58-584, listed several programs stations carried (one of them titled *Now It Can Be Tolled*) which it held were generally anti-pay TV. But it also noted that editor of *Charlotte Observer*, thought to be pro-tollvision, had been invited to appear but declined; that spokesmen for Skiatron also had declined. It opined stations' whole activity was "weighted unreasonably against subscription TV"—but it held that their overall performance records justified license renewals.

Four new witnesses have been added by community antenna operators for testimony before Senate Commerce Committee June 24. These will appear, in addition to those previously scheduled (Vol. 14:22): Charlotte H. Brader, Havre, Mont.; Paul McAdam, Livingston, Mont.; Glenn Flinn, Tyler, Tex.; W. Randolph Tucker, Fairmont, W. Va. George Town, exec. director of TV Allocations Study Organization, appears same day, testifying on allocations. On June 25, FCC returns on allocations phase. June 26 & 27 are set aside for hearings on program rating services (Vol. 14:24), with these 2 additional witnesses scheduled: Albert Sindlinger, Sindlinger & Co.; Allan Jay, Videodex. Previously scheduled were representatives of Pulse, Trendex, ARB, Nielsen.

Hot floor fight on controversial Celler bill (HR-10378) providing qualified anti-trust exemptions for pro sports so that baseball clubs may limit telecasts of games (Vol. 14:23), was promised in House this week when Rules Committee cleared measure for action. In voting out bill, Committee ruled amendments—such as substitute proposed by Rep. Keating (R-N. Y.) to relieve clubs of need to show that exempt practices are "reasonably necessary"—may be offered from floor for open debate.

COMMON STOCK QUOTATIONS

Week Ending Friday, June 20, 1958

Electronics TV-Radio-Appliances Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg
10⅝	7	Admiral	9¾	+¼
25	19⅜	AmBosch .30e	23¾	−½
18	13	AmBcstg-Par 1	17¼	−⅜
37⅞	32¼	AmMy&F 1.60	35½	+1½
179½	167⅞	AT&T 9	177½	−1⅝
27⅞	22⅜	Amphenol 1.20	26	−⅜
29⅞	23⅝	Arvin ¾e	24¼	+¼
7¼	5⅝	Avco .30e	6⅝	−¼
25¾	18⅛	BeckInst	19⅝	+½
55⅜	41½	BendixAv 2.40	53⅞	−⅜
36⅞	27⅝	Burroughs 1	35	+¾
18⅜	15¾	Clevite ½e	16⅝	−⅜
32	24½	CBS "A" 1b	31⅝	+⅛
31¾	24⅛	CBS "B" 1b	29⅝	−⅞
18	12½	Col Pict ⅝t	16¾	−⅝
35¼	27⅞	Cons Elec .40	30	+¾
26¾	19½	Cons Electron	23¾	−⅛
16¾	12¾	Cor-Dub .40c	17½	+1⅞
86¾	74⅝	CornGlass 1a	83½	−1¼
3⅝	3	Davega	3¼	—
36⅜	30	Daystrom 1.20	34½	−1½
16¼	13⅞	Decca 1	15	−¼
24⅞	14	Disney .40b	22⅝	−½
113	97⅛	EastKod 2.20c	111	+1¼
37¾	29	EmerElec 1.60	38¾	+1
7⅛	4⅛	EmersonRadio	6⅞	+⅛
8½	7	Gabriel ¼e	7⅞	+⅛
65¾	55	Gen Dynam 2	58	−¼
64¼	57	Gen Electric 2	58¾	−1¾
9⅜	4⅝	Gen. Inst. .15g	8½	−⅛
41	28½	GnPrEquip.85e	32⅜	−1⅞
30	22¼	Gen Tire .70b	24⅝	—
49½	40⅜	Gen Teleph. 2	49⅛	+¾
28⅝	21	HoffmanElec 1	28¼	−⅝

1958 High	Low	Stock and Div.	Close	Wk. Chg
372½	300	IBM 2.60	372¼	+11¾
37⅝	29¼	IT&T 1.80	36¾	−⅝
41½	36⅛	I-T-E CirB .90e	37½	—
7⅞	6¾	ListIndust ¼e	7⅛	—
53	36⅞	Litton Ind.	51¼	—
17½	12⅞	Loew's	16¾	−¼
37½	30¼	Magnavox1½b	36	−1¼
28¾	23⅝	Mallory 1.40b	26	+⅜
92¼	76	Mpls.H'll 1.60a	89	−2⅜
42¼	35	Motorola 1½	39	−1
9¼	7⅜	Nat'l Thea ½	8½	−⅛
40⅛	30⅝	Paramount 2	38⅛	−1½
17⅛	12⅜	Philco	15⅛	−⅛
36⅜	30¼	RCA 1a	34¼	−1⅜
32¼	21½	Raytheon 1¼t	31½	+1½
7⅛	5	Republic Pic	6¼	−½
34¾	25⅞	Sang Elec 1.80	25¾	−1¼
16⅛	13¼	Siegler .80	13⅛	−⅜
4⅛	2¾	Sparton	4⅛	+⅜
20⅝	17¼	SperryRan .80	19½	+1⅜
8⅝	6	Standard Coil	7⅞	−⅛
18	14½	Stanley-War 1	17⅛	−⅜
34⅜	29	Stew Warn 2b.	33⅝	−⅛
25⅜	20	StorBcstg 1.80	21	+¼
37½	31½	Sylvania 2	35⅞	+½
39⅞	26¾	Texas Instru	39⅞	+2⅜
55¼	41⅜	ThomProd 1.40	48	+½
26⅞	23¼	Tung-Sol 1.40b	25¼	−¼
31½	21¾	20thC-Fox 1.60	29¼	−1⅝
23⅝	15¼	UnitedArt. 1.40	21⅜	−¾
22⅝	18½	Univ. Pict.	21½	+1
20⅜	16⅞	WarnBros 1.20	19¼	+1
65½	56½	Westingh El 2	56½	−⅜
86½	67½	Zenith ½h	81	−2⅛

AMERICAN STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg
4⅛	2⅞	Allied Artists	4¼	+¼
45	34½	Allied Con 1a	38⅜	+⅜
15⅛	11⅛	Am Electro	12¼	+½
10⅛	8⅜	AssocArtProd	8¾	+¼
14½	7¼	AudioDev	14	+3½
10¼	7⅜	BelockInst ¼t	8½	−⅛
1⅞	1⅝	Cin'ma Inc.	1⅞	+⅛
3¾	2⅞	Clarostat .15g	3⅝	+⅜
5⅝	3	DuMont Lab	4⅛	+⅛
4⅛	2⅞	Dynam Am	3⅛	−½
13⅛	10	ElectronicCom.	16¼	+3⅝
7⅞	6⅜	Electronics Cp	7¼	−¼
31⅝	19½	FairchCam1⅛g	24½	−⅞
24⅞	17¼	General Trans	21⅜	+1¾
17¼	14⅝	Globe Un .80	15¾	—
3⅞	2½	Guild Films	3⅞	+¼

1958 High	Low	Stock and Div.	Close	Wk. Chg
40¼	30½	Hazeltine 1.40b	40	+1½
2⅞	2	Herold Ra .05p	2¼	−½
4⅝	3¾	Int Resist .20	3⅞	—
7⅛	4¼	Lear	6⅜	−⅛
¾	⅝	Muntz TV	11/16	—
4	2½	Muter Co. ¼t	4	—
9¼	5⅝	Nat'l Telefilm	8½	+⅜
6⅞	2¾	Norden-Ketay	3⅛	+⅛
3⅝	2⅞	Oxford El .10r	3⅛	—
16	11	Philips El	13⅛	+⅛
9½	6⅞	Servomech ½t	9⅛	—
6	3⅝	Skiatron	4¾	+¼
5¾	3½	Technicolor	5⅝	+⅜
8⅝	7¾	Telev Ind.	—	—
4½	3½	Trans-Lux .20g	5	+½
4⅞	3¾	Victoreen Inst.	3⅞	+¼

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked
Advance Ind	2 3/16	⅜
Aerovox	4⅛	½
Airborne Inst	48	49
Altec Co. .80	7¼	8
AMP Inc .50	20⅜	21¼
Ampex	69	70
Baird Atomic	8¼	9
Cinerama Prod.	1⅝	1 13/16
Cohu Electronics	6⅞	7⅛
Collins "A" .35	14⅜	14¾
Collins "B" .35	14½	14¾
Cook Elec. .40d	16¾	17¼
Craig Systems	6¼	6½
Metropolitan Bcstg.	7⅜	7⅞
Eitel-McCullough (5% stk)	25½	26½
Elec Assoc (stk)	39½	40½
Erie Resistor .40b	6⅛	6⅝
Friden Ind. 1	55½	57
Giannini, G. M.	14	14⅜
Granco Products .05	1	1¼
Gross Telecasting 1.60	19½	20¼
Hewlett-Packard	27⅞	28¼
High Voltage .10g	30½	31¼
Hycon	2 5/16	2½
Indiana Steel Prod. 1.20a	18	19
Jerrold	2	2¼
Ling Electronics	7	7½
Leeds & Northrup .60b	23¼	24

	Bid	Asked
Macblett Labs .25g	16½	17¼
Magna Theatre	1⅜	1⅝
Maxson (W. L.) .05	6⅜	6¾
Meredith Pub. 1.80a	30½	31¼
National Co. (4% stk.)	11	11¾
Oak Mfg. 1.40	12¾	13
Official Films .10	1	1⅛
ORRadio	18	19
Pacific Mercury TV	5⅝	5⅞
Packard-Bell .50	12½	12⅞
Panellit	5½	5⅞
Perkin-Elmer	24	24½
Philips Lamp (14% of par)	38¼	39
Reeves Soundcraft (stk.)	3	3⅛
Sprague Electric 1.20	31½	32¼
Taylor Instrument 1.20	28	29
Tele-Broadcasters	3	3½
Telechrome .30	8⅜	8¾
Telecomputing	4⅛	4⅜
Teleprompter (stock)	6	6½
Time Inc. 3.75	56½	57¼
Topp Industries (stock)	9	9⅜
Tracerlab	6⅜	6¾
Trav-Ler	1½	1⅝
United Artists	5	5¼
Varian Associates	18⅞	19⅜
Webcor .15e	10¼	10½
Wells-Gardner	7⅞	8¼
WJR Goodwill Sta. .50d	14	14¼

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957: estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid after stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. • No trade

Television Digest with ELECTRONICS REPORTS
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Talking Down TV as Sales Tool

Are Newspapers Deliberately Derogating Television?

NBC President, Citing Examples, Indicates Broadcasters Should Use Own Facilities to Tell Their Story. Sees TV and All Media Riding Out Recession and Going On to Bigger Things.

By ROBERT W. SARNOFF
President, National Broadcasting Co.

Address at Dedication of New Plant of Newhouse's WSYR-TV & WSYR, Syracuse, June 17.

THE PLAIN and dominant fact of broadcasting today is that the industry, and networks in particular, are under more concerted attack from more sources than at any time in their history. Some government officials want the networks to abandon those operations which make possible the national service they now provide. The networks are being investigated, subpoenaed, interrogated, rebutted and counter-rebutted by congressional committees, government agencies, study groups and college deans. The networks have spent heavily in money and man hours in the past year to marshal files, prepare testimony, and shuttle legal and executive battalions between Washington and New York. The cost to NBC alone exceeded that of creating 26 film episodes of the television epic *Victory at Sea*.

And the contagion spreads. On the one hand, there is an insistent government demand that we relinquish certain controls over programming; on the other, we face a rising clamor among critics against network abdication of program control to sponsors, advertising agencies and program syndicators. If programming is to be fresh and creative, they argue, the networks must have a decisive hand in it. By such conflicting demands are we pulled and hauled.

Calculated Onslaught on TV as Sales Tool

But this is a visible conflict, the protagonists and the differing points of view easily identified. There is another area of latent conflict which has not been publicly ventilated. A question seems to be arising among the nation's broadcasters as to whether some American newspapers, under the stress of intensified competition for the advertising dollar, are not taking calculated aim on television in terms of its effectiveness as a communications instrument and as a sales tool. This question echoed through the corridors last month in Los Angeles at the annual convention of the National Assn. of Broadcasters. In the weeks since, in letters from stations, in reports from field representatives, in informal comments by competing networks, one hears the question in swelling chorus, plus the corollary thought that broadcasters should perhaps use their own facilities to carry their story to the people.

I find it unusual that a question of such interest and such currency has not been aired publicly by broadcasters. It is surely not unreasonable for a broadcaster to speak of the press with the same candor that the press speaks of broadcasting. This is particularly true when he is on good neutral ground, as I am now, participating in the dedication of a broadcasting station owned by a distinguished newspaper chain, and surrounded by newspaper people.

So, stepping across the bodies of my public relations staff, I will place myself in the role of a roving reporter of the broadcasting scene and attempt to articulate publicly the thoughts many broadcasters now voice privately:

The broadcaster is questioning some newspaper coverage of TV in terms of 3 sections of the paper. One is the main news section which carries reports of alleged improper conduct in Washington. The broadcaster says he does not object in the slightest to Washington investigations of any aspect of broadcasting or government administration—for such is the essence of the democratic processes by which he lives. But he has begun to ask whether any leaked story from Washington concerning TV is not a surer avenue to page one for a reporter than a trunk murder.

To illustrate, on Sun., June 1, the *New York Times* carried a front-page article abount the Justice Dept.'s insistence that the FCC eliminate three basic elements of networking for anti-trust reasons. Apart from the fact that the Justice Dept. had expressed itself on these network operations 2 years ago, the point the broadcaster questioned was the play given the story. It was the lead domestic news story. Only the agony of France overshadowed it. Not even the staggering fatalities of Memorial Day could equal it.

The second newspaper section under question is TV show criticism. The broadcaster says he understands the panning of an individual Western or quiz show. The movies and the theater get that too. But why, he asks, must that panning be coupled with a characterization of the entire TV service as degraded and with the incorrect claim that we are losing millions of disenchanted viewers? Why must the fact that the TV channels carried this past season the greatest number of informational, cultural and educational special programs in TV's history be submerged in the backwash of things wrong?

And on the Advertising Fronts

The third newspaper section under the broadcaster's questioning gaze is the business section, and particularly the advertising news columns. Here he reads that TV costs are soaring, that advertisers are switching from TV to the print media who contend they are more efficient, more economical buys. Why should the annual meeting of newspaper advertising executives be covered like a summit conference? Why should one major paper, taken at random, give more than 1500 agate lines to the last Newspaper Advertising Executives Convention, yet not one agate line to the annual TV Bureau of Advertising Convention?

Over the past 10 years, most broadcasters say they have tended to ignore or shrug off print hostility. TV was growing so enormously, the sponsor demand for time so great, the growth of audience so rapid, that most executives did not allow their sense of well-being to be ruffled.

But this has changed as the economy has changed.

The impact of a recession has specific, and different, realities for TV. Unlike the print media, who reduce their number of pages when advertising dwindles, TV must continue to program its time periods whether programs are sponsored or unsponsored. Consequently, the swing between profit and loss is far sharper and the risks far higher. A handful of prime evening time periods left unsponsored can transform the figures on any network's ledger from black ink to red ink.

However, the broadcaster considers himself no different from the magazine or newspaper in attempting to sell his service this year. The hestitancy of advertisers to make major commitments in view of uncertain economic conditions is a common problem.

Last year I wrote a letter to radio-TV news editors supporting a *New York Times* story about the new hard-sell era facing TV. Many in the industry considered it an unfair news article, but its prediction has been more than borne out. Our selling problems now make those of last season mild by comparison. By this date, 2 of the 3 TV networks have normally sold out their full nighttime schedule for the fall. But this June finds all of the networks with substantial amounts of open time—sufficient time, if it continues unsold, to have a profound effect upon their annual balance sheets.

Selling the High-Dome Shows

The solution most often volunteered us is to introduce fresh, bright and imaginative new shows which could capture greater audiences and thereby induce additional sales. And indeed we have a backlog of programs, and new ones on the drawing board, of the calibre that would bring forth critical hosannas if they were aired in prime viewing time. Every network has tried hard to sell them—the Project 20's, the See It Nows, the Operas, the Outlooks. But it is a fact of economic life that many sponsors and many agencies, when faced with substantial advertising commitments in unsettled times, prefer to place their money on tested mass audience attractions rather than risk the untried and the unpredictable.

Most broadcasters admit they do not cherish every program their sponsors or their audiences do, but this is not unique. A New York publisher recently expressed embarrassment at the amount of headline space the paper devoted to Lana Turner's misadventures. The publisher felt the story was played out of proportion to other newsworthy events but said that the paper had no choice if it were to maintain its circulation. While there is no relationship between the Turner story and a popular program, except size of audience, the broadcaster says he too has some obligation to give his audience what it wants. He operates a mass medium. He has nothing to sell but circulation. If the people find Westerns and quiz shows and comedies enjoyable, and if sponsors find advertising messages in these shows effective, he believes he must continue to program them. He fervently hopes, in fact, that he can continue to sell enough of them to support his nonsponsored shows of specialized appeal.

Telling the Broadcasters' Story

With these thoughts churning through his mind, how would the broadcaster present TV's case if he were to use his own facilities to do so?

He would probably start off by explaining that TV, as a commercial service, has just completed its first decade. After its phenomenal early growth, it appears to be approaching a plateau. There are 45,500,000 sets in American homes. Sight signals reach more than 97% of the population. Despite this near saturation, and despite the novelty rub off, interest and support of the medium continue to an astonishing degree. In the broadcast season just ended, more Americans spent more time watching TV than ever before. The average set was turned on nearly 6 hours daily, an increase in set usage of 4% over the prior season. There is not a scintilla of fact to support the charge that the public is tiring of present programming. TV continues with a popular mandate of awesome proportions.

Concerning our Washington problems, he would probably introduce the subject by describing TV as a compound of newness and bigness, of private enterprise touched by government regulation—a vast and complex mechanism motivated by simple aims: to entertain, to instruct, to inform a nation. He would admit a driving need to get his story better understood by those in Washington. He might express the hope that out of the government investigations will emerge this better understanding and with it a reasonable pattern of procedure between those who are regulated and those who regulate.

Facts About Cost-Per-Thousand

To the charge that TV is pricing itself out of the market, the broadcaster will say bluntly and factually that its cost in terms of advertising coverage is going down, not up. True, the sponsor finds his total dollar outlay greater, but in exchange for that dollar increase he receives a far greater increase in viewers reached. His cost-per-thousand —a trade term which expresses the cost to the advertiser for reaching 1000 viewers—had declined in the past year. It continues to be the most result-producing cost-per-thousand of any advertising medium.

He would probably show you sponsor documentation on how TV commercials for a new product have galvanized national demand for that product almost overnight. This is a nation which consumes its way to prosperity and he would insist that TV can and does play a formidable role in stimulating the process of consumption. There was evidence of this during the economic dip of 1954—the year in which the McGraw-Hill publications say, "Advertising helped kill a business recession." The broadcaster has a hunch, though he can't prove it, that the final blow was struck by TV. While advertising in all media increased 5% that year, TV advertising was stepped up 33%.

And that represents my guess as to some of the things our typical broadcaster would say if he went before the cameras in his own defense. Now, I will move him off camera and offer a few final thoughts.

The Newspapers' Side of the Story

In any controversy, grievances, real or fancied, are not exclusive. If moved to do so, newspapers could point out that they give enormous coverage to TV programs through log listings, through feature stories and interviews, through pictures of stars. This helps their circulation but it helps TV's circulation too. Witness the tremendous attention newspapers have given Miss Elfrida von Nardroff on *Twenty-One*. It has stimulated millions of viewers to tune in—so many, in fact, that *Twenty-One* is now one of the top-rated shows in all TV.

Newspapers can say justifiably that TV in all aspects is big news, and that includes its relationships with government as well as its programs. They can assert with further justification that many programs are routine and undistinguished entertainment and that there is room for improvement in the quality of our service. I agree, and I also feel newspapers serve a valuable gadfly role in constantly reminding us of it.

Finally, newspapers can well ask: why, since many of us own TV stations, extremely profitable stations, would we spite our corporate face by cutting off our broadcast nose?

The newspapers of America, I am sure, can—and if the wish moves them, will—build a good case for their approach to TV. But if there are grounds, as so many broadcasters now feel, for conflict between the nation's 2 primary instruments of communication, then it is my belief that the sources of the conflict should be openly discussed and not allowed to simmer underground.

TV's 'Bulldozer Power' to Move Goods

In terms of TV's future, I personally hope its bulldozer power to move product mountains can play a significant role in reversing the current decline. One hopeful sign is that non-durable goods, which give the lion's share of their advertising to TV, have held a relatively strong sales curve while durable goods, which have placed a minority of their advertising with TV, have suffered most.

Regardless of the significance of this correlation, the formula for conquering a recession must be to sell your way out of it. If the current recession differs from others, it is only that there seems less excuse for it. Inventories of finished products are down substantially. Consumer savings now are at the highest in history. All advertising media face the challenge of luring out those savings. This is where our energies should be directed and there are two ways we can all go at it.

First, we can attempt to create a proper psychological climate by dramatizing the basic strength of our economy and its vividly hopeful prospects for the future. Nothing tightens a purse string like fear; nothing loosens it like hope.

I think many newspapers and magazines are now doing an effective job in emphasizing affirmative economic news, and in contributing advertising space to the "buy now" and "confidence" campaigns of the Advertising Council. On the network level, we are attempting to match their effort by giving air time to support the theme of a growing and vibrant economy. At NBC we are donating more than \$1,000,000 in spot announcements to the campaign this summer and we expect to register a billion different viewer impressions.

Secondly, we should muster our total resources for selling—selling the advantages of our own media, yes; but, more important, selling the value of advertising as the essential lubricant of a healthy economic machine.

Future Looks Good for All Media

If TV weathers the present as resolutely as the men who created Syracuse's new broadcasting center, I think we will see within the coming 5 years a TV business, an advertising business and a national economy that dwarf the present. The NBC research dept. forecasts a gross national product by 1962 of \$535 billion, a \$100 billion increase over the 1957 level. We expect national advertising expenditures to total nearly \$13 billion, up \$2 billion over the current outlay. We think TV will get about half that increase, but we think newspapers and magazines will increase their volume too.

It is because I believe all advertising media can grow together that I see your imposing center as a symbol of logic and reason. It is a fusion of broadcasting and newspaper interests. It is a powerful testament to the vigor of a free, advertising-supported communications system.

THE AUTHORITATIVE WEEKLY NEWS DIGEST FOR EXECUTIVES OF THE VISUAL BROADCASTING AND ASSOCIATED RADIO & ELECTRONICS ARTS AND INDUSTRIES

Television Digest with ELECTRONICS REPORTS

Wyatt Building • Washington 5, D. C. • Telephone Sterling 3-1755 • Vol. 14: No. 26

SUMMARY-INDEX OF THE WEEK'S NEWS — June 28, 1958

WHERE BIGGEST ADVERTISING BUDGETS GO: Speaking of intensifying and sometimes aggravating competition between the newspapers and TV for the advertising dollar, as did NBC pres. Robert Sarnoff so bluntly last week (Vol. 14:25), the measure of their relative successes is available in a tabulation of the Top 100 National Advertisers and their dollar expenditures in 7 major media. It was compiled by the advertising fraternity's news bible, Advertising Age, and is reproduced with permission (p. 5).

Bearing in mind these are total expenditures before frequency discounts and agency-rep commissions, the figures are important mainly for comparison and index purposes -- and it's too bad they didn't also include radio. Possibly radio was left out because its local business is now so dominant, but it should be pointed out that the McCann-Erickson figures for Printers' Ink for last year showed radio's total as $648,000,000, of which $204,000,000 went into spot, $64,000,000 national network.

It's noteworthy that the ratio of dollars spent among media varies with the various companies; there's no clear pattern or trend, for media buying obviously depends to great extent on nature of product or service. For example, No. 1 national advertiser, General Motors, spent some $52,000,000 of its budget of $104,000,000 on newspapers, only $12,700,000 on network TV, only $1,700,000 on spot TV. On the other hand, Procter & Gamble, No. 2, spent only about $8,000,000 of its $90,000,000-plus on newspapers, $47,000,000 on network TV, $26,000,000 on spot TV.

Amounts going to other media -- general magazines, farm magazines, business publications, outdoor -- are also shown in the tabulations compiled from data of the ANPA, PIB, TvB and other trade sources. While newspapers and TV are actually No. 1 & No. 2 claimants on national ad budgets, it's also noteworthy that direct mail, also not included in the Advertising Age tabulation, actually runs No. 2 in total ad dollars. It bulked $1,500,000,000 last year vs. newspapers' $3,325,000,000 and TV's $1,315,000,000 in nation's gross advertising economy of $10,432,000,000, as shown with breakdowns for all media and separations for national-local in the McCann-Erickson estimates -- published in full in our TV Factbook No. 26, p. 27.

Among the Top 100 National Advertisers, of course, direct mail would not be too big a factor, because so much of it is done by so many smaller companies.

* * * *

Some significant facts pointed up in analysis of the Advertising Age tabulation by TvB: All save distillers among Top 100 now use TV; 41 of the 100 spent over 50% and 14 spent over 75% of their budgets on TV; over-all, TV accounted for 46.5% of their budgets, which was 79% ahead of newspapers, 135% ahead of magazines.

TV RATING SYSTEMS—BOON OR EVIL? One-man Capitol Hill crusade against rating systems by Sen. Monroney (D-Okla.), who regards them as bad influences on the TV industry, advertisers & public (Vol. 14:24-25), got one-day play by Senate Commerce Committee this week -- and made little Congressional history.

Net results of one-man hearing were that spokesmen for 5 competing rating services managed to compile official records of sales talks hitherto directed at networks, stations & sponsors -- and that Monroney himself seemed more convinced than ever that ratings do TV programming and the country no good.

Nobody at hearing -- including Monroney -- suggested that Congress should or could do anything about polls which he protested break good shows (e.g., NBC's Voice of Firestone), and make poor ones (e. g., westerns), joining to reduce all programming to low average of "mediocrity" and worse.

And nobody on stand -- except for pres. Albert E. Sindlinger of Sindlinger & Co., long a critic of systems -- gave any support to Monroney's campaign. Witnesses for Nielsen, Trendex, Pulse, American Research Bureau, Videodex all argued earnestly that there's nothing wrong with ratings that improved polling techniques can't fix, and that they perform essential services for industry & viewers.

One thing's for sure: We'll continue to have rating systems with us for a long time to come. [For further details of Senate hearing, see p. 4.]

CATV ARGUES 'SERVICE' vs. 'MONOPOLY': Prospects of punitive or restrictive legislation against community antenna systems petered out substantially this week -- after CATV system operators pleaded their case before Senate Commerce Committee.

They didn't have much Senatorial audience -- only Sen. Lausche (D-O.) being on hand most of time -- but they did formidable job of presenting 2 major points: (1) If small-town telecasters are in trouble, it's because their markets are too small, not because of CATV competition. (2) If FCC's and Congress' studies show that some regulation of CATV is needed for orderly development of TV, CATV operators are willing to cooperate in drafting reasonable rules.

Lead-off man for CATV operators was E. Stratford Smith, general counsel of National Community TV Assn. Cleanup hitter was Milton J. Shapp, pres. of Jerrold Electronics Corp., major CATV equipment manufacturer. In between, there were 10 other witnesses, including western CATV operators and city officials of 3 Texas towns (for list of witnesses, see p. 11).

Smith's points were those he's made many times before -- that CATV is a legitimate business bringing multiple TV signals to people who want to pay for them; that stations' opposition is based on desire for monopoly in their towns; that FCC has no authority to tell public it can't get CATV service; that CATV has actually helped establish conventional stations, spurred them to supply better service.

Shapp's testimony was designed to refute, city-by-city, charges that CATV systems had forced stations off air -- and he gave details for Atlantic City, N.J.; Elmira, N.Y.; Harrisburg, Pa.; Tyler, Tex.; Sacramento, Cal.; Fairmont, W.Va.

Sen. Lausche seemed most impressed with testimony from mayors of Wellington

& Memphis, Tex., alderman from Childress, Tex. They stated that CATV systems in their towns still can't get good signals, need microwave -- and they urged FCC to lift "freeze" on microwave grants (Vol. 14:23). Lausche was quite sympathetic, said Committee can call this to FCC's attention "gracefully and properly."

The "join 'em if you can't lick 'em" story was told by several radio operators who went into CATV rather than into TV station operation -- because their markets are too small. [For details of this week's testimony, see p. 11.]

Note: Sole TV-radio operator in CATV is pioneer broadcaster J. Elroy McCaw, but we know of 9 radio broadcasters, all small-city, in the business; they're all listed on p. 11. We're now in process of bringing up to date the CATV directory for our next TV Factbook. Current Factbook lists 556 systems operating in U.S., 130 in Canada, and it's regarded as the authoritative source of CATV data.

ALLOCATIONS PICTURE—STILL OUT OF SYNC: It's clear that the allocations picture is foggy as ever. Basically, trouble seems to be an unstable balance of power at FCC -- and we can't see when it's going to get more stable, frankly. Votes on uhf-vhf policy decisions run 4-3 at one time, 3-4 another -- changing as replacements occur on Commission and as even a single member changes his mind.

Situation was well pinpointed by Sen. Pastore (D-R.I.) this week as Commission again testified before Senate Commerce Committee. The bouncy and excitable little Senator from Rhode Island squirmed with indignation because Commission has neither made uhf a major factor nor killed it off with finality. And, though he didn't say so, it was obvious he's mighty unhappy about FCC's recent move to drop plans to add a third vhf channel to biggest city in his state -- Providence.

Commission is still pulling in several directions. One is particularly significant, however. Right now, there's a clear 4-3 vote for "tough" deintermixture -- the kind that would move an operating vhf station to uhf, something Commission has never yet done. In fact, serious consideration is being given to moving the following vhf's to uhf: KERO-TV, Bakersfield, Cal. (Ch. 10); KFRE-TV, Fresno (Ch. 12); WRBL-TV, Columbus, Ga. (Ch. 4); WBRZ, Baton Rouge (Ch. 2).

There's some sentiment for vhf drop-ins via mileage cuts, on other hand, per ABC's recent proposal (Vol. 14:23). Comrs. Doerfer & Craven are definitely for it.

Then there's Craven's long-range (7-10 years) proposal that all TV be moved into 25-channel contiguous band starting at present Ch. 7 -- swapping with Govt. all the uhf band in exchange for the necessary vhf spectrum. There are a lot of pros & cons on this within Commission and in industry (mostly con). We can tell you that, despite publicity about proposal caused by published "leak," military hasn't given it serious thought yet -- though idea is familiar to offiCals (see p. 9).

Then, all factions are caught in a "TASO dilemma." Under highly respected Dr. George Town, TASO is bound to come up with excellent data on comparative vhf & uhf coverage and interference. Without these "sharper tools," which are due by end of year, pro-deintermixture forces find it difficult to counter opposition's argument that shifts of vhf stations to uhf will deprive people of service. And those favoring vhf mileage cuts are uneasy in face of warnings that such cuts will reduce service by increasing interference levels.

Court of Appeals was once a factor in the picture, probably no longer is. Clearly, it was pushing FCC toward deintermixture at one time, but its Hartford decision last week (Vol. 14:25) shows Court has washed its hands of the problem -- finally concluding that Congress had really given job to FCC, not to courts. Even Judge Bazelon, who had been most critical of Commission, went along with decision. [For details of Senate committee hearing and other developments, see p. 9.]

Committee isn't quite finished with Commission, has called it back for morning session July 1 -- for more on allocations and community antenna systems. This week, it heard CATV operators' side of story (see p. 2) and testimony on program rating services (see p. 2). July 1 hearing cleans up current TV hearings.

Ratings—TV's 'Supreme Court'? Dominating Senate Commerce Committee hearing this week on complaints by Sen. Monroney (D-Okla.) that TV rating systems are program wreckers (see p. 2) was chairman Arthur C. Nielsen of A. C. Nielsen Co., a leader in this controversial research field. He made no convert out of Monroney, but he did marshal mass of facts & figures in defense of polls.

To Nielsen & other witnesses Monroney persistently protested that: (1) Ratings have become "Sermon on the Mount" to everybody in TV, no matter how valid they may or may not be. (2) Whole system is "self-imposed supreme court of finality when it reaches Madison Ave." (3) Pollsters never bother to "take a sample of the IQ of audiences which determine our TV fare." (4) Pollsters "never ask people if they like the programs they view, but just whether sets are turned on."

Nielsen summed up his defense—which represented rebuttal by 4 competitors, too—thus:

"It is not the TV ratings that are responsible for the cancellation of a program but, rather, the logical policy of seeking programs which deliver audiences of the desired characteristics at a satisfactory cost-per-thousand . . . Blaming TV ratings for the elimination of a program is as illogical & unjustified as it would be to blame the accountant for the closing of the unpopular Broadway show."

* * * *

An affable but earnest witness, Nielsen held stand 3 hours June 26, leafing through 39-pp. bound presentation which was replete with graphic inserts, lecturing Monroney with help of pointer and charts on easel on virtues of his company (N. Y., Chicago, Menlo Park, Oxford, Toronto, Amsterdam, Wellington, Brussels, Frankfurt, Lucerne, Dublin). Nielsen made these points:

"(1) Nielsen TV Audience Research is accurate & reliable and conducted with absolute impartiality & integrity.

"(2) Responsibility for the demise of programs rests on those whose policy it is to please the public—and not on the TV ratings, which merely 'count the votes' cast by the public.

"(3) The policy of pleasing the public is not peculiar to TV. It is customary to all forms of entertainment.

"(4) Alternatives to pleasing the public would tend to create (a) inadequate advertiser support for TV, (b) govt.-sponsored TV, (c) higher taxes, (d) less satisfactory entertainment, (e) higher distribution costs, and a lower standing of living."

Nielsen drew somewhat hesitant admission from Monroney that the acting Senate Committee chairman for the one-man hearing wasn't challenging general soundness of various sampling methods used by various rating agencies—although Monroney insisted "sociological implications" of ratings on programming should be deplored.

"The Nielsen organization recognizes that its function is to measure audiences accurately & thoroughly and to concern itself as little as possible with political or social problems of the TV industry," company's chairman said. He detailed operations of his system—including viewer diaries, "Audimeter" devices installed in 1050 TV homes across country.

* * * *

Sen. Monroney also complained that different systems often give different ratings for same programs, adding confusion to already lamentable effects of rating on programming. To this indictment, pres. Edward G. Hynes, of Trendex Inc. (telephone polls of 20 top markets) responded: "There's no reason why anybody should compare 2 national services, as far as I can see."

Hynes said various ratings are understood for what they are—within their varied limitations, as expressly stated by services supplying them—by clients such as networks, stations, advertising agencies, sponsors. Daily newspapers pick them up, distort them, he said.

Same point was made by pres. James W. Seiler, of American Research Bureau Inc. (diaries, telephone polls): "A great deal of misunderstanding about TV ratings by people not fully acquainted with the field arises from lack of knowledge of the limitations of sampling and the tendency to compare 2 measurements made at different times or in different areas by different techniques."

Other defenses of ratings were entered by director Sydney Roslow, of The Pulse Inc., which employes "cluster" technique of house-to-house interviews, and Allan J. Jay of Videodex Inc., primarily engaged in research for advertisers in consumer preferences.

Alone on Monroney's side among day's witnesses was pres. Albert E. Sindlinger, of Sindlinger & Co. He said he didn't take stand "to quarrel or find fault with any of these methods or techniques"—but with "current use & interpretation of the broadcast rating concept and its consequences." Ratings lead to emphasis on quantity instead of quality of audience, resulting in "more of the same" and mediocre programming, he testified. "We don't believe in ratings," Sindlinger said firmly.

FTC consent order this week settled complaint that TV & other advertising for "Lestoil" detergent by manufacturer Adell Chemical Co., Holyoke, Mass., failed to identify product as flammable (Vol. 14:6). Without admitting it violated law, company agreed to warn consumers detergent should not be used near open flame or extreme heat. TV commercials had shown open bottles of product close to flame, on top of radiators & kitchen stoves.

First TV film studio owned outright by an adv. agency is Hollywood's McGowan Studios (*Death Valley Days*, *Sky King*, etc.), bought by McCann-Erickson, which will operate facilities as subsidiary under programming-production v. p. George Haight. Agency had owned 50% of McGowan, acquired balance for reported $500,000.

Videotape recording services for advertisers & agencies are being offered at CBS & NBC Hollywood studios, former having already taped commercials for Ford, Remington, Allstate Insurance, Pet Milk, Socony.

Broadcasters' Promotion Assn., now boasting membership among some 150 TV-radio stations or groups, is preparing series of industry success stories for distribution among members, concurrently with recruiting drive to increase roster, according to BPA pres. Elliott Henry. Next convention is Nov. 16-19 in Chase Hotel, St. Louis. Besides Henry, officers of expanding BPA are first v.p. Charles A. Wilson, WGN-TV & WGN, Chicago; 2nd v.p. Montez Tjaden, KWTV, Oklahoma City; secy.-treas. Wm. E. Pierson, WBKB, Chicago.

New reps: WTVM, Columbus, Ga. July 1 to Young (from Headley-Reed); WPTA, Ft. Wayne, July 1 to Young (from Meeker); KTAG-TV, Lake Charles, La. April 1 to Pearson (from Raymer).

Seattle's KOMO-TV sends own sports editor Keith Jackson, with cameraman Howard Ramaley, to England to cover Henley regatta in which U of Washington oarsmen will row.

The Top 100 National Advertisers of 1957

Dollar Expenditures in Seven Major Media

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Sources: Bureau of Advertising, ANPA; Publishers Information Bureau; Farm Publication Reports Inc.; Associated Business Publications; Television Bureau of Advertising; Outdoor Advertising Inc.

Company	Total	Newspapers	General Magazines	Farm Magazines	Business Publications	Network Television	Spot Television*	Outdoor
1 General Motors Corp.	$104,225,140	$52,390,306	$23,946,832	$1,823,911	$2,919,700	$12,733,437	$ 1,711,740	$8,699,214
2 Procter & Gamble	90,428,276	7,939,655	8,917,358	213,508	394,900	47,046,015	25,916,840	—
3 Ford Motor Co.	68,953,501	31,533,144	11,867,425	1,892,689	250,000	13,023,204	3,737,370	6,649,669
4 Chrysler Corp.	59,128,399	26,144,287	10,362,273	466,705	892,100	18,915,776	1,013,750	1,333,508
5 Lever Bros. Co.	42,781,748	14,288,510	4,476,956	—	—	16,297,289	7,642,980	76,013
6 General Foods Corp.	41,759,576	7,917,380	7,511,243	215,471	227,200	16,156,601	8,447,900	1,283,781
7 Colgate-Palmolive Co.	40,558,614	8,663,208	4,661,664	118,949	—	19,375,713	7,739,080	—
8 American Home Products	28,574,083	1,919,172	3,352,751	176,672	1,000,000	18,535,808	3,589,680	—
9 General Electric Co.	27,949,717	6,799,213	9,991,165	360,442	4,090,000	5,714,855	750,560	243,482
10 R. J. Reynolds Tobacco Co.	25,748,112	4,600,007	4,723,682	335,209	—	13,201,584	2,887,630	—
11 American Tobacco Co.	24,887,649	5,265,110	5,986,844	189,795	—	9,346,629	3,145,930	953,341
12 Distillers Corp.—Seagram Ltd.	23,536,924	11,781,350	7,280,579	—	300,000	926,760	—	3,248,235
13 Brown & Williamson Tobacco Corp.	23,360,346	1,316,102	1,776,401	159,535	—	7,093,962	12,988,920	25,426
14 Bristol-Myers Co.	23,128,481	3,120,537	4,818,029	199,719	100,000	12,489,954	2,131,010	269,232
15 Gillette Co.	22,329,411	3,212,481	1,272,883	14,000	100,000	15,790,837	1,939,210	—
16 National Dairy Products Corp.	21,514,440	6,848,351	3,037,775	7,063	179,000	6,644,647	1,935,530	2,862,074
17 American Tel. & Tel. Co.	20,919,489	4,444,880	7,455,621	462,624	510,200	3,277,929	4,088,300	679,935
18 General Mills	20,757,565	2,910,816	7,434,703	581,962	280,900	8,605,872	901,190	42,122
19 Sterling Drug	18,788,622	2,423,801	2,619,148	150,432	248,000	4,711,351	8,635,890	—
20 Philip Morris Inc.	18,254,943	5,464,195	2,991,066	—	50,000	3,942,904	4,941,470	865,308
21 Liggett & Myers Tobacco Co.	17,362,145	2,763,668	2,415,264	—	—	8,181,373	4,001,840	—
22 National Distillers & Chemical Corp.	17,219,497	8,541,769	5,639,044	—	456,300	—	—	2,582,384
23 Schenley Industries	16,211,454	8,295,414	3,921,763	—	500,000	271,396	203,850	3,222,881
24 Campbell Soup Co.	15,183,867	4,493,783	5,242,351	187,221	50,000	4,965,382	245,130	—
25 Standard Brands	14,915,877	3,743,465	4,316,069	188,007	501,100	4,512,346	1,308,750	346,140
26 Warner-Lambert Pharmaceutical Co.	14,604,431	2,101,024	3,681,849	116,995	481,300	2,532,393	5,690,870	—
27 Kellogg Co.	14,586,074	2,422,979	1,074,353	56,447	225,000	7,977,785	2,829,510	—
28 Continental Baking Co.	14,200,351	2,126,142	34,700	—	25,000	677,549	10,190,060	1,146,900
29 Coca-Cola Co.	13,455,543	3,469,297	1,280,666	—	50,000	1,041,290	4,207,890	3,406,400
30 National Biscuit Co.	12,856,761	3,362,597	1,013,274	91,104	190,000	2,247,934	5,822,320	129,532
31 Miles Laboratories	12,790,919	427,418	476,075	45,185	401,300	5,048,301	6,392,640	—
32 E. I. du Pont de Nemours & Co.	12,765,690	2,224,897	4,866,634	255,249	2,800,000	1,738,960	635,950	244,000
33 Westinghouse Electric Corp	12,635,048	2,686,786	3,293,809	156,912	1,740,000	4,501,985	136,920	118,636
34 Quaker Oats Co.	12,558,941	3,839,399	2,297,571	230,900	361,100	4,706,501	1,123,470	—
35 P. Lorillard Co.	12,537,302	4,205,610	118,910	—	—	5,194,122	3,018,660	—
36 Goodyear Tire & Rubber Co.	11,450,382	2,906,589	5,065,902	602,243	786,600	2,060,788	28,260	—
37 Shell Oil Co.	11,385,600	2,240,129	2,539,875	193,302	300,000	—	2,993,100	3,119,194
38 Pharmaceuticals Inc.	11,219,689	1,096,064	597,840	—	—	8,585,635	940,150	—
39 Carter Products	10,949,614	2,372,555	319,334	—	—	1,262,465	6,995,260	—
40 Armour & Co.	10,705,242	3,188,021	1,926,181	314,527	924,600	3,853,642	470,030	28,241
41 Jos. Schlitz Brewing Co.	10,682,254	2,711,244	1,445,264	—	—	3,005,514	1,990,510	1,529,722
42 Eastman Kodak Co.	9,770,869	845,991	3,939,718	54,975	1,300,000	3,194,715	435,470	—
43 Revlon Inc.	9,734,734	1,138,708	1,409,144	—	—	7,019,042	167,840	—
44 Swift & Co.	9,715,258	1,754,464	1,214,442	230,784	75,000	5,196,425	512,760	731,383
45 Nestle Co.	9,553,829	1,889,158	993,800	10,450	—	4,130,101	2,530,320	—
46 Anheuser-Busch	9,438,976	1,381,452	1,379,185	—	100,000	—	2,921,080	3,657,259
47 Pillsbury Mills	9,254,059	3,114,078	1,507,392	154,856	75,000	3,805,646	545,460	51,627
48 Standard Oil Co. (Ind.)	9,236,602	2,763,047	38,876	351,221	355,900	937,431	1,749,820	3,040,307
49 Standard Oil Co. (N.J.)	9,023,227	2,682,164	1,220,129	58,112	192,800	173,460	3,191,110	1,505,452
50 Borden Co.	8,820,057	2,037,519	2,572,495	122,060	100,000	2,810,739	1,049,160	128,084
51 Johnson & Johnson	8,612,416	802,583	3,838,782	373,966	777,500	2,526,955	292,630	—
52 Pepsi-Cola Co.	8,601,813	3,087,613	1,636,120	70,000	75,000	211,554	3,038,650	482,876
53 Corn Products Refining Co	8,590,939	1,372,919	1,459,890	92,119	257,300	2,930,851	2,477,860	—
54 Radio Corp. of America	8,528,950	1,572,306	2,878,005	109,263	827,900	2,344,036	797,440	—
55 Helene Curtis Industries	8,524,237	1,205,572	1,977,353	—	90,000	4,667,982	583,330	—
56 Hiram Walker—Gooderham & Worts	8,359,536	4,076,145	3,536,949	—	75,000	—	—	671,442
57 Gulf Oil Co.	7,729,820	3,366,630	1,082,445	81,973	310,200	1,100,304	179,710	1,608,558
58 Wesson Oil & Snowdrift Co.	7,589,754	2,516,264	1,564,296	64,600	100,000	1,604,997	1,618,070	121,527
59 Sperry-Rand Corp.	7,480,707	226,842	2,069,805	307,598	517,500	4,257,142	101,820	—
60 Carnation Co.	7,350,319	2,409,464	1,603,430	282,946	153,000	2,054,120	506,530	340,829
61 U.S. Steel Corp.	7,308,325	904,231	1,438,299	386,005	2,021,800	2,514,090	—	43,900
62 Texas Co.	6,792,095	919,242	1,438,994	232,900	457,000	233,140	1,992,030	1,518,789
63 Firestone Tire & Rubber Co.	6,773,036	1,456,512	3,023,001	467,969	201,000	1,549,074	75,480	—
64 Wm. Wrigley Jr. Co.	6,735,329	2,030,673	486,352	—	71,400	—	1,968,000	2,178,904
65 Socony-Mobil Co.	6,490,281	2,563,252	1,281,507	311,605	391,100	375,750	1,139,720	427,347
66 Scott Paper Co.	6,475,565	686,028	1,614,398	7,900	100,000	3,342,357	630,190	94,692
67 H. J. Heinz Co.	6,416,787	1,633,303	1,711,621	—	100,000	1,350,073	1,621,790	—
68 American Chicle Co.	6,379,466	35,299	—	—	—	2,617,367	3,726,800	—
69 Studebaker-Packard Corp.	6,339,451	4,804,199	442,820	97,246	62,000	103,062	54,420	775,704
70 American Cyanamid Co.	6,270,196	94,107	1,596,701	1,493,218	2,955,000	62,540	68,630	—
71 S. C. Johnson & Son	6,259,918	1,575,904	706,086	—	50,000	3,889,778	38,150	—
72 Stanley Warner Corp	6,008,188	1,211,793	73,735	—	—	—	4,722,660	—
73 Aluminum Co. of America	6,005,088	972,623	2,065,796	213,296	589,700	2,070,723	92,950	—
74 Max Factor & Co	5,827,821	65,015	585,692	—	—	2,886,264	2,290,850	—
75 Chesebrough-Pond's	5,694,370	991,940	724,271	—	100,000	3,164,839	713,320	—
76 Whirlpool Corp.	5,666,252	1,314,338	2,365,987	183,073	250,000	1,538,454	14,400	—
77 Ralston-Purina Co.	5,653,701	640,974	271,908	541,913	84,000	2,723,689	1,059,010	332,207
78 Kimberly-Clark Corp	5,634,604	816,473	1,252,230	—	480,300	2,346,917	641,220	97,464
79 Hazel Bishop Inc.	5,542,618	—	46,025	—	—	5,192,193	304,400	—
80 American Motors Corp.	5,419,953	2,807,997	926,406	43,200	330,600	1,008,588	105,060	198,102
81 Prudential Insurance Co.	5,407,191	2,066,847	70,360	18,000	50,000	3,201,984	—	—
82 Falstaff Brewing Co.	5,363,527	335,202	—	—	—	627,267	2,196,180	2,204,878
83 Bulova Watch Co.	5,295,323	—	11,000	—	—	1,233,923	4,050,400	—
84 Best Foods Inc.	5,278,112	830,879	667,558	12,770	—	2,641,965	1,124,940	—
85 California Packing Corp.	5,276,382	1,310,805	2,395,738	19,120	175,000	379,076	—	996,643
86 United Merchants & Mfg Co.	5,197,663	—	193,733	—	75,000	—	4,928,930	—
87 Union Carbide Corp.	5,131,576	736,942	1,447,487	110,863	1,599,100	1,191,864	45,320	—
88 Time Inc.	4,918,001	1,630,860	365,130	—	770,000	2,012,991	139,020	—
89 Heublein Inc.	4,848,910	1,950,250	2,452,899	—	75,000	—	259,020	111,741
90 Philco Corp	4,764,723	2,130,415	2,256,617	115,658	100,000	114,223	47,810	—
91 Liebmann Breweries	4,753,115	2,644,463	306,937	—	—	—	667,780	1,133,935
92 General Tire & Rubber Co	4,707,450	689,007	1,860,708	—	193,000	—	585,600	1,379,135
93 Armstrong Cork Co.	4,695,133	382,745	1,665,584	51,815	400,000	2,194,989	—	—
94 B. F. Goodrich Co.	4,511,770	1,306,867	484,720	82,553	1,231,500	1,276,110	130,020	—
95 U.S. Rubber Co	4,498,740	507,511	1,516,397	50,853	770,000	1,085,449	466,090	102,440
96 Eastern Airlines	4,487,614	4,174,114	—	—	—	—	313,500	—
97 Pabst Brewing Co.	4,473,266	358,520	181,872	—	50,000	1,521,153	1,503,350	858,371
98 Sylvania Electric Products Inc.	4,433,043	104,361	1,576,213	—	200,900	2,501,769	49,800	—
99 Standard Oil Co. (Cal.)	4,431,485	1,749,413	76,985	32,553	400,000	—	655,590	1,516,944
100 Brown-Forman Distillers Corp	4,397,476	1,672,502	1,920,663	—	100,000	—	—	704,311

*In some instances spot tv figures include both parent company and dealer or distributor expenditures.

Network Hearing Windup: Final phase of FCC's massive network hearing comes July 11 & 14 with testimony by architect of network study staff's huge anti-network report—Roscoe Barrow, dean of Cincinnati U Law School, accompanied by his lieutenants Louis H. Mayo and Jesse Markham.

No other sessions are scheduled. Charges that networks have pressured program producers into cutting them into programs (Vol. 14:25) may come to hearing some day—but it won't be in this proceeding, because FCC plans separate inquiry into programming.

After July 14, whole business is up to Commission. Justice Dept. says FCC should outlaw certain practices (Vol. 14:25) but it also says it will wait to see what Commission does before considering action on its own.

* * * *

Justice Dept.'s opinion that option time and must-buy are illegal, must be forbidden, was countered by well-prepared legal memorandum submitted to FCC last week by CBS. Drafted by firm of Cravath, Swaine & Moore, memorandum makes 2 points:

(1) "The Rule of Reason, not illegality *per se* by false analogy, is the test to apply to both practices [option time and must-buy]."

(2) "The Commission has the primary responsibility to consider the reasonableness of both practices in the context of the public interest."

"In the instant case," memo argues, "the wisdom of avoiding the sterilizing influence of presumptions, conclusive or otherwise, is especially compelling. The business of networking is unique. The networks have provided the business initiative and creative force which have developed and are developing the TV medium. Moreover, within the framework of private enterprise, there appears no alternative to the network as the means of insuring prompt national visual communication.

"The heart of networking is the affiliation relationship between stations and the network organization. In that relationship, option time is a natural, crucial provision—without it, the irreducible fact is that there is no reason for affiliation. To force the network organizations to retract to the position of intermittent, piecework program suppliers would tend to force all national programming to filmed entertainment. As even the [Barrow] Report itself concedes, the 'loss of the programming and communication values associated with the network system would be adverse to the public interest' . . .

"Perhaps the most significant question concerning option time is whether networks are to be considered on a competitive par with film syndicators, shorn of any natural advantage accruing to them by virtue of their unique continuing contributions to broadcasting, and thus relegated to the same role in the industry. The expert, informed judgment of the Commission, framed according to its overall conception of the public interest, is required even to attempt any answer to so basic an anti-trust question. In that sense, at least, the 'Rule of Reason' is merged into and is an integral part of the duty of this Commission to determine the public interest."

'Pay-offs' On Way Out: FCC this week started shutting door on practice of deals among competing applicants whereby all except one withdrew upon payment to them of "expenses" by surviving applicant—who then stood clear for uncontested CP. Practice also covered agreements whereby withdrawing applicants acquired share of CP after it was granted.

Commission action was in form of proposed rule-making, on which comments may be filed until July 28. There were no dissents to action, but Chairman Doerfer abstained from voting. It's understood that Comr. Ford initiated move. Here's Commission's reason for action:

"The Commission is concerned that these practices may tend to defeat the purpose of hearings on applications for broadcast facilities and encourage the filing of marginal or 'strike' applications in the hope that payment may be exacted in consideration of amendment or dismissal of such applications. In many instances these practices may also represent an abuse of the Commission's hearing processes."

FCC proposes to amend rules so as to kick out all applicants who are parties to such deals. Interestingly, Comr. Ford, when on staff as head of FCC's hearing div., urged establishment of the payment of "expenses" so that fewer hearings, quicker grants and faster service would result. However, "expenses" have ballooned to something quite different in some cases. Despite abuses, system did expand TV service much faster than it would have grown otherwise.

* * * *

Cancellation of CP for KYAT, Yuma, Ariz. (Ch. 13), held by Wrather-Alvarez Bcstg. Inc., was recommended by examiners James D. Cunningham & Herbert Sharfman. Grantee sought to move site to El Centro, Cal., also faced protest from KIVA, Yuma (Ch. 11)—but examiners held that problems involved shouldn't have prevented construction; CP has been held since Jan. 25, 1956.

Grant of Ch. 9, Ogden, Utah, to United Telecasting & Radio Co., controlled by KVOG, was recommended by examiner Thomas H. Donahue. It was surviving applicant after dismissals of 2 competitors—Jack A. Burnett and owners of KNAK, Salt Lake City.

One uhf CP was surrendered—KGMS-TV, Sacramento (Ch. 46) citing economic conditions.

WCCO-TV, Minneapolis (Ch. 4) was authorized to identify itself with St. Paul as well as Minneapolis.

"Influence" prober Rep. Harris (D-Ark.) got a little mussed up himself this week, when newspapers discovered he had queried FCC on behalf of radio KOTN, Pine Bluff, Ark. Noting that Jefferson County Bcstg. System is radio applicant there, he wrote: "It would be of interest to me to have such information as you can give as to Commission policy on the number of radio stations the Commission authorizes in a given area. As an example, Pine Bluff has an estimated population of 60,000 at this time. I do not know what the population is within the trade territory. Since there are already 3 stations in the area, I thought you might be able to use this as an example to advise the general policy the commission follows in the number of stations authorized in a given trade area." Doerfer responded by telling him it has no such policy. Harris told reporters he saw nothing wrong in his inquiry. However, he obviously implied that Pine Bluff has enough stations already. But was he telling Commission—or asking?

RCA & NBC extend leases to 1982 on 13 acres of office & studio space in New York's Rockefeller Center at rentals "in excess of $70,000,000."

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Personal Notes: Merle S. Jones, pres. of CBS-TV stations div., elected temporary chairman of organizing committee for proposed TV film export assn., working out of N. Y. office of Motion Picture Export Assn., 25 W. 43rd St. . . . Frank Stanton, pres. of CBS, returned from Europe June 21 . . . Howard Monderer, with NBC legal dept. last 6 years, on July 1 becomes network's Washington legal representative, headquartering at WRC-TV; he's Harvard Law '49, will have as secretaries Mrs. Pat Sullivan, ex-secy., and Mrs. Gladys Murphy Borras, ex-administrative aide to Frank M. (Scoop) Russell, ex-NBC v.p., now its public relations consultant . . . John A. Serrao promoted to Los Angeles TV sales mgr., Joseph L. Scanlan to same post, San Francisco, of rep firm Peters, Griffin, Woodward . . . Rudy Marcoux promoted to gen. mgr. of WLBZ-TV, Bangor, Me. (Ch. 2), changed from WTWO with this week's transfer of ownership to Wm. H. Rines interests; he reports to E. B. (Buck) Lyford, ex-NBC, recently named asst. to Rines, headquartering at WCSH-TV, Portland . . . James C. Hanrahan, gen. mgr. of WEWS, Cleveland, plans to spend month of Aug. touring Europe with his family, already there . . . Richard Lewine promoted to CBS-TV special programs director; John F. Hall to special programs coordinator . . . Ben Ludy, pres. & gen. mgr. of radio KWFT, Wichita Falls, Tex., founding ex-mgr. of WIBW-TV, Topeka, has returned to his Texas job after convalescing in Kansas for several months from a heart attack . . . Hugh Barclay, ex-WEAR-TV, Pensacola, named station mgr. of WJDM, Panama City . . . Louis Wolfson promoted to asst. to exec. v.p. Lee Ruwitch of WTVJ, Miami . . . Ralph Renick, news v.p. of Miami's WTVJ and pioneer in editorializing via TV, honored recently with testimonial "Ralph Renick Day" by South Beach Men's Club, Miami Beach . . . Norman Jewison, top Canadian Broadcasting Corp. TV producer, signs contract with CBS-TV . . . Len Sirowitz, ex-CBS-TV, named NTA art director; Fred Gordon, ex-Pharmaceutical Adv., named adv. production mgr. . . . Donald G. Kraatz, ex-Campbell-Ewald, named v.p. of Van Praag Productions, Hollywood . . . Marshall Jamison resigns as exec. producer of Theatre Guild's *U. S. Steel Hour* (CBS), plans other TV and movie work . . . Samuel F. Jackson, ex-Avery-Knodel, named national sales mgr. of WMBD-TV, Peoria . . . Leslie A. Harris resigns as coordinator of ABC-TV o-&-o station sales, network abolishing position . . . Donald H. McGannon, pres. of Westinghouse Broadcasting Co. last 2½ years, honored this week with Silver W, highest award of parent company.

Gordon Gray, whose *Winston-Salem Journal* and *Twin City Sentinel* own WSJS & WSJS-TV (Ch. 12) there and who once was active in broadcasting industry affairs, this week was appointed President Eisenhower's special asst. for national security affairs. Native No. Carolinian and Democrat, Gray, now 57, went into the Army as a private in World War II, emerged a captain, served as Asst. Secy. of the Army under Truman in 1947-49, Secretary of the Army 1949-50, then pres. of U of No. Carolina. He returned to Washington to become Asst. Secy. of Defense for National Security Affairs and in 1957 was named director of Office of Defense Mobilization.

Howard Pyle, ex-Gov. of Arizona, onetime program executive of Arizona Broadcasting Co. (KVAR & KTAR, Phoenix; radios KYUM, Yuma & KYCA, Prescott), is resigning his job as White House liaison for Federal-State relations as of Aug. 1 or Sept. 1 to return to his business interests in Arizona, may rejoin Louis-Lewis TV-radio group in executive capacity.

Frank E. Schooley, U of Illinois director of broadcasting (WILL & WILL-TV), named pres. of National Assn. of Educational Broadcasters until next Jan. 1 at special board meeting in Chicago this week; he was pres. 1944-45 & 1955-56, now fills unexpired term of Dr. Burton Paulu, U of Minnesota, who recently resigned to spend year abroad. Next pres. will be elected at NAEB convention in Omaha next fall.

Marie W. Fish, chief of TV branch, FCC license div., and David Warren, attorney in FCC's office of opinions & review, were married in Chevy Chase, Md. June 20.

ADVERTISING AGENCIES: Walter Barber promoted to v.p. of Compton Adv. . . . Tom Burch retires as v.p. of Young & Rubicam; Burt Cochran as Los Angeles v.p. of McCann-Erickson . . . David N. Laux, ex-Foote, Cone & Belding v.p., named senior v.p. of Lennen & Newell . . . Jeremy C. Beman promoted to v.p. of Erwin Wasey, Ruthrauff & Ryan, Chicago . . . Wm. R. Seth, ex-MacManus, John & Adams, joins TV-radio dept. of Lennen & Newell . . . Martin J. Dwyer resigns as v.p. of Lennen & Newell to join Whitehall Labs . . . Charles Boland, ex-Parkson Adv., heads new Creative TV Services, N. Y. . . . Nina Flinn, ex-Fuller & Smith & Ross, named TV director, Webb Assoc., N. Y. . . . J. Howard King elected v.p. of Creamer-Trowbridge, Providence.

William Golden, creative genius behind CBS's exceptional adv. & sales promotion art, has collection of his graphic arts material on exhibit as part of annual Festival of Contemporary Art at Cornell U's White Museum of Art.

Network shift: WHTN-TV, Huntington, W. Va., to CBS July 1 (from ABC).

Group of ex-INS staffmen, headed by Richard W. Hubbell, has formed World Wide Information Services, 730 Fifth Ave., N. Y. (phone, Judson 2-1370) to continue functions of old INS Special Service Div., handling special assignments by text, photo & newsfilm and specialized market, product & media research. Initial clients include such adv. agencies as Young & Rubicam, Anderson & Cairns, Wm. Esty, Bryan Houston, Lambert & Feasley, Reach, McClinton & Co., St. Georges & Keyes; also Cinerama Inc. and Rhodes Pharmacal Co.

Obituary

Ed M. Anderson, 52, part owner of No. Carolina radios WIFM, Elkins; WBRM, Marion; WPNF, Brevard; WBBO, Forest City, and publisher of 5 weekly newspapers, died at Brevard June 24.

Mrs. Raymond H. Rutherford, part owner of *Cedar Rapids Gazette* and its stations KCRG & KCRG-TV (Ch. 9), died in Miami June 27.

John W. Scott, 65, news director of KRGV-TV, Weslaco, Tex., died there June 23.

New & Upcoming Stations: Fifth uhf to go dark this year is educational WKAR-TV, East Lansing, Mich. (Ch. 60), which quits air June 28 after 4½ years of operation, bringing on-air total to 533 (88 uhf), 31 non-commercial. It's second educational to go off air, first having been KTHE, Los Angeles (Ch. 28), which quit in 1954 (Vol. 10:37). Station has been operated by State Board of Agriculture, Michigan State U, also share-time applicant for Ch. 10, Onondaga, Mich. with Television Corp. of Mich. Inc. (headed by John C. Pomeroy of radio WILS, Lansing), which were favored in initial decision issued March 7, 1957 by examiner Annie Neal Huntting.

Next new starters are expected to be KCIX-TV, Nampa, Ida. (Ch. 6) with mid-July target (Vol. 14:21) and educational WJCT, Jacksonville, Fla. (Ch. 7), which has changed target from June (Vol. 14:21) to July 27.

* * * *

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

KGLD, Garden City, Kan. (Ch. 11), planned as satellite of parent KCKT, Great Bend, Kan. (Ch. 2), has ordered GE transmitter and expects to start programming Sept. 20, writes E. L. Kuhlman, KCKT gen. mgr. Near SW corner of state, KGLD will use microwave to pick up NBC-TV from KCKT, 120 mi. away. Also planned as satellite by KCKT is KOMC, McCook, Neb. (Ch. 8), 150 mi. NW of Great Bend, for which Dec. target has been set, but equipment has yet to be ordered. KGLD began studio-transmitter construction June 10, also is working on anchors and base for 800-ft. Stainless tower, which will have 12-bay GE antenna. Resident mgr. will be O. D. Carmichael. KGLD will be sold as bonus with KCKT, which has $300 base hour. Rep is Bolling.

WGTE-TV, Toledo, O. (Ch. 30, educational) has set Aug. 27 target, reports program & production director Murray W. Stahl. It has 100-watt GE transmitter and helical antenna on hand. Construction hasn't begun, but present studio facilities would permit limited operation when transmitter is hooked up and antenna installed on University Hall tower.

Note: For latest reports on other upcoming new stations, see Vol. 14:24.

Canadian coast-to-coast microwave facilities will be opened officially July 1 with Dominion Day program including pickups across country—from Sydney, N.S. to Victoria, B.C. A few coast-to-coast telecasts have been achieved previously, using some U.S. facilities. A network relay center in Calgary also goes into operation July 1, will use 4 videotape recorders to adjust programming to time-zone differences. Extension of network to Newfoundland is due in winter.

Two applications for new TV stations filed this week were for Ch. 10, Presque Isle, Me. by new owners of WLBZ-TV (formerly WTWO), Bangor (Ch. 2); for Ch. 17, Bakersfield, Cal. by motel operators George King & Lloyd G. Hobbs. This brings total pending to 117 (29 uhf). [For details, see *TV Addenda 26-V*.]

Facility changes: KENS-TV, San Antonio (Ch. 5) due to move about Oct. 1 to 1500-ft. tower near Elmendorf, Tex., sharing it with WOAI-TV (Ch. 4). KPLO-TV, Reliance, S. D. (Ch. 6) satellite of KELO-TV, Sioux Falls (Ch. 11) boosted power June 25 to 100-kw.

FCC staff additions: Engineers—Wilbert Mason & Andrew J. Vaccarelli, to aural new & changed facilities branch. Attorney—Francis J. Larkins, to office of general counsel.

Sale terms for KVII, Amarillo, Tex. (Ch. 7), which is being taken over by Television Properties Inc. of Dallas (Vol. 14:24), are revealed by transfer application filed this week. Buyers are Jack C. & Grady H. Vaughan Jr. (47.8% each) and Cecil L. Trigg (4.25%), who are principal owners of KOSA-TV, Odessa, Tex. (Ch. 7) & KOSA. They are acquiring 77.7% (38,872 shares) of KVII stock for $136,052 with option to buy remaining 22.25% held by pres.-gen. mgr. Murry Woroner for $2.50 per share, plus 3-year employment agreement at $800 monthly. Operating statement shows $13,749 net loss for 5 months through May 31. Net income was $129,656, operating expenses $143,405. Gross income is broken down as follows: $73,455 local, $12,344 national, $26,280 network. May 31 balance sheet lists $39,057 current assets, $61,127 current liabilities, $298,176 fixed & other assets, $239,854 note payable.

Back from Moscow international conference on TV standards, conducted by CCIR Study Group 11 (Vol. 14:20), FCC chief engineer Edward W. Allen reports results were excellent. Basic job of group was to exchange technical information, not make policy decisions, and Allen said that was accomplished—with no political interference at all. Most of discussion was about color, and Allen said there was considerable support for NTSC system. Allen headed delegation including: James E. Barr, FCC asst. chief of broadcast bureau; Florence T. Dowling, State Dept.; Axel Jensen, Bell Labs; J. R. Popkin-Clurman, Telechrome; C. G. Mayer, RCA London representative. Allen and Mrs. Dowling returned on *Kungsholm* June 19; Barr is inspecting TV-radio facilities in Western Europe.

Next 3 NAB conventions will be held in Chicago's Conrad Hilton, March 15-19, 1959; April 3-7, 1960; May 7-11, 1961. The 1962 conclave goes to Washington, next 2 back to Chicago. Next board meeting is Feb. 2-6, 1959 in Hollywood Beach Hotel, Hollywood Beach, Fla. The 1958 fall conference schedule: Sept. 18-19, Buena Vista Hotel, Biloxi, Miss.; Sept. 22-23, Oklahoma Biltmore, Oklahoma City; Sept. 25-26, Challenger Inn, Sun Valley, Ida.; Sept. 29-30, Mark Hopkins, San Francisco; Oct. 13-14, Schroeder Hotel, Milwaukee; Oct. 16-17, Radisson Hotel, Minneapolis; Oct. 20-21, Somerset Hotel, Boston; Oct. 23-24, Shoreham, Washington.

WPIX rather than WOR-TV will get N. Y. state board of regents' educational TV curriculum for metropolitan New York City next school year under deal whereby it pays $296,000 to station for daytime periods. The *New York News*-owned independent's bid compared with WOR-TV's $365,000 and board's TV committee headed by T. Norbert Hurd, Ithaca, and State Education Dept. will proceed with program plans under recent $600,000 legislative grant. Decision to use a commercial station for programs followed regents' original plan to seek channel of WATV (Ch. 13), now WNTA-TV, Newark-N. Y. (Vol. 14:11-13).

Biggest stereo broadcast yet has been scheduled by NBC for New York, Chicago & Washington, linking the cities simultaneously for AM-FM broadcast of *Bell Telephone Hour* 9-9:30 p.m. June 30 and *Bert Parks Bandstand* 11:05-noon July 1. NBC estimates 22% of U. S. population will be in range of signals.

Translator starts: K72AP, K76AK & K80AM, Window Rock, Ariz. began June 11 repeating KOB-TV, KOAT-TV & KGGM-TV, Albuquerque; K72AS & K81AB, La Barge-Big Piney, Wyo. began June 28 repeating KUTV & KTVT, Salt Lake City.

Call letter change: WTWO, Bangor, Me. (Ch. 2), becomes WLBZ-TV, with June 25 transfer of ownership from Murray Carpenter to Wm. Rines interests.

CBS Counterattacks, Too: Coincident with pungent speech last week by NBC pres. Robert W. Sarnoff challenging newspaper attacks on TV (Vol. 14:25 and Special Supplement), 2 CBS executives came out fighting this week in defense of network policies & programming against press criticism.

Addressing St. Louis Rotary Club, CBS Inc. v. p. Richard S. Salant said TV critics on metropolitan newspapers ("our hairshirts"), and in other print media, "have a curious penchant for a double standard—one for themselves, another for us."

In July *Esquire*, CBS-TV exec. v. p. Hubbell Robinson Jr., in charge of network programming, said it would be hard to find "more vociferous, articulate and fractious passel of lambasters" than press derogators of TV. Conceding TV has "soft underbelly" inviting attack, Robinson protested that critics ignore "genuine accomplishments [which] touch more facets of living with greater impact than do those of any other medium."

Naming no names, Salant referred to professional TV critics as "good people, on the whole, [who] prod us, chastise us, scold us, counsel us, check & double-check us [but who] have also added a new dimension to criticism":

"If a dramatic critic reviews a play or a literary critic a book, the critic usually considers the work at hand and how well or badly it is done. TV critics frequently go beyond that. They tell us all about the programs that we should be doing. They seem to prefer to talk about the programs we don't do—rather than the ones we do."

In his *Esquire* article, Robinson cited "measured opinion" of many TV critics that "TV programming is a mess [and] seems likely to get messier." He noted that "more probing, perceptive critics" like *N. Y. Times'* Jack Gould, *N. Y. Herald Tribune's* John Crosby, *N. Y. World-Telegram & Sun's* Harriet Van Horne see "moments of gold among the dross."

But often overlooked, Robinson wrote, is that TV has "hard core of programming able to compare favorably with comparable efforts in any of the arts, and reaching successfully into areas the others never tap."

Justice Stern Presiding: Miami Ch. 10 "influence" proceeding at FCC got under way this week with pre-hearing conference (Vol. 14:25), and presiding officer Judge Horace Stern showed he has situation well in hand, impressing attorneys by the way he fielded questions and problems—though they were quite routine. FCC general counsel Warren Baker said that he would start by calling as witnesses ex-Comr. Mack and his friend, Thurman Whiteside, but had no plans to call members of Congress. Actual hearing begins Sept. 8 in Washington, but additional pre-hearing conferences are scheduled for June 30 and Aug. 22 to determine procedures and ground to be covered. Judge Stern, retired Chief Justice of Pennsylvania Supreme Court, declined to disqualify himself after attorneys for National Airlines (WPST-TV) and WKAT noted they have had dealings with certain Philadelphia law firms whose lawyers Stern had counseled since his retirement. He said he has no interest in the firms. It's expected some sessions will be held in Miami, as urged by National Airlines; intervenor Eastern Airlines offered to fly Miami witnesses to Washington free. Counsel in case are: FCC general counsel's office, Warren Baker; FCC broadcast bureau, Harold Cowgill & Robert Rawson; Justice Dept., Robert Bicks; National Airlines, Norman Jorgensen, of Krieger & Jorgensen; L. B. Wilson Inc., Paul Segal; North Dade Video, A. Harry Becker; WKAT, Paul Porter, of Arnold, Fortas & Porter; Eastern Airlines, Harold Russell, of Gambrell, Harlan, Russell, Moye & Richardson.

August is vacation month as usual at FCC, but law requires at least one meeting monthly—so Commission will convene Aug. 1, resume Sept. 3. At least one commissioner will be available during month; chore is usually rotated.

TV Allocations Study Organization moves about Sept. 1 to Iowa State College, Ames, where exec. director Dr. George Town resumes teaching while finishing TASO report, due at year's end.

Allocations Tug-of-War: Though Sen. Pastore (D-R. I.) raised unholy hob with FCC during Senate Commerce Committee hearings on allocations this week (see p. 3), there certainly isn't the kind of Senatorial interest there used to be. Pastore conducted hearings alone, except when relieved by Sen. Schoeppel (R-Kan.). Such hearings once attracted half a dozen or more Senators. Pastore's main gripe:

"You never reach a decision. This has been going on for 4 years. You march up the hill and march down again. Don't you ever agree on anything? There are 96 Senators, and no one is more individualistic than a Senator—but we compromise and get things done."

Then, dramatically, he asked: "Who's for deintermixture? Stand up." Comrs. Hyde, Bartley, Lee & Ford rose promptly. Then: "Who's against it?" Comr. Doerfer raised hand; Cross rose slowly; Craven rose even more slowly, and stated: "I'd like to be heard on that later."

Doerfer explained his philosophy: Even if FCC had deintermixed 13 markets, as proposed, it wouldn't be enough to promote uhf effectively. Shift of stations from vhf to uhf will cause "white areas." "If you take out a V," he said, "you'll have every Senator and Congressman screaming. If you deintermix, you'll get less service than you have today." He said that FCC should wait for TASO's technical data; that it's "just as foolish to lose service by moving to uhf as it is through changes in vhf standards."

Doerfer also had this to say about TV generally: "In view of the cold war, maybe we've got more space for broadcasting than we need. Maybe we're indulging in a luxury."

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Doerfer said ABC's proposal for major-market vhf drop-ins via mileage cuts (Vol. 14:23) "has real merit." Broadcast Bureau chief Harold Cowgill said: "We don't want to move piecemeal into short spacings." Craven disagreed: "I believe immediate relief is possible with short-spaced V's. We should put them out for rule-making."

Committee counsel Kenneth Cox called attention to "Bowles Report"—the allocations analysis by Edward Bowles' committee, made at Senate Commerce Committee's behest (Vol. 14:12). Bowles recommended an "independent audit" of problem by some organization outside FCC—but his committee didn't give him much support.

Doerfer was against it. It would simply create another body and "they won't come up with a better solution." "I'm disappointed in the report," he said. "There's little new technical information in it. It's just a criticism of the FCC."

Doerfer said he thought one agency, civilian, ought to handle whole spectrum. "Two cooks are too many," he said, "One agency could give due weight to needs of the military." Craven added: "I don't believe that the spectrum should be put in the hands of the executive department."

Earlier, Pastore asked whether a 3-man FCC could produce faster action. Doerfer said he once did—but doesn't any more, because of big load of Commission work.

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Lee spoke up for uhf several times. "It works," he said. "A substantial number of areas are well-served by uhf." He noted that Commission has assigned him job of investigating ability of uhf to serve New York City. Sen. Schoeppel also spoke up for uhf, said it's satisfactory except where it competes with vhf.

Cox asked whether manufacturers would speed uhf equipment development if FCC said all TV would go to uhf in 8-10 years. Said Craven: "If you make that announcement, all you're telling the public is that they're going to have to pay twice as much for their sets. I'm not ready to make that decision." Said Doerfer: "Industry may not believe it will ever come about—even if FCC says so now. Research should be left to private industry."

Cox wondered whether FCC is going to find out why NBC couldn't make uhf work in Buffalo. Doerfer said he didn't believe Commission would find out anything it doesn't know—but added that he's willing to look into it.

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Craven's proposal for creating 25-channel vhf band for TV doesn't spark much enthusiasm among his colleagues. Said one, cynically: "Yeah, we could study that one for a couple years, too." Another: "I have no idea why he thinks it can be done."

Even before he broached idea to Commission, Craven sounded out manufacturers. Most manufacturers queried don't go for it. One big reason: Electronic Industries Assn. has been trying, for many months, to get military to agree to complete analysis of entire spectrum—with the goal of taking care of all needs in logical fashion. Craven's idea is termed a "patchwork" within this larger concept.

As expected, RCA-NBC and CBS are opposed. Whatever other reasons they might have, they certainly don't want their owned-&-operated stations to be shifted from Ch. 2-6 to some unknown channel from Ch. 7 on up—perhaps to channels beyond Ch. 13, giving them conversion problem comparable with uhf's. GE spokesman likes the idea, would go it one further—tacking on 11 more TV channels at top of Craven's band, for total of 36.

Many objectors complain that 25 channels are too few. Craven says that's true only if goal is to permit every small-town stations same power & height accorded metropolitan outlets—and he sees no need for that.

Craven claims that growing non-broadcast needs must be taken care of by shift such as he recommends—though he doesn't claim his particular proposal is final answer, by any means. He mentions "scatter" communications and satellite operations as very important demanders of spectrum.

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EIA's project of joint military-civilian spectrum analysis has had slow going. One traditional reason is that military always has been cavalier about civilian needs, satisfied that it can simply take whatever spectrum it wants when emergency strikes. Industry feels it would be far more logical to give each service, military or civilian, a reasonably "permanent" home—satisfying all needs and freeing civilian services from unnecessary threat of arbitrary usurpation.

There hasn't been a truly candid and complete evaluation of all spectrum uses in history of radio. Civilian users have done fair examination of their portion from time to time—but military has maintained closed door.

Top allocations figure in military picture is Paul Goldsborough, staff director for communications, Office of Secretary of Defense. He's man of considerable experience, once headed Aeronautical Radio Inc. Says he:

"I haven't had a chance to study Craven's memo, haven't given much thought to it. I've talked to him a number of times about such proposals, and I guess if you look at some of these things on a real long-range basis, you might be able to do something. One thing you must be aware of is that it would be tremendously costly in terms of equipment."

Craven acknowledges that it would cost "billions," but he states that much military equipment is obsolete or will be before long—and may as well be replaced with equipment in different portion of spectrum.

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TASO exec. director Dr. George Town submitted statement to Senate Commerce Committee, described what TASO is, outlined projects completed or underway. He didn't give details of any findings which might affect allocations policy.

He said that reports of 5 of TASO's 6 panels should be in by Aug. 31, but Panel 5—on "analysis & theory"—can't sum up work of others until end of year. Job of this important group is to "prepare and develop reliable propagation curves and analyze all pertinent engineering and technical factors having an influence on TV picture quality in order to establish standards of acceptable service in the vhf and uhf frequency bands."

Chairman of Panel 5 is Robert M. Bowie, Sylvania research director; vice chairman, Wm. B. Lodge, CBS v. p. for engineering & station relations. Chairmen of its committees are: Ogden L. Prestholdt, CBS-TV; Donald W. Peterson, RCA Labs; Howard T. Head, A. D. Ring & Assoc. (a chairman up to last Dec. 12), who has been succeeded by Wilson C. Wearn, WFBC-TV, Greenville, S. C.; Jack W. Herbstreit, Bureau of Standards.

Bricker's Good-Neighborism: Better relations with Latin America, through improved communications, is goal of S. Res. 317, introduced this week by Sen. Bricker (R-O.). "We hear repeatedly," he said, "that the U. S. has neglected Latin America. Some attribute the ill treatment of our Vice President, on his recent trip, to this feeling of being neglected. It is true that most of our attention has been directed toward Europe, the Near East and the Orient. It is also true that further neglect of Latin America will help the Communist cause there." He asked that special subcommittee be established, given $50,000 and asked to report by March 1, 1959 on feasibility of building network through Mexico and Central America to handle "telephone, telegraph, teletype, facsimile, radio & television." Bricker said we now rely solely on high frequency radio for U. S.-Latin American communications, "with their fadings and outages" and "some ancient cables." Exchange of TV-radio programs, he said, "would be of tremendous value." Subcommittee would comprise 4 members each from Committees on Foreign Relations, Commerce, Armed Services.

CATV Defends Itself: Community antenna operators have always shied away from any talk of govt. regulation, but in testimony before Senate Commerce Committee this wek (see p. 2), they came out and said they're not bull-headed about it—if FCC and Congress believe it's necessary. Incidentally, FCC has extended until July 7 the deadline for filing comments in its "small-town TV" inquiry (Vol. 14:21).

E. Stratford Smith, gen. counsel of National Community TV Assn., put it this way: "At the moment it is not clear that competition would not be more effective than regulation to assure the extension of the maximum amount of TV service to the largest number of people. Nevertheless, we are actively studying the possibility of legislation in a sincere effort to find the place in the national TV picture where CATV can serve the greatest public interest."

He didn't say, but it's well known, that some municipalities have come up with wild ordinances and taxes—and that CATV operators would much prefer Federal regulation to spread of such restrictions.

Among most interesting witnesses was Mrs. Charlotte Brader, mgr. of radio KOJM, Havre, Mont. and operator of CATV system there. She described how her organization weighed economics of station operation, decided CATV was only way to bring TV to town. She concluded: "Frankly, I am amazed at the turn of events that has taken place. We took every possible precaution to assure ourselves that we were doing nothing to jeopardize our position with the Commission. We had been assured by the TV broadcasters (whose signals were being received by us) that they were delighted with what we were doing. They enjoyed the additional benefits brought to them through the coverage we gave them. We cooperated in every respect." System gives public 3 signals.

Paul McAdam, operator of KPRK and CATV in Livingston, Mont., went step further: "Constructively, while we are cable system operators in Livingston, we intend to operate a small TV station and radiate local public expression and interest programs to everyone in Park County, when economic conditions will permit. We already have our camera chain of vidicon cameras, and local programs are sent down the leased channel on the cable system."

Glenn Flinn, system operator in Tyler, Tex., sought to offset the claims of injury presented by KLTV there (Vol. 14:22). He stated that 40% of KLTV was offered to him for \$200,000—and station showed him following earnings before depreciation and taxes: 1955, \$155,000; 1956, \$172,000; 1957, \$165,000. "The antenna company had a ready made audience for the station when it came on the air," he said, "and the station was able to operate in the black much earlier than many TV stations have."

Jerrold Electronics pres. Milton J. Shapp argued that uhf stations' demise in CATV towns scarcely could be blamed on CATV—because latter had too few subscribers to mean anything. His figures: Atlantic City, 400 subscribers; Elmira, N. Y., 500; Harrisburg, 1400; Tyler, Tex., 3000 (when uhf KETX-TV quit); Sacramento, 300; Fairmont, W. Va., 1432. Said he: "Our industry deplores the action of a small group of broadcasters who, before this Committee, would make the CATV industry the scapegoat of their economic difficulties."

Other CATV witnesses: W. L. Reiher, Twin Falls, Ida.; Archer S. Taylor, Kalispell, Mont.; Clifton W. Collins, Soap Lake, Wash.; Charles M. Crowell, Casper, Wyo. attorney; W. Randolph Tucker, Fairmont, W. Va. Brief statements were presented by following, after introduction by Sen. Yarborough (D-Tex.): O. L. Helm, mayor of Memphis, Tex.; Hiram L. Cudd, mayor of Wellington, Tex.; Dr. Jack Fox, alderman from Childress, Tex.

Interlocking ownership of CATV systems and TV-radio stations is still relatively rare, but it's expected to spurt. We know of 10: Aberdeen, Wash. system, by J. Elroy McCaw, stockholder in KTVW, Tacoma-Seattle; KTVR, Denver; KONA, Honolulu. Pottsville, Pa., by WRTA, Altoona, Pa. Laconia, N. H., by WWNH, Rochester, N. H. Fayetteville, Ark., by KHOG. Livingston, Mont., by KPRK. Havre, Mont., by KOJM. Rogers, Ark., by KAMO. Farmington, N. M., by KVOC, Casper, Wyo. (also Ch. 12 TV applicant for Farmington). Casper, Wyo., by Bill Daniels, stockholder in foregoing TV application. Kalispell, Mont., by Archer Taylor and associates, stockholders in off-air KGEZ-TV, Kalispell.

Rate increases: WSJV, Elkhart-South Bend, July 1 adds Class AA hour (7-10 p.m. daily) at \$400, min. at \$80, Class A hour remaining \$300. KRDO-TV, Colorado Springs, July 1 raises hour \$175 to \$225, min. \$35 to \$45. **Rate cut:** KTNT-TV, Tacoma, has cut base hour from \$900 to \$625, min. \$200 to \$130. **Canadian increases:** CKCO-TV, Kitchener, Ont. July 1 raises hour from \$450 to \$485, min. \$90 to \$110. CFRN-TV, Edmonton, Alta., July 1, hour \$400 to \$450, min. \$110 to \$125. CHCT-TV, Calgary, Alta., July 1, hour \$350 to \$380. CKVR-TV, Barrie, Ont., July 1, hour \$300 to \$350. CFQC-TV, Saskatoon, Sask. July 1, hour \$260 to \$280. CKRS-TV, Jonquiere, Que. April 1, hour \$250 to \$265. **Canadian rate cut:** CBOFT, Ottawa, Ont. has cut hour from \$315 to \$200.

TV tape jurisdictional dispute between Screen Actors Guild & AFTRA, which wants national referendum of both unions to decide issues (Vol. 14:24), was explored by NLRB at N. Y. hearing this week, agency directing both sides to submit written briefs by July 15.

Wm. Rosensohn, TelePrompTer v. p., resigns to take on promotion of Floyd Patterson-Roy Harris heavyweight title bout in Los Angeles Aug. 18.

Equipment shipments: RCA superturnstile antenna June 19 to WFBC-TV, Greenville, S. C. (Ch. 4), planning move to new tower site. RCA antenna June 11 to upcoming WFPK-TV, Louisville (Ch. 15, educational), planning Sept. start. Ampex Videotape recorders shipped to KGUL-TV, Galveston (Ch. 11) & WVUE, Wilmington-Philadelphia (Ch. 12); one bought by WTIC-TV, Hartford (Ch. 3).

Desilu-AFM 5-year contract signed this week in Hollywood provides for use of live music in recording of scores for TV films, at least 5 to be produced this year. Agreement calls for fixed flat payments to AFM's TV trust fund of \$125 for 1st reruns, \$62.50 for 2nd & 3rd, \$31.25 for 4th & 5th.

Closed-circuit TV in big N. Y. brokerage firm Bache & Co., and Los Angeles headquarters of E. F. Hutton & Co., brings ticker tape quotations into brokers' offices, customers rooms. Bache system installed by Siegler's Hallamore Electronics div.; Hutton's by Cohu.

Instantaneous audience-measuring system, termed "Instam," has been developed by Britain's TV Audience Measurement Ltd., will be tested shortly, according to TAM governing director Bedford Attwood.

Television Digest with ELECTRONICS REPORTS
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Trade Report
June 28, 1958

STATISTICS vs. PREDICTIONS—TAKE YOUR CHOICE: 1958 can be worst TV year since 1951 -- if you believe first half statistics and their normal projection for balance of the year. Or, it can be a pretty good year, all things considered -- if you credit the upbeat predictions of industry executives and their economists.

Statistical projection indicates 5,450,000 TV sets will be turned out this year, assuming historical patterns of 3/5 of total production coming in second half. That's lowest figure since 1951's 5,300,000 sets, compares with 6,400,000 in 1957. And, if the recession should continue and TV production fail to rise from present plateau, total production would sink to 4,350,000 sets -- lowest since 1949.

At midyear, 2,200,000 sets, a few thousand one way or other, had been built.

Production must be at 6,900,000 annual rate during second half if industry is to reach normal output. That's pretty high rate. Some closed facilities will have to be activated. As we warned earlier (Vol. 14:17), the "hour of decision" to meet that goal may have passed already.

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Industry leaders don't share this dim view, happily. We talked with several this week, culled comment of others from talks with distributors. We believe you'll be interested in what we heard -- it makes interesting reading in these dull times.

Robert L. Shaw, gen. marketing mgr., Sylvania -- "TV industry will have retail sales at least 3,800,000 in second half for 1958 total in excess of 6,000,000. This estimate, based on realistic appraisal of general economic outlook, is conservative. We expect 4th quarter will be much stronger than anticipated. Sylvania's incoming orders indicate our distributors & dealers share our confidence."

Robert A. Seidel, RCA exec. v.p.-consumer products -- "Enthusiasm over the prospect of business upturn this fall was evident throughout our recent distributor meetings across the country. We believe recession has reached bottom and that TV industry will enjoy a bigger than usual 2nd half. Color sets are selling well ahead of last year and we anticipate further increase this fall."

James M. Skinner, Philco pres. -- "Our distributor meeting in June was highly successful. I have received reports from the distributors about their dealer open houses and without exception they state that dealers all over America share their enthusiasm for the new Philco line. We at Philco expect an excellent TV year."

Hugh Robertson, Zenith pres. -- "June convention sales of TV, radio & hi-fi were substantially ahead of last year. Total dollar volume was approximately 10% above 1957 convention orders which in turn were ahead of 1956."

Paul V. Galvin, Motorola chairman -- "The electronics industry is rounding the recession corner and swinging wide on the curve to develop a momentum which will lead the nation's industries in the 1960's. TV sales by retailers this year will be about 6,000,000 units. Motorola's share is now running 15% ahead of last year."

Robert S. Bell, Packard-Bell pres. -- "We are approaching a business boom. Our profits already show a sizeable increase over comparable months last year."

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National Assn. of Purchasing Agents, whose membership includes all the major TV makers -- June reports indicate continuing improvement in production & new order position. "Of our agents, 39% report new order position better, 45% say no change, 15% show decrease. Also, 34% list higher production in June against 29% in May."

United Business Service, Boston -- "Key to upturn [from May] was improvement for first time this year in output of durable goods -- steel, automobiles, and to a lesser degree furniture and TV sets." U.S. News & World Report -- "Increases are scheduled in the output of TV sets." These are in line with highly bullish reports in semi-annual survey of economic conditions in all sections of the country by the American Bankers Assn., released this week.

Dealer Profits Up: NARDA's Cost-of-Doing-Business Survey, covering all 1957 operations of dealer members, released this week and available from NARDA (Merchandise Mart, Chicago), shows profits up 35% over 1956, gross sales up 1.4%. Survey revealed net operating profit was 1.6% on sales, attributed most of increase to a sharp rise in servicing revenue. TV-radio-phonos continued as best selling category representing about third of total business. TV dropped from 2nd to 3rd place among products expected to be best sellers in 1958, trailing laundry equipment and hi-fi phonos in that order. Air conditioners were next. Dealers report they expect to put most sales effort behind hi-fi, built-in kitchens, color TV -- in that order. Survey also showed 24% of dealers anticipate a rise in 1958 profits averaging 7.3% despite poor first half; 43% expect no change, 33% a decline averaging 15.5%. TV trade-ins declined in 1957 for the first time to 35% of sales compared with 43% in 1956. There was little trade-in business in air conditioners, freezers and dryers.

TV-Radio Production: TV set production was 81,999 in week ended June 20 vs. 76,029 preceding week & 116,302 in corresponding 1957 week. Year's 24th week brought total TV production to 2,018,158 vs. 2,458,088 last year. Radio set production was 160,531 (55,453 auto) vs. 162,575 (51,698 auto) preceding week & 229,967 (86,270 auto) in corresponding week last year. Radio output for 24 weeks was 4,356,742 (1,385,129 auto) vs. 6,497,386 (2,660,452 auto) in the 1957 period.

Trade Personals: John Q. Adams, CBS-Hytron sales v.p. since 1945, member of the historic Mass. family that gave the U. S. 2 presidents, who got into radio in 1922 via old Rauland Mfg. Co., then worked with Sears Roebuck and Champion Lamp Works, retired this week after 36 years in the industry; pres. A. L. Chapman will announce successor shortly . . . Pierre Boucheron, ex-RCA adv. mgr., ex-Farnsworth sales mgr., who was retired from Navy as captain and who recently joined Grimson Color Inc., N. Y. as sales mgr. (Vol. 14:24), is author of *How to Enjoy Living After Sixty*, book on "happy old age" just published by Archer House-The McBride Co., N. Y.; now 69, he has lectured on subject, is currently promoting new Scanoscope wide-screen closed-circuit TV system . . . Brig. Gen. David Sarnoff, RCA chairman, and Mrs. Sarnoff sail July 1 on Italian liner *Christofer Colombo* for Naples, plan month in Italy, go to Frankfurt Aug. 1, London Aug. 8, Brussels Aug. 17, Paris Aug. 21, returning by boat Sept. 2 . . . Peter J. Schenk, ex-GE, pres. of Air Force Assn., named asst. to Raytheon pres. Charles F. Adams . . . Justin L. Albers promoted to merchandise mgr., RCA Victor Radio and Victrola div. . . . H. J. Horstman promoted to Westinghouse TV service training supervisor . . . Jack Blaylock promoted to sales mgr., Westinghouse So. Cal. district, succeeding Don Burton . . . Daniel E. Brockover promoted to Westinghouse adv. media mgr., succeeding S. G. Symons, retired . . . Ray B. Cox, ex-Horn & Cox, Los Angeles, named gen. mgr. of Hoffman Sales Corp. of Cal., succeeding John B. Chadwell, now asst. national sales mgr. for radio & hi-fi . . . W. G. Pengelley promoted to district mgr. of Canadian Westinghouse, Toronto, in changes in which other district mgrs. named are: K. W. Fraser, Vancouver, B.C.; G. R. Raisbeck, Calgary; J. G. Johnson, Winnipeg; J. A. Tames, Montreal; C. F. MacNeil, Halifax . . . Jack Y. Burgess promoted to RCA Victor commercial sales & merchandising mgr.

DISTRIBUTOR NOTES: Motorola-Baltimore announces resignation of sales mgr. Arthur E. Selnick to become mfrs. rep . . . Gross Distributors, N. Y., which purchased Capehart from IT&T in 1956 (Vol. 12:18), now imports British hi-fi & stereo, exits appliance distributing business . . . Electrical Distributing Co., Portland, Ore., names Gus P. Kikes, ex-Hamilton Mfg., as Zenith sales mgr. . . . Zenith appoints Graybar, Little Rock, for all consumer products . . . Sylvania appoints Radio Specialty Corp., New Orleans, for all consumer products . . . Philco's Landsdale Tube div. appoints Milgray Electronics for transistors.

Merrill W. Applebee, of Burstein-Applebee, Kansas City, newly elected pres. of National Electronic Distributors Assn., accompanied by NEDA's new executive officer, Col. Gail S. Carter, spent June 25 in Washington establishing liaison with Electronic Industries Assn. and conferring with James D. Secrest, EIA exec. v.p. & secy. and his aide Tyler Nourse. Intermediary was J. A. (Shine) Milling, pres. of Howard W. Sams & Co. and chairman of EIA distributor relations committee as well as director of EIA parts div., who set up the conference, interrupting vacation in Beach Haven Terrace, N. J. for Washington trip. Col. Carter, ex-v.p., Merritt Transformer Co., Hollywood, Fla., has succeeded Herbert V. Hedeen as NEDA exec. officer in Chicago headquarters at 343 S. Dearborn St. Other new officers: Mauro S. Schifino, Rochester Radio Supply Co., Rochester, N. Y., chairman; V. N. Zachariah, Zack Radio, San Francisco, 1st v.p.; Roy J. Schneider, Walder Radio & Appliances, Miami, 2nd v.p.; Rubin Green, Green Tele-Radio Distributors, Brooklyn, N. Y., secy.-treas.

Obituary

William V. O'Brien, 58, GE v.p. & mgr. apparatus sales div., committed suicide in Scarsdale, N. Y., June 21.

William R. Winfield, 60, district mgr. of Graybar Electric, died in Seattle June 18.

Much Ado Over Fair Trade: Little new came out of wordy hearings this week on pros & cons of fair trade legislation before Senate Small Business Committee. Staunch, perennial advocates of Federal price maintenance laws urged adoption of 3 bills by Sen. Humphrey (D-Minn.) to (1) legalize manufacturers' minimum prices (S-3850); (2) prohibit loss leader sales (S-3851); (3) ban sales at unreasonable low prices to destroy competition (S-3852).

Expected Justice Dept. opposition to any price fixing legislation was voiced by Robert A. Bicks, anti-trust div.'s first asst. who vigorously defended discount houses, termed their lowering of distribution costs "precisely that economic result which effective competition, goal of the anti-trust laws, envisions." He said dept. survey showed 4 big D. C. stores, cut profit margins 10-25% in 1955 because of discount house competition, added consumer prices in 8 non-fair trade areas averaged 28% below prices in fair trade regions.

Major breakthrough in Administration opposition to any fair trade legislation came with admission by FTC Chairman John W. Gwynn he would favor strengthening Robinson-Patman Act to prohibit loss leader selling when purpose is to destroy competition. However, he reiterated agency's opposition to price maintenance legislation.

D. L. MacQuaig, GE mgr. of distribution for housewares and radio div., testified in favor of Humphrey bills, said GE sales this year "are appreciably below first 5 months of last year" when GE was still enforcing fair trade on these products (Vol. 14:9-10,18). He said there was a "slight increase" in his div.'s sales immediately after GE abandoned fair trade but sales slumped as dealers assumed "watchful waiting" attitude or dropped lines entirely.

Another advocate was Joseph Fleischaker, head of Will Sales Appliances, Louisville, and pres. of National Appliances & Radio-TV Dealers Assn., who blamed discount houses for plight of small dealers, said they fail to provide satisfactory service, thus "devaluate brand names in public eye."

Stephen Masters, pres. of giant discounter Masters Inc., told committee enforcing fair trade was like "telling the waves to stop rolling in," laws only serve to protect "lazy and inefficient retailers."

Note: Fair trade bill in House by Rep. Harris (D-Ark.) was stymied in Commerce Committee which concluded hearings in May (Vol. 14:19), reviewed measure this week, took no action.

Tax relief for small business was urged on Congress this week by Merrill W. Applebee, of Burstein-Applebee, Kansas City, new pres. of National Electronic Distributors Assn. He said adoption of pending bill (HR-11258) providing net income deduction equal to additional investment in depreciable assets, inventory or receivables, but not to exceed 20% of net income or $30,000, would be "a positive stimulant for small business" and "a logical answer to pressing problem of lack of working capital."

Packard-Bell's 1959 TV line includes 3 color models—one of few to back RCA's bid for color competition (Vol. 14:25). Prices were not announced as new sets were shown distributors in Los Angeles this week. Also in new line are 6 radio-phono combinations, one with tape recorder, a new hi-fi phono, a TV-hi-fi stereo combination. Five of 14 new TV models are equipped for stereo. TV line features both wired and remote control.

PLANT SHUTDOWNS for vacations, traditional in industry to fulfill union contracts, give management opportunity to check inventories in preparation for fall lines, as reported to EIA:

Set manufacturers: GE, July 7-20; Magnavox, June 30-July 20; Motorola, June 30-July 13; Olympic, June 30-July 14; Packard-Bell, June 30-July 13; Philco, July 21-Aug. 3; RCA, July 21-Aug. 3 (Bloomington, June 26-July 14); Sylvania, July 21-Aug. 3; Warwick, June 30-July 13; Wells-Gardner, June 30-July 7; Westinghouse, July 7-20.

Tubes: CBS-Hytron, June 30-July 13; Eitel-McCullough, July 28-Aug. 10; Federal, June 30-July 13; GE, July 7-20; Raytheon, June 30-July 13; RCA, July 21-Aug. 3; Sylvania, July 21-Aug. 3; Tung-Sol, July 14-27; Westinghouse, July 14-27.

Components and others: Adler, June 30-July 13; Amphenol, July 7-20; Chicago Condenser, June 30-July 13; Erie Resistor, June 30-July 15; International Resistance, July 7-20; Texas Instruments, June 30-July 11.

Add stereo lines: Week saw 4 phono makers announce new 1959 lines of stereo & monaural instruments, radios and tape recorders. Symphonic showed distributors in N. Y. 27 models ranging from a 3-speed manual phono at $20 to hi-fi stereo 2-piece ensemble including AM-FM at $795. Tele-tone entered stereo market with 14 models ranging from $25 to $100; also, radios & clock radios from $13 to $40. Steelman showed distributors, also in N. Y., 20 new monaural and stereo phonos ranging from $25 for a 4-speed manual phono to a 6-speaker AM-FM combination priced at $500. Capitol Records, in Los Angeles, showed distributors 11 hi-fi phonos, most of them equipped for stereo, ranging from 4-speed manual portable at $40 to stereo console at $350.

Motorola joins Drexel Furniture Co., designing & producing 3 furniture groupings which incorporate TV and hi-fi. New Motorola lines were shown distributors this week but details withheld until end of presentations. Trade reports indicated TV line includes 10 table & console models, 6 portables, some stereo hi-fi models. TV prices range from $200 to $370, feature wireless remote control.

Brief walkout by 1400 members of American Federation of Technical Engineers at RCA's Camden, Moorestown & Cherry Hill, N. J. plants (Vol. 14:25) ended this week with contract-reopening agreement on 4% pay increase, merit review plan improvements, liberalization of seniority provisions.

Chicago Furniture Mart dates, changed last week to July 6-16, 1959 (Vol. 14:25), have been reset for original June 22-July 2 period due to conflict with previous hotel commitments.

In Fortune's '500 Club': Among the nation's top 500 industrial corporations in 1957, as ranked by July *Fortune* in its 4th annual tabulation, are 24 which may be catalogued as TV-radio-electronics manufacturers, bearing in mind that most are also identified with other products.

For our purposes, we've culled only those firms directly or indirectly concerned with "entertainment electronics" (our basic field) for the listings herewith reprinted with permission of *Fortune*. For that reason, some companies in our *Fortune* reprint of 1956 companies last year (Vol. 13:31)—aren't included this time.

The 2 top TV-radio manufacturers' parent companies —RCA and GE—again rank high in *Fortune's* roster of bigness, GE holding 5th place both years, RCA rating 29th place in 1957 vs. 25th in 1956. Other major brand names on 1957 list: Philco (116), Sylvania (120), Motorola (192), Admiral (256), Zenith (299), Magnavox (397). Notable absentee from *Fortune's* 1957 roster: Emerson Radio (424th among 500 in 1956). Notable newcomer: Texas Instrument (487th in 1957).

Note: *Fortune's* annual list of 100 largest foreign industrial companies will be published in Aug. issue, along with compilations of 50 biggest banks and merchandising, transportation, life insurance & utility companies. Combined reprints of all lists will be available Aug. 1 from Fortune Directory, Room 1430, 9 Rockefeller Plaza, N. Y., one copy free to subscribers, 25¢ each for additional copies.

TV-Radio-Electronics Rankings Among 500 Largest U. S. Industrial Corporations

RANK '57	RANK '56	COMPANY	SALES [1] ($000)	ASSETS [2] ($000)	'57	'56	NET PROFITS [3] ($000)	'57	'56	INVESTED CAPITAL [4] ($000)	'57	'56	EMPLOYES [5]	RANK
5	5	General Electric	4,335,664	2,361,319	10	10	247,852	9	10	1,231,273	12	12	282,029	2
11	9	Western Electric	2,480,136	1,328,922	19	19	84,608	20	25	775,402	19	22	144,055	7
14	17	Westinghouse Electric	2,009,044	1,400,683	18	18	72,653	25	397	821,350	18	17	128,572	9
20	28	General Dynamics	1,562,539	570,605	58	73	44,279	19	78	225,278	91	116	91,700†	14
29	25	Radio Corp. of America	1,170,905	751,644	38	35	38,549	63	61	288,382	71	71	78,000†	18
51	65	Bendix Aviation	707,000	370,089	90	96	27,499	90	95	205,125	99	103	50,221	38
58	73	Int'l Tel. & Tel.	638,669	799,873	30	30	22,413	102	89	375,440	51	51	128,000†	10
97	99	Whirlpool	402,322	217,592	138	147	10,592	198	160	103,932	187	183	16,602	125
116	105[6]	Philco	357,961	195,167	157	136	4,363	357	486	100,460	193	185	19,983	101
120	113	Sylvania Electric	342,957	247,311	121	120	12,656	172	145	137,406	135	125	27,000	76
133	121	Avco Manufacturing	314,883	159,753	189	159	12,833[7]	169	495	90,392	205	217	22,000	92
143	169	ACF Industries	294,592	196,472	151	162	9,033	230	255	118,025	156	151	18,198	113
167	223	Raytheon	259,865	127,220	233	268	6,860[8]	277	472	49,651	336	360	28,347†	69
192	180	Motorola	226,361	121,879	212	244	7,824	258	257	66,172	269	271	11,000	191
230	254	General Precision	185,094	132,374	226	231	4,264	362	446	61,571	286	305	15,500	131
256	214[9]	Admiral	161,128	102,116	271	258	965	479	479	58,123	303	288	8,000	270
261	243	Corning Glass	159,070	142,697	215	210	16,533	125	119	102,643	189	186	13,600†	149
274	267[10]	Zenith Radio	148,459	97,239	288	320	8,166	216	304	64,450	275	326	NA	
301	285[11]	Collins Radio	123,828	67,640	369	382	2,699	423	411	24,382	460	463	8,500	247
397	438	Magnavox	87,468	48,492	416	455	3,759	385	413	22,591	466	475	5,350	352
430	450	Mallory (P. R.)	77,580	57,973	403	413	3,138	406	415	31,834	425	422	5,274†	356
444	487	Daystrom	74,402	50,197	438	460	2,459	437	461	28,420	414	441	7,175†	297
469	477	Arvin Industries	69,706	31,346	486	485	3,690	387	389	24,308	461	464	4,212	403
487	—	Texas Instruments	67,339	37,716	480	—	3,765	384	—	19,640	471	—	5,500†	350

[1] Net sales, including service & rental revenues for companies that derive at least 50% of their revenue from manufacturing or mining, for fiscal years ending not later than Jan. 1, 1958. Sales of consolidated subsidiaries included; excise taxes collected by the manufacturer not included. [2] Total assets employed in business net of depreciation & depletion, but including govt. securities offset against tax liabilities. [3] Including special charges or credits; nonrecurring items of a non-operating nature are footnoted when they are 10% of total profit or loss. Figures in parentheses are losses. [4] Capital & surplus (i.e., net worth). [5] Average employment for year unless followed by dagger (†), in which case year end. [6] Without excise tax would have ranked 111 in sales in 1956. [7] Includes special credit of $2,363,193. [8] Includes nonrecurring gain of $2,032,000. [9] Without excise taxes would have ranked 229 in sales in 1956. [10] Without excise taxes would have ranked 292 in sales in 1956. [11] Without excise taxes would have ranked 286 in sales in 1956.

ELECTRONICS PERSONALS: **Phillip Zonne**, chairman of American Electronics, Los Angeles, adds duties of pres., succeeding **Arthur Lamel**, resigned; **George Otis** promoted to v. p. . . . **Joseph Starr** promoted to industrial sales mgr., Pyramid Electric, No. Bergen, N. J. . . . **Boyce Adams**, ex-Robertshaw-Fulton Controls, named head of Wayne Kerr Corp., Philadelphia, new subsidiary of British Wayne Kerr Ltd. . . . **Richard H. Chamberlain** promoted to product design mgr., Eitel-McCullough, San Bruno, Cal. . . . **George W. Fenimore** promoted to asst. v. p., Ramo-Wooldridge . . . **Wm. L. Sparks** promoted to mgr., Westinghouse Pacific coast defense products div. . . . **James H. Schaefer** promoted to mgr., Amphenol's new western div., Chatsworth, Cal.

Ronald M. Robinson, v.p. & gen. mgr. of Canadian GE's electronic equipment and tube dept., elected pres. of Electronic Industries Assn. of Canada which changed name last week from RETMA of Canada.

Avco earnings rose 19% in 6 fiscal months ended May 31 to $6,210,485 (67¢ per share) from $5,232,621 (56¢) year earlier despite decline in sales to $140,219,487 from $165,016,259. Backlog of defense orders (electronic & airframe equipment, aircraft engines) totaled $125,000,000 at end of half year. Consolidated figures aren't broken down by subsidiaries but include those for highly profitable Crosley, which owns WLWT & WLW, Cincinnati; WLWC, Columbus; WLWD, Dayton; WLWA, Atlanta; WLWI, Indianapolis.

Guild Films, which recently made big foreign TV distribution deal with Standard Sulphur Co. to form Inter-World TV Films Inc. (Vol. 14:23), increased gross film rental income to $3,391,201 in first half of fiscal year ended May 31 vs. $2,612,455 year earlier. Income before Federal income taxes in 6 months was $261,621 vs. $452,383 in 1956-57 period, loss of $318,011 in first 1957-58 quarter being wiped out by second-quarter earnings.

COMMON STOCK QUOTATIONS

Week Ending Friday, June 27, 1958

Electronics TV-Radio-Appliances Amusements

Compiled for Television Digest by
RUDD & CO.
Member New York Stock Exchange
734 15th St. NW, Washington 5, D. C.

NEW YORK STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg
10⅝	7	Admiral	10¼	+½
26½	19⅜	AmBosch .30c	25⅜	+1⅝
18	13	AmBcstg-Par 1	18⅛	+⅞
37⅞	32¼	AmM&F 1.60	37	+1½
179½	167⅞	AT&T 9	178⅝	+1⅛
27⅞	22⅜	Amphenol 1.20	26⅜	+⅜
29⅞	23⅝	Arvin ¾e	24½	+¼
7¼	5⅝	Avco .30c	7½	+⅞
25¾	18⅛	BeckInst	21	+1⅜
55⅜	44½	BendixAv 2.40	54¾	+⅞
36⅞	27⅝	Burroughs 1	34⅞	−⅛
18⅜	15¾	Clevite ½c	16½	−⅛
32	24½	CBS "A" 1b	31	+⅜
31¾	24⅛	CBS "B" 1b	30½	+⅞
18	12½	Col Pict ⅜t	16¼	−½
35¼	27⅞	Cons Elec .40	31	+1
26¾	19½	Cons Electron	24	+¼
17¾	12¾	Cor-Dub .40e	16¾	−⅝
86¾	74⅝	CornGlass 1a	83¼	−¼
3⅝	3	Davega	4⅛	+⅝
36⅜	30	Daystrom 1.20	35½	+1
16¼	13⅞	Decca 1	15	—
24⅞	14	Disney .40h	23¼	+⅝
113	97⅛	EastKod 2.20e	112¼	+1¼
39⅝	29	EmerElec 1.60	39⅝	+⅞
7⅛	4⅛	EmersonRadio	7	+⅛
8½	7	Gabriel ¼e	7¾	−⅛
65¾	55	Gen Dynam 2	57⅛	−¾
64¼	57	Gen Electric 2	59	+¼
9⅜	4⅝	Gen. Inst. .15g	8⅞	+⅜
41	28½	GnPrEquip.85e	32⅛	−¼
30	22¼	Gen Tire .70b	25¼	+⅝
50¾	40⅜	Gen Teleph. 2	50	+⅞
29⅝	21	HoffmanElec 1	28½	+¼
374	300	IBM 2.60	368	−4¼
37⅝	29¼	IT&T 1.80	38¼	+1½
41½	36⅛	I-T-ECirB .90e	37¼	+¼
7⅞	6¾	ListIndust ¼e	7¼	+⅛
53	36⅞	Litton Ind.	51¾	+½
17½	12⅞	Loew's	17¾	+1
37½	30¼	Magnavox1½b	38⅛	+2⅛
28¾	23⅝	Mallory 1.40b	25⅝	−⅜
92¼	76	Mpls.H'll 1.60a	90	+1
42¼	35	Motorola 1½	40	+1
9¼	7⅜	Nat'l Thea ½	8	−½
40⅛	30⅝	Paramount 2	38⅝	+¼
17⅛	12⅜	Philco	16⅛	+1
36⅜	30¼	RCA 1a	34¾	+½
35	21½	Raytheon 1¼t	33⅛	+1⅝
7⅛	5	Republic Pic	6⅜	+⅛
31¾	25⅛	Sang Elec 1.80	25¼	−½
16⅛	12¾	Siegler .80	12⅞	−¼
4⅛	2¾	Sparton	4¼	+⅛
20⅝	17¼	SperryRan .80	19¼	−¼
8⅝	6	Standard Coil	8	+⅛
18	14½	Stanley-War 1	17½	+⅜
34⅜	29	Stew Warn 2b	35⅛	+1½
25⅜	20	StnrBcstg 1.80	24½	+½
37½	31½	Sylvania 2	35½	−⅜
40¼	26¾	Texas Instru	39⅜	−½
55¼	41⅜	ThomProd 1.40	50	+2
26⅞	23¼	Tung-Sol 1.40b	22⅞	−2⅜
31½	21¾	20thC-Fox 1.60	29½	+¼
23⅝	15¼	UnitedArt. 1.40	21⅞	—
22⅝	18½	Univ. Pict.	21½	—
20⅜	16⅞	WarnBros 1.20	20	+¾
65½	55½	Westingh El 2	56¼	−¼
86½	67½	Zenith ½h	83	+2

AMERICAN STOCK EXCHANGE

1958 High	Low	Stock and Div.	Close	Wk. Chg
4⅝	2⅞	Allied Artists	4⅛	−⅛
45	34½	Allied Con 1a	38½	+⅛
15⅛	10¼	Am Electro	10⅝	−1⅝
10⅛	8⅜	AssocArtProd	9	+1¼
14⅞	7¼	AudioDev	13¾	−¼
10⅛	7⅜	BelockInst ⅛t	9	+½
2	1⅝	Cin'ma Inc.	1⅜	−½
3¾	2⅞	Clarostat .15g	3¼	+⅛
5⅝	3	DuMont Lab	4⅝	+½
4⅛	2⅞	Dynam Am	3⅝	—
15⅞	10	ElectronicCom	15⅜	−⅞
7⅞	6⅜	Electronics Cp	7¼	—
31⅝	19½	FairchCam½g	24⅛	−⅜
24⅞	17¼	General Trans	20⅞	−½
17¼	14⅝	Globe Un .80	15¾	—
3⅞	2½	Guild Films	3⅞	—
41	30½	Hazeltine 1.40b	40	—
2⅞	2	Herold Ra .05p	2⅝	+⅜
4⅝	3¾	Int Resist .20	4	+⅛
7⅛	4¼	Lear	6⅝	—
¾	⅜	Muntz TV	9/16	−2/16
4¼	2½	Muter Co. ¼t	3⅞	−⅛
9¼	5⅝	Nat'l Telefilm	8⅛	−⅜
6⅞	2¾	Norden-Ketay	3	—
3⅝	2⅞	Oxford El .10r	3	−⅛
16	11	Philips El	13½	+⅜
11⅛	6⅝	Servomech ⅛t	10⅝	+1½
6	3⅝	Skiatron	4⅞	+⅛
5¾	3½	Technicolor	5¼	−¼
8⅞	7¾	Telev Ind.	8	−¼
6	3½	Trans-Lux .20g	6	+1
4⅞	3¾	Victoreen Inst.	4⅜	+½

OVER THE COUNTER AND OTHER EXCHANGES

(Latest Available Data)

	Bid	Asked
Advance Ind	2 5/16	2 7/16
Aerovox	4⅛	4½
Altec Co. .80	7¼	7¾
AMP Inc .50	30	30½
Ampex	70	71
Baird Atomic	7¼	8
Cinerama Prod.	2 1/16	2¼
Cohu Electronics	6⅝	6⅞
Collins "A" .35	14¼	14¾
Collins "B" .35	14¼	14¾
Cook Elec. .40d	17⅜	18¼
Craig Systems	6⅜	6¾
Metropolitan Bcstg.	7½	7⅞
Eitel-McCullough (5% stk)	25½	26½
Elec Assoc (stk)	38¾	39¾
Erie Resistor .40b	6¼	6½
Friden Inc. 1	53	54
Giannini, G. M.	13½	14
Granco Products .05	1	1¼
Gross Telecasting 1.60	19½	20½
Hewlett-Packard	27½	28
High Voltage .10g	30¾	31½
Hycon	2 3/16	2⅜
Indiana Steel Prod. 1.20a	18½	19
Jerrold	2	2¼
Ling Electronics	6¾	7
Leeds & Northrup .60b	22¼	23¼
Machlett Labs .25g	16¼	17
Magna Theatre	1⅜	1¾
Maxson (W. L.) .05	6¼	6⅝
Meredith Pub. 1.80a	30¾	31¾
National Co. (4% stk.)	11	11¾
Oak Mfg. 1.40	12¼	12¾
Official Films .10	15/16	1 1/16
ORRadio	16	17
Pacific Mercury TV	9	9¼
Packard-Bell .50	12⅝	12⅞
Panellit	5⅛	5½
Perkin-Elmer	24¼	24¾
Philips Lamp (14% of par)	38	38½
Reeves Soundcraft (stk.)	3¼	3¾
Sprague Electric 1.20	31½	32¼
Taylor Instrument 1.20	27½	28
Tele-Broadcasters	2	2½
Telechrome .30	8⅝	9
Telecomputing	4	4⅜
Teleprompter (stock)	6¾	7½
Time Inc. 3.75	60½	61¼
Topp Industries (stock)	8⅝	9
Tracerlab	6¼	6⅝
Trav-Ler	1½	1⅝
United Artists	5⅛	5⅜
Varian Associates	19⅛	19½
Webcor .15c	10	10¼
Wells-Gardner	7⅞	8¼
WJR Goodwill Sta. .50d	13⅞	14¼

Rates of dividends in table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included. a Also extra or extras. b Annual rate plus stock dividend. d Declared or paid in 1957, plus stock dividend. e Declared or paid so far this year. f Payable in stock during 1957; estimated cash value on ex-dividend or ex-distribution date. g paid last year. h Declared or paid after stock dividend or split-up. k Declared or paid this year, an accumulative issue with dividends in arrears. p Paid this year, dividend omitted, deferred or no action taken at last dividend meeting. r Declared or paid in 1958, plus stock dividend. t Payable in stock during 1958, estimated cash value on ex-dividend or ex-distribution date. y Liquidating dividend. * No trade

Baseball TV Blackout? Organized baseball had its way—all the way—in House this week with passage by voice vote of legislation to exempt pro sports from anti-trust laws and permitting inter-club agreements to restrict telecasts of games (Vol. 14:25). Measure now goes to Senate, where Sen. Hennings (D-Mo.) introduced companion bill.

House rejected Celler bill (HR-10378), recommended by Judiciary Committee, which authorized "reasonably necessary" big league TV geographic rules to protect minor clubs from home-area telecasts of major games. Instead it voted for substitute—favored by all baseball interests—giving blanket exemptions from monopoly laws to baseball, football, basketball, hockey.

Only such pro sports business as stadium operations & concessions apparently would be subject to anti-trust regulation under terms of substitute sponsored by Reps. Keating (R-N. Y.), Walter (R-Pa.), Miller (R-N. Y.) & Harris (D-Ark.) In sometimes acrid floor debate, Rep. Celler (D-N. Y.) termed substitute a "peanut" bill, warned:

"Virtually the entire United States can be blacked out from telecasts of major league baseball games, whether or not the blackout is needed to protect minor league territories. Major leagues can black out all of the U. S. free TV so they can charge for your viewing the games on pay TV, or by way of closed circuit."

Celler also prophesied that if bill is finally enacted: "Commissioners could blacklist, boycott, and censor sports announcers & commentators on TV and radio broadcasts."

As principal floor spokesman for substitute, Keating argued there was little opposition to freeing pro sports from constant threats of anti-trust action by Justice Dept., that main difference between Celler bill & Keating-Walter-Miller-Harris measure was "reasonably necessary" qualification.

Still more honorary degrees and other academic distinctions (see also Vol. 14:18, 23-25): Fred D. Wilson, IT&T v.p. for industrial relations, onetime RCA & Bendix executive and later pres. of Capehart-Farnsworth, awarded Doctor of Humanities degree by Philathea College, London, Ont., theological school; same distinction also was bestowed last week on J. Harry LeBrum, gen. counsel for Machlett Labs and Grover Electronic Tube Corp. and ex-Signal Corps general. Daniel E. Noble, Motorola ex-research chief and now its v.p. in charge of communications & industrial electronics and semiconductor & military products divisions, engineering graduate of Harvard & MIT and onetime asst. prof. of electrical engineering at U of Conn., awarded special citation by Indiana Technical College, Ft. Wayne. Other awards: To John S. Knight, publisher of *Miami News* and other newspapers, with interests in WCKT, Miami and WAKR-TV, Akron, Doctor of Laws, Kent State U, Kent, O.; Harry S. Ashmore, editor of *Little Rock Arkansas Gazette* (KTVH), Doctor of Laws, Oberlin College; Barry Bingham, publisher of *Louisville Courier-Journal* and *Times* (WHAS-TV & WHAS), Doctor of Laws, Kenyon College.

More diversification by CBS: CBS Inc. is partner with Los Angeles Turf Club, operator of Santa Anita racetrack and Lake Arrowhead projects, in newly opened Pacific Ocean Park, outdoor amusement center at Santa Monica, on outskirts of Los Angeles, where its CBS-TV Enterprises (Sydney Rubin, mgr.) has already lined up such firms as Coca-Cola, Bank of America, Westinghouse, Union Oil, Foremost Dairies as exhibitors. Directed by Wm. Jaynes & Ben O'Dorisio, Coney Island-like project charges admissions up to 90¢, looks like another profitable investment by big network firm, a la its 40% in *My Fair Lady* and 10% in *Around the World in 80 Days*.