

WEEKLY Television Digest

JULY 2, 1962

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NEW SERIES VOL. 2, No. 27

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

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

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Consumer Electronics

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CURRENT CAPSULES

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

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

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

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

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

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

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

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

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

Personals

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Trade Personals

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Ampex	1962—year to Apr. 30	\$84,106,000 ¹	—	\$3,203,000 ²	\$0.41	7,786,457
	1961—year to Apr. 30	70,105,000	—	(3,930,000)	—	7,718,257
	1962—qtr. to Apr. 30	25,298,000	—	1,891,000	.24	7,786,457
	1961—qtr. to Apr. 30	17,032,000	—	(2,627,000)	—	7,718,257
Hallicrafters	1962—9 mo. to May 31	51,417,000 ¹	—	1,384,000 ¹	.57	2,429,000
	1961—9 mo. to May 31	44,853,000	—	1,125,000	.46	2,416,800
	1962—qtr. to May 31	15,818,000 ¹	—	512,000 ¹	.22	2,429,000
	1961—qtr. to May 31	15,194,000	—	397,000	.16	2,416,800
Heli-Coil	1962—year to Apr. 30	8,650,325	\$2,508,297	1,236,297	1.77	699,442
	1961—year to Apr. 30	7,258,132	1,836,299	904,299	1.31	690,798
Lynch Corp. (Symphonic)	1962—qtr. to Mar. 31	3,625,180	—	(234,386)	—	918,025 ³
	1961—qtr. to Mar. 31	3,915,000	—	(46,254)	—	692,772
Muntz	1962—9 mo. to May 31	8,862,321	—	783,689	.56 ⁴	1,409,982
	1961—9 mo. to May 31	7,088,992	—	483,075	.34 ⁴	1,179,876
	1962—qtr. to May 31	2,605,028	—	182,799	.13 ⁴	1,409,982
	1961—qtr. to May 31	1,890,591	—	78,139	.05 ⁴	1,179,876
Pacific Industries	1962—9 mo. to May 31	17,784,684	—	606,091	.32	1,887,239
	1961—9 mo. to May 31	12,988,921	—	1,152,586	.67	1,731,968
Tele-Broadcasters	1961—year to Dec. 31	1,178,563	—	(83,509)	—	307,451
	1960—year to Dec. 31	1,281,839	—	24,267	.04	307,451

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

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

Common Stock Dividends

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

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

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

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

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

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

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

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

WEEKLY **Television Digest**

JULY 9, 1962

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NEW SERIES VOL. 2, No. 28

NAB LIBRARY JUL 9 1962

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

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Broadcast

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

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

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

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

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

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

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

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

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

Consumer Electronics

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CURRENT CAPSULES

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

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

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

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

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

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

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

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

Personals

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

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

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

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

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

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

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

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

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

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

Obituary

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

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

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

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

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

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

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

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

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

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

STATIONS BROADCASTING IN FM STEREO

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

**STATIONS PREPARING FOR STEREO
(Summer or Fall)**

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

TOPICS & TRENDS

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

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

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

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

Trade Personals

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

Dan J. Cuddy named Packard Bell financial planning dir.

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

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

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

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

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

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

Obituary

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

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

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

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

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

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

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

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

Capital Cities Bestg. John P. McGrath bought 1,600 in April, held 39,666. Donald A. Pels bought 500, held 2,500.

Lowell Thomas bought 3,200 in April, held 116,767.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Financial Reports of TV-Electronics Companies

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

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

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

dividends.

Common Stock Dividends

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

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

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

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

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

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

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

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

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

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

JUL 16 1962

WEEKLY **Television Digest**

JULY 16, 1962

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NEW SERIES VOL. 2, No. 29

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

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

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

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

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

Consumer Electronics

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CURRENT CAPSULES

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

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

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

Public inspection of network affiliation contracts is proposed by FCC, as we revealed in Vol. 2:28 p1. Industry comments are due Aug. 20, replies Sept. 4. Full text of proposal isn't yet available but Commission said: "The proposal relates to network affiliation contracts and related agreements and understandings filed in that connection, but not to transcription contracts or individual broadcast station financial reports."

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

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

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

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

Personals

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TOPICS & TRENDS

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

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

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

Trade Personals

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

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

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

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

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

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

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

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

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

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

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

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

Obituary

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

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

TV-RADIO DISTRIBUTOR SALES

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

TELEVISION PRODUCTION

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

RADIO PRODUCTION

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

PHONO DISTRIBUTOR SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	48,423	171,305	219,728	74,881	211,268	286,149
February	50,563	188,857	239,420	54,097	210,365	264,462
March	60,206	236,051	299,257	59,290	231,021	290,311
April	54,615	146,577	201,192	48,532	173,585	222,117
May	65,192	130,372	195,564	55,057	164,400	219,457
TOTAL	281,999	878,162	1,155,161	291,857	990,639	1,282,496

PHONO FACTORY SALES

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

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

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

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

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

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

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

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

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

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

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

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

Financial Reports of TV-Electronics Companies

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

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

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

assets & equipment. ² Record.

Common Stock Dividends

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

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

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

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

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

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

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

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

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

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

JUL 23 1962

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WEEKLY **Television Digest**

JULY 23, 1962

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NEW SERIES VOL. 2. No. 30

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

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

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

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

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

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

Consumer Electronics

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CURRENT CAPSULES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Personals

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

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

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

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

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

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

Here's story behind new color tube bulb proposals:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TOPICS & TRENDS

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

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

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

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

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

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

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

Trade Personals

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

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

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

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

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

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

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

Obituary

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

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

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

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

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

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	802,061	15,625,304	29,592,000	24,789,000
February	733,670	13,944,313	27,977,000	23,841,000
March	817,830	15,580,149	34,884,000	29,743,000
April	758,539	14,253,425	31,016,000	25,838,000
May	703,255	13,676,659	30,251,000	25,802,000
Jan.-May 1962	3,815,355	\$73,079,850	153,720,000	\$130,013,000
Jan.-May 1961	3,768,345	75,083,743	147,291,000	124,511,000

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Common Stock Dividends

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

Financial Reports of TV-Electronics Companies

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

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

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

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

WEEKLY **Television Digest**

JULY 30, 1962

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NEW SERIES VOL. 2, No. 31

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

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

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

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

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

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

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

Consumer Electronics

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

As we indicated recently, commercial interests will ride this wave, too—bonanza in telecasting equipment sales, hiked market for vhf-uhf sets, improved prospects of uhf receiver circulation (Vol. 2:22 p1).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CURRENT CAPSULES

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

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

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

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

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

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

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

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

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

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

Personals

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

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

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

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

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

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

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

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

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

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

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

Obituary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Trade Personals

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

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

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

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

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

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

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

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

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

Obituary

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

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

U.S. tariff policy has had effect of "increasingly importing" foreign labor in face of "a continuing & unresolved high unemployment problem at home," Sprague Electric Chmn. Robert C. Sprague last week told Senate Finance Committee holding hearings on proposed trade expansion act. Representing EIA as chmn. of its Electronic Imports Committee, Sprague emphasized that imports of highly manufactured goods have risen sharply over recent years while U.S. exports of such products have deteriorated. "It is obvious that our competitive position is declining very steeply both at home & abroad in highly competitive manufactures," he said. Prime cause, he noted, is difference in wage rates. He noted that Japanese wage rates are 1/2 or less than U.S. rates, but Japanese electronics shipments to U.S. have soared from \$250,000 to \$120 million between 1955 & 1961.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Siemens & Halske, leading German electrical equipment manufacturer, has borrowed \$25 million at 5¼% from U.S. banks. Some \$20 million of loan, due 1977, will go to finance operations in Western Hemisphere.

Magnavox has increased quarterly dividend 5¢ to 17½¢ a common share, payable Sept. 15 to holders of record Aug. 24.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Lear Siegler	Q	\$0.10	Sep. 4	Aug. 10
Lear Siegler	Stk.	3%	Sep. 17	Aug. 10
Magnavox	Q	.17½	Sep. 15	Aug. 24
P. R. Mallory	Q	.35	Sep. 10	Aug. 10
National Video-A	Q	.12½	Aug. 27	Aug. 10
Stanley Warner	Q	.30	Aug. 24	Aug. 10
Stewart-Warner	Q	.35	Sep. 12	Aug. 17
Stewart-Warner	Stk.	5%	Sep. 12	Aug. 17
TV-Electronics Fund	—	.03	Aug. 31	Aug. 3
Texas Instruments	—	.20	Sep. 14	Aug. 14
Tung-Sol	Q	.17½	Sep. 1	Aug. 10
Warner Bros.	Q	.12½	Nov. 5	Oct. 11
Westinghouse	Q	.30	Sep. 1	Aug. 6

Zenith At Zenith: Record sales & earnings were racked up by Zenith in 1962's first half & June quarter (see financial table). Jan.-June profits jumped 30% to \$7 million on 25% sales gain to \$146 million. June-quarter earnings rose to \$2.3 million from \$1.9 million, sales climbed to \$64.5 million from \$52.7 million.

Unit factory shipments of b&w TVs rose to record levels during first half, as did distributor sales to dealers, Chmn. Hugh Robertson & Pres. Joseph S. Wright reported, resulting in Zenith "attaining an all-time high percentage of industry sales." Combined factory & distributor TV inventories were up over a year ago, but down 21% from year earlier "as a ratio to June sales." Increase in sales of console & combination TVs accounted for 30% of distributors' unit sales gain during period.

Zenith noted that first-half unit factory shipments & distributor sales of radios set records, and factory unit shipments of stereo phonos were "at an all-time high." Company also noted it is "pleased with the acceptance & sale of its new color TV receivers."

Westinghouse Earnings Soar: Westinghouse's earnings in both first half & June quarter showed marked gains over a year earlier (see financial table). Although 2nd-quarter sales increased only 2.5%, earnings jumped 31% to \$13.7 million. For first half, earnings improved 30.4% to \$25.5 million from \$19.6 million in Jan.-June 1961, sales rose 4% to \$957 million from \$920.4 million.

Pres. Mark W. Cresap Jr. & Chmn. Gwilym A. Price attributed improved performance to increased sales in consumer, construction, defense & space markets.

Thompson Ramo Wooldridge earnings in 1962's first half more than tripled to \$6.4 million from \$2 million in Jan.-June 1961 (see financial table). Sales climbed to \$231.6 million from \$200.9 million. All product divisions contributed to gain. Electronic products & services volume soared 44%. Chmn. J. D. Wright & Pres. H. A. Shepard said "we are forecasting a new record high for sales this year and are reasonably confident that earnings will exceed the 1959-60 level." They made forecast "mindful of the economic storm clouds that have been appearing and which could affect the nation's business climate & our consumer markets in the months ahead."

GT&E Rings Up Record Half: GT&E's first-half earnings rose 13% to record \$38.4 million on 11% sales rise to \$649.3 million, also a record (see financial table). Chmn. Donald C. Power reported substantial gains in Sylvania sales in first half & June quarter, said Jan.-June earnings nearly doubled Sylvania's year-ago profit.

Manufacturing sales during first half also established record, rose 12% from year earlier to \$369.2 million. Manufacturing net income jumped 14% to \$13 million.

"Based upon the current economic outlook," Power said, "there is every indication that the upward trend in sales, revenues and net income will continue for the balance of the year."

Motorola set sales records in first half & 2nd quarter (see financial table). Half-year sales rose 24% to \$160 million, earnings climbed 86% to \$1.41 per share June-quarter sales were up 21% to \$82.6 million, earnings up 43% to \$3.2 million. "We anticipate record sales & good earnings in the 3rd quarter," reported Pres. Robert W. Galvin, adding: "We still anticipate a fine market for Motorola radio, TV & stereo products throughout the year. We expect to further increase our percentage of industry TV sales in the 3rd quarter as we have each quarter this year."

National Video sales & earnings slipped in year to May 31 despite 2% gain in unit sales of cathode ray tubes (see financial table). Sales totaled \$18.4 million vs. \$18.5 million in fiscal 1961. Profits dipped to \$934,281 from \$1.3 million. Pres. Asher J. Cole attributed slippage to rising costs & increasing price competition, and to closing of South American markets for TV tubes. Unsatisfactory credit conditions, coupled with political unrest in South America, "caused a virtual cessation of shipments to this formerly profitable area in the latter half of National Video's fiscal year," he said.

Bankrupt are Crosby-Teletronics & subsidiary Crosby Electronics, Federal Court Judge Joseph C. Zavatt ruled in Brooklyn last week. Decision followed finding that Crosby-Teletronics Chapter X reorganization plan (Vol. 2:22 p12) was not feasible. M. Rudolph Preuss (250 Fulton Ave., Hempstead, L.I.) was appointed bankruptcy trustee by Referee William J. Rudin, Mineola, N.Y., who adjourned hearing to Aug. 27.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Electronics	1962—6 mo. to June 30	\$ 4,603,307	—	\$ (354,451)	—	1,177,842
	1961—6 mo. to June 30	10,572,471	—	65,025	\$0.06	1,177,708
	1962—qtr. to June 30	1,950,510	—	3,771	—	1,177,842
	1961—qtr. to June 30	3,132,913	—	43,403	.03	1,177,708
Amphenol-Borg Electronics	1962—6 mo. to June 30	43,334,571	\$ 2,139,273	1,015,273	.75	1,388,677
	1961—6 mo. to June 30	34,641,054	944,970	463,470	.33	1,388,081
	1962—qtr. to June 30	23,313,144	—	602,889	.43	1,388,677
	1961—qtr. to June 30	19,413,497	—	404,200	.29	1,388,081

(CONTINUED ON NEXT PAGE)

(CONTINUED FROM PRECEDING PAGE)

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Arvin Industries	1962—6 mo. to June 30	40,126,064	2,121,058	1,009,461	.85	1,186,270
	1961—6 mo. to June 30	31,213,652	843,329	416,616	.35	1,137,609
	1962—qtr. to June 30	21,293,817	1,147,455	534,953	.45	1,186,270
	1961—qtr. to June 30	17,568,067	925,182	464,569	.39	1,137,609
Dynamics Corp. of America	1962—6 mo. to June 30	37,782,572 ²	—	1,752,351 ²	.52 ¹	3,014,695
	1961—6 mo. to June 30	22,226,614	—	881,840	.23 ¹	2,787,027
Electronic Associates	1962—year to June 30	20,819,000	—	1,385,898	.73	759,675
	1961—year to June 30	16,092,000	—	819,641	.42	722,665
Electronic Communications	1962—9 mo. to June 30	25,813,042	870,263	450,263	.60 ¹	719,089
	1961—9 mo. to June 30	14,011,525	238,735	144,735	.21 ¹	614,510
Fairchild Camera & Instrument	1962—6 mo. to June 30	49,500,000 ²	—	2,844,000 ² ^a	1.13	2,526,083
	1961—6 mo. to June 30	44,570,000	—	2,299,000 ⁴	.91	2,486,950
	1962—qtr. to June 30	25,600,000 ²	—	1,492,000 ² ^b	.59	2,526,083
	1961—qtr. to June 30	23,900,000	—	1,422,000 ² ^c	.56	2,486,083
Gabriel	1962—6 mo. to June 30	16,788,085	1,453,370	693,762	.95 ¹	729,913
	1961—6 mo. to June 30	15,459,250	591,461	345,142	.50 ¹	678,238
	1962—qtr. to June 30	9,258,257	1,035,640	471,027	.65 ¹	729,913
	1961—qtr. to June 30	8,736,013	374,859	204,189	.30 ¹	678,238
General Bronze	1962—6 mo. to June 30	8,071,763	13,695	13,695	.03	391,820
	1961—6 mo. to June 30	9,567,702	(819,738)	(393,738) ^d	—	391,820
GT&E Story on p. 11	1962—6 mo. to June 30	649,338,000 ²	—	38,387,000 ²	.52 ¹	73,846,000
	1961—6 mo. to June 30	585,119,000	—	33,896,000	.46 ¹	73,254,000
	1962—qtr. to June 30	331,432,000 ²	—	20,225,000 ²	.27 ¹	74,142,000
	1961—qtr. to June 30	297,204,000	—	17,757,000	.24 ¹	73,177,000
Metromedia	1962—26 wks. to July 1	26,206,832	4,222,923	1,021,655 ²	.60	1,707,557
	1961—26 wks. to July 2	23,397,580	3,039,433	446,587	.26	1,707,057
	1962—13 wks. to July 1	13,936,518	1,810,019	882,923 ²	.52	1,707,557
	1961—13 wks. to July 2	12,337,991	1,933,557	434,253	.25	1,707,057
Motorola Story on p. 11	1962—6 mo. to June 30	159,649,347 ²	12,123,551	5,685,976	1.41	4,028,672
	1961—6 mo. to June 30	128,722,224	6,426,661	3,062,529	.76	4,028,672
	1962—qtr. to June 30	82,632,185 ²	6,974,897	3,230,032 ²	.80 ¹	4,028,672
	1961—qtr. to June 30	68,303,487	4,727,640	2,259,552	.56	4,028,672
National Video Story on p. 11	1962—year to May 31	18,433,163	—	934,281	.76	1,223,334
	1961—year to May 31	18,506,977	—	1,270,159	1.03 ⁷	1,223,334 ⁷
Oak Mfg.	1962—6 mo. to June 30	15,769,956 ²	1,263,018	620,568	.95	655,824
	1961—6 mo. to June 30	11,009,138	332,520	187,520	.28	655,794
	1962—qtr. to June 30	8,354,154 ²	693,555	344,555	.53	655,824
	1961—qtr. to June 30	5,826,208	223,108	120,608	.18	655,794
Reeves Soundcraft	1962—6 mo. to June 30	4,022,700	—	11,800	—	3,235,515
	1961—6 mo. to June 30	3,209,800	—	(273,700) ¹⁰	—	3,231,390
Stewart-Warner	1962—6 mo. to June 30	60,598,598	7,732,976	3,812,976 ²	1.15	3,321,421
	1961—6 mo. to June 30	54,141,851	6,340,732	3,032,732	.91	3,322,733
	1962—qtr. to June 30	31,171,420	—	2,069,319	.63	3,321,421
	1961—qtr. to June 30	27,796,755	—	1,686,310	.51	3,322,733
Thompson Ramo Wooldridge Story on p. 11	1962—6 mo. to June 30	231,589,854	13,330,666	6,114,666	1.85 ¹	3,391,926
	1961—6 mo. to June 30	200,879,678	5,713,917	2,071,337 ⁸	.60 ¹	3,292,168
	1962—qtr. to June 30	119,919,624	7,415,900	3,536,500	1.02 ¹	3,391,926
	1961—qtr. to June 30	104,143,974	2,704,980	581,300 ⁸	.15 ¹	3,292,168
Transcontinent TV	1962—6 mo. to June 30	7,879,380	1,978,940	872,940 ²	.49	1,795,772
	1961—6 mo. to June 30	7,849,204	1,456,992	646,192	.37	1,795,772
	1962—qtr. to June 30	4,139,243	1,075,256	477,256 ²	.27	1,795,772
	1961—qtr. to June 30	4,039,677	842,019	374,639	.21	1,795,772
Tung-Sol	1962—26 wks. to June 30	35,567,514	1,534,635	713,635	.65 ¹	926,826
	1961—26 wks. to June 30	31,395,690	1,247,457	641,457	.58 ¹	925,858
Warner Bros.	1962—9 mo. to June 2	59,550,000	10,969,000	5,569,000	1.15	4,830,052
	1961—9 mo. to June 2	63,574,000	9,583,000	4,983,000	1.10	4,830,052
Westinghouse Story on p. 11	1962—6 mo. to June 30	956,971,000	45,814,000	25,514,000	.09	35,622,369
	1961—6 mo. to June 30	520,381,000	34,661,000	19,561,000	.1	34,843,536
	1962—qtr. to June 30	496,504,000	24,636,000	13,736,000	.1	35,622,369
	1961—qtr. to June 30	484,277,000	19,693,000	10,493,000	.1	34,843,536
Zenith Story on p. 11	1962—6 mo. to June 30	145,996,770 ²	15,034,574	6,982,609 ²	.77	9,033,177
	1961—6 mo. to June 30	116,698,673	11,899,831	5,339,244	.60 ¹¹	8,989,197 ¹¹
	1962—qtr. to June 30	64,476,007 ²	—	2,253,815 ²	.25	9,033,177
	1961—qtr. to June 30	52,732,808	—	1,947,214	.22 ¹¹	8,989,197 ¹¹

Notes: ¹ After preferred dividends. ² Record. ³ Includes special \$450,000 credit representing partial use of loss carry-over from merger of Allen Du Mont Labs. ⁴ Includes Du Mont Labs carry-over of \$225,000. ⁵ Includes Du Mont Labs carry-over of \$315,000. ⁶ After \$426,000 tax credit. ⁷ Adjusted to reflect 2-for-1 stock split Sept. 1961. ⁸ After de-

ducting \$1,456,320 for inventory adjustment. ⁹ Does not include net gain of \$1 million (25¢ a share) on sale of Motorola Finance Corp. (Vol. 2:25 p10). ¹⁰ Before \$1,170,400 net gain on sale of investments. ¹¹ Adjusted to reflect 3-for-1 stock split Nov. 1961.

AUG 6 1962

WEEKLY **Television Digest**

AUGUST 6, 1962

© 1962 TELEVISION DIGEST

NEW SERIES VOL. 2, No. 32

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FORD PLAN FOR TV PROGRAM FORM would require yearly narrative-on-needs report, composite week on commercial time but not programs, report on program policies, etc. (p. 1).

MORE VHF SHORT-SPACE DROP-INS bound to be considered in next few years to give 3rd vhf in top 50-75 markets. Lee lone dissenter in cuts for existing stations (p. 2).

SET MAKERS SEEK 2 YEARS UNTIL 'U-DAY,' are likely to get FCC agreement on target for all-channel-receiver production. All 21 receiver manufacturers and 4 tuners makers cooperate in amicable survey & conference (p. 2).

COURT HITS CATV ON 'DUPLICATION,' holding that Twin Falls system can be enjoined from carrying out-of-town signals duplicating KLLX-TV. Attorneys disagree on scope of ruling (p. 3).

CATV GROUP ATTRACTS \$10 MILLION & NBC VP, Stern & Williams heading buyers of 18-system 43,500-subscriber complex from Dallas industrialist Sammons (p. 3).

WHIRLING WEEK IN TV SATELLITE PROGRESS as filibuster shunts House communications satellite bill into Foreign Relations Committee. Executive Order seen possible. Telstar continues to score (p. 4).

Consumer Electronics

ZENITH'S 16-IN. TV to go on market next year; it'll be lightweight set like GE's & Philco's; at least 4 importers will also have 16-in. sets (p. 7).

3M TAPE-CARTRIDGE system in pilot production, to be test-marketed in unnamed major area before year's end, with national sales due next year; Revere making unit, with Columbia Records library available for programming (p. 7).

SET MAKERS GROPE FOR NEW PRICE APPROACH: RCA, GE, Westinghouse lead parade of manufacturers supplanting list prices with new ad terminology that evaluates products for consumer guidance (p. 8).

FORD PLAN FOR TV PROGRAM FORM: Father of the "narrative-on-needs" concept of TV program-reporting to FCC, Comr. Fred Ford has come to his colleagues with proposal which may weld them into final decision. Commission has been split several ways, couldn't see how Ford's ideas could be implemented. So colleagues asked him to show them how.

In closed sessions, Commission has discussed proposal—and impression we glean is that combination of Ford and other views will emerge. Ford would have TV stations report yearly on what they've done in preceding 6 months to ascertain program needs of their communities and their plans to meet them. He would abolish "composite week" by which telecaster is supposed to show "typical" week's program in various categories—entertainment, news, agriculture, etc. However, he would have composite week showing breakdown of time devoted to commercials & programs.

Among other requirements of Ford plan: report on station personnel & program facilities; station's program policies and report on changes in policies; description of manager's powers & "autonomy"; call station's attention to NAB Code; report on procedure for handling complaints; give breakdown between commercial & program time.

It's understood that Ford believes program-form for radio is "something else"—that he thinks FCC knows very little about radio, that he'd like Commission to conduct an en banc program inquiry just as it did in TV, to learn realities of modern radio. He's reported saying that FCC's official knowledge of radio program encompasses Amos 'n' Andy and Mills Bros.

MORE VHF SHORT-SPACE DROP-INS? "Back door" vhf co-channel & adjacent-channel mileage cuts just authorized by FCC (Vol. 2:31 p6), with Comr. Lee as lone dissenter, may be precursor of more. In these, existing stations were permitted to move to improve facilities, cover more people. Last week, Ch. 13 KHOL-TV Kearney, Neb. & WIBW-TV Topeka were granted waivers allowing 188.3 mi. separation instead of 190—to improve coverage.

Brand-new short vhf drop-ins, the 8 proposed last year and still pending (Vol. 17:31 p2)—Baton Rouge, Dayton, Birmingham, Jacksonville, Knoxville, Johnstown, Charlotte, Oklahoma City—don't go through so readily, because no existing station is using channels involved, and thus there isn't same push. They're still "cold," in that respect. Nonetheless, view around Commission is that the 8 are still likely to go through.

But that isn't end of it. One position at Commission, minority now is this: All-channel-set law is fine—8-10 years from now. That is, it's expected to foster growth of uhf, produce more stations, more competition. But, meanwhile, back at the network sales offices, ABC-TV still doesn't have coverage parity with CBS-TV & NBC-TV. Therefore, why not grant the 3rd vhf in top 50 or 75 markets, cutting mileages as need be—but not to less than, say, 150 miles? This isn't imminent, of course, may not even be probable. But you'll hear more about it in next few years. In his dissent, Comr. Lee voiced view of many—deep concern about mileage reductions, wondering where they'll stop, fearful of degradaton of vhf service. But—he was alone.

SET MAKERS SEEK 2 YEARS UNTIL 'U-DAY': July 1964 should be target for complete conversion to vhf-uhf set production, under new all-channel-receiver law, according to consensus reported to FCC last week—and Commission appears ready to agree.

EIA exec. vp James D. Secrest and consumer products staff dir. L. M. Sandwick were pleased to tell top Commission staffers that all 21 TV set makers and all 4 tuner producers—including non-EIA members—cooperated in survey, not an obstructionist in the lot.

FCC staff conferees, including attorney Henry Geller and engineers James Barr & Julian Dixon, were impressed with spirit of manufacturers, indicated they'd recommend Commission accept industry findings—though of course they wish for earlier target. Seldom has there been so much govt.-industry sweetness following a conflict.

Next move is EIA engineering conference in N.Y. Aug. 7, submission of results to Commission Aug. 14, meeting with FCC representatives Aug. 22. At last week's EIA-FCC meeting, Commission engineers made only a few suggestions for Aug. 7 conference agenda—notably that ease-of-tuning be explored thoroughly.

Without identifying firms, EIA gave FCC a digest of each company's recommendations. "U-Day" cut-off dates ranged from Aug. 1963 to June 1965, with heavy concentration around July 1964. Secrest summarized:

"The July 1964 date coincides with the period when new models are announced to the trade; 1963 models are already in production & distribution, and the designs for the 1964 models, to be announced in the summer of 1963, have been frozen by many manufacturers. To change this pattern would be both expensive & disruptive to the normal trade pattern."

Much depends on speed of tuner makers, too, Secrest noted. Once engineering standards have been set by FCC, producers have to gear to increase production of uhf tuners—or combination vhf-uhf tuners—about 15 times current 7% of total rate. Same goes for set makers who produce their own tuners.

New law should be bonanza for the 4 tuner manufacturers, incidentally—having a law guaranteeing market for their product, more expensive than vhf-only. Standard Kollsman, General Instrument, Oak & Sarks Tarzian split the market now. We don't know share of business each has—though some set makers believe they run in foregoing order. They're all aiming to do a job. GI, for example, just announced design of push-button unit (Vol. 2:31 p8) and others are striving for easy-tuning units. One uhf converter maker participated in EIA survey, said he'd have no trouble meeting demand now and in future.

Passage of all-channel law has already hiked rate of vhf-uhf set production, according to set makers—from roughly 7% to 10%, and figure may go to 15% before long.

Though July 1964 undoubtedly will be okay with FCC, EIA was asked to calculate costs of switching a year earlier—but figure is expected to be prohibitive. FCC aims to put subjects on agenda of meeting 2nd week in Sept., shoot for final rules by end of this year.

COURT HITS CATV ON 'DUPLICATION': The first adverse court decision received by CATV industry, affecting its distribution of station signals, was handed down last week.

In Federal Dist. Court in Boise, Judge W. T. Sweigert ruled on "duplication" only. He held that Cable Vision Inc., Twin Falls CATV system, violated "contractual exclusive rights" between KLIX-TV and networks & film distributors when it distributed in Twin Falls the Salt Lake City signals duplicating programs being telecast by KLIX-TV. He decided that Cable Vision was "tortiously interfering" with these rights and, in addition, was "unfairly competing to the detriment of KLIX-TV." He said he's prepared to issue preliminary injunction stopping duplication.

Attorney for Cable Vision, E. Stratford Smith, acknowledged that decision was "damaging" to CATV but that "it's highly susceptible to appeal." He said appeal procedure hadn't been selected yet—whether to ask Judge Sweigert to reconsider or to go directly to 9th Circuit Court of Appeals in San Francisco.

Lawyers don't agree on precise meaning of decision. For example, Sweigert said CATV was interfering with KLIX-TV's "contractual exclusive right to the first run of network & film programs in the community of Twin Falls." Attorneys say they don't know whether this means delayed duplication of KLIX-TV programs (as opposed to simultaneous) is okay and whether it means that CATV can be enjoined only in Twin Falls itself—CATVs in other communities unaffected.

It's agreed that decision affects directly only Idaho, at most, if in fact it's not limited only to Twin Falls. In other states, new suits would have to be brought and concluded to achieve similar injunctions. Of course, Sweigert decision would be cited as precedent if it holds up under appeal.

Sweigert' basic tenet was this: CATV subscribers watch Salt Lake City signals of same programs offered by KLIX-TV. Therefore, KLIX-TV's audience is reduced and its advertising support is weakened.

Judge noted FCC policy on stations vs. CATV—that Commission seeking legislation giving it power to control duplication and he said that KLIX-TV "asserts a contractual exclusivity which is expressly permissible, valid and in conformance with present national policy." "It appears," he said, "that community antenna services, although now beyond the reach of the FCC, do not hold under the national policy any favored status that would exempt them from ordinary common law responsibility to others—broadcasting stations or otherwise." Decision had nothing to say about "property rights" in signal itself, something telecasters are fighting to establish in other cases.

It will take time before uncertainties are smoothed out of case. Meanwhile, stations elsewhere will be encouraged to take action in those cases, relatively few, where CATV systems haven't agreed to stop duplicating. Decision doesn't affect other aspects of CATV signal pickup & distribution.

NAB Pres. LeRoy Collins termed decision a "landmark," said he was gratified and that ruling "should have important & far-reaching implications."

CATV GROUP ATTRACTS \$10 MILLION & NBC VP: Dallas industrialist Charles A. Sammons, whose wealth is calculated in 9 figures, increased his nest egg by \$10,250,000 last week—selling 18 CATV systems to group headed by Alfred R. Stern, who leaves a top vp job at NBC. Group of systems is 2nd largest, exceeded only by H & B American holdings. Systems have 43,500 subscribers in 10 states. Sammons keeps 5 other systems, has no present plans to sell them.

Televents Corp. is buyer, Stern chmn. & chief exec. officer, with hq in N.Y. Pres. is Carl Williams, pres. of Systems Management Co., Denver, which has been running the systems and will continue to do so. Daniels & Assoc., Denver, handled sale.

Purchase was financed by \$5.5 million loan from "a leading N.Y. bank"; \$2.85 million of debentures from institutional clients of John W. Bristol & Co., N.Y. investment counselors; private investors, including Stern who holds largest single interest in firm.

Stern has been with NBC since 1952; since 1959, he has been vp in charge of NBC Enterprises Div.—covering NBC International, NBC Films, merchandising & licensing of subsidiary program rights, sales of film prints, theatrical activities. Williams is attorney who in 1958 with Bill Daniels founded Daniels & Assoc.

WHIRLING WEEK IN TV SATELLITE PROGRESS: In U.S. efforts to get communications satellite system on road, 4 major developments emerged last week: (1) Senate liberals successfully filibustered Administration's satellite bill off floor into Foreign Relations Committee. (2) President Kennedy was considering bypassing legislators and setting up system by executive order. (3) AT&T's Telstar continued its impressive performance, flashing TV signals & phone calls back and forth between U.S. & Europe. (4) Hint of trouble over satellite frequency assignments loomed from Soviet Union.

In Senate, bloc led by Sens. Morse (D-Ore.) & Kefauver (D-Tenn.) staged filibuster, which at times deteriorated into bitter wrangling, finally managed to have Administration-backed satellite measure side-tracked to Foreign Relations Committee. Administration immediately threw in big guns, Attorney General Kennedy & FCC Chmn. Minow appearing at opening session, urging passage of bill. Committee has orders to report it back to Senate by Aug. 10.

From White House, meanwhile, came indications that President may get system underway with or without Congress: Aides reportedly will urge issuance of executive order directing NASA & FCC to go ahead with commercial authorization. Quirk of law is understood to give him power in this field—harking back to similar Presidential action when Congress was slow in passing law regarding ocean cables. Big catalyst for this action is upcoming 113-nation conference next year to hash out frequency assignments for space communications. Feeling is that nation with workable system already operating will have great advantage.

Oblivious to all this static, Telstar continued to work spectacularly. Former President Eisenhower was telecast from Stockholm, and Britain & France continued attempting to outdo each other with news & documentary transmission. ABC put in bids to use Telstar to relay European events, including May Day in Moscow. And an AT&T spokesman said 2nd Telstar may be launched in fall, to lengthen telecasts.

Possible big trouble that could jeopardize future of space TV, however, may come from Russia. U.S. has proposed 2 microwave bands, totaling 3,000-mc for satellite system. Russia wants narrower band of only 950-mc. and on frequencies U.S. has allocated for military radar.

Not to be outdone, American Federation of TV & Radio Artists has started to worry early, held press conference to announce it would begin discussions shortly with European counterparts over future talent & fee difficulties expected when global TV gets into full swing.

Matty Fox's Bolshoi tapes finally reached telecast stage Aug. 2, after nearly 3 years on sales shelf—but with two interesting changes. Scheduled, as we had predicted (Vol. 2:27 p2), as a summertime special on RKO General Phonevision's Hartford, Conn. pay-TV test, *The Best of the Bolshoi* was ballyhooed to Phonevision customers as "\$1,500,000 film . . . never seen on any other TV broadcast or in any theatre." Actually, telecast was from high-grade b&w 35-mm kinescope made from original color tapes, although RKO vp John Pinto preferred to call it "a film transfer." (Although RKO General-owned WHCT has no local tape facilities, the tape could theoretically have been played at WOR-TV N.Y. and fed to WHCT via microwave.) Missing from credit roster of the production, curiously, was the name of Matthew Fox, the entrepreneur who out-bid NBC-TV, Ed Sullivan, et al. in 1959 for TV rights to the famed Soviet ballet company. "Executive producer" status was credited to Paul White, with Ted Mills as "producer," and with "S. Hurok and ANTA" sharing presentation billing with WHCT. Price to viewers for ballet evening: \$2:00—tops, so far, in Phonevision charges for a single event.

"Revolutionary" new TV commercial production service, claimed to reduce costs as much as 30%, was announced by Paramount TV Productions, Hollywood. Service will handle taped & filmed commercials, in b&w and color, using live action, animation or combinations.

No-action dept.: FCC Comr. Cross' spot remains in limbo, no action on vacancy from White House. Two more names were thrown into speculation last week: N.J. Public Utilities Commission Chmn. William Hyland and Columbia U. School of Journalism Prof. Penn Kimball. Former couldn't be reached last week, but Kimball could. He said that he'd been asked to consider job, hadn't been offered it—"nothing as concrete as that"—was considering it, but "I'm not campaigning for it." He's been at Columbia 3 years, *Collier's* 3, *Omnibus* 2, *N.Y. Times* 3. Twenty years ago, he served on *U.S. News & World Report*, once was asst. to Sen. Benton (D-Conn.). So guessing continues: Cross out, Cross in? Cox up, Cox down? Dark horse looms, dark horse unlooms? Replacement now, replacement later?

Two million Detroiters will be served by 100-watt uhf translators on Ch. 79 & 83, FCC said, granting Purdue U. the repeaters as satellites of experimental airborne ETV station which circles over Montpelier, Ind. and transmits classroom instructions during school year. The high-flown educators, by the way, are thinking about telecasting medical instructive material to physicians—if someone will pay for it.

Propaganda broadcasts, foreign source unidentified, are being carried by some stations, FCC announced last week, warning stations of law requiring proper disclosure. Though Commission didn't publicize it, it's understood that Katanga Information Office is the source.

Personals

Ray W. Welpott elected vp, NBC owned stations & NBC Spot sales, continuing as mgr. of WRCV-TV & WRCV Philadelphia, maintaining offices there. Louis Hausman, gen. executive, elected a vp. John M. Otter elected vp, NBC-TV national sales.

Elmer W. Lower promoted to NBC News gen. mgr. . . . Philip G. King, ex-Pat McDermott Co. vp, appointed WCBS-TV N.Y. information services dir.

Edmund C. Bunker, ex-Froedtert Malt Corp. exec. vp, former CBS-TV vp & gen. sales mgr. and CBS Inc. corporate vp, named Radio Advertising Bureau pres., succeeding Kevin B. Sweeney, who retires March 1.

Douglas Streff promoted to ABC-TV central div. asst. daytime sales mgr. . . . John A. Buning resigns NAB field representative post to take over direction of his radio WBAR Bartow, Fla. . . . Jerry Schnitzer, TV commercials and feature film producer & dir., forms Gerald Schnitzer Productions, Hollywood.

Dr. Lawrence T. Frymire, educational radio WKAR Michigan State U. mgr., appointed chief, Educational Bestg. Branch of FCC Research & Education Div., succeeding Dr. Keith Engar, who resigned to resume post as mgr., educational KUED, U. of Utah.

Larry Walker retires Oct. 1 as exec. vp of Carolina Bestg. Co. (WSOC-TV & WSOC Charlotte) a one-time classical pianist, vaudeville performer and network radio entertainer, he's former vp of Jefferson-Standard Bestg. Co. (WBTW & WBT Charlotte).

Marie Torre, ex-N.Y. *Herald Tribune* syndicated columnist in 1959 for refusing to disclose information source (Vol. 15:2 p7), joins KDKA-TV Pittsburgh news staff.

Don Sbarra promoted to KARD-TV Wichita & Kansas State Network vp & gen. mgr. . . . Earl R. Bechtel advances to WTVN Columbus, O. local sales mgr.

Bernie Whitaker advances to WRAL-TV Raleigh gen. sales mgr.; William R. Murray named local sales mgr. . . . Mike McCormick, ex-WHAS-TV Louisville local-regional sales mgr. & asst. gen. mgr., appointed KPLR-TV St. Louis sales mgr. . . . Basil O'Hagan promoted to WNDU-TV South Bend station mgr.

Lee Browning, WFIE-TV Evansville, Ind. vp-gen. mgr., becomes WFRV Green Bay gen. mgr. Sept. 15, succeeding E. Berry Smith who resigns to join Marine Capital Corp., Milwaukee, as broadcast executive; Jack E. Douglas, formerly WCSI Columbus, Ind., succeeds Browning as WFIE gen. mgr.

Richard D. Heffner promoted to Educational Bestg. Corp. (WNDR N.Y.) vp-gen. mgr.; G. Edward Hamilton named asst. gen. mgr.

Arnold Alpert, former publisher of *U.S. Radio* and *U.S. FM* until merger of the magazines with Sponsor Publications last year, joins Television Digest Inc. as general manager at Washington hq. His responsibilities include administration, sales, promotion, circulation. In addition to extensive experience in broadcast publishing & advertising fields since 1946, Alpert has served as reporter for *Wall St. Journal*, handled publications for Railway Express Agency. He's graduate of Columbia U. Graduate School of Journalism.

Paul B. Comstock, law partner of Sen. Holland (D-Fla.), joins NAB Sept. 1 as govt. affairs vp. Hollis M. Seavey, NAB govt. affairs mgr., will be his asst. Comstock is native of Okla., previously served 6 years in Washington with State Dept. and National Security Council. In Fla., he was exec. dir. of Fla. Bar Assn. and editor of *Florida Bar Journal*. He received B.A. degree in govt. from Okla. U in 1943, LL.B. there in 1948, degree in public law from Columbia U. in 1951. During World War II, he was intelligence officer on Gen. Bradley's staff, also served during Korean War.

Broadcast engineering conference planning committee for NAB 1963 Chicago convention: Orrin W. Towner, WHAS-TV Louisville, chmn.; William S. Duttra, NBC; J. B. Epperson, Scripps-Howard Bestg.; James E. Gray, radio WYDE Birmingham; Albin R. Hillstrom, KOOL-TV Phoenix; Clyde M. Hunt, Post-Newsweek Stations, Washington; Leslie S. Learned, MBS; Frank Marx, ABC; James D. Parker, CBS-TV; Jack Petrik, KETV Omaha.

Acting chiefs for FCC offices left vacant by creation of new review board were appointed last week: John J. O'Malley was named acting asst. gen. counsel, Regulatory Div.; David Warren, acting chief, Office of Opinions & Review; Sylvia D. Kessler, acting chief, Renewal & Transfer Div.

Senate Commerce Committee changes: Scott (R-Pa.) rejoins Communications Subcommittee as ranking Republican, replacing Cotton (R-N.H.), who moves to Surface Transportation Subcommittee. Sen. Prouty (R-Vt.) also named to communications group.

New educational & religious TV program developing and distributing organization, Educational & Religious Radio & TV Assn Inc., has been formed with hq at Rm. 1011, 1319 F St. N.W., Washington 4, D. C., phone Executive 3-6267. It's non-profit, non-denominational, financed by grant from Lilly Endowment Inc. Ella F. Harlee is pres.

Winners in Radio Free Europe Fund's 1962 Broadcasters' Participation Awards Program: WLOF-TV Orlando; WBZ-TV Boston, radios KFLG Walsenburg, Colo. & WEJL Scranton. Awards are given to stations making best promotional efforts to support RFE. Representatives from each station will tour RFE facilities in West Germany & Portugal.

"Broadcast Secretary" to President, giving TV-radio equal status with press, was suggested to President Kennedy last week by Richard S. Aldrich, GOP candidate in N.Y.'s 19th District and cousin of Gov. Rockefeller.

New consumer-analysis service launched by SRDS-DATA Inc., Consumer/Audience Profiles, will provide advertisers with specific information on correlation between consumer buying habits and viewing, listening, & reading. Richard White, ex-BBDO, has been appointed dir.

Peters, Griffin, Woodward moves Atlanta office to 1371 Peachtree St., N. E., phone 875-7763. Company is named rep for upcoming WNYS-TV Syracuse, also opens Minneapolis office headed by John J. Cameron, ex-MCA & Ziv (1710 First National Bank Bldg., phone 333-2425).

Birmingham \$1.5 million libel suit against CBS for program depicting racial tensions in city was thrown out last week by Federal Judge Seybourn Lynne. He agreed with CBS lawyers' contentions that network couldn't be sued in Alabama because it does no business in state.

WALA-TV & WALA Mobile name Select Station Representatives as rep.

Auto glass commercials by Libbey-Owens-Ford and General Motors were cited as deceptive by FTC hearing examiner last week. Examiner Harry R. Hinkes charged 1957-58 filmed commercials utilized deceptive camera techniques & devices to give inaccurate comparison of optical distortion between safety plate glass and safety sheet glass. FTC issued original complaint in Oct., 1959, in one of first big deceptive TV advertising cases. In initial decision, Hinkes ruled: (1) Glass used in side windows of GM cars isn't of same grade & quality as that in windshields, but lower. (2) Films weren't accurate demonstration of perceptible disparity between optical distortions of plate glass & sheet glass under ordinary conditions. He also said in certain sequences, films made through open windows were represented as being photographed through plate glass. Decision may be reviewed by Commission. Commission also issued consent orders against Louis Marx & Co., N.Y., and Remco Industries, Newark, for false & misleading TV commercials to promote toys.

Network TV gross time billings totaled \$66,101,761 in May, 12% higher than May, 1961's \$58,805,784, TvB reports. For first 5 months, billings were \$324,050,243, up 11.5% over last year's \$290,525,162. ABC picked up 6.6%, from \$79,403,040 to \$84,659,058; CBS rose 15.4%, \$107,812,050 to \$124,362,088; NBC gained 11.3%, \$103,310,072 to \$115,029,097. Daytime billings through May were up 15% from last year, \$88,252,101 to \$101,511,035; while nighttime increased 10%, \$202,273,061 to \$222,539,208.

Patterson-Liston title fight Sept. 25 will be televised to potential one million home viewers via CATV by TelePrompter Corp. Company also will lease equipment and arrange cable facilities for Graff, Reiner & Smith Enterprises' closed-circuit theatre telecasts of match. TelePrompter Pres. Irving B. Kahn based million audience figure on fact that CATV home participation jumped from possible 23,500 sets in June 1960 to 150,000 for Patterson-McNeeley bout last December. He said number could "easily" be doubled for this fight, with average of 3.5 viewers per set. TelePrompter also will telecast Fullmer-Tiger bout from Candlestick Park, San Francisco, Sept. 12.

Huge untapped TV program source may be opening up, as individual stations & groups begin producing own shows to supplement network offerings, according to Westinghouse Bestg. producer Michael R. Santangelo. Guesting for vacationing N.Y. *Herald Tribune* columnist John Crosby, he said that if each station produced & syndicated one great show a year public could see one great show a night.

"Color TV Comes of Age," *Reader's Digest* discovers in August issue condensation of *Television Age* article by Don Wharton. Article gives appropriate kudos to pioneer RCA, notes that set prices are in \$650-\$750 range, declares there will be over one million sets in use before end of 1962, with 2, possibly all 3 networks telecasting color.

Bank of N.Y. signs 21-yr. lease for 16,600 sq. ft. on plaza floor & basement of new CBS Bldg., being constructed on Ave. of the Americas between 52nd & 53rd Sts., due for completion in Fall 1964.

WOKR Rochester, Ch. 13 interim operation due to begin in late September, becomes ABC-TV affiliate.

Rare thing nowadays: Uncontested vhf CP, Ch. 12 granted in Walker, Minn. to Central Minn. TV Co.

Metromedia retains Albert Frank-Guenther Law as financial PR counselor.

FCC got \$14,355,000 of \$14,617,000 it requested when House passed Independent Offices Appropriations Bill for current fiscal year. This is \$1,830,000 over agency's 1962 appropriation. Appropriations Committee okayed 12 new positions in Safety & Special Radio Services, 19 for new satellite communications group. Also approved were funds for more advanced monitoring equipment & computer, expected to result in savings of about \$200,000 a year for 10 years. FTC didn't fare so well, received only \$10,720,000 of \$11,845,000 asked. Committee noted in report, however, that agency received \$2,335,500 increase last year. USIA received \$149,225,000, \$8,835,000 less than requested, but \$7,925,000 more than last year. Senate Appropriations Subcommittee takes up bills Aug. 6. FCC is slated to testify Aug. 8.

"Radio spy system" in Washington could result from administration-backed bill to permit foreign govts. to operate low-powered radio stations in embassies, House Commerce Committee member Younger (R-Cal.) charged in hearings last week. Undersecretary of State George Ball said measure has approval of CIA, Justice & Defense Depts., wouldn't give foreign powers any important new channels for intelligence work. He said purpose of bill is to clear way for construction of stations at 92 U.S. diplomatic posts in countries with inadequate commercial facilities.

ASCAP-TV station dispute (Vol. 2:24 p6) appears as unsettled as ever. N.Y. Federal District Court Judge Ryan is expected to rule shortly on whether he has authority to require ASCAP to give industry a limited music license. If he says he doesn't, as expected, it's assumed stations will appeal directly to U.S. Supreme Court.

Sales approved by FCC: (1) 50% of WTAE (Ch. 4) Pittsburgh to Hearst Corp., which owned 50%, for \$10.6 million, from trustees Earl F. Reed & Irwin D. Wolf Jr. (2) KTVT (Ch. 11) Ft. Worth to WKY TV System, for \$800,000, by NAFL.

NBC-RKO hearing, on Philadelphia-Boston station swap (Vol. 2:29 p4), won't be conducted by Comr. Ford. After pondering job, he said he'd like to handle it but it would consume too much time. Chief Examiner got the assignment.

New CATV system under construction—Tri-Town Video—will serve Endicott & Union, N.Y., with 3 N.Y. signals, 2 from Binghamton, one or 2 from Scranton-Wilkes-Barre, plus closed-circuit channel, background music and several FMs. Potential is estimated at 10,000. Group is headed by William Calsam, operator of systems in Oneonta, Norwich, Delhi & Sidney, N.Y. In Oneonta, system has closed-circuit channel operating weekdays 5-6:30 p.m., featuring local talent, interviews, etc. System also provides news, using AP—which Calsam believes is first such use in CATV.

CATV franchise for Salinas-Monterey, Cal. has been won by KSBW-TV (John Cohan, pres.) from field of contenders once numbering 25. Cohan also received go-ahead for systems in Monterey County, is said to be in lead for Modesto franchise.

New Jerrold "Channel Commander" unit (Model COM) permits CATV operators to feed up to 12 channels simultaneously to subscribers. System is installed at head-end of system, converts incoming signals to any vhf channel, also is claimed to provide high-quality color reception.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

ZENITH TO ENTER 16-IN. TV MARKET: There'll be no scarcity of 16-in. merchandise on market-place next year. Although GE's lightweight Escort has field all to itself at moment, it'll be joined in October by lightweight Philco set, and next year by at least one other U.S.-made version—from mighty Zenith. And there should be at least 4 Japanese-made editions of the 16-in. in American stores next year.

"We think there will be a market for the 16-in. set," we were told last week by Zenith Sales Corp. Pres. Leonard C. Truesdell. "We don't know how big this market will be, or what kind of future it will have." Like GE's & Philco's, Zenith's set will be lightweight, designed for easy portability. "That's the only advantage of the 16-in. set," said Truesdell.

One more 16-in. set was shown last week—the Hitachi, to be imported by Sampson Co., Chicago, with deliveries promised in 30 days. Retail-priced at \$129.95 (vs. \$170 list on GE set), Hitachi's unit has look of scaled-down 19-in. portable, and can't qualify as "lightweight" set, since it weighs in at about 36 lb. This will be first set in TV line scheduled for import by Sampson, which eventually will include—according to Sampson spokesmen—10- or 12-in. transistorized battery portable, 19-in. set and eventually color set.

Star-Lite, which has been importing 8-in. plug-in sets, also plans to add 16-in. at \$129.95, as well as 14-in. at same price, and another 8-in. set at \$119.95. Matsushita & Delmonico have previously announced plans for 16-in. sets (Vol. 2:27 p10).

Japanese manufacturers have been quick to jump into 16-in. market. This size is basically a square-cornered version of 14-in., currently most popular size on Japanese domestic market, and is natural transitional model for home consumption.

Japanese version of 16-in. tube differs from American one. It's a "heavyweight" tube (requiring external safety glass), using bulb designed about 2 years ago by Corning for Admiral (Vol. 16:43 p15), but never put into production here. (Current U.S. 16-in. tubes have lightweight bulbs designed for integral implosion protection such as GE's Lamelite and Pittsburgh's laminated shield; Kimcode version requiring no safety glass will be available soon.) Japan's Asahi Glass Co., which has cross-licensing agreement with Corning, is producing heavyweight bulb for Japanese manufacturers. Delmonico's proposed lightweight 16-in. set presumably will use U.S.-made tube.

Most TV importers feel they've found at least temporary niche by specializing in small screen sizes. Imports of Japanese sets passed 40,000-mark in August, indicating that Japan will account for more than 1% of U.S. set market this year. Yet it's good guess that more 19-in. sets have been imported from Japan than any other size. These are currently being brought in (sans picture tube) principally by one importer—Delmonico International.

New 16-in. size has now been firmly launched, at any rate, and next fall should see U.S. & Japanese sets of this size in direct competition.

3M CARTRIDGE SYSTEM IN PILOT OUTPUT: It's been 2½ years since first demonstrations of Minnesota Mining's automatic tape cartridge system—but pilot production of its tape playing & changing mechanisms has finally begun at Revere Camera plant in Chicago, and first market test is scheduled before year's end, with general availability slated for next year.

As demonstrated in March 1960 (Vol. 16:13), you'll recall, 3M system was designed to combine best features of tape & disc devices for home stereo entertainment. Tiny cartridge 3½-in. square, playing at 1⅞-in.

per sec., can provide more than hour of music. Specially designed changer, on which 5 or 6 cartridges can be stacked, automatically threads, plays & rewinds tape. System can be used for home recording as well as playback.

3M had press preview last week of its first new tape recorder product since it took over Revere Camera Aug. 1, 1960. It's not cartridge system, but new Wollensak 1580 stereo recorder, lightweight (26 lb.), 22 watts output, loaded with features, at \$379. It's standard open-reel type of recorder. At N.Y. preview of Wollensak machine, 3M exec. vp Bert S. Cross outlined initial plans for cartridge recorder.

Cartridge device will be market-tested in as-yet unchosen "major U.S. metropolitan area" before end of this year, with nationwide marketing due next year. Cross said cartridge unit is designed to broaden overall tape recorder market, not replace open-reel types. For time being, the tape changers will be marketed only by Revere; Cross said decision on whether to solicit OEM business from package hi-fi manufacturers will be made later.

It's understood Columbia Records will supply programming tapes for new cartridge system. Much of initial development work on tape changer was conducted by CBS Labs. Several years ago, 3M had signed up Zenith and Grundig (Germany) as OEM customers for its system. But there were snags in development work and 3M wasn't able to meet its target dates.

Initially, cartridge tape recorders are expected to be competitive in price with "open-reel tape recorders of equally high quality," we were told by one Revere official.

Although 3M is mum on future plans for cartridge system, it's good bet that it hopes it eventually will become competitive with stereo disc changers, rather than with open-reel tape recorders. Although its Revere subsidiary will manufacture (and perhaps license others to manufacture) tape changers, it's good bet 3M is really more interested in the blades than in the razor. Its real basic interest understandably is in promoting wider use of recording tape, of which it is largest manufacturer.

Wide-scale use of tape as basic home music system won't come until tape handling & playing is as simple as disc changers, and tapes are as inexpensive as comparable discs. This was stated purpose of 3M's cartridge system when it was first shown in 1960, and there's no reason to believe there's been any basic change in outlook; 3M has put too much effort & money into it to classify as just "refinement" of tape recorder. It's hoping it will be introducing complete new music system. In words of one financial house, which recently evaluated 3M, new recording system "is expected to have a significant impact on future earnings."

SET MAKERS GROPE FOR NEW PRICE APPROACH: New type of price confusion is developing in home electronics industry in wake of intensifying attacks on list prices and was-is & other types of comparative-price advertising (Vol. 2:28 p14).

Although some manufacturers are still holding firm to list prices, our discussions with industry leaders have revealed these 2 accelerating trends: (1) Greater use of open lists. (2) Development of new terminology to impart product values to public and, at same time, to emphasize with new clarity that manufacturer's valuation is strictly an opinion & not a price.

In the wings are still other impending developments which could introduce further confusion to pricing picture. Among them are: (1) Quality Stabilization Bill, introduced in Congress last February (Vol. 2:11 p6), which, simply stated, represents a kind of national fair-trade law. (2) Pricing gimmicks now being field-tested in other industries. As example of latter, we were told that one major housewares manufacturer has developed program under which it retains ownership of products until sold by retailer. This, in effect, makes retailer the company's sales agent, enables manufacturer to control sale price.

Net result to TV-radio-phono consumer in immediate future is that he will be reading prices which will have little or no uniformity of meaning. In addition to familiar "manufacturer's suggested list," he will read such qualifiers as "made to sell for less than," "optional with dealer," "should sell for less than," and so on. Additionally, some of tomorrow's TV ads will carry manufacturers' statements to effect that any resemblance between price noted in ad & the price consumer can expect to pay in store is purely coincidental.

Leading price-change parade are RCA, Westinghouse & GE. Each has, or is readying, new terminology which will supplant list prices with valuations that, they believe, will be less subject to consumer confusion

and fictitious use by retailers. RCA & Westinghouse will further gild the lily by inserting in ads qualifying clauses to notify consumers that the companies do not set & are not responsible for dealers' prices.

RCA's ads will carry "manufacturer's nationally advertised price \$.....," with qualifier "optional with dealer." GE plans to use such phrases as "less than \$....." and "made to sell for approximately \$....." Westinghouse, if it decides to use pricing in national TV ads, will use even more elaborate terminology. In addition to "at less than \$....." evaluation, it will carry this qualifier: "This approximate price is published only for information & identification and is not necessarily a representative going market price in any market at any given time. Prices may vary from dealer to dealer and market to market." In radio & phono ads in key cities, Westinghouse will have prices identified as "distributor suggested list prices" and will carry the elaborate qualifier, deleting only "market to market" in 2nd sentence.

Other manufacturers are quite scornful of this general "less than \$....." approach. Zenith Sales Corp. Pres. Leonard C. Truesdell pulled no punches when he told us: "It's negative advertising. It will only aggravate the situation. When you advertise a product at 'less than' you only invite the consumer to expect price cutting. He wants to know how much less he really has to pay for the product. I think it's a very poor approach. We have no intention of changing our present policy of using list prices."

Admiral has practically dropped list prices, but has no intention of switching to less-than or other "weasel-worded" terminology. "We see little merit to this approach," Admiral told us. "If you're going to start weasel-wording with such terminology you'll just be serving up the same thing. Our approach is to use more and more open lists. There's a definite trend in that direction."

Westinghouse consumer products vp Chris Witting Jr. explained replacement of list prices with "less than" evaluation this way: "If the factory posts a list price, you have the basis for the basic criticism of the FTC and the Better Business Bureaus. The dealer can advertise that 'the factory lists the price at such & such, but we sell it for only this.' If we say it should sell for less than a certain price, we remove a large part of evil that people are worrying about. The valuation merely becomes a guide—an indication to the consumer that we believe the product should sell below a given price."

RCA told us pretty much the same thing in much the same language: "The 'less than' approach is an attempt to give the consumer some indication of value, of price range, without any indication that he should use that price as a comparison with the price the dealer charges. We do not want any implication that we're even suggesting the retail price. 'Suggested list' connotes that the manufacturer is seeking, although without compulsion, that the dealer use that price. We believe that 'retail' & 'list' are equally unsuitable words, since both connote that these are the prices that should be charged. We use the terminology 'manufacturer's nationally advertised price' and explain that the price indicated is 'optional with dealer.' Our purpose is to give the prospective customer some indication of value—not the price which he should expect to pay."

It would be pertinent at this point to recall that National Better Business Bureau already has taken notice of "less than" approach (Vol. 2:26 p14) and ruled that the game's the thing, not the name. Pres. Kenneth B. Willson told us: "Fictitious pricing in any form is unlawful." If a dealer "kicks the daylights" out of an advertised less-than price, he said, "it would give the consumer in that area the false picture" that he's buying at a bargain a product that should sell for markedly more.

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Clarification of price confusion & control could come with passage of Quality Stabilization Bill. However, bill introduced Feb. 21 in Senate (S.J. Res. 159) & House (H.R. 10335) has considerable opposition—from FTC, Justice Dept., Commerce Dept., for example—and is less than a sure bet to make it. Special subcommittee of Senate Commerce Committee, after failing twice to get quorum of its 5 members to consider bill, recently approved an amended version & reported it out to full committee. On House side, Commerce & Finance Subcommittee of Interstate & Foreign Commerce Committee also reported out its bill, which contains some differences from Senate version.

In essence, bill seeks quality stabilization by forbidding retailer to (1) use brand-name merchandise in bait ads, (2) misrepresent brand names in ads in order to sell private-label merchandise. It would empower manufacturers to deny their brand name products to retailers who sell them below established prices. As preamble to Senate bill notes, Quality Stabilization legislation seeks "to amend the Federal Trade Commission

Act, to promote quality and price stabilization, to define and restrain certain unfair methods of distribution and to confirm, define and equalize the rights of producers and resellers in the distribution of goods identified by distinguishing brands, names or trademarks, and for other purposes."

We found reluctance among industry leaders to comment on bill. Some said they preferred not to comment on pending legislation, others indicated they were unfamiliar with, or unaware of, bill. However, 2 leaders spoke up—and stand squarely behind legislation. Zenith's Truesdell told us: "I'm all for it. I think it's worth all the effort we can put behind it." He said his support of the bill is recorded in *Congressional Record*. Motorola Consumer Products mktg. vp S. R. (Ted) Herkes was equally categorical: "We're very much behind the Quality Stabilization Bill. That's the way we'd like to do business."

Sen. Hubert H. Humphrey (D-Minn.), co-sponsor of bill, in recent address before fair trade rally in Philadelphia, declared "this legislation is necessary for the competitive survival of thousands of independent businessmen in all parts of the country." He blasted "renegades in the marketplace" for "ruinous marketing practices," said price cutting by "the discounters and the cut-raters" results in consumer exploitation, not consumer savings.

TV-RADIO PRODUCTION: EIA statistics for week ended July 27 (30th week of 1962):

	July 21-27	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	103,990	94,133	100,882	3,643,014	3,184,514
Total radio	310,237	295,773	282,617	10,409,302	8,567,689
auto radio	96,783	116,182	114,098	3,712,749	2,701,919

Trade Personals

Robert L. Shaw resigns as Admiral Sales Corp. distributing branches vp (Vol. 2:1 p10), succeeded by Richard J. Bambery, formerly distributing branches sales mgr.; Alfred A. Medica promoted from TV sales mgr. to electronics div. vp, filling vacancy created by appointment last year of Ross D. Siragusa Jr. as sales vp.

George J. Renne, Beckman Instruments vp & treas., also elected finance vp . . . Andrew Georgia appointed Belock Instrument planning & research vp.

Dorothy Ewing, ex-Better Homes & Gardens field editor, joins Motorola as dir. of Motorola Home Institute.

David Cole, formerly with Capehart, named to new post of sales dir., Morse Sewing Machine & Supply Corp. electronic div., which markets transistor radios, tape recorders, console stereo instruments.

Murray Hoffman, ex-Philco microwave & antenna group, joins Airtron Div. of Litton Industries as engineering mgr. for ferrite devices.

Robert F. Bender, former ITT finance exec. vp, elected Sperry Rand vp & treas.

Fred J. Borch elected GE exec. vp & a dir., with responsibility for 5 operating groups, including consumer products, industrial, international.

Irvin M. Zimet appointed pres. & a dir. of Victoreen Instrument subsidiary Federal Mfg. & Engineering, succeeding James K. Malone, resigned, who continues as a dir.

Herman S. Shaps promoted to editor, *Home Furnishings Daily*, effective Aug. 18, after 18 years as textile editor of *Daily News Record*, succeeding Isadore Barmash, resigned.

William T. Relyea, formerly controller of Thompson Ramo Wooldridge's Dage Div., appointed Entron controller.

Fink 'Drafted' by IEEE: Donald G. Fink, Philco Scientific Lab dir. & one of best known figures in electronics engineering, will become gen. mgr. of new Institute of Electrical & Electronic Engineers when Institute of Radio Engineers and American Institute of Electrical Engineers merge in January (Vol. 2:29 p10). Fink is a Fellow in both societies & a former pres. of IRE.

Philco Pres. Charles E. Beck said both societies had inquired about Fink's availability for the new post. "We at Philco have agreed to this 'draft' of Don Fink for this important job, which he is so eminently qualified to fill," Beck said, "and we are proud to share the honor of this recognition of his outstanding contributions to American science & engineering." Fink will continue in his Philco post until a successor is selected.

Obituary

James R. Day, 52, research & engineering vp of Radio Engineering Labs, and holder of various FM radio patents, died July 28 in Doctors Hospital, N.Y. He recently was named technical planning vp of parent Dynamics Corp. of America. Prior to joining R.E.L. 17 years ago, Day had been associated with late Maj. Edwin H. Armstrong (1936-42) & RCA Labs (1943-45). His contributions in FM field include Serrasoid modulator, common cathode diversity combiner, delay FM detectors, 2-path FM threshold extension.

Robert Buchanan, 82, former treas. of De Forest Radio Co., died Aug. 1 at his home in Port Washington, L.I., N.Y.

Peerless Telerad Inc. has been formed at 15 W. 29th St., N.Y. to import TVs, radios, other electronic products from Japan. Officers: Harvey Dyer, pres.; Arnold Gimbel, vp; Samuel Cohen, secy.

GE & Justice Dept. have been told to speed up settlement of 18 civil suits arising out of price-fixing conspiracy (Vol. 17:25 p21). Federal Judge J. Cullen Ganey, in Philadelphia, warned he would draw up settlement himself if agreement is not reached by early September. GE already has settled 11 govt. damage suits for \$7.5 million (Vol. 2:31 p10). GE said it was ready "at any time" to enter into a consent decree similar to those already approved by Judge Ganey, but Justice Dept. is seeking much broader court order against GE, hopes to obtain blanket ruling prohibiting GE from fixing prices on any of its more than 250,000 products.

New plants & expansions: Motorola will add 37,000 sq. ft. to its 788,878-sq.-ft. consumer products plant at Franklin Park, Ill. this year. "Our purpose," Pres. Robert W. Galvin said, "is to integrate consumer product production more completely by bringing a components & sub-assembly activity from a separate location in our Augusta Boulevard buildings" • Ampex has broken ground for a 150,000-sq.-ft. center at Redwood City, Cal. to house corporate hq and research & engineering activities. Building is slated for completion by next summer • Philco has sold its former 5-story, 95,000-sq.-ft. plant at 2nd & Westmoreland Sts., Philadelphia, for \$150,000 to Dalco Mfg., maker of electronic equipment & devices. Philco building will house Dalco's K & F Electronics Co. Div.

Westinghouse has agreed to court order forbidding participation in alleged plan to restrict exports of TV & radios to Canada (Vol. 14:48 p14). Anti-trust action originally was brought by Justice Dept. in 1958 against Westinghouse, GE & Philips, which were charged with manipulating their Canadian subsidiaries and Canadian patent pool in order to exclude other U.S. firms from selling order TVs or radios in Canada. Philips agreed to similar order last May. Suit against GE is still pending.

Bill to allow General Accounting Office to void negotiated govt. contracts which it deemed "erroneous" or "not supported by substantial evidence" was attacked by EIA. Gen. Counsel John B. Olverson told Senate Armed Services Committee measure, passed by House, would be seriously harmful to industry and U.S. defense, would impose on contractors "extreme legal and financial risks in undertaking future contracts with the Department of Defense."

"Antenna installation is the sales clincher" for FM stereo radios, Motorola national phono & radio sales mgr. W. F. Laswell told distributors in recent letter urging "proper demonstration by dealers." He said survey of several hundred dealers in East revealed that "major percentage of them were demonstrating poor multiplex reception." He urged dealers to test FM reception in their stores and install correct FM antennas if needed.

Reports & comments available: Texas Instruments, discussion, Auchincloss, Parker & Redpath, 52 Wall St., N.Y. 5 • Avco and Bendix, analyses, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 • Minnesota Mining & Mfg. and IBM, comments, Hirschick & Co., 25 Broad St., N.Y. 4 • Clevite, analysis, Schweickart & Co., 29 Broadway, N.Y. 5.

Mergers & acquisitions: Litton Industries has acquired for stock, estimated at more than \$7 million, Poly-Scientific Corp., Blacksburg, Va. developers of specialized components for precision instruments. Final price depends on Poly-Scientific's earnings over next 5 years & price of Litton stock at end of period.

Reeves Bestg. & Development Corp. had pre-tax earnings of \$12,000 on \$2,271,000 gross revenues in 1962's first half. Pres. Hazard E. Reeves, in stockholders report, said "revenue & profit in the Broadcasting Division advanced substantially during the first half compared with the similar period in 1961. . . . Over-all, we can look for continued improvement in earnings in the Broadcasting Division." He said the "Studios Division had a good 6-month period, with increased activity in all departments—sound film recording has increased to a new high, video tape recording & kinescope activity have risen appreciably and film lab development has nearly doubled during the first 6 months of 1962."

Hewlett-Packard expects profit in 1962 fiscal year ending Oct. 31 to rise more than 12% from year-earlier's \$5.9 million. Finance vp W. F. Cavier said "we don't look for any great change in the present pace for the rest of fiscal 1962 but we expect the 4th quarter to be a little better than the first 3 quarters." He said overseas sales, primarily in Western Europe, climbed about 40% in first 8 months, attributed gain to "intensified sales program & expansion of the Common Market."

Japanese electronics production hit \$1.4 billion in 1961, 20% higher than 1960, Commerce Dept. reports. TV set production totaled \$487.6 million, up 24%. Production of radios with 3 or more transistors totaled \$195.1 million, compared with 1960's \$194.3 million. Total consumer product output amounted to \$798.9 million in 1961, vs. \$665.1 million in 1960. Commercial, industrial & military equipment production was valued at \$203.2 million, compared with 1960's \$150.7 million.

Salary & stock ownership of Ampex officers at close of 1962 fiscal year April 30, as reported in proxy notice for August 28 annual meeting: Chmn. Alexander M. Poniatoff, \$54,656 & 5,500 shares; Pres. & Chief Exec. Officer William E. Roberts, \$68,946 (from Aug. 1, 1961) & 8,000 shares; George I. Long Jr. (pres. & chief exec. officer until July 31, 1961), \$51,414; vp Robert Sackman, \$48,048.

Wells-Gardner Electronics scored marked profit gains in both 1962's first half & June quarter despite sales dips in both periods (see financial table). Pres. Grant Gardner attributed profits-up, sales-down pattern to "higher production this year than last & a larger finished goods inventory by over \$2 million." He termed outlook for 3rd quarter "excellent," pointed to backlog of \$19,460,000 at half-year's end—up sharply from \$9,598,000 a year earlier.

Delmonico International posted a 75% gain in consumer products sales in the first half as volume rose to \$5.8 million from \$3.3 million in Jan.-June 1961. Exec. vp Herbert Kabat forecast total 1962 sales of \$16 million, vs. \$10 million in 1961. TV sales in first-half ran 300% ahead of year-ago, he said, and "we are in an oversold position on the new line through January 1963."

Full-page ads promoting all-channel sets were sponsored in Washington *Star* and *News* by city's WOOK-TV (Ch. 14), due to start soon. Ad urged new purchasers to buy all-channel receivers, present set-owners to get converters which cost "only a few dollars."

Radio Master, N.Y. manufacturer of radio-phono combos and hi-fi & stereo components, will move Sept. 1 to new quarters at 1314 Blondell Ave., Bronx, N.Y.

Mobile Video Tapes has been renamed MVT Industries Inc., reported Lester E. Hutson, chmn. of the Los Angeles firm (see financial table for fiscal quarter report).

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Electronic Specialty	1962—6 mo. to June 30	\$ 30,004,125	\$ 1,647,491	\$1,072,491	\$0.80	1,337,104
	1961—6 mo. to June 30	12,728,223	522,118	477,118	.54	877,488
	1962—qtr. to June 30	15,065,239	660,267	483,267	.37	1,337,104
	1961—qtr. to June 30	6,540,149	331,979	291,979	.33	877,488
Globe-Union	1962—6 mo. to June 30	31,881,107	2,671,132	1,232,132	1.42 ¹	868,232
	1961—6 mo. to June 30	26,390,545	1,859,695	865,695	1.01 ²	853,775
Hoffman Electronics	1962—6 mo. to June 30	22,066,363	(140,557)	(67,557) ³	—	1,538,889
	1961—6 mo. to June 30	31,346,996	722,657	349,657	.22	1,534,088
	1962—qtr. to June 30	9,831,484	(524,642)	(252,642) ⁴	—	1,538,889
	1961—qtr. to June 30	15,238,681	188,989	92,989	.06	1,534,088
Indiana General	1962—6 mo. to June 30	14,068,216	2,463,452	1,188,052	1.03	1,150,002
	1961—6 mo. to June 30	10,250,925	1,576,494	770,604	.67	1,510,002
Mobile Video Tapes	1962—qtr. to May 31	489,300	—	26,000	.09	279,788
	1961 ⁵	—	—	—	—	—
Roytheon	1962—6 mo. to June 30	312,759,000	11,136,000	5,336,000	1.29 ⁶	4,011,326
	1961—6 mo. to June 30	280,180,000	6,229,000	3,009,000	.71 ⁶	3,888,764
	1962—qtr. to June 30	155,425,000	5,917,000	2,837,000	.69 ⁶	4,011,326
	1961—qtr. to June 30	142,022,000	3,389,000	1,644,000	.39 ⁶	3,888,764
Toft Bcstg.	1962—qtr. to June 30	3,057,975	1,266,357	578,541	.37	1,578,938
	1961—qtr. to June 30	2,606,162	956,892	460,683	.30	1,539,162
Time Inc.	1962—6 mo. to June 30	158,595,000	9,514,000	5,108,000	2.39	2,134,000
	1961—6 mo. to June 30	146,890,000	8,553,000	4,897,000	2.39	2,053,000
Toshiba	1962—6 mo. to Mar. 31	345,000,000	—	16,000,000	.75 ⁷	—
	1961 ⁵	—	—	—	—	—
Wells-Gordner Story on p. 11	1962—6 mo. to June 30	9,307,000	502,000	246,000	.58	422,400
	1961—6 mo. to June 30	9,627,000	416,000	205,000	.48	422,400
	1962—qtr. to June 30	4,927,000	385,000	184,000	.43	422,400
	1961—qtr. to June 30	5,542,000	357,000	171,000	.40	422,000

Notes: ¹ Includes capital net gain equal to 24¢ a share. ² Includes capital net gain equal to 7¢ a share. ³ After \$73,000 tax credit. ⁴ After

\$272,000 tax credit. ⁵ Not available. ⁶ After preferred dividends. ⁷ On Toshiba's American Depository shares.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Electronics Investment	—	\$0.02	Oct. 31	Oct. 1
Gen'l. Tire & Rubber	Q	.10	Oct. 31	Oct. 15
Taft Bcstg.	Q	.10	Sep. 14	Aug. 15
20th Century-Fox	Q	(deferred)		

National Telepix filed registration statement (SEC File 2-20621) to issue \$150,000 of 6½% convertible subordinated debentures due 1972 and 80,000 shares of common stock to be sold by holders from time to time at current over-the-counter prices (\$3 maximum). Company produces & distributes films for TV, theatrical & non-theatrical use. Proceeds from sale of bonds will be used for production of additional filmed series, distribution & promotion of existing properties, working capital. Company has 245,450 shares of common stock outstanding, management officials as group owning 35,500. Edward White is pres.

Fleetwood Corp., Montreal maker of TVs & radios, scored a 29.8% gain in sales during 1962's first half—pushing volume to record \$5.8 million from \$4.4 million a year ago. Pres. M. F. Pollock forecast total 1962 sales of more than \$17 million, vs. \$14.2 million in 1961.

Cancellation of work on world's largest movable radio telescope was ordered by Defense Secretary Robert McNamara recently as economy measure. Action was taken because of increasing cost & decreasing potential value of 600-ft. installation at Sugar Grove, W.Va. McNamara said cost of telescope was estimated at \$80 million in 1958 when installation commenced. Total is now estimated at \$200 million.

Rocket-mounted TV camera relayed to monitors at Cape Canaveral close-up pictures of life & death of "Big Shot" — largest man-made object ever sent into space. Camera, fixed in head of Thor booster rocket, produced clear pictures of balloon inflating to round ball 135 feet in diameter, 922 miles up.

Matsushita's projected product mix (presumably in dollar volume) of Panasonic sales in U.S., as shown in pie charts in trade ads: Pocket radios, 30%; FM-AM table radios, 26%; FM-AM portables, 16%; TV sets, 11%; 2- & 3-band radios, 10%; tape recorders & transceivers, 7%.

Long-delayed secondary offering of 700,000 shares of Schlumberger common (Vol. 2:30 p11) went on market last week at \$62.75 a share. Offering represents about 13% of total outstanding shares of Daystrom's parent company.

Silicon Transistor profit in 2nd quarter soared some 170% from April-June 1961 to about \$73,000 on a 42% sales rise to \$623,000.

WEEKLY **Television Digest**

AUGUST 13, 1962

© 1962 TELEVISION DIGEST

NEW SERIES VOL. 2, No. 33

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Broadcast

MODERN COLOR SETS—EVALUATING striking strides evident in new receivers, in fidelity, stability, b&w performance, etc. (p. 1).

FCC MAY BLOCK CHANGED CBS INCENTIVE PLAN with amendment of rules to ease affiliates' substitution of non-network programs for CBS offerings (p. 2).

COLLINS TO DEFENSE OF CODES, asserting that strong self-regulation wards off "law of the jungle" and "law of the bureaucrat" (p. 2).

SATELLITE BILL PROGRESSING SIDEWAYS: Passage uncertain as Senate Foreign Relations Committee approves measure which faces new filibuster on floor. RCA Chmn. David Sarnoff calls for single huge U.S. communications firm (p. 3).

NEW EXPATRIATE BREED of U.S. TV producer is represented by ex-NBC executive David Lown, now head of new Ampex-equipped Trans Europe TV. Lown's plans range from Telstar shows to film series; closed-circuitcasts to specials (p. 5).

Consumer Electronics

CORNING 19- & 25-IN. COLOR BULBS GET GREEN LIGHT. JEDEC meeting Aug. 8 gives tacit approval to new sizes; Kimble shows plans for 24-in. rectangular color bulb. (p. 7).

TV ENGINEERS VOTE UHF TUNER STANDARDS. Ad Hoc Committee, chaired by Philco chief engineer, Harris O. Wood, formed to translate proposals into formal document for submission to FCC Aug. 22; executives of 20 TV & tuner companies attend meeting Aug. 7 at EIA's N.Y. hq (p. 7).

TV-RADIO SALES UP & CLIMBING AT MIDYEAR. Jan.-June TV sales by distributors rose to 2,724,038 from 2,491,744 in 1961's first half as dealers purchased record 480,510 sets in June; half-year radio sales gained to 4,800,574 from 4,370,863; EIA also releases first-half TV-radio production figures (p. 8).

TV'S 'CRITICAL MONTH' is August, with new models now flowing. Truesdell sees inventories under control after good July, but warns that production should be carefully geared to sales (p. 9).

MODERN COLOR SETS—AN EVALUATION: We'd like to pause a moment and chat with you about today's color receivers. We've had color sets in our home since Jan. 1954, new models every year or 2 to keep up with current picture. Our first receiver had been used in White House by President Eisenhower, later went to a station as monitor.

It's surprising but true that many people in industry, otherwise very sophisticated, haven't looked at color for a long time. They have a delightful surprise waiting.

Our latest set is an incredibly effective product of American industry. We've waited several months before commenting, to see how it holds up.

Color rendition is absolutely superb. It's faithful, stable, has had just one service call—minor one, at that—and set is used many hours daily. Registration, throughout, is excellent. Tuning is quite easy—young children are adept, though far less critical than adults, who apparently will always disagree vigorously on subjective concepts of color fidelity. There is still only one way to tune for fidelity—i.e., by tuning flesh tones to your satisfaction. Brightness is as great as you need. B&w is fine—good contrast, resolution, etc.

Probably the most effective comment on color quality came from a guest, former FCC employe who had substantial role in Commission's first decision favoring field-sequential system against present NTSC standards. Long irked by Commission's final reversal and final choice of NTSC, he is now a convert, saying: "That's wonderful! I had no idea that it's that good. Color has arrived."

If you've been too busy to think about color recently, drop in on your favorite dealer.

FCC MAY BLOCK CHANGED CBS INCENTIVE PLAN: CBS may have cured its incentive plan contracts with affiliates, so that they no longer violate Sec. 3.658(a) of FCC's rules—but there's proposal under preparation at Commission to counter CBS's action by amending the rule.

CBS had told Commission it doesn't agree that contracts violate rules, but it changed contracts anyway, to give affiliates same payment for hours carried under old "standard" contracts even if affiliates substitute other networks' offerings for CBS's (Vol. 2:26 p3).

Idea under consideration Commission now would amend Sec. 3.658(a) so that incentive-plan compensation would be outlawed if affiliate substituted even non-network programs for CBS fare. It's understood this would be tied in with proposal to abolish option time. Predictions on final FCC vote are hazardous—because split on option time has been 4-3, Comr. Ford considered the "swing man."

There's dispute within Commission as to whether amendment of Sec. 3.658(a) can be accomplished without further rule-making—whether or not industry has had ample opportunity to comment during option-time rule-making proceeding.

COLLINS TO DEFENSE OF CODES: Attack on NAB's TV & radio codes by July 30 Broadcasting Magazine provoked NAB Pres. LeRoy Collins to strongest reaction to date, to publication frequently critical of his regime.

Magazine editorialized that strong Codes would give FCC handy tool to control industry. It quoted FCC Chmn. Minow's recent statement: "I think it is within our power to do something about the number of commercials, and the industry itself has a code on how many commercials you can have on. I have suggested that if the industry is unable to enforce it, we will just take its own code, not touch it, just take it as it is and make it a rule that does apply to everyone."

Said Broadcasting: "If the broadcasters themselves, or a majority of them, assert that the code is a measurement of 'good' broadcasting, how can they object if the govt. agrees? In the long run it must be inevitable that the FCC will look with suspicion on any renewal application that does not clearly indicate adherence to NAB standards."

Collins' reaction in speech last week at meeting of Ga. & S.C. broadcasters' assns.: "The position taken in substance is that while the standards of good practice embodied in the Codes are all right to have hanging on the wall for the sake of appearances and individual guidance, we should make no concerted effort as an industry to enforce them.

"Now over the years since the Codes have been established, broadcasters have been lambasted from within their own house and from without by those who have contended that the Codes have been meaningless without stronger enforcement. And it is ironic and disappointing, now that we are developing this kind of enforcement, that there are a few who would have the public as well as broadcasters believe that the Codes were not supposed to be enforced all along, and that, notwithstanding the soundness of their standards, each broadcaster in fact should be completely on his own.

"Well, let me make this clear. We in NAB do not believe in this kind of deceptive double-talk. We do not regard our Codes as camouflage suits to make broadcasters appear to be something they are not. . . .

"If anyone, in broadcasting or out, has any just complaint about how the Codes are being administered, he should speak out so all may hear and profit thereby. But to advocate weak, unenforced Codes is to advocate no mutual self-regulation and to give the American people the choice of broadcasting under the law of the jungle or under the law of the bureaucrat. And we of the NAB feel that neither course is sound nor necessary." Collins also spoke out on several other subjects, including:

(1) Govt. relations. "We have not resorted to the easy formula of raining invectives down upon the heads of those in govt. who are charged with the function of regulating our industry. We leave that irresponsible luxury to those noisy individuals who either are not broadcasters or are not directly responsible to other broadcasters for the consequences of their actions. . . .

"The proof of effectiveness in Washington, I submit, is not to be found in fiery rhetoric but in solid accomplishments. Our record of accomplishment with the Congress and the FCC speaks for itself. Never before have we met with more success."

(2) Industry-FCC study of radio "overpopulation." "At this point, we are hearing from those who warn against getting into the 'economics' of radio. They argue that the NAB-FCC study will lead to the conversion of radio broadcasting into a regulated public utility with rates being set by the govt. in return for competition-free franchises. This is a straw man some people are setting up and getting applause by vigorously knocking down. . . .

"We must have an honest and complete diagnosis of what is wrong—and we do not intend to let the chants of the witch-doctors or those who profit from fear get us off the track."

FCC Comr. Lee commented on Codes in speech, "Ethical & Social Responsibility of Advertising," prepared for Aug. 11 delivery at Woodstock College, Woodstock, Md. He said he had compared FCC's July 1960 program policy statement with NAB's TV Code, concluded:

"In reading these documents side by side, I am impressed with their similarity in scope and purpose. Indeed, the Code goes further than the FCC policy statement, as well it should. The one difference is, of course, that the FCC has effective sanctions and the NAB has, at best, ineffective ones. If the history of the industry is prophetic, and the Code fails to do the job, more and more of the FCC policy statement may become a matter of rule and regulation, the non-compliance with which could mean a license revocation."

SATELLITE BILL PROGRESSING SIDEWAYS; PASSAGE UNCERTAIN: After spending week sidetracked in Foreign Relations Committee, administration-backed communications satellite legislation (Vol. 2:32 p4 et seq.) at end of week was back where it started—facing filibuster in Senate.

High-powered witnesses came from every direction at last week's hearings. Secy. of State Rusk, Defense Secy. McNamara, FCC Chmn. Minow, Attorney General Kennedy, NASA Deputy Administrator Dryden, USIA Director Murrow—all expressed satisfaction with bill, urged quick passage. Former President Truman and United Auto Workers were added to opposition crying "giveaway."

Rusk told Committee he was satisfied with foreign relations aspects of measure, urged rapid passage to assure U.S. of world's first workable system. (East Berlin newspaper last week reported USSR plans to launch 2 TV satellites "shortly" to transmit propaganda programs over 6 channels.) Murrow and Committee member Symington (D-Mo.) engaged in fiscal duel at hearing, latter ridiculing USIA estimates of \$900 million a year to use system. Symington contended agency's costs would be only fraction of this. Murrow was plumping for special reduced rates for his agency.

New proposal came during week from RCA Chmn. David Sarnoff. In address delivered by son Robert to American Bar Assn. conference in San Francisco, he advocated single huge U.S. international communications company, privately owned & operated, under govt. regulation.

He called for "nation's finest legal and technical brains" to work together in developing new national communications policy, to bring "coherence and viability" to communications in space age. U.S., he said, "will not realize a full return on its formidable contributions to communications technology as long as we maintain the present illogical structure in the international communications field."

Meanwhile, Telstar may go commercial this week, transmitting TV shows, phone calls, still photos, on Wed. & Thurs. each week. AT&T spokesman said company would consider requests by U.S. TV networks and others to use satellite on those days.

Back in Senate, satellite measure was facing new filibuster at week's end, liberal bloc led by Sen. Morse determined as ever to block passage, threatening to tie up action indefinitely by proposing numerous amendments.

CURRENT CAPSULES

Station retention of all applications filed with FCC, available for public inspection, is being considered at Commission. When FCC returns in Sept., it may start rule-making proposing it. Presumably, procedure would enable anyone to walk in and examine program proposals, etc.

Expansion of uhf allocation plan to about 3,500 specific assignments to cities is in works at FCC. There are approximately 1,550 now—somewhat more than original allocation at end of freeze in 1952. In devising original plan, Commission flew by seat of its pants, having no idea how much demand would develop. One of its guidelines was existence of radio station in community—assumption being that demand for TV would come first in such cities. Now, with educators asserting they'll need up to 1,200 assignments eventually, and with FCC hoping all-channel-set law will hike uhf demand, plans are being made to have assignments on hand waiting for takers. Approximately 180 of the 1,550 uhf assignments are now reserved for ETV, about 100 of the 675 vhf.

“The ‘Silent Powers’ Behind TV” titles lead article in Aug. 8 *Variety*, in which TV-radio editor George Rosen points out men who exert great influence at networks but are little known to public: NBC—Senior Exec. vp David Adams, No. 3 man after Chmn. Robert Sarnoff & Pres. Robert Kintner, “upon whose judgment & discernment rest many of the top-level decisions.” ABC—AB-PT Finance vp Simon Siegel, “with an undisputed ranking of No. 2 man & heir apparent to” Pres. Goldenson. Says Rosen: “If you ask anybody around ABC who ‘runs the shop’ and makes the flash plays, the answer is ‘Si Siegel, of course.’” CBS—Gen. Counsel Thomas Fisher is a “‘muscle man’ of distinction” and “the architect of corporate policy on all matters concerning Washington.” Rosen states that CBS has less room for developing background men of influence because of “the dedication and inexhaustible energies of boss man Stanton as CBS’ jack of all trades and inspirational spark.”

Proposal to lift ban on TV cameras in courtrooms was postponed until February by American Bar Assn., at annual meeting in San Francisco. Earlier in week, discussion on Canon 35 at meeting was held up for 25 minutes while TV cameras were ordered cleared from room. NAB General Counsel Douglas Anello explained: “We had hoped to put on a demonstration to show how modern techniques could be adapted to court proceedings without impeding the cause of justice.” Colo. Chief Justice Edward C. Day, meanwhile, accused ABA of maintaining Canon 35 ban in face of all evidence, pointed out that in 6-year trial of broadcasting equipment in state courtrooms, no judge or defendant ever had complained. In other actions, ABA presented “gavel awards” for contributing to public understanding of the American system of law & justice to CBS-TV network and radio WRFB Tallahassee.

NCTA expressed strong disagreement with Boise Federal Dist. Court Judge Sweigert’s ruling that Cablevision Inc. violated contractual rights between KLIX-TV Twin Falls, Ida. and networks & film distributors, by distributing in Twin Falls the Salt Lake City programs duplicating those of KLIX-TV (Vol. 2:32 p3). NCTA Pres. William Dalton called decision “erroneous, and in any event of very limited application.” Sweigert decision, he said, would give local broadcaster control over public reception and reception equipment public may use. He said ruling indicates that broadcaster can’t interfere with CATV system outside city to which channel is allocated, and only to limited extent within city, and added: “This is a major clarification of the position of the community antenna industry. Nevertheless, every effort will be made to secure a final ruling that public reception of TV broadcasts may not be enjoined by a broadcaster because of the nature of the antenna used or for any other reason.”

Committee for Competitive TV, uhf-promotion group, has been reactivated. Officers: William L. Putnam, WWLP Springfield, chmn.; Fred Mueller, WEEK-TV Peoria, vice chmn.; John English, WSEE Erie, secy.-treas. Other board members: David Baltimore, WBRE-TV Wilkes-Barre; Robert W. Mack, WIMA-TV Lima; Lawrence Turet, WXIX Milwaukee; Warren P. Williamson, WKBN-TV Youngstown. Group plans to expand, retain Washington counsel, an exec. dir. & staff.

New CATV system under construction—Elizabethton, Tenn.—being built by TV Cable Inc., Johnson City (R. M. Huntsman, mgr.), aims for start of service within 2 months.

Largest worldwide TV film distributor is CBS Films, which leads in 4 major overseas markets accounting for over 70% of international sales potential, CBS reports. International sales dir. Ralph Baruch said CBS Films is tops in Canadian, Australian, UK and Japanese markets, also leads in Sweden, Norway, Italy, Hong Kong, Philippines and other countries.

Samoan ETV system will be established under \$1,869,000 grant to Interior Dept. by Congress. Due on air in Sept. 1963, system will utilize 3 channels, employ 35 engineers & technicians, 28 supervisors, 12 experienced TV teachers. Samoan & U. S. officials said that ETV is preferable to importing large number of U. S. teachers.

THE EXPATRIATES, '62 STYLE: If former NBC producer David Lown ever finds time to write a book—a possibility doubtful in his busy schedule—he might well call it “The Ampex Boys In Europe,” or “How To Be An Expatriate Producer For Fun And Profit.” Lown is fulfilling dream of many U.S. TV executives—moving to some colorful and relatively untrammelled (by TV) area, and sparking things considerably with Yankee TV know-how.

In New York last week to discuss deals with networks & agencies, Lown was bullish about closer links between U.S. & Europe in wake of Telstar headlines.

Lown originally went to Europe in 1959 to run Intercontinental TV (Vol. 15:13 p7), is now Commercial Dir. (actually, operational head) of a new firm called Trans Europe Television S.A., based in Paris. Chief facility: “The most modern multi-standard mobile TV unit in Europe,” to quote TET’s new rate card.

Although TET’s basic role is not unlike that of now-operative Intercontinental TV, Lown has applied some hard-won lessons in technology & financing which he feels will make TET a success.

“Right now,” Lown told us, “we are a nucleus for a network coordination and servicing organization in Europe, and between Europe and the U.S. We will soon, for example, be able to do a 6-city TV pickup in Europe and feed it to Paris and thence New York. Although we don’t see ourselves as ‘competitors’ to the U.S. networks, we hope to become one of the principal production companies in the world.”

TET’s mobile unit, contained in 2 small 25-ft. trucks, is a piece of compact field engineering many U.S. manufacturers and networks might study with profit. It contains as key equipment:

(1) A 1000C Ampex videotape recorder equipped with Interswitch, Intersync and Amtech, and Gen-lock facilities. (2) Quartet of EMI cameras which can use either 4½-in. or 3-in. image orthicons, and which can feed recorder with signals in 405, 525 (50 or 60 cycle) or 625 lines with only a 20-min. changeover. (3) A 16mm film chain working on 50 or 60 cycles. (3) Special effects (wipes, dissolves, etc.) generator. (4) Audio recorders, also in 50 & 60 cycles. (5) Considerable accessory equipment, such as slide facilities, zoom lenses, microphones, power generators, etc.

All told, it represents, including trucks, about \$350,000 worth of up-to-date, international TV equipment. Weekly rental: \$14,000.

TET’s financial backing also has strongly international flavor. A principle shareholder is British TV program contractor TWW Ltd. (which assures TET of a flow of assignments); another is EMI Electronics (which uses TET as showcase for new equipment). Others include: Link Photographic Co. (British), Richard Dimpleby (British commentator who heads Puritan Films), Television Advisors Ltd. (new British concern promoting closed-circuit), Robin Scott (ex-head of BBC in Paris and an officer of TET), and Lown, plus individual private shareholders. Still more backers, shifting now to continent, include “Europe #1” (commercial TV-radio station in Saar beamed to France), TV Monte Carlo (station), TeleEurope Co. (newsreel producer).

Interestingly, latter 3 firms are part-owned by French

govt.—which is, officially at any rate, opposed to idea of commercially sponsored TV. In effect, Lown’s group is in financial marriage with govt. of France—which, according to Lown, “can be very helpful to an American producer at times.”

Lown’s plans for TET’s future operations & expansion fall, roughly, into 3 major areas: (1) Functioning as a production facility and coordinator in Europe for European, British and U.S. networks in coverage of news, special events, sports, programs. (2) Creating & coordinating closed-circuit telecasts—a relatively new European development—for such giant concerns as Opel (owned by General Motors), IBM, *et al.* (3) Creating & packaging TET’s own TV programs as specials or series, live or tape.

TET is also scouting possibilities of doing U.S. TV commercials on tape in European settings—concept inherited from Intercontinental, but with an interesting difference. Through careful engineering pre-planning, Lown has seen to it that TET’s mobile unit is “completely electronically compatible” with the N.Y. facilities of Videotape Productions, an active tape commercial producer. (“We can now extend Videotape Productions’ studio an additional 7,000 miles,” is how Lown puts it.)

In program realm, Lown has plans for tapping European talent pool and for using European locations. At least 3 prime projects are in works: (1) 30-min. film series, now in pilot stage, based on “Don Quixote” and due to be shot in Spain for international TV sale. (2) “Anatomy of a Country,” a series of 60-min. taped “national profiles” of European countries, designed chiefly for U.S. & British TV consumption. (3) “At Large in the World,” a variety-musical package “with a key cadre of U.S. talent, built around a U.S. star of the calibre of Dave Garroway,” according to Lown. None of the 3 projects is currently sold in U.S. but TET is “discussing deals for 1963 on them,” Lown told us.

Lown and his associates have no monopoly on mobile TV in Europe. For one thing, TET competes with Intertel, in Munich, which is staffed to a large extent with U.S. trained tape personnel Lown originally brought to Europe in 1959. For another, TET would rather work cooperately with U.S. networks and producers, and not attempt to freeze out U.S. interests and Eurovision by buying up leading sporting and special events. “The Telstar era of international TV communications has just begun,” says Lown, “and there will be plenty of activity for many people.”

TV sex-&violence hunter Sen. Dodd (D-Conn.) sees “some signs of improvement” in medium since conclusion of his hearings (Vol. 2:21 p1 et seq.), but still may propose legislation to curb excesses. Interviewed on Metro-media’s *Opinions in the Capital* Aug. 5, he disputed NAB Pres. Collins’ charges that Congressional hearings have produced “little more than headlines,” said he didn’t think Collins was referring to his probes. He added he hadn’t thought of investigating newspaper sex-&violence, because he’s “been too occupied with television.”

FTC rapped Hadacol for falsely advertising on TV & radio that “New Super Hadacol” would relieve tiredness and other symptoms. Agency asserted preparation is useful only in small minority of cases caused by deficiencies of vitamins included in preparation. Company has 30 days to reply.

Caribbean TV Stirrings: Caribbean area's next TV station will be British-built-&-managed Ch. 2 Trinidad & Tobago TV Service Ltd., located in Port of Spain, Trinidad's capital, expected to cover 95% of that oil-rich island's 850,000 people (with Tobago) and due on air Nov. 1.

English-born Ronald F. Goodsman manages \$1.2 million project for owners: govt., which goes independent Aug. 30, 10%; CBS, 10%; Rediffusion of London, 40%; Scottish TV (Roy Thomson), 40%. Meanwhile, island has seen closed-circuit TV at various exhibitions and used by power company to induce people to pay their light bills when they come in to view. Also now using closed-circuit (Pye Ltd.) as showcase of what it proposes to offer if govt. will issue it license is *Kingston (Jamaica) Gleaner*, independent daily which has tied up with Thomson interests in seeking grant.

Note: U.S. interests active in Venezuela: Vene-Vision, having recently had Robert Kennedy, Washington consulting engineer, down for survey of its increased-power plans; the 6-station network, one of country's 2, is 45% owned by ABC. NBC holds 20% of rival Radio Caracas TV.

Commercial TV for Denmark would become bigger possibility if U.S. TV set better example by improving its content, according to Danish advertising executive. Knud Petersen, Federation of Danish Advertisers head, told Advertising Federation of American panel in Copenhagen that his group has appealed to govt. for commercial TV, but doesn't want "the American system of sponsored programs." Country's businessmen would prefer merely having small segments of air time for advertising, he said, without becoming involved in programming. He asserted Scandinavians have poor opinion of U.S. TV because of imported programs and reports from travelers, claimed this doesn't help Danish advertisers crack medium.

Congress and FCC are criticized in Aug. 11 *TV Guide* for sitting on proposed legislation to suspend or repeal equal-time requirements for other than Presidential or Vice-Presidential elections. Of reluctant lawmakers, magazine editorializes: "They're not going to get up there in front of the cameras with bright young aspirants for their offices and give voters a chance to make odious comparisons—no siree. That's why Congress is dawdling over proposed legislation that permits stations to give free time to major party candidates for *all* offices." Noting that FCC Chmn. Minow has urged caution in passing any such law, *Guide* remarks dryly: "This from the man who condemned television for not living up to its public service responsibilities."

Louis A. Novins has resigned as pres. of International Telemeter Co., pay-TV div. of Paramount, succeeded by Howard Minsky, former asst. to exec. vp George Weltner. Novins, who piloted Paramount's entry to pay-TV, said he had planned to leave "for some time," indicated parting was amicable. Telemeter has been conducting experiment in Toronto suburb, plans another in Little Rock, latter delayed by litigation. Company also elected James P. Murtaugh, of Simpson Thacher & Bartlett law firm, to Telemeter board; Leslie Winik, exec. vp; William C. Rubinstein, research & development vp; Philip Isaacs, franchise sales vp.

Network TV Advertisers Up: Record number of companies used network TV first 5 months of 1962, TvB reports—276 advertisers vs. previous high of 262 in same 1960 period. Record for full year was 378 in 1960. Of the 276, 139 have used network TV for 5 or more consecutive years, 82 for 10 or more.

TvB also issued brochure on local food & grocery sponsorship. *The Super Medium for Markets* reports that food store spot TV spending in first quarter 1962 rose 18.4% to \$2,559,100 from \$2,160,200 in same 1961 period. Trading stamp network & spot billings during quarter soared to \$1,020,944 from \$354,000 year ago.

Measuring newspaper effectiveness, Bureau reported highest household penetration in top 100 markets is in Akron, where largest paper reaches 91.8% of homes. Lowest is in San Bernardino-Riverside-Ontario, Cal., where penetration is 18.1%. TvB's conclusion: Only spot TV can assure precise coverage needed in each market.

Personals

J. Leonard Reinsch, WSB-TV Atlanta exec. dir., and U.S. Advisory Commission on Information chmn., is touring Africa & Near East observing USIA field operations.

Mark Cohen promoted to ABC-TV nighttime sales service mgr., replacing John McAvity, who advances to sales planning coordinator; Yale Udoff moves up to Eastern sales service mgr.

Arthur L. Hecht, ex-CBS radio network program promotion and merchandising dir., named WCBS-TV N.Y. advertising & program promotion dir. . . . Lewis H. Avery resigns as Avery-Knodel pres., will devote time to TV-radio consulting and radio KYA San Francisco, of which he is part owner. J. W. Knodel elected to succeed Avery; Thomas J. White named exec. vp; Robert J. Kizer elected vp.

Thomas B. J. Atkins promoted to CTV Network (Canada) gen. sales mgr. . . . John W. Kelin, ex-WJIM-TV Lansing program mgr., appointed WLWA Atlanta program dir., succeeding Neal Van Ells, now with radio WRCV Philadelphia.

C. George Henderson promoted to WSOC-TV Charlotte, N. C. vp & gen. mgr., succeeding Larry Walker, retiring Oct. 1; Henry Sullivan advances to radio WSOC vp & gen. mgr. . . . Robert Temple, ex-KREM-TV-AM-FM Spokane station mgr., named KTVI St. Louis gen. sales mgr. . . . R. A. Fennel named program mgr., Glenn Adkins Jr. production mgr., WLOS-TV Asheville, N. C.

Donald V. Meaney promoted to NBC News Programs dir., Malcolm R. Johnson advances to News Syndication mgr.

Denial of license renewal for radio KRLA Pasadena (Vol. 2:30 p5) has been stayed for 30 days by FCC pending station's court appeal. Station was charged with making program proposals in poor faith, running fraudulent contests, altering logs to deceive Commission, and being controlled by an alien.

FCC's St. Louis Ch. 2 decision—keeping channel there instead of shifting it back to Springfield (Vol. 2:30 p2)—has been appealed by Sangamon Valley TV Corp., Springfield. It asked 7th Circuit Court of Appeals in Chicago to stay FCC's action pending appeal.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

CORNING 19- & 25-IN. COLOR BULBS GET GREEN LIGHT: Tube industry engineers tacitly okayed Corning Glass's plans for 19- & 25-in. rectangular color bulbs at surprisingly quiet Aug. 8 meeting of JT 6.4 subcommittee of the Joint Electronic Devices Engineering Council (Vol. 2:30 p7). Expected fireworks & controversy over new trends in color sizes (Vol. 2:31 p7) failed to materialize. JEDEC-member Corning had requested meeting to discuss new color bulb proposals.

Corning submitted drawings of new bulbs, announced it had registered new types with JEDEC, answered several technical questions from attending engineers, and went home to start making bulbs. Meeting was that tame & routine, everyone seemed content with new sizes.

"There was general agreement that we go ahead on these proposals," Corning TV dept. mgr. Allen W. Dawson told us. "It's nice to know that no one in the industry is going to rock the boat."

Boat rocking by Kimble Glass would have surprised no one, and there was some expectation of a Kimble proposal that color tube's next step-up size should be 23-in. However, no such proposal or boat rocking developed. Kimble did, however, show drawings for a 24-in. rectangular color bulb & announce plans to register design.

Subcommittee Chmn. George Beggs, of Philco's Lansdale Div. told us: "Kimble agreed to accept a decision approving the proposal for the shape and over-all sizes of Corning's 19- & 25-in. bulbs. We approved the proposals in order to get the glass companies started on making new glass, but we don't want both 24- & 25-in. sizes. It would be too confusing and would run us into the same type of confusion we had in the past with b&w 20- & 21-in. tubes."

JT 6.4 subcommittee meets again next month, Sept. 11. At that time, Beggs told us, "we'll appoint a task force of tube-makers to work with Corning and Kimble on dimensions and tolerances for what we expect will be 19- & 25-in. rectangular color bulbs." There was no attempt at last week's meeting to standardize.

In addition to Corning & Kimble, Pittsburgh Plate Glass attended last week's meeting. Tube manufacturers were represented by Autometric Corp., GE, National Video, Rauland, RCA, Sylvania, Westinghouse. Set-makers were represented by Admiral, Motorola, Warwick, Zenith. General Instrument also sat in.

Kimble glass will produce "glass color bulbs in the sizes and shapes needed to satisfy the color TV market by mid-1963," we were told last week. Company told us its present program "is not locked in with a particular size bulb of any particular tube company's design." Program is "flexible and is aimed at establishing principles of manufacture and tolerances that can be applied to any type of glass, size or shape of color bulb." Commenting on Aug. 8 JEDEC meeting, Kimble told us it supports purpose of meeting "wholeheartedly and strongly recommends that the necessary dimensions and tolerances be established by the industry as soon as possible and before the end of 1962."

TV ENGINEERS VOTE UHF TUNER STANDARDS: Industry's engineering brass tuned in same frequency last week, agreed with surprising speed & unanimity on recommendations for uhf tuner specifications to be submitted to FCC next week, Aug. 22.

In all-day Aug. 7 session at EIA's N.Y. hq, glittering assembly of 30 engineering vps, dirs. & chiefs representing 20 TV, tuner & components firms—including non-EIA members—quickly resolved highly technical differences of opinion and referred amalgamated proposals to EIA Ad Hoc Committee for formulization.

Harris O. Wood, Philco's chief engineer, and chairman of EIA's entertainment receiver panel, was appointed chairman of committee charged with responsibility for translating engineers' recommendations into official proposal. Also named to committee: Zenith engineering vp J. E. Brown, RCA home instruments chief engineer Earl Anderson, Motorola TV engineering dir. Garth Heisig, Olympic chief engineer E. Lee Siegmund, General Instrument's F. W. Sickles Div. chief engineer Fred Kitty, EIA exec. vp James Secrest, EIA consumer products staff dir. L. F. Sandwick, EIA staff engineer J. A. Caffiaux.

"Fantastic," was Sandwick's description of outpouring of engineering talent. He told us: "This turnout is a tribute to the TV industry's sense of responsibility. The proposals were completely realistic. All the companies contributed very sound recommendations. The spirit of cooperation was tremendous, and the manner in which they resolved differences of opinion was extremely gratifying."

Virtually all TV set manufacturers were represented, 14 in person, 7 via written recommendations. Participating were Admiral, Andrea, Capehart, Curtis Mathes, Emerson, GE, Magnavox, Motorola, Muntz TV, Olympic, Packard Bell, Philco, RCA, Setchell Carlson, Symphonic, Sylvania, TraVler, Warwick, Westinghouse, Wells-Gardner, Zenith.

TV tuner industry was represented by Oak Mfg., Standard Kollsman, F. W. Sickles. Sarkes Tarzian had no representative at meeting but submitted detailed recommendations. Also attending meeting were representatives of Blonder-Tongue, P. R. Mallory, Radio Condenser.

One industrywise veteran summed up meeting: "Never in my experience have so many representatives of so many companies concluded so quickly on such major proposals for industry standards."

TV-RADIO SALES UP & CLIMBING AT MIDYEAR: Buoyed by booming June business, TV-radio sales sailed along at fast clip in 1962's first half, topping year-earlier volume by healthy margins. As forecast in Vol. 2:29 p8, distributor TV sales to dealers set record in June—and informal preliminary reports indicate that upbeat business continued into July.

TV sales climbed to 2.7 million from 2.5 million units in Jan.-June 1961, EIA's official statistics show. June sales boomed to record 480,510 sets—18,536 ahead of June-1961's peak distributor sales of 461,974. June also was half-year's 3rd best TV month—topped only by March's 580,876 & February's 521,275.

June also was brisk month for radio. Distributor sales topped million mark for first time this year, pushed midyear sales to 4.8 million radios vs. 4.4 million for 1961's first 6 months. June's 1,040,598 radio sales also were slightly ahead of June-1961's 997,321.

Here are EIA's official midyear TV-radio distributor sales to dealers:

Month	TV-RADIO DISTRIBUTOR SALES		Radio (excl. auto)	
	1962	1961	1962	1961
January	465,836	403,570	562,869	471,518
February	521,275	428,705	697,893	640,379
March	580,876	500,597	917,236	853,197
April	364,742	347,800	809,499	672,756
May	310,799	349,098	772,479	735,692
June	480,510	461,974	1,040,598	997,321
TOTAL	2,724,038	2,491,744	4,800,574	4,370,863

TV-radio production in first half also outstripped Jan.-June 1961 output. Half-year TV production rose to 3.3 million units from 2.8 million a year-earlier. June chipped in healthy 620,653 sets—up from 615,118 in June 1961. June was 1962's 2nd best month, bested only by March's 659,251 output.

Uhf also contributed to rising tide of TV production. Half-year output of uhf sets climbed to 275,446—nearly double Jan.-June 1961's 147,832. June was good uhf month, 2nd best of year. Industry turned out 50,283 units—up markedly from 34,641 in June 1961—and slightly behind April's pace-setting 51,107.

Radio production ran ahead in all categories for both 6-months & June. Total radio output rose to

9.3 million for first half from 7.5 million in year-earlier period. June output increased to 1.7 million from 1.6 million in year-ago month. Auto radio production gained nearly one million units for half-year—to 3.3 million from 2.4 million. June output rose to 629,004 from 518,010.

FM production was upbeat all the way. Year-to-date production was more than 100,000 units ahead of first-half 1961—459,508 vs. 356,595. Cumulative total was aided by June outpouring of 92,287—1962's best month by far—vs. 88,808 in June 1961.

Here are EIA's official TV & radio production figures for first half:

TELEVISION PRODUCTION					RADIO PRODUCTION						
Month	Total		UHF		Month	Total		Auto Radio		FM	
	1962	1961	1962	1961		1962	1961	1962	1961	1962	1961
January	488,869	367,935	39,609	25,270	January	1,350,630	1,090,073	530,589	387,136	76,510	50,421
February	641,494	444,418	46,716	24,514	February	1,464,797	1,115,029	480,232	307,973	84,216	41,357
March	659,251	497,468	48,323	21,450	March	1,810,417	1,384,052	607,510	384,227	81,010	75,044
April	510,587	405,808	61,107	19,096	April	1,472,654	1,124,924	519,296	375,570	63,193	51,260
May	474,647	470,399	39,609	22,782	May	1,444,074	1,196,949	504,846	408,875	62,292	49,705
June	620,653	615,118	50,283	34,641	June	1,721,873	1,626,263	629,004	518,010	92,287	88,808
TOTAL	3,295,501	2,801,136	275,446	147,832	TOTAL	9,264,445	7,537,290	3,271,477	2,381,791	459,508	356,595

AUGUST—TV'S 'CRITICAL MONTH': TV business was good again in July, continuing June's trend and chipping away further at inventories. Pipelines are now filled with new models; "sampling" is over. August is first of the real "paydirt" months which will tell how well consumer is receiving the new merchandise, and how much he's been scared by "recession" talk.

What's outlook for rest of year? We asked one of industry's top marketing men, Zenith Sales Corp. Pres. Leonard C. Truesdell, how picture looks to him. Although TV distributor-to-dealer sales to date are up about 9.5% from same period last year, Truesdell is sticking to his prediction that total 1962 sales will be less than 6 million, but somewhat ahead of last year's 5.77 million.

Sales were slow during first part of last year, he pointed out, and the 1962-over-1961 increases weren't too difficult to achieve. It will be hard to retain this differential for rest of year, because business pick-up in latter 1961 made remaining months of year hard ones to beat.

Truesdell sees no recession in the cards now, but: "People are careful, choosy. Retail business isn't zipping and humming in any field. Nevertheless, people can be made to buy. . . . It takes work, but it can be done."

Inventory situation has improved, but now that pipelines have been filled with new models, it's time for manufacturers to watch production schedules closely, Truesdell advised. Considering sales pace, inventories aren't in bad shape—about 14 weeks' supply compared with 13 weeks a year ago. About 6 weeks ago, when industry was busily involved in getting new models into field, supply was equivalent to about 23 weeks' sales, said Truesdell, but this was natural buildup for new-model selling.

Summing up: "At the moment the supply of sets isn't bad in relation to sales. But unless sales stay with it, we could be in danger of running into an inventory buildup." August's sales will be important clue to what's ahead.

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 3 (31st week of 1962):

	July 28-Aug. 3	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	104,636	103,990	107,362	3,747,650	3,292,648
Total radio	214,769	310,237	283,260	10,624,071	8,851,952
auto radio	82,830	96,783	96,002	3,795,579	2,799,328

Bid of \$50,000 for bankrupt Crosby-Teletronics' physical assets (Vol. 2:31 p11) will be considered today (Aug. 13) at hearing before Referee William J. Rudin in Mineola, N. Y. Bid was entered by Joseph A. Krupski, covers inventory, machinery, office equipment, designs & drawings.

Large-screen TV projection system, producing 12-x-16-ft. pictures, is being produced by Waltham Precision Instrument's Tele-Beam Div., Brookfield, Conn. Pres. L. R. Ripley reported compact, portable system is "being manufactured on a production basis," lists for \$2,595.

TOPICS & TRENDS

Admiral's patent infringement suit against Sears Roebuck (Vol. 2:20 p11) has been settled out of court. Agreement provides cash settlement & issuance of license to Sears subsidiary Warwick Mfg. to use 4 Admiral patents covering automatic record changers Super Son-R wireless remote control for TV sets. Admiral also will issue license for TV remote to Sears affiliate Pacific Mercury. Admiral patent attorney James T. Barr said firm is offering license for the 4 patents to all other phonograph manufacturers using Admiral's devices.

Electro-Science Investors will ask stockholders at special Aug. 17 meeting to approve proposal to terminate small business investment activities & convert to closed-end investment company. Electro-Science incorporated in 1960 as small business investment firm, has invested \$9.6 million in electronics & science-oriented companies. Stockholders also will be asked to double authorized common shares to 10 million & authorize issue of 5½% debentures (due Sept. 1, 1972) to shareholders in a recapitalization move. Electro-Science said new role as closed-end company would provide greater flexibility in investments.

Trade Personals

Dr. Elmer W. Engstrom, RCA pres., appointed 1962-63 chmn., EIA Annual Award Committee. Also named to committee: Max F. Balcom (Sylvania), Leslie Hoffman (Hoffman Electronics), D. R. Hull (Boyden Associates), Frederick R. Lack (EIA engineering dept. dir.), Leslie F. Muter (Muter Co.), Robert C. Sprague (Sprague Electric) and EIA vps Ben Adler (Adler Electronics), industrial electronics div., Robert S. Bell (Packard Bell), consumer products div., George W. Keown (Tung Sol), tube & semiconductor div., W. Myron Owen (Aerovox), parts div., L. L. Waite (North American Aviation), military products div.

Curtis R. Hammond appointed Travler Radio vp & gen. sales mgr. . . . Frederic Marks, ex-May Drug, named Newark Electronics controller, a new post.

Robert T. McTigue, Oak Mfg. vp, elected pres. of newly acquired Hart Mfg. (Vol. 2:27 p12) and subsidiaries "Diamond H" Switches, London & Hart Mfg. (Canada) Ltd., succeeding George A. Hart Sr.

B. D. Loughlin elected research vp of Hazeltine's subsidiary Hazeltine Research Inc.

W. H. Roberts elected vp of Electronic Research, Kansas City, a Textron Electronics Div. . . . Warren H. (Deak) Atkinson, one-time International Rectifier mktg. mgr., joins ITT Components Div. as western regional mgr. for semiconductor & capacitor sales, covering 12 western states.

Eugene J. Dailey, ex-U. S. Rubber International, joins RCA International as division vp, associated companies operations.

John L. Herre appointed govt. relations vp, General Instrument's radio receptor div., Hicksville, N. Y.

Robert T. Campion & John J. Burke elected Lear Siegler senior vps.

D. R. Small, ex-Eastern Associates of San Francisco, appointed sales mgr. of Olympic's Special Radio Sales Div., succeeding Merle M. Farber (Vol. 2:23 p10).

Warren S. Smith, promoted to RCA liaison mgr. for Defense Dept. & related affairs, Washington; Roy Shawn succeeds him as NASA & FAA defense affairs mgr.; Earl Merritt named electronic warfare products mgr.

G. Howard Teeter, ex-Martin Marietta Corp., appointed Hoffman Electronics group vp, a new post.

Jerry Dreesen, ex-Pacific Mercury Electronics, appointed Roberts Electronics controller, succeeding James McLaurine, resigned; George Schock, ex-Pacific Mercury Electronics, becomes Roberts' production mgr., succeeding J. V. Short, resigned to join Citroen Electronics as plant operations vp. Roberts and Citroen, both in Los Angeles, produce tape recorders.

Sidney Hubschman elected Vornado pres., succeeding brother Herbert Hubschman who continues as chmn.

J. Ray Topper named sales planning mgr. of GE receiving tube dept's. new sales planning subsection.

Distributor Notes: Emerson Radio names D. M. Latus & Co., Helena, Mont., Montana distributor for Du Mont lines of home instruments; appoints Leon Pata & Co. (316 E. Bay St., Charleston, S.C.) South Carolina distributor for Du Mont instruments • Olympic Radio & TV names J. E. McMurray Distributing Co., Long Island City, N.Y. (J. E. McMurray pres.), distributor for 27 counties in western Michigan, succeeding Vining Sales Inc., Greenville, Mich. • Antennacraft Co., Burlington, Ia. names 3 reps: Leonard D. Allen Inc., Syracuse, N.Y., for upper N.Y. state; W. A. Hendrickson, Scituate, Mass., for New England; Maury Bender & Co., Chicago, for Illinois & eastern Wisconsin; Admiral appoints John F. Robertson Co. distributor in Kansas City territory, covering 24 counties in northeast Kansas & 38 counties in northwest Missouri • Philco Distributors names W. R. Johnson gen. mgr. & David C. Miller gen. sales mgr. for Houston-San Antonio, Texas area • Curtis-Mathes appoints Jack Espenschade sales rep for metropolitan Philadelphia & southern New Jersey • Transistor World names Al Silvers to handle Toshiba line in metropolitan New York area, replacing Rand Associates.

Canadian TV sales to distributors rose 26% in 1962's first half to 173,896 units from 137,208 in Jan.-June 1961. EIA of Canada also reported 8% sales gain for radios, to 224,243 units from 206,533, and 19% increase in sales of radio phonos, to 34,083 units from 28,466 in 1961's first half.

Admiral Sales & Profits Gain: Admiral's first-half earnings nearly doubled to \$858,058 from \$433,550 in 1961's first 6 months as sales climbed to \$96.2 million from \$86.2 million (see financial table). June-quarter earnings rose to \$348,101 from \$229,438 on a sales gain to \$47.1 million from \$43.8 million.

Pres. Vincent Barreca forecast "good" sales & earnings in 1962's 2nd half, barring possible downturn in nation's economy.

Symphonic Electronic shipments in 1962's first 7 months jumped 32% ahead of a year-earlier. Pres. Max J. Zimmer said Jan.-July volume "further improves our previously reported 6-month increase of 26%," noted that "our backorder position, however, still remains the highest in our history." He described outlook for future sales as "exceedingly optimistic."

Olympic has dropped in Japanese-made 19-in. table model TV set with \$149.95 list. Unit is manufactured by Nippon Columbia. Shipments to dealers are slated to start before month's end. Pres. Morris Sobin said Olympic's July dollar sales established record, jumped 21% ahead of July 1961. Sales trend continued into August, he said.

Zenith has introduced 5 table radios, including 2 FM-AM models & 2 clock radios. Prices range from \$19.95 for AC-DC table radio to \$19.95 & \$24.95 for clock models, \$74.95 & \$89.95 for FM-AM radios.

Mergers & acquisitions: Litton Industries will acquire for stock McKiernan-Terry Corp., Harrison, N.J. maker of antennas & sonar equipment.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
CBS	Q	\$0.35	Sep. 7	Aug. 24
GT&E	Q	.19	Sep. 30	Aug. 22
Goodwill Stations	Q	.12½	Sep. 12	Aug. 29
Meredith				
Publishing	Q	.35	Sep. 14	Aug. 31
Paramount	Q	.50	Sep. 21	Sep. 4
United Artists	Q	.40	Sep. 28	Sep. 14

Electronic Distributing Associates has been established at 4600 Prospect, Kansas City, Mo. to distribute, to member independent home electronics sales & service dealers, component parts and, eventually, home electronic instruments. EDA starts with 45 franchised dealers in eastern Kansas & western Missouri, expects to double membership by year's end. Robert J. Leary, former Yellow Transit Lines vp, is pres.; Walter L. Niswonger, Jr., former head of Kansas City Electronics Supply is vp.

GE's pension plan is half-century old this month. Since its establishment in Aug. 1912, 50,000 GE employes have retired under program with total payments of more than \$300 million. Initially, monthly pension payments ranged from \$20 minimum to \$125 maximum. Currently, minimum payments are figured at rate of \$2.40 a month for each year of service to April 2, 1962, \$2.50 a month for service after that date. There's no dollar maximum.

Reports & comments available: Hazeltine and Microwave Associates, comments, Josephthal & Co., 120 Broadway, N. Y. 5. Babcock Electronics, review, Shearson, Hammill & Co., 14 Wall St., N. Y. 5. Movielab Film Lab, review, Cranbery, Marache & Co., 67 Wall St., N. Y. 5. Ford, report, Cruttenden, Podesta & Miller, 209 South La Salle St., Chicago 4.

Du Pont has entered analytical instruments field, is now marketing electronic-optical process control photometric analyzers. Instrument Products Div. has been established to sell these & additional instruments. Products are now being purchased by Du Pont, but company plans to "phase into" manufacturing.

International Resistance anticipates record 1962 sales & earnings, "substantially greater than those established in 1961," reported Pres. Walter W. Slocum. Company earned \$2,021,432 (\$1.45 a share) on \$23,005,304 sales in 1961.

Westinghouse has formed a Molecular Electronics Div. "to capitalize on the rapid growth of molecular electronics & related solid state devices."

Goodwill Stations increased its quarterly dividend from 10¢ to 12½¢ a common share. Increased rate will be paid Sept. 12 to stock of record Aug. 29.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Admiral Story above.	1962—6 mo. to June 30	\$96,212,340	\$ 2,188,897	\$ 858,058	\$0.35	2,417,261
	1961—6 mo to June 30	86,191,630	981,124	433,550	.18	2,408,836
	1962—qtr. to June 30	47,076,845	1,000,941	348,101	.14	2,417,261
	1961—qtr. to June 30	43,758,700	678,215	229,438	.09	2,408,836
Beckman Instruments	1962—year to June 30	74,835,154 ⁴	—	4,774,873 ⁴	3.11	1,529,237
	1961—year to June 30	68,570,336	—	4,000,895	2.62	1,437,818
Christ-Craft Industries (formerly NAFI Corp.)	1962—6 mo. to June 30	38,510,447	—	1,436,152	1.09	1,240,345
	1961—6 mo to June 30	37,916,833	—	1,635,057	1.25	1,215,755
CBS Inc.	1962—6 mo. to June 30	246,656,296	31,069,308	14,153,308	1.59	8,889,932
	1961—6 mo. to June 30	240,767,745	20,476,332	9,409,332	1.06	8,896,813
	1962—qtr. to June 30	118,105,000	—	6,388,000	.72	8,889,932
	1961—qtr. to June 30	114,760,000	—	3,383,000	.38	8,896,813

(CONTINUED ON NEXT PAGE)

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Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Cawles Magazines & Bcstg.	1962—6 mo. to June 30	42,261,166	—	847,567	.32	—
	1961—6 mo to June 30	40,046,558	—	516,833 ¹	.22 ¹	—
Crowell-Collier Publishing	1962—6 mo. to June 30	39,976,276	1,939,559	898,859	.29	3,136,205
	1961—6 mo to June 30	27,976,580	1,637,473	820,682	.27 ⁷	3,075,974 ⁷
	1962—qtr. to June 30	22,986,605	1,470,190	671,990	.21	3,136,205
	1961—qtr. to June 30	15,905,712	1,300,798	656,807	.21 ⁷	3,075,974 ⁷
Decca Records	1962—6 mo. to June 30	—	—	3,313,972	2.17	1,527,401
	1961—6 mo to June 30	—	—	1,315,063	1.02	1,285,701
General Dynamics	1962—6 mo. to June 30	1,057,395,704	23,835,228	22,844,417	2.29	9,997,064
	1961—6 mo to June 30	1,010,887,737	(83,576,496)	(55,674,379) ⁵	—	9,997,069
GPE	1962—6 mo. to June 30	108,000,000	—	1,897,000	1.02 ²	1,643,101
	1961—6 mo. to June 30	118,903,557	—	2,488,704	1.50 ²	1,496,795
	1962—qtr. to June 30	59,600,000	—	1,031,000	.56 ²	1,643,101
	1961—qtr. to June 30	56,006,690	—	1,155,465	.66 ²	1,496,795
GE Credit Corp.	1962—6 mo. to June 30	683,561,000	—	3,804,000	—	—
	1961—6 mo to June 30	564,063,000	—	3,978,000	—	—
Gianini Controls (Conrac)	1962—6 mo. to June 30	11,707,156	871,364	429,364	.40 ²	1,070,418
	1961—6 mo to June 30	10,491,382	865,909	426,909	.40 ²	1,064,048
ITT	1962—6 mo. to June 30	517,018,294	—	18,924,987	1.13	16,430,597
	1961—6 mo. to June 30	431,576,725	—	17,083,189	1.03	16,222,253
	1962—qtr. to June 30	275,053,932 ⁴	—	10,743,066 ⁴	.64	16,430,597
	1961—qtr. to June 30	222,657,234	—	9,842,979	.59	16,222,253
Lab for Electronics	1962—year to April 27	61,482,925	677,169 ³	102,169	.08	1,298,087
	1961—year to Apr. 27	63,494,385	4,226,450	2,095,450	1.62	1,296,410
Lear Siegler	1962—year to June 30	190,000,000	—	6,000,000	1.56	—
	1961 ⁸	—	—	—	—	—
Milo Electronics	1962—6 mo. to June 30	3,568,092	—	157,513	.31	516,185
	1961—6 mo to June 30	2,634,355	—	102,691	.20	516,185
Minnesota Mining & Mfg.	1962—6 mo. to June 30	334,512,372	79,750,260	38,750,260	.75	51,823,123
	1961—6 mo to June 30	293,575,905	67,119,183	34,469,183	.67	51,629,307
	1962—qtr. to June 30	172,826,699 ⁴	40,875,608	19,775,608	.38	51,823,123
	1961—qtr. to June 30	152,616,378	34,628,173	17,928,173	.35	51,629,307
Mavielab	1962—6 mo. to June 30	3,344,408	330,492	170,816	.51	334,466
	1961—6 mo to June 30	2,826,449	246,785	130,074	.39	334,466
	1962—qtr. to June 30	1,659,094	140,394	73,581	.22	334,466
	1961—qtr. to June 30	1,390,069	113,604	60,675	.18	334,466
Muter	1962—6 mo. to June 30	8,109,340	289,340	142,977	.12	1,199,094
	1961—6 mo to June 30	6,340,930	76,889	41,003	.04	1,142,961
National Ca.	1962—6 mo. to June 30	4,805,544	192,789	112,089	.13 ²	804,247
	1961—6 mo to June 30	3,658,439	61,066	1,366	—	802,779
National Union Electric	1962—6 mo. to June 30	18,375,580	—	545,801	.09	5,747,479
	1961—6 mo to June 30	16,513,449	—	231,062	.04	5,747,579
Oxford Electric	1962—6 mo. to June 30	4,746,320	—	54,111	.12	412,393
	1961—6 mo to June 30	3,801,599	—	8,291	.02	412,393
Rallins Bcstg.	1962—year to Apr. 30	6,395,312	831,260	437,396	.45	956,497
	1961—year to Apr. 30	4,401,773	730,092	358,553 ⁶	.40 ⁶	925,125
Silicon Transistor	1962—qtr. to June 30	623,000	150,000	73,000	.14	516,250
	1961—qtr. to June 30	439,000	53,000	27,000	.05	516,250
Sonotone	1962—6 mo. to June 30	10,527,606	—	150,895	.12	1,220,430
	1961—6 mo to June 30	10,236,607	—	(180,950)	—	1,158,745
Sprague Electric	1962—6 mo. to June 30	42,463,100 ⁴	—	3,265,122 ⁴	2.21	1,471,709
	1961—6 mo. to June 30	37,066,358	—	2,960,166	2.06	1,433,449
Standard Kallsman Industries	1962—6 mo. to June 30	46,157,144	2,332,797	1,420,497	.65	2,179,686
	1961—6 mo to June 30	51,745,707	3,317,371	1,615,967	.74	2,086,556
Technicolor	1962—6 mo. to June 30	26,609,554	—	828,606	.31	2,623,218
	1961—6 mo. to June 30	26,041,626	—	1,405,000 ⁹	.54 ⁹	2,543,179
Texas Instruments	1962—6 mo. to June 30	119,736,000	9,222,000	4,784,000	1.19	3,947,161
	1961—6 mo to June 30	119,860,000	13,282,000	6,374,000	1.62	3,935,494
	1962—qtr. to June 30	62,253,000 ¹	4,559,000	2,373,000	.59	3,947,161
	1961—qtr. to June 30	60,883,000	5,545,000	2,601,000	.65	3,935,494
Trons-Lux	1962—6 mo. to June 30	—	—	358,795	.48	743,837
	1961—6 mo to June 30	—	—	280,826	.39	743,837

Notes: ¹ Before special items totaling \$489,089 (21¢ a share). ² After preferred dividends. ³ After \$432,690 provision for loss on foreign investments. ⁴ Record. ⁵ After \$27,902,117 tax credit. ⁶ Before special credit of \$269,416 (30¢ a share). ⁷ Adjusted to reflect 4% stock

dividend Dec. 1961. ⁸ Not available because of merger. ⁹ Includes special non-recurring dividend of \$517,000 (20¢) from British affiliate Technicolor Ltd.

AUG 2 1962

WEEKLY **Television Digest**

AUGUST 20, 1962

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NEW SERIES VOL 2, No. 34

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

PAY-TV THUNDER STOLEN neatly by Westinghouse Bcstg. Corp., which plans series of pre-taped one-shot performances in WBC markets of Broadway plays in which WBC will have substantial investment (p. 1).

MORE CATV-BROADCASTER UNIONS. Cox interests buy Lewis-town, Pa. system; Paul McAdam acquires Helena organization; ex-TelePrompTer executive heads Pasco-Kennebec group (p. 2).

FIRST CASH DIVIDENDS to stations from Trans-Lux offshoot TV Affiliates Corp. will be distributed in Chicago this week. TAC handles library of station-produced shows, sells them nationally, is filling gap in syndication (p. 3).

MILD SENATE-FCC BUDGET HEARING shows Senators interested in Review Board, overcommercialization, radio overpopulation, uhf & ETV growth, license fees, AT&T regulation (p. 3).

PROFIT SQUEEZE ON TV NETWORKS: Industry's record revenues offset by rising expenses. Profits sagged \$7.1 million in 1961 (p. 4).

SENATE LAUNCHES COMMUNICATIONS SATELLITE BILL on 66-11 vote, fending off barrage of last-minute amendments. Quick House approval, Presidential signature expected (p. 4).

NAB ISSUES LIQUOR GUIDELINES: Code Authority releases new list of do's & don'ts for alcoholic beverage commercials (p. 5).

Consumer Electronics

PENNEY CHAIN INTO PRIVATE-LABEL TV. Will introduce portables, consoles & combos under own brand name in 18 stores in Oct. Pilot operation marks "intention to expand our own TV operation" (p. 7).

SET MAKERS SET FAST FIRST-HALF PACE: Combined sales of 7 volume producers jumped more than \$100 million to \$542.1 million from \$437.3 million in 1961's first 6 months; their aggregate earnings rose to \$19.2 million from \$12.1 million (p. 7).

AID'S ETV PLAN JOLTS CONGRESS. House "watchdog" subcommittee chmn. Hardy calls project to ship 1,000 TV sets to underdeveloped nations "screwy proposition." But contract with Warwick expected to stand (p. 8).

FIRST-HALF TUBE SALES FIGURES show picture tubes down in both units & dollars, receiving tubes ahead in both categories, compared with 1961's first half. Picture & receiving tubes declined in both unit & dollar sales in June (p. 9).

PHONO SALES LAG AT MIDYEAR: Distributor sales slip to 1.4 million units from 1.5 million in Jan.-June 1961, but mono pushes ahead of year-ago 373,525 to 339,827. EIA figures show factory phono sales well ahead of 1961's first half in both stereo and mono units (p. 10).

WBC STEALS PAY-TV THUNDER: Broadway-On-TV promise, long one of basic appeals of pay-TV, is being challenged seriously by Westinghouse Bcstg. Corp., most active TV station group when it comes to network-calibre TV production. WBC's plan: To enter the Broadway legit realm as theatrical "angel," and to televise in WBC markets taped versions of Broadway plays and/or musicals to coincide day-&-date with show's N.Y. opening. Programs will have commercials during intermissions, like feature movie showcase.

It's brand-new technique, no small blow to pay-TV interests. So far, negotiations are reaching contract stage only between WBC and TV-minded (it produces "U.S. Steel Hour") Theatre Guild in N.Y., but other producers are being approached, we're told.

WBC Pres. Donald H. McGannon admitted: "We feel our project will enrich TV programming while providing viewers with the on-the-spot feeling of news immediacy. We are not out to attack pay-TV deliberately, although we've gone on record as saying we're opposed to pay-TV and feel that sponsored TV can provide programming of equal calibre through normal channels."

Major reason for Broadway interest in WBC's project is that WBC is willing to pay a relatively stiff

price for one-shot TV rights to Broadway shows in a limited-exposure situation. Possibly, WBC may seek ways to amortize the heavy showbusiness investments through syndication, but at moment WBC's thinking is concentrated on its own TV markets (Boston, San Francisco, Baltimore, Cleveland, Pittsburgh).

Production costs may be as high as \$75,000 per taped performance, on top of WBC's investment (which might run anywhere from 10-60% of show's Broadway "nut"). Granted many network specials top \$500,000 mark in production costs alone, and WBC may actually reap profit from its angel role (as did CBS in backing "My Fair Lady"). But this still works out to whopping average of some \$15,000 per show per WBC station, since only 5 outlets are being considered, not network spread of 180-200.

Deal has been quietly in works for nearly a year, and is outgrowth of thinking of WBC's McGannon and Dir. of Creative Services Herman Land. WBC production routine will go like this: Show will be taped, with original cast, before live audience in TV theater. To reflect late casting, rewrites, etc., TV performance will be only 2 days or so before Broadway opening. Set for show will be "duplicate" of that on Broadway.

To give it "immediate" flavor, WBC plans to blend its pre-taped performance with on-the-spot pickups (where possible) during intermission at Broadway opening. Combination is thus likely to generate real first-nighter feeling for home viewers, and steals a march on Telemeter's Toronto exposure of Broadway fare which has usually come when show's run has started.

Many problems are still to be solved in working out final arrangements, WBC admits—performer scales, payments to authors, scenic designers, directors, etc. Even though Broadway fall season hasn't yet begun as far as public is concerned, WBC will be lucky (a WBC official admitted to us) to line up as many as 3 Broadway telecasts this season. Next season, WBC hopes to have as many as 6. No specific properties have been signed, although WBC indicated they would probably be straight plays, most from Theater Guild.

What does WBC deal really mean? For one thing, it emphasizes ability of sponsored-TV partisans to evolve new forms of TV showbusiness to meet pay-TV threats. For another, it underlines emergence of station groups as major factor in TV program planning and challenge to established networks.

Theater interests reacted unhappily. Examples: John Shubert, whose organization runs 17 of Broadway's 33 theaters—"It could be the ruination of the American theater." Leland Hayward, producer who was consultant to RKO-Zenith Hartford experiment—"If it were pay TV it would make more sense. I don't know why they would give away a show that's being sold for boxoffice prices in N.Y." Robert Whitehead, pres. of League of N.Y. Theaters—"It may help the theater immediately financially but its effect on the patient in the long run may be a bad thing." Producer Arthur Cantor—"An act of desperation" by play producers who can't get money elsewhere.

MORE CATV-BROADCASTER UNIONS: Powerful infusion of broadcast interests into CATV industry continued last week with entrance of blue-chip Cox station interests through \$660,000 purchase of 4,400-connection system in Lewistown, Pa. And Cox group is "very interested" in expanding in field. Headed by James M. Cox, organization owns WSB-TV Atlanta, WHIO-TV Dayton & WSOC-TV Charlotte, with AMs & FMs.

Coincidentally, Ga. Assn. of Bcstrs. announced that Oct. 16 Southeast Radio-TV Seminar in Atlanta will discuss "growing crisis & dilemma" of CATV-broadcaster relationships in session moderated by GAB's TV vp Ray E. Carow, WALB-TV Albany. Meeting will also cover pay TV, ETV, FTC. Concurrently, there will be an "ExSec Workshop,"—first gathering of state association executive secretaries; there are now 24 such officials among the 48 state associations.

Broker Bill Daniels, who represents Cox, said Lewistown purchase "is just a start for them." He reports 3 more large broadcasters in market for systems, along with "a very prominent newspaper" which has almost concluded the purchase of 3 systems.

Livingston, Mont. radio KPRK owner Paul McAdam, long a CATV operator, has expanded by buying 2,600-subscriber Helena system—price not indicated. And still another sale, but evidently not including broadcasters: 3,400-home system in Pasco-Kennewick, Wash., bought from Columbia TV Co. by group headed by Robert M. Rosencrans, ex-dir. of TelePrompTer's closed-circuit div.; price not disclosed.

Other recent forays by broadcasters include \$10 million 18-system acquisition by ex-NBC vp Alfred Stern and associates (Vol. 2:32 p3), acquisition of CATV franchises in S.C. by G. Richard Shafto, exec. vp of WIS-TV Columbia and WSFA-TV Montgomery (Vol. 2:25 p3).

STATIONS FILLING SYNDICATION GAP: First cash dividends for station members of TV Affiliates Corp., subsidiary of film syndicator Trans-Lux, will be distributed at special TAC programming conference to be held at Lake Tower Motel, Chicago, Aug. 20-21. Session represents real breakthrough in new syndication concept evolved by Trans-Lux and sparked by TAC vp Robert Weisberg more than year ago, and is no small-scale victory.

Dividends run to 4 figures, in some cases, for TV stations now members of TAC, and are proportionate to revenues derived from sale of more than 70 station-produced film & tape shows. Theory of TAC in a nutshell: Many TV stations produce local programs & documentaries of interest level & quality worth national exposure—so why not start a “clearing house” to sell them in syndication market largely abandoned by Hollywood & telefilm majors? Theory apparently works.

TAC-sold shows are mostly in vein of serious public affairs one-shot specials. A few: “Birth by Appointment” (Caesarian), produced by WBNS-TV Columbus; “Speedway Through The Years” (profile of Indianapolis Speedway), WFBM-TV, Indianapolis; “A Walk Through The Valley” (study of juvenile delinquency), WGN-TV Chicago. TAC’s Weisberg told us he estimates total 1962 revenues for these & other shows at \$250,000 and anticipates “sizable” jump in 1963 sales.

Station dividends from TAC are for 6 months starting last January and represent earnings achieved by individual station-produced shows (after TAC overhead). Full-scale sales campaign by TAC began with handful of shows from 20 stations, now is backstopped by diversified program library from 51 stations.

Meeting has attracted attention among Chicago agencies & clients, some of whom are currently buying TAC shows in multi-market deals where they appear. Guest speakers at TAC meeting will include executives of Bell & Howell; Needham, Louis & Brorby; Leo Burnett; Cunningham & Walsh.

MILD SENATE-FCC BUDGET HEARING: FCC received sympathetic hearing from Senate Appropriations Subcommittee last week, stands at least fair chance of getting all or most of the \$262,000 cut by House from its \$14,617,000 budget request (Vol. 2:32 p6). Traditionally, Senate seems to give FCC this fiscal break in addition to warm reception. A major reason is that Sen. Magnuson (D-Wash.) is chairman of both the subcommittee and Commerce Committee—and as head of latter is very familiar with Commission problems. Most of questioning was by Magnuson and Allott (R-Colo.), with these major topics:

(1) Staff Review Board. Congress had given Commission power to establish Board to take mass of routine decisions of commissioners’ minds, free them for major matters. Magnuson was concerned lest licenses hurt by Board insist on appeal to Commission. “I can just hear from my constituents now,” he said, “yelling ‘I was robbed.’” Comr. Ford said that if Board merely adds a delaying step to FCC processes “it will be a failure.”

(2) “Overcommercialization.” Allott remarked that he’d seen TV show “with 7 different products in a short period of time.” Comr. Lee said he favors FCC adoption of NAB Codes as commercial standard. Ford pointed to problems with any set of numerical limits. He said one broadcaster told him people come to shop in his town only on Fri. & Sat.—“and he has to sell all his time then; he can’t get any business during the week.” Then, Ford noted that radio daytimers’ broadcast day differs in length from north to south, so a rule couldn’t be applied rigidly. But, he concluded: “I think Lee & I will adjust our differences, both giving a little.”

(3) Radio overpopulation. Allott wanted to know how FCC could determine when there are too many stations. Ford said that Commission is considering revising rules to allow mergers which would take a station off air and at same time leave the abandoned frequency unavailable to new applicants. He also noted that consideration is being given to grant higher priority to applicants for underserved areas, and that the law requires FCC to weigh prospective impact on service which might be caused by new-station pressure on broadcast economics of a community.

(4) Uhf & ETV growth. Magnuson was told that there’s considerable interest in commercial uhf—but no flood of applications yet. As for ETV, Lee stated: “Tremendous interest. You’d be pleased.” Lee was also delighted to report that FCC’s N.Y. uhf experiment will be finished in Oct.—and that \$200,000 will be returned to govt. kitty, unneeded.

(5) License fees. Allott asserted amateurs shouldn’t be charged. Ford agreed, said he’s against all fees because Congress has given FCC no guidelines.

(6) Investigation of AT&T rates. Sen. Kefauver (D-Tenn.) asked \$3 million appropriation so that FCC could make big rate study. But Lee said Commission doesn't believe in "one shot" investigation—prefers, instead, gradual expansion of staff to handle common carrier regulation. He also defended Commission's performance, cited rate reductions obtained from time to time: "I believe our efforts have been outstanding over the years. We've brought savings to consumers." Magnuson made it clear he agreed.

PROFIT SQUEEZE ON TV NETWORKS: TV industry revenues set record in 1961—\$1,318,300,000, but profits dropped for first time in years, FCC's annual wrapup of industry finances released last week shows.

Revenues rose 3.9% from 1960 but couldn't keep pace with expenses, which increased 5.5% from \$1,024,500,000 to \$1,081,300,000. Profits thus skidded 2.9% to \$237 million from 1960's \$244.1 million. This was in marked contrast to 1959-60, when profits rose 9.8%, and 1958-59 when they soared 29.3%.

Most of profit decline was suffered by networks. They and their 15 o-&o's garnered revenues of \$675.3 million in 1961, up 5.4% over 1960. But expenses rose 7.8% to \$588.3 million. Before-tax income consequently was down 8.6%, from \$95.2 million to \$87 million. Network o-&o's profits rose to \$62.3 million from \$61.6 million—but profits from networking itself dropped from \$33.6 million to \$24.7 million.

The 525 non-network stations had revenues of \$643 million, up 2.4%, expenses of \$493 million, up 2.9%, profit of \$150 million, up 0.7%.

Uhf stations had rougher year than 1960, with 60.6% of the 71 which reported showing losses. Last year, only half the uhfs reported losses. Of 439 vhfs in operation for full year, 78.8% reported profit, compared with 81.1% year ago.

Of industry's total broadcast revenues, \$962 million (73%) came from time sales, \$356.3 million (27%) from talent & program sales. Total time sales, before commissions, rose \$13.4 million to \$1,160,000,000.

Among vhf stations showing profit, 13 reported earnings of \$3 million or more; 26, \$1.5 to \$3 million; 29, \$1 to \$1.5 million. Only 38 had less than \$25,000. Biggest uhf moneymakers were 2 stations reporting earnings between \$200,000-\$400,000. Most of profitable uhfs, 10, earned between \$100,000-\$200,000.

N.Y. led markets in total broadcast profit before taxes, its 7 outlets reporting \$32,600,518. Chicago's 4 stations followed with \$15,771,490. Los Angeles, with 7 stations, was third with \$8,050,793.

SENATE LAUNCHES COMMUNICATIONS SATELLITE BILL: Drastic action by Senate, including first cloture (debate-limiting) move in 35 years, and rapid tabling of multitude of amendments, finally ramrodded administration-backed communications satellite bill through Aug. 17 on overwhelming vote, 66-11. Bill now goes to House, where quick approval is anticipated, then to President for signature.

Bill as passed calls for creation of Communications Satellite Corp., owned half by individual shareholders, half by U.S. communications common carriers. Board of directors will number 15—6 representing public, 6 from companies, 3 appointed by President with Senate approval.

Following President's signature, first step toward getting organization into operation will be appointment by President of group of incorporators, number unspecified, who will lay groundwork. From there, it will take 12-18 months before first stockholder meeting, when the 12 public directors will be elected.

Out in space, it was a merry week for Telstar, AT&T's mighty mite whose antics daily become more astonishing. Former President Eisenhower made his 2nd transatlantic appearance Aug. 15 when satellite flashed his London news conference to U.S. NBC News announced plans to send color from Europe in next few weeks. Also reported in planning stage were transatlantic beamings of Miss America Pageant & 3 Broadway show openings.

U.S. offer to attempt live TV relay via Telstar from Russia's 2 orbiting spacecraft was politely but firmly declined. And U.S. networks reported that they made no attempt to pick up TV signals beamed to Soviet Union from space ships. Films of telecasts were shown by U.S. networks, flown from Europe. One of these, incidentally, shown Aug. 16 on CBS News with Walter Cronkite, turned out to be phony. Sharp-eyed CBS staffer recalled having seen film earlier, and after some checking, it was found to be East German shots of earlier Soviet launching.

CURRENT CAPSULES

Some network prime-time evening fall shows will be trimmed 5 minutes to make way for paid political broadcasts by gubernatorial, congressional and other candidates for office. Plan was sparked by Sen. Javits (R-N.Y.) and Republican National Committee. ABC-TV last week announced it would adopt plan; CBS-TV & NBC-TV are expected shortly. Only live or taped shows will be affected; filmed shows are often reruns, and networks would be unable to sell the 5-min. segments after elections. Programs which probably will be affected: ABC-TV: *Lawrence Welk Show*, 9-10 Sat., *Hollywood Special*, 8-10 Sun.; CBS-TV: *Sing Along With Mitch*, 8.30-9.30 Fri., *Perry Como Show*, 9-10 Wed., *The Price is Right*, 9.30-10 Mon.; NBC-TV: *Red Skelton Show*, 8.30-9.30 Tues., *Jackie Gleason Show*, 7.30-8.30 Sat., *Ed Sullivan Show*, 8-9 Sun. Democratic National Committee hasn't commented on project, is eligible for similar arrangement.

Westinghouse Bcstg. needn't be a party to FCC's NBC-RKO station-swap hearing (Vol. 2:30 p5), WBC told Commission last week. It said deal has changed so much since original that WBC no longer figures significantly. It said Philco and others can offer testimony on the issue of NBC's alleged use of network affiliate power to pressure stations into swapping or selling. However, WBC said its personnel are available as witnesses if needed. Philco filed petition asking new issue be added to hearing—study whether RKO TV holdings violate FCC's ceiling of 5 vhf's. It said FCC has apparently overlooked RKO's 12½% ownership of KWTW Oklahoma City. RKO owns WNAC-TV Boston, WOR-TV N.Y., KHJ-TV L.A., WHBQ-TV Memphis and ⅓ of CKLW-TV Windsor, Canada.

Adoption of NTSC color system for Europe is reasonably good prospect, according to George Brown, RCA research & engineering vp. In Europe recently to present paper on RCA's 4-tube color camera, he said he found "technical fraternity well informed on NTSC" and generally favoring it against French-pushed Secam system.

NAB ISSUES LIQUOR GUIDELINES: Tightening regulations concerning liquor commercials, NAB code authority last week released new series of 'guidelines.' Code dir. Robert D. Swezey said new directive would be particularly helpful to stations making day-to-day decisions on acceptability of particular copy. Authority cautioned, however, that guidelines can't cover all individual cases, urged subscribers to seek clarification from NAB when needed. Guides capsuled:

(1) No advertising of hard liquors, including, but not limited to, whiskey, brandy, rum, gin, vodka, cordials, liqueurs & wines containing more than 24% alcohol, or mixed beverages containing any of forementioned.

(2) Corporate name of firm that distills or distributes hard liquor may be used in advertising non-alcoholic product. Use of hard liquor distiller or distributor's name in advertising of acceptable alcoholic beverages is permissible only if required by law to be included in ad, and must be confined to simple identification.

(3) Advertisements for retail stores which sell liquor in addition to other products are acceptable, provided there is no mention, display or implied reference to hard liquor. Use of word "liquor" as part of sponsor's name is prohibited.

(4) Advertising of establishment whose principal business is alcoholic beverages, in which no mention is made of acceptable products or services, will be construed as implied reference to distilled spirits.

(5) Use of "liquor" in reference to non-distilled items such as malt liquor is permitted.

(6) Products to be used or mixed with distilled spirits may be advertised, provided liquors are not specifically mentioned or displayed.

(7) Advertising availability of alcoholic beverages, by restaurants, airlines, hotels, is taboo. Likewise, use of "lounge," "barroom," "taproom," "tavern" in such a manner as to imply availability of spirits. Use of "cocktail lounge" to describe place of business is not acceptable under any circumstances.

(8) Advertisements for non-beverage products containing or associated with distilled spirits depends on manner of presentation. Code Authority will judge each on its individual merits.

NAB Radio Code Authority Dir. Charles Stone reports no Radio Code subscribers are known to be carrying liquor commercials—but that about 30 non-subscribers were doing so when last checked. TV Code Mgr. Edward Bronson says no TV stations, including non-subscribers, are handling liquor.

Foreign radio stations in Washington embassies (Vol. 2:32 p6) advanced step as House Commerce Committee approved bill last week. Move is designed to aid, through reciprocal action, remote U.S. posts in countries with inadequate commercial communications facilities.

NAB has furnished AAAA with roster of radio code subscribers in joint move to raise advertising standards. Radio Code Affairs Dir. Charles M. Stone said AAAA has urged members to get behind "spirit & letter" of radio code.

Personals

Martin N. Leeds, ex-Desilu exec. vp, elected exec. vp & board member, Talent Associates-Paramount Ltd., Hollywood . . . Robert E. Philpot promoted to CBS-TV network sales coordinator.

Arthur Barron, ex-NBC News creative projects editorial supervisor, named Metropolitan Bcstg. TV creative programs dir., N.Y. . . . David J. Bennett, ex-asst. to Triangle TV-radio vp, named Triangle stations FM operations dir., a new post.

Theodore C. Streibert, WTCN-TV & WTCN Minneapolis-St. Paul vp & gen. mgr., resigns to form own international consulting service, will also continue with Time Inc. as Time-Life Bcstg. international div. consultant, N.Y.

Frederick L. Gilson promoted to CBS Films asst. international sales mgr., a new post . . . Sam Somora, ex-radio WJBK Detroit promotion, advertising & merchandising mgr., named KTVI St. Louis exec. vp & gen. mgr.

Joseph Bernard, ex-mgr. of KTVI St. Louis and WGR-TV Buffalo, recently consultant to Syracuse applicants, named gen. mgr. of radio KFVB Los Angeles . . . James L. Snyder named national news director for all Westinghouse stations, continues as Washington bureau chief.

Richard N. Burns promoted to CBS-TV network sales contracts dir. & asst. business mgr., succeeding Richard H. Low, who joined Y&R; Julian L. Linde replaces Burns as network sales contract mgr.

James R. Reston, N.Y. *Times* Washington bureau chief, named to NET board.

Jim Terrell, ex-WKY-TV Oklahoma City asst. mgr., appointed KTVT Dallas-Ft. Worth mgr. . . . Michael L. Merla, Buffalo accountant, appointed WOKR Rochester business mgr.

Jacques R. Alleyn named Canadian Bcstg. Corp. gen. counsel, Ottawa . . . Charles C. Smith, radio WDEC Americus, Ga., elected Ga. Assn. of Bcstrs. pres., succeeding Randolph Holder, radio WGAU Athens.

William J. McCarter, ex-educational WHYY-TV (Ch. 35) Philadelphia asst. gen. mgr. & program dir., appointed NET development officer . . . Ken Hildebrandt, ex-Jack Douglas Organization, named gen. sales mgr., Spanish language KMEX-TV Los Angeles, due to start in Sept.

Paul Frank promoted to WLBW-TV Miami news dir. . . . Mel Kampmann, ex-KMJ-TV-AM-FM Fresno asst. news dir., named KFRE-TV-AM & KRFM (FM) news dir. there.

Obituary

Ford Bond, 57, prominent radio announcer and TV-radio producer, died Aug. 15 in St. Croix, V.I. In addition to sportscasting, he was consultant & speaker for Cities Service from 1930-53, longest sponsor-announcer association in radio's history, according to NBC. Bond also was consultant for radio & TV to N.Y. State Republican Committee from 1942-52. He retired from broadcasting in 1953 to concentrate on the construction business in Virgin Islands.

Ted Husing, 60, famed CBS radio sports commentator for nearly 30 years, died Aug. 11 in Pasadena, Cal. Stricken with brain tumor in 1954, the dramatic announcer lost most of his vision & speech, spent last 2 years bedridden in convalescent home.

Appeal to public, since broadcasters can't get anywhere with judges & lawyers in obtaining relief from restraints on news coverage of court trials, etc. That's advice of NAB vp Howard Bell, in address prepared for Aug. 18 delivery at Oklahoma Bcstrs. Assn. meeting in Oklahoma City. "It's time we told the people what our problem is," he said. "The broadcasters, through forums and the use of the air-ways, need to mount a major campaign to enlist the support of the people in the fight to advance the people's right to know. At the same time, broadcasters generally need to be more aggressive in seeking out local coverage of public proceedings and in strengthening further the quality and the character of the news & informational service provided to the public."

Is there conflict of interest if top-ranking program vp of one network owns substantial interest in 2 nighttime TV programs on another network? In situation wherein Senior Program vp Hubbell Robinson of CBS-TV has been executive producer of *Thriller* and *87th Precinct* (Vol. 2:28 p3), both produced with Revue Productions and both seen on NBC-TV, question is now academic. Last week, Robinson sold to MCA (parent of Revue, and no longer an active talent agency) his interests in the 2 shows. Although neither series is likely to be back on NBC this fall, they still represent substantial syndication package of nearly 100 hour-long shows, and will probably be launched later this year in station-level sales by MCA.

Another representation deal has been signed by ABC International with Canadian commercial TV station. This one's between ABC and CJCH-TV Halifax, N.S., affiliate of Canada's CTV network. Station has vhf satellites in Annapolis Valley, Digby & Amherst, claims coverage of 90,000 TV homes. ABC will represent station in commercial sales in all markets outside Canada. Deal is similar to that announced earlier this year between ABC and CFTO Toronto (Vol 2:24 p5). ABC also represents TV outlets in Central & South America, Middle & Far East.

Steinman Group, for approximately \$3.5 million, has bought KVOA-TV (Ch. 4) Tucson & KOAT-TV (Ch. 7) Albuquerque from Clinton McKinnon organization—no radio involved. Clair McCollough, pres. & gen. mgr. of Steinman stations (also NAB chmn.), before leaving for a month in Europe last week, said no management changes are contemplated. Steinmans own Pa. facilities WGAL-TV-AM-FM (Ch. 8) Lancaster, CP for WLEV-TV (Ch. 51) Bethlehem, radios WORK York, WKBO Harrisburg, WEST Easton, WRAK Williamsport and WDEL Wilmington, Del.—plus *Lancaster New Era* and *Intelligencer Journal*.

Unusual English-Spanish simulcasts will be carried by WLBW-TV & Spanish language radio WMIE Miami on WLBW-TV's 6:15 *Evening Report* starting Aug. 20. South Florida's 200,000 Spanish-speaking people will be able to receive TV report in Spanish by tuning in WLBW-TV picture and WMIE sound.

Founder of KUAM-TV (Ch. 8) Agana, Guam, Harry Engel, has sold his (with wife) 45.5% of station to Phil Berg, former Hollywood talent agent, holder of balance of stock. Price not yet disclosed.

License denial of radio WDKD Kingstree, S.C., in celebrated "obscenity" case (Vol. 2:31 p3), has been stayed by FCC for 30 days pending Commission study of station's petition for reconsideration.

Uhf CP granted: Ch. 29, Jenkintown (Philadelphia suburb), Pa., to William L. Fox.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

PENNEY CHAIN INTO PRIVATE-LABEL TV: J. C. Penney Co. will introduce TV sets under its own label in 18 stores in Oct. Although a few Penney stores from time to time have sold brand TVs at discretion of individual managers, this pilot operation marks first national move under its own label by the 1,700-outlet chain.

"This signifies our intention to expand our own TV operation," spokesman told us. "We'll keep adding stores as we go along." Initial 18 test stores are scattered throughout country.

Penney said its TV brand name hasn't been determined yet, wouldn't disclose name of its TV manufacturer. However, we were told that sets won't be coming from GE, which recently concluded pact to private-label laundry & major kitchen appliances for Penney (Vol. 2:30 p8).

Color TVs will not be included initially in pilot operation. Debut line will include TV portables, consoles & combinations. Price data & plans for service & installation are not yet firmed. Head of Penney's new TV operation is Arthur D. Glenn, recently appointed TV, radio & phono buyer. He reports to Theodore S. Corwin, housewares & leisure groups mgr.

Penney has been selling radios & phonos under its own "Penney" brand for past 2 years. They are retailed in about 400 stores at present.

SET MAKERS SET FAST FIRST-HALF PACE: TV-radio manufacturers raced past 1962's halfway mark at whirlwind clip. First-half reports show marked sales & profit gains over Jan.-June 1961. Barring radical upheaval in economy during last half—when TV-radio industry traditionally does bulk of business—banner year clearly is in the making.

Our analysis of 11 TV-radio set makers shows these first-half achievements: (1) All netted substantial profit improvement over 1961's first half. (2) Only two of 10 failed to increase sales. (3) Four firms set profit records. (4) Six posted sales records. (For first-quarter analysis, see Vol. 2:20 p8.)

Over-all upbeat performance of electronics industry also is reflected in 2nd-quarter analysis of major U.S. corporations by Aug. 1 Wall St. Journal, which found that 478 firms increased earnings 15.5% to \$2,719,344,000 from \$2,354,266,000 in April-June 1961. Survey disclosed that 23 electronics-electrical manufacturers ran far ahead of national average—increasing 2nd-quarter earnings 25.2% to \$114,352,000 from \$91,334,000. Of these 23 firms, 11 were broad-line companies, and they improved earnings 26% to \$106,175,000 from \$84,246,000. Other 12 companies were specialty firms. Their earnings rose 15.4% to \$8,177,000 from \$7,088,000.

Our study of 7 manufacturers who concentrate on home electronic products—Admiral, Andrea, Arvin, Magnavox, Motorola, Wells-Gardner, Zenith—shows combined first-half sales of \$542,058,579—up more than \$100 million from \$437,300,986 in Jan.-June 1961. Their profits soared to \$19,213,815 from \$12,137,667. Motorola, Magnavox & Zenith had record sales. Magnavox & Zenith also had record profits.

No less impressive were gains of 4 giant multi-product companies in which TV-radio products account for only a portion of over-all sales & profits. Combined first-half sales of GE, GT&E (Sylvania), RCA and Westinghouse rose to \$4,779,045,000 from \$4,301,725,000. Their combined profits jumped to \$207,878,000 from \$164,535,000. GE, GT&E and RCA registered record sales. RCA & GT&E had record earnings.

Only Andrea & Wells-Gardner among 11 set makers failed to improve sales. However, although sales dipped, both improved earnings—Andrea to \$149,711 from \$126,728, Wells-Gardner \$246,000 from \$205,000.

Major sales gains were notched by Motorola (to record \$159.6 million from \$128.7 million), Magnavox (record \$88 million from \$61.8 million), Zenith (record \$146 million from \$116.7 million), RCA (record \$853.9 million from \$721.8 million), GE (record \$2.319 billion from \$2.074 billion).

Impressive profit gains were registered by each of 11 companies. Arvin more than doubled earnings to more than \$1 million from less than \$417,000. Magnavox ran earnings to record \$4.3 million from \$2.6 million. Other sharp gains: Motorola—to \$5.7 million from \$3 million. Zenith—record \$7 million from \$5.3 million. RCA—record \$24 million from \$17.6 million. GE—\$120 million from \$93.5 million. Admiral—\$858,058 from \$433,550.

Packard Bell & Pacific Mercury also reflect upbeat trend in just-released reports for first 9 months of their respective fiscal years. Packard Bell had record sales of \$35,930,837 in 9 months to June 30—up sharply from \$24,603,735 a year-earlier. Company had operating profit of \$767,048 before reserving \$1.1 million for anticipated losses on fixed-price govt. contracts. Pres. Robert S. Bell noted, however, that Packard Bell shortly will file claims against the govt. to recover losses. In comparable 9-month period a year ago, Packard Bell lost \$3,859,125. Pacific Mercury, in 9 months to March 31, earned \$252,749 on \$14,127,920 sales. Comparable year-earlier figures are not available. However, Pacific Mercury gains are indicated by comparison with total fiscal year ended June 30, 1961, when company lost \$615,742 on \$18.6 million sales.

With only a few major TV-radio manufacturers still to be heard from—Emerson, Muntz TV—here's first-half performance of 7 volume producers, compared with Jan.-June 1961:

	Sales		Earnings	
	1962	1961	1962	1961
Admiral	\$ 96,212,340	\$ 86,191,630	\$ 858,058	\$ 433,550
Andrea Radio	2,733,058	3,055,807	149,711	126,728
Arvin	40,126,064	31,213,652	1,009,461	416,616
Magnavox	88,034,000	61,792,000	4,282,000	2,554,000
Motorola	159,649,347	128,722,224	5,685,976	3,062,529
Wells-Gardner	9,307,000	9,627,000	246,000	205,000
Zenith	145,996,770	116,698,673	6,982,609	5,339,244
TOTALS	\$542,058,579	\$437,300,986	\$ 19,213,815	\$12,137,667

Here's first half performance of 4 multi-product giants:

GE	\$2,318,836,000	\$2,074,425,000	\$119,977,000	\$93,478,000
GT&E (Sylvania)	649,338,000	585,119,000	38,387,000	33,896,000
RCA	853,900,000	721,800,000	24,000,000	17,600,000
Westinghouse	956,971,000	920,381,000	25,514,000	19,561,000
TOTALS	\$4,779,045,000	\$4,301,725,000	\$207,878,000	\$164,535,000

AID's ETV PLAN JOLTS CONGRESS: Agency for International Development's plan to ship a thousand 23-in. transistorized battery-operated TV sets to backward nations as part of mass education project (Vol. 2:29 p9) floored House "watchdog" group last week.

"The screwiest proposition I ever heard of," was Foreign Operations Subcommittee Chmn. Hardy's (D-Va.) opinion. Agency already has let \$400,000 contract to Warwick Mfg. for sets. During hearings, Motorola told AID it could supply same type of set for \$231 each, compared with Warwick's \$372. This didn't soothe Hardy's irritation any. Final straw came when agency's Dr. Gerald F. Winfield explained how sets' batteries would be recharged by windmills and "play-yard merry-go-rounds."

"This is one of the biggest pieces of foolishness I've seen in some time," Hardy told AID aides. "If you think we're going to finance all of this business, you've got a big disappointment coming."

Hardy was further incensed by \$28,000 agency project to experiment with sun-powered boat in South America, said it looked as though AID had "jumped into a dreamland." Contract with Hoffman Electronics

has been suspended, and its originator, John L. Hoke, an AID communication resources specialist, given notice of suspension.

There are no plans to renege on TV set contract or project, AID spokesman said. But agency chief Fowler Hamilton moved to tighten up contract procedures, said agency-wide study would be made, full report sent to Hardy subcommittee within 30 days.

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 10 (32nd week of 1962):

	Aug. 4-10	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	129,822	104,636	122,504	3,877,472	3,416,177
Total radio	270,801	214,769	296,165	10,894,872	9,148,633
auto radio	131,299	82,830	88,680	3,926,878	2,889,308

TOPICS & TRENDS

More good business reports: Packard Bell consumer product sales are running at record levels. Dealer orders at June showing of new TV line topped orders of any other year by more than 35%. Kenneth R. Johnson, Home Products Div. vp-gen. mgr., reports April-July factory sales to distributors at high for period. Distributor sales established new records in each of 4 months • Delmonico International sales jumped 70% to record \$5,792,776 in first half from \$3,402,113 in Jan.-June 1961. Chmn. J. R. Van Raalte & Pres. A. A. Juviler of parent Thompson-Starrett Co. noted unprecedented demand for Delmonico products, said 2nd-half shipments may total \$9 million—pushing Delmonico's 1962 sales to about \$15 million, compared with 1961's \$10.1 million. Delmonico exec. vp Herbert Kabat reported 107% jump in sales over July 1961, said it marked 21st consecutive month in which sales topped those of corresponding year-earlier month. • TraVler anticipates all-time sales record for fiscal-1963's first half ending Oct. 31. Pres. Joe Friedman said current backlog tops \$9.5 million, expects first-half sales to equal fiscal-1959's total \$14.8 million. Sales in first fiscal quarter ended July 31 ran approximately 24% ahead of 1961's May-July \$4.2 million.

Development that allows lasers to be "tuned" rapidly for first time like conventional home radio set was announced by GT&E, which said it heralds variety of new applications in TV, ground & space communications, radar. New method permits modulation of laser-generated light beams to carry information in same manner as radio waves. GT&E noted that "single laser beam is potentially capable of transmitting more data than all presently operating radio communications channels," said that "extreme directivity of the laser beam also would permit several laser systems to operate in close proximity—even at the same frequencies—without interference." GT&E Labs Pres. Dr. Herbert Trotter Jr. said modulation technique has been demonstrated at audio frequencies, is expected to be adapted to vhf & microwave frequencies before year's end.

FIRST-HALF TUBE SALES FIGURES: Hampered by a downbeat June, factory sales of TV picture tubes closed out 1962's first half trailing year-earlier performance by 19,054 units & \$3,638,825. EIA's official report also shows receiving tube sales & dollars down from June 1961—but ahead of 1961's first 6 months by 4,705,000 units & \$3,798,000.

Factory TV picture tube sales for Jan.-June slipped to 4,556,143 units from 4,575,197 a year earlier. Dollar value declined to \$87,332,694 from \$90,971,519. June sales totaled 740,788 units at \$14,252,844—down from June 1961's 806,852 at \$15,887,776.

First-half receiving tube sales showed 183,459,000 units at \$154,298,000—markedly ahead of 1961's Jan.-June sales of 178,754,000 units at \$150,500,000. Cumulative totals were whittled by June sales, which dropped to

29,649,000 units at \$24,587,000 from 31,463,000 at \$25,989,000 in June 1961.

Here are EIA's official first-half figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	802,061	15,625,304	29,592,000	24,789,000
February	783,670	13,944,313	27,977,000	23,841,000
March	817,830	15,580,149	34,884,000	29,743,000
April	758,539	14,253,425	31,016,000	25,838,000
May	703,255	13,676,659	30,341,000	25,802,000
June	740,788	14,252,844	29,649,000	24,587,000
Jan.-June 1962	4,556,143	\$87,332,694	183,459,000	\$154,298,000
Jan.-June 1961	4,575,197	90,971,519	178,754,000	150,500,000

Toshiba's Himeji Works is now producing 4 million receiving tubes & 100,000 TV picture tubes monthly, in addition to 1.3 million fluorescent lamps. Japan's largest tube & lamp manufacturing facility, Himeji Works also makes all materials used in production of tubes.

PHONO SALES LAG AT MIDYEAR: Despite sharp June pickup, distributor-to-dealer phonograph sales at close of first half lagged behind year-ago pace by approximately 71,000 units. Big June, however, was big enough for factory phono sales to recover from slow May and top Jan.-June 1961's volume by more than 69,000 units, official EIA figures show.

First-half distributor sales totaled 1,429,687 phonographs—down 70,957 from 1,500,644 in 1961's first 6 months. Thanks to big June spurt, mono sales pushed ahead of 1961's Jan.-June total—373,525 units vs. 339,827. Half-year stereo sales trailed year-earlier volume 1,056,162 to 1,160,817.

June was mono's top 1962 month by wide margin. Distributor sales nearly doubled to 91,526 from June-1961's 47,970. Stereo sales also jumped in June—to 183,000 units from 170,178 in year-earlier month. Total June sales increased 66,378 to 274,526 from 218,148 in June 1961.

Mono's sales comeback this year is interesting. Mono trailed year-earlier month in both January & February. However, tide turned in March, and mono has outsold each comparative 1961 month since then. With big June gain, mono finally moved ahead of 1961's cumulative sales for first time this year. Stereo sales, conversely, trailed year-earlier sales in 4 of first 5 months, moved ahead only in March, 236,051 vs. 231,021.

Here are EIA's official first-half distributor-to-dealer sales:

PHONO DISTRIBUTOR SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	48,423	171,305	219,728	74,881	211,268	286,149
February	50,563	188,857	239,420	54,097	210,365	264,462
March	60,206	236,051	299,257	59,290	231,021	290,311
April	54,615	146,577	201,192	48,532	173,585	222,117
May	65,192	130,372	195,564	55,057	164,400	219,457
June	91,526	183,000	274,526	47,970	170,178	218,148
TOTAL	373,525	1,056,162	1,429,687	339,827	1,160,817	1,500,644

Total factory phono sales in first half were upbeat all the way, in all categories. For 6-month period, mono & stereo sales increased by 69,335 units to 1,567,385 from 1,498,050 in Jan.-June 1961. Stereo was ahead 1,167,973 vs. 1,136,084. Mono, again for first time this year, pushed ahead of 1961's cumulative sales 399,412 to 361,966.

June was 1962's best factory month by far. Mono sales zoomed to 104,548 units from June-1961's 61,533. June's mono sales compare impressively with 1962's previous high—68,545, set in January, and runner-up 67,610 posted in May.

Stereo also set 1962 record in June with sales of 278,989—up sharply from 197,170 in year-ago month. June pace also was more than 40,000 units ahead of 1962's previous high—March's 237,492. June marks only 2nd time this year that stereo has outsold year-ago month.

Here are EIA's factory sales figures for first half:

PHONO FACTORY SALES

Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total
January	68,545	191,014	259,559	80,366	211,383	291,749
February	52,566	202,846	255,412	50,710	204,638	255,348
March	60,991	237,492	298,483	62,396	227,469	289,865
April	45,152	137,950	183,102	53,074	152,974	206,048
May	67,610	119,682	187,292	53,887	142,450	196,337
June	104,548	278,989	383,537	61,533	197,170	258,703
TOTAL	399,412	1,167,973	1,567,385	361,966	1,136,084	1,498,050

Trade Personals

Dr. Ernst Weber, Brooklyn Polytechnic Institute pres., named first pres. of new Institute of Electrical & Electronic Engineers, which begins in Jan. after merger of IRE & AIEE; Dr. B. Richard Teare Jr., Carnegie Tech College of Engineering & Science Dean and present AIEE pres., becomes IEEE vp.

Richard Hodgson elected pres. Fairchild Camera & Instrument, succeeding John Carter, named chmn. & chief exec. officer; Sherman M. Fairchild, founder & chmn., elected to new post of exec. committee chmn.

Joseph Wright, Zenith pres., was subject of intensive search Aug. 12-13 when his 33-foot boat Pelago failed to make scheduled call at Sturgeon Bay, Wis. Boat was located on Lake Michigan, disabled by motor trouble, after being missing for 15 hours, and was safely towed to port.

John D. Conroy named eastern regional equipment mktg. mgr., industrial & military, Sylvania Tube Div.

Leon Schachere, ex-Stromberg-Carlson & Magnavox, appointed sales mgr. of Sylvania's new direct-to-dealer sales organization for N.Y.C. & northern N.J. (Vol. 2:24 p12), headquartering at 730 Third Ave., N.Y.

Charles E. LeMontagne appointed Sylvania Home Electronics mid-west district svc. mgr., succeeding Peter Kolsinski, named division quality control supervisor . . . Charles Belzer resigns as Sylvania district sales mgr. in Chicago area.

George H. Gage named GT&E mktg. & sales vp, succeeding R. Parker Sullivan, recently appointed pres. of subsidiary General Telephone of Cal.

Edward W. Butler, Speer Carbon vp, named 1962-63 chmn., EIA Membership & Scope Committee; Edward J. Derenthal, RCA General Traffic Div. mgr., re-named Traffic Committee chmn.; Harry Mason, Tung-Sol attorney, appointed Tax Committee chmn.

Robert J. Higgins named Sylvania Home Electronics mktg. administrator.

Philco was strikebound at 6 Philadelphia-area plants Aug. 13-15 when 4,500 workers walked out in protest over concurrent 3-day suspension of woman shop steward in TV receiver plant. Philco termed walkout a "violation of contract," notified 2 IUE locals involved that it plans to file grievance before American Arbitration Assn. to seek damages for "substantial losses" suffered because of shutdown. Philco told us controversy flared when steward pulled TV tuners off conveyor after protesting line was running 7/10 of second faster than contract maximum speed. She was suspended for 3 days for failing to follow established grievance procedure. Union contended she pulled tuners from conveyor after supervisor refused to slow line. Philco said its tests showed line running 7/10 of second slower than contract maximum speed.

Admiral-Sears, Roebuck out-of-court settlement of patent infringement suit (Vol. 2:33 p10) provides, in addition to cash settlement, that Sears subsidiary Warwick Mfg. will pay Admiral 25¢ for each TV wireless remote control made under Admiral's patent, and royalties of 2½¢ to 5¢ for each automatic record changer device covered by any of 3 other Admiral patents. Under terms of settlement, Admiral has licensed Warwick to use the 4 patents and will issue license for TV remote to Sears affiliate Pacific Mercury.

Trav-Ler Radio has been renamed TravLer Industries Inc. (Vol. 2:30 p11), following stockholder approval at Aug. 14 meeting. Pres. Joe Friedman said new name reflects greater importance of TVs, phonos & tape recorders than radios in current sales. He also told stockholders that TravLer "is spending approximately \$750,000 for additional facilities" at New Albany, Ind. plant of recently acquired Hoosier Cabinet Corp. (Vol. 2:25 p12). Plant's capacity "will be doubled by these improvements," he said, and expansion is required by increase in business, particularly in private label field (see p. 7).

Zenith will launch \$2 million ad campaign in network TV & local and national printed media during peak fall selling season. More than \$1 million "will be used in a concentrated local newspaper ad program in retail markets from coast to coast" during September & October, according to Sales Corp. Pres. Leonard C. Truesdell. Balance will go for national magazine ads & network TV presentations, including co-sponsorship of 90-min. colorcast of "World Series of Golf" Sept. 8 & 9.

Japanese firms showed largest gains among 1961's top 100 foreign industrials in August *Fortune's* annual compilation. Ten Nippon firms which made list in both 1961 & 1960 averaged 23% sales jump last year. Hitachi moved up to 11th place from 17 in 1960. Matsushita jumped to 56th from 74th. Top 100 included 12 electrical equipment manufacturers. Their combined 1961 earnings rose 10% on aggregate sales gain of more than 15%.

Western Radio Corp. has been charged by FTC with falsely advertising "New Magic Walkie Talkie," "Radi-Vox" and "Radio Talkie" portable receivers. Hearing examiner disputed firm's claims that devices would operate up to half mile between buildings, 10 miles between cars, was unconditionally guaranteed, required no license.

Packard Bell Electronics has obtained a \$9 million "V"-type loan, partially guaranteed by the U.S. Navy. Pres. Robert S. Bell said the loan, coupled with a recently obtained \$5.5 million bank credit, will replace a previous \$10 million line of credit, furnishing Packard Bell with a net credit gain of \$4.5 million.

New TV repair guide, *TV Trouble Analysis* by Harry Mileaf, has been published by Gernsback. Manual contains brief up-dated TV theory refresher chapter, illustrated explanations of TV set troubleshooting. It's 124 pp, Gernsback Library, 154 W. 14th St., N.Y. 11; paperback, \$3.20; hard cover, \$4.95.

Sylvania has increased wages for hourly non-union employes ranging from 10¢ to 20¢ an hour over a 2-year period. Eligible salaried employes also will receive increases—\$8 or 2½% monthly, whichever is larger, next month & again in Sept. 1963.

Sale of Crosby-Teletronics' physical assets for \$50,000 to Joseph A. Krupski (Vol. 2:33 p9) has been approved by Referee William J. Rudin.

Western Electric has awarded Goodyear Aircraft Corp. \$1.3 million contract for horn-reflector antennas that can receive or transmit 10,000 telephone messages & 10 TV programs simultaneously in b&w or color.

Distributor Notes: Olympic Radio & TV names Northland Merchandise Distributors, Green Bay, Wis., distributor for northern Michigan & northern Wisconsin • Irving Witz Corp. (Irving Witz pres.), newly appointed Delmonico & Grundig Majestic distributor in Miami (Vol. 2:29 p11), has established hq there at 300 Northeast 62nd St.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Bosch Arma	1962—6 mo. to June 30	\$64,119,853	—	\$1,518,784	\$0.79 ¹	1,902,041
	1961—6 mo. to June 30	71,177,596	—	1,204,143	.62 ¹	1,902,041
Ampex Story below	1962—qtr. to July 31	21,513,000 ⁵	—	878,000 ⁵	.11	7,799,000
	1961—qtr. to July 31	17,355,000	—	71,000	.01	7,751,772
Andrea Radio	1962—6 mo. to June 30	2,733,058	—	149,711	.59	254,136
	1961—6 mo. to June 30	3,055,807	—	126,728	.50	254,136
Audio Devices	1962—6 mo. to June 30	4,100,000	—	225,000	.30	844,526
	1961—6 mo. to June 30	3,677,089	—	112,023	.13	831,652
Bendix	1962—9 mo. to June 30	599,672,486	\$34,386,418	15,648,962	2.89	5,423,335
	1961—9 mo. to June 30	570,167,511	34,947,318	17,685,660 ²	3.29 ²	5,381,109
	1962—qtr. to June 30	212,853,040	—	5,321,848	.98	5,423,335
	1961—qtr. to June 30	197,475,022	—	5,186,041	.96	5,381,109
Consolidated Electronics	1962—6 mo. to June 30	83,150,374	—	2,353,323	.74	3,172,377
	1961—6 mo. to June 30	67,304,368	—	1,871,476	.61	3,053,597
Disney Productions	1962—9 mo. to June 30	49,716,429	—	3,452,223	2.06	1,674,804
	1961—9 mo. to June 30	43,852,820	—	2,373,083	1.46	1,626,023
Electronics Corp. of America	1962—6 mo. to June 30	4,059,000	—	61,685	.06 ¹	749,495
	1961—6 mo. to June 30	3,106,271	—	68,116	.07 ¹	744,863
Esquire Radio & Electronics	1962—6 mo. to June 30	1,800,523	—	28,038	.07	417,650
	1961—6 mo. to June 30	1,382,691	—	6,871	.02	417,650
Litton Industries	1962—year to July 31	394,000,000	—	16,000,000	3.36	4,814,583
	1961—year to July 31	250,114,456	—	10,158,323	2.24	4,376,246
MCA	1962—6 mo. to June 30 ³	—	—	6,631,000	1.38 ¹	4,040,735
	1961—6 mo. to June 30 ³	—	—	4,800,000	1.10 ¹	3,995,735
Pacific Mercury	1962—9 mo. to Mar. 31	14,127,920	—	252,749	.36	748,500
	1961—9 mo. to Mar. 31 ⁴	—	—	—	—	—
Packard Bell	1962—9 mo. to June 30	35,930,837 ⁵	—	(332,952) ⁶	—	854,043
	1961—9 mo. to June 30	24,603,735	—	(3,859,125)	—	816,493
Philips Electronics & Pharmaceutical	1962—6 mo. to June 30	43,758,717	—	1,283,283	.55	2,354,811
	1961—6 mo. to June 30	18,545,122	—	373,991	.19	1,994,674
Thompson-Starrett (Delmonico)	1962—6 mo. to June 30	12,412,445	—	339,792	.11 ¹	2,817,646
	1961—6 mo. to June 30	10,510,320	—	118,111	.03 ¹	2,718,918

Notes: ¹ After preferred dividends. ² Includes non-recurring income of \$3,215,287 (60¢ a share) from sale of Elliott-Automation Ltd. shares. ³ Includes Decca Records on "pooling of interest" basis. ⁴ Not available.

⁵ Record. ⁶ After \$1.1 million reserved for anticipated losses on fixed-price govt. contracts.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
AB-PT	Q	\$0.25	Sep. 15	Aug. 24
AT&T	Q	.90	Oct. 1	Aug. 31
Disney Productions	Q	.10	Oct. 1	Sep. 14
Famous Players Canada	Q	.25	Sep. 7	Aug. 22
GPE	Q	.30	Sep. 15	Aug. 30
Hazeltine	Q	.20	Sep. 14	Aug. 31
Litton Industries	Stk.	2½%	Dec. 17	Dec. 3
Maxson Electronics	Q	.05	Aug. 31	Aug. 15
Minnesota Mining & Mfg.	Q	.20	Sep. 12	Aug. 24
TraVler	Stk.	5%	Sep. 28	Sep. 14
Wurlitzer	—	.20	Sep. 1	Aug. 15

Philco has been licensed by Fairchild Camera & Instrument to use latter's planar process in manufacture of semiconductor devices. Fairchild reported it will license other semiconductor manufacturers, is now negotiating agreements.

Ampex Sets Record Quarter: Peak sales and profits were posted by Ampex in fiscal-1963's first quarter ended July 31 (see financial table). Earnings multiplied more than 12-fold to \$878,000 from \$71,000 year-ago quarter. Sales jumped 24% to \$21.5 million from \$17.4 million.

Pres. William E. Roberts said incoming orders during quarter soared 52% to \$26.3 million from \$17.3 million in May-July 1961. Order backlog was at record \$33.6 million. Roberts also noted that Ampex would spend more than \$9 million this year on development and engineering, compared with \$7.6 million in preceding fiscal year.

Reports & comments available: International Resistance, comment, Penington, Colket & Co., 70 Pine St., N.Y. 5 • Raytheon, comment, Sutro Bros. & Co., 120 Broadway, N.Y. 5 • Medallion Pictures, discussion, Hancock Securities, 79 Pine St., N.Y. 5 • Zenith, discussion, A. M. Kidder & Co., One Wall St., N.Y. 5 • Victorian Instruments, discussion, Bruns, Nordeman & Co., 52 Wall St., N. Y. 5.

Litton Industries split its common shares 2 for 1.

WEEKLY **Television Digest**

AUGUST 27, 1962

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NEW SERIES VOL. 2, No. 35

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

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

'INTERNATIONAL BROADCAST OFFICE,' proposed by Minow's asst. Tedson Meyers to oversee all aspects of broadcasting for overseas consumption, receiving favorable consideration on White House & State Dept. levels (p. 1).

ARMED FORCES TV SERVICE sets sights seaward, studying expansion of its land station network to fleet capital ships (p. 2).

HEW'S ETV SURVEY contains few surprises, NAEB study group recommending tripling of present ETV allocations to 1,197 (p. 3).

'MINORITY PROGRAMMING' eyed as possible key to uhf success. Spanish-language chain, with backing of Azcarraga, has access to huge output of Mexican network. New trend to bilingual TV, with radio providing simultaneous translation (p. 3).

'PRE-RELEASE' BUYING POLICY is now way of life in Canada for U.S. distributors who want to sell film shows there. Virtually all U.S.-made film series scheduled for fall in Canada will run several episodes ahead of U.S. network version (p. 4).

LIMITS ON COMMERCIALS should be considered by FCC if self-regulation fails, Minow says; expresses hope for exploration of easing multiple station ownership limits (p. 5).

Consumer Electronics

COLOR TUBE OUTPUT to begin soon at National Video; GE tube dept. starts production of Kimcode barefaced tube (p. 7).

UHF TUNER STANDARDS given to FCC by industry committee; maximum noise, 18 db; sensitivity limit, 8 db lower than vhf. Remote-control talk centers on continued use of uhf strips (p. 7).

COMPONENTS MAKERS NET BIG MIDYEAR GAINS: 19 representative firms produce combined first-half sales of \$792 million—nearly \$90 million ahead of year-ago's \$702.2 million; profits rose \$7.4 million to \$31 million from \$23.2 million in Jan.-June 1961 (p. 8).

FTC READIES NEW PRICE GUIDE: 1962 edition of 1958 "Guide To Deceptive Pricing" is in final preparation stages, likely will roll from presses this fall. It will add new clarification to pricing rules & restrictions (p. 10).

123 MILLION TRANSISTORS at midyear. EIA figures show that although first-half factory sales jumped more than 34 million units over Jan.-June 1961, dollar value declined some \$6.9 million to \$150.2 million from \$157.1 million (p. 11).

GOVT. CONSIDERING 'INTERNATIONAL BROADCAST OFFICE': Now under careful study at White House & State Dept. is comprehensive proposal for govt. "Office of International Broadcasting" to coordinate & supervise all aspects of extensions of U.S. TV-radio to foreign countries. Understood to be receiving favorable reception from administration, proposal was submitted by FCC Chmn. Minow's administrative asst. Tedson J. Meyers, who presumably would run project if govt. buys it.

Proposal was submitted last May 24 B.T. (Before Telstar), but advent of satellite TV makes it even more timely. It was mentioned in these pages last month (Vol. 2:31 pl) and received headlines last week as result of leak to United Press International. News stories gave impression entire proposal was concerned with "program control" to make sure programs shown overseas conform with U.S. foreign policy.

Although relationship of programming & foreign policy received considerable treatment in Meyers' 20-page memo, it was far from only topic discussed. Meyers refused last week to elaborate on study or reveal contents, except to say he was "concerned lest [UPI report] give the impression that I have recommended a form of program control for international TV. . . . I have not recommended anything of the kind."

Study is not official FCC document, although Meyers said his boss, Chmn. Minow, knew he was preparing it. Here's digest of actual proposals made in Meyers' memo:

Now is time for administration to "exploit the potential power of international TV & radio broadcasting in our national interest." To implement this proposal, it was suggested that administration establish—within State Dept. or Executive Office of President (probably the former)—"a focal point" whose first job would be to "define goals to guide development of international radio & TV as effective goals of foreign policy."

Among "programs which can be undertaken immediately" by such an office, Meyers listed: (1) U.S. assistance in development of foreign broadcasting systems. (2) Mobilization of American broadcasting resources to serve U.S. assistance programs. (3) Encouraging private American investment in TV overseas. (4) Stimulating development of manufacturing & repair facilities overseas by U.S. TV-radio manufacturers. (5) Expanded research to develop low-cost TV transmitting & receiving equipment. (6) Assisting literacy campaigns overseas with help of U.S. educational broadcasters, universities & foundations. (7) Preparation for live & delayed international TV broadcasts. (8) Planning policies to assure entree for U.S. programming into foreign broadcasting systems. (9) Planning for use of foreign programming in U.S. (10) Stimulating production of programs which can best serve U.S. foreign policy objectives. (11) Development of licensing & operating regulations for U.S. international TV transmission and "foreign policy guidance" for those administering them. (12) "Resolving whether it is desirable to establish criteria for the content of American programming displayed overseas—and, if so, how such criteria should be determined & applied."

Meyers' proposal, certain to become highly controversial, points principally to need for over-all authority to guide U.S. use of TV in all its facets in worldwide battle for men's minds. He points out, for example, that long before Telstar it had been possible to link entire Western Hemisphere for live TV, and suggests that if this link already existed "its usefulness in helping to launch the Alliance for Progress would have been obvious."

NBC Chmn. Robert Sarnoff seemed to anticipate furor over some parts of Meyers' proposal when he made statement (in one of his periodic letters to TV-radio editors) last week before report leaked:

"The attention generated by Telstar has led to the suggestion that, in the interests of America's image before the world, the govt. should somehow sit in judgment over the programming that broadcasters may transmit overseas by satellite. . . . No attempt, however well-intentioned, to 'improve' America's image by govt. interference on programming could possibly gain advantages which would offset the damage done to that image by the very act of governmental tampering with free expression."

ARMED FORCES TV NETWORK SETS SIGHTS SEAWARD: Nine-year-old highly successful Armed Forces TV Service now has its eyes on the fleet, looking into possibilities of stations for Navy's capital ships.

Service now has some 38 TV stations serving more than 350,000 military personnel & dependents at remote & isolated posts around the world. Programs are the best, mostly kinescoped from U.S. networks. Its production budget would turn a commercial TV executive's hair white—\$700,000 per year. On this it turns out 60 hours of programming weekly at its Los Angeles headquarters.

This is possible because of "remarkable" assistance & cooperation from networks, sponsors & entertainment unions, according to Lt. Col. Gordon Furbish, Deputy for Programs, Radio-TV Div., Directorate for Armed Forces Information & Education. Commercial network shows are kinescoped at Los Angeles, with all commercials deleted, unless they are part of background or program title.

Service has about reached saturation point in land troop installations, is working on setting up similar stations on some 25 major ships, such as aircraft carriers. Most large capital ships already have closed-circuit facilities aboard, simplifying problem immensely. Also being mulled, Furbish says, is possibility of small networking operations between groups of ships in convoys, etc.

Growing problem for AFTV stations in some areas is conflict with exported U.S. programs being shown on country's local stations, Furbish revealed. U.S. networks allow service to film & rebroadcast their shows without charge, only stipulation being that military will not use program if it is being telecast locally. With steadily increasing volume of U.S. program exports, this has caused some difficulties. Of weekly 60 hours of programs sent to the 2 AFTV outlets in Panama, for example, only about 45 can be used; the other 15 hours are shown on local TV. Service attempts to remedy this by sending alternate shows to these areas.

Service has another five stations on way, in Japan, Turkey, Pakistan, Aleutian Islands; no more are planned after this.

HEW'S ETV SURVEY CONTAINS FEW SURPRISES: Massive ETV study by National Assn. of Educational Bcstrs. for Health, Education & Welfare Dept.'s Office of Education was released last week. As expected, NAEB found large-scale deficit in channels for needs of ETV over next decade, called for allocation of 1,197 channels, 922 more than existing 275.

Other highlights of report, entitled *The Needs of Education for TV Channel Allocations*: (1) School systems report greater need for ETV than colleges & universities. (2) Primary ETV channel in communities, wherever possible, should be vhf. Explains report: "It is obviously futile to broadcast on frequencies (uhf) which cannot be received by the community." (3) FCC should by policy give education equal consideration with any other broadcasting service in contests for specific unreserved channels. (4) A primary ETV service covering wide area which can be received on area's sets is vital to nationwide system of instruction & education. This objective should guide FCC in revision of rules & reallocations of channels. (5) Because of shortage of channels, education must oppose plans to abandon any areas of vhf band. (6) Where feasible, ETV vhf "drop-ins" should be permitted.

Each community or educational complex using ETV systematically will need from 2 to 12 channels for simultaneous broadcasting, survey reports. Most of these will be uhf. Report also recommends additional study of special frequencies for airborne or satellite ETV broadcasting.

Volume is 181 pages, with numerous maps and proposed ETV allocations, available for \$9.25 from Supt. of Documents, U.S. Govt. Printing Office, Washington 24.

TELECASTERS LOOK AT 'MINORITY PROGRAMMING': Many radio broadcasters discovered long ago that specialization is key to survival in AM's crowded spectrum. It hasn't really been necessary in TV up to now, but independents and prospective uhfers are beginning to look seriously at so-called "minority programming" to help them carve their niche in video without network affiliation.

First field being eyed seriously is foreign-language telecasting. Although some stations have been programming occasional foreign-language series as part of regular schedule, prospective telecasters in areas with large Spanish-speaking populations really pricked up their ears when the operator who probably owns interests in more TV stations than anyone else in world began sparking Spanish-speaking uhfs in continental U.S.

That man is Emilio Azcarraga, head of Mexico's big Telesistema, which has interests in vast majority of that country's 23 TV outlets. Azcarraga also owns 20% interest (maximum permissible by an alien) in Spanish International Bcstg. Co., operator of Spanish-speaking KWEX-TV (Ch. 41) San Antonio, holder of CP for now-building KMEX Los Angeles (Ch. 41) and applicant for N.Y.C. area's Ch. 37 (assigned to Paterson, N.J.).

Interestingly, Spanish International faces competition for N.Y. area uhf from another old hand at non-English broadcasting—Fortune Pope, whose foreign-language WHOM & WHOM-FM are fixtures on N.Y. Spanish-language radio scene. Headed by Rene Anselmo, Spanish International has access to vast output of Mexican TV, can become in some respects almost a U.S. extension of Telesistema Mexicano network.

Among other "minority interest" uhf projects are United Bcstg. Co.'s (Richard Eaton) proposed nucleus of little network catering to Negro population. His WOOK-TV (Ch. 14), now building in Washington, D.C., presumably is patterned after radio WOOK, also geared to Negro interests. He has CP for WTLF (Ch. 24) Baltimore, which plans similar programming.

Except for a few commercial independents which have taken on slight "cultural" tinge or "movie theater" image, there's little else in way of specialized programming at present. One proposal—by upcoming KAEI (Ch. 29) Dallas—ran afoul of FCC because it was too specialized. Station had proposed program aimed almost entirely at financial community—with stock-market quotations, etc. Commission requested more program balance. After proposed programming schedule had been amended, KAEI received CP, but authorization to start is now being held up because FCC says it didn't build in accordance with specifications of application.

You'll undoubtedly see plenty more applications for special-group programming on uhf band. Meanwhile, several TV stations have started experimenting with new technique—simultaneous translation of TV sound via radio.

In areas with large foreign-language populations, value of this system is obvious. Spanish-speaking

listener, for example, turns TV sound down, tunes to Spanish-language radio station for his audio. Even commercials can be integrated, with audio in English (TV) and Spanish (radio) accompanying same video picture.

In Miami, with large Cuban refugee population, WLBW-TV's 6:15 p.m. newscast is translated simultaneously on WMIE (Vol. 2:34 p6). Competitor WCKT announced, meanwhile, that its 6 & 11 p.m. newscasts will be translated simultaneously into Spanish by Miami radio WFAB.

Same technique has been tried with baseball telecasts, and may begin on large scale in N.Y. in Oct. WPIX there plans to telecast one-hour taped highlights of Puerto Rican League games played previous day, with commentary in English, while local radio outlet gives synchronized Spanish play-by-play. It's understood Schaefer beer is interested in sponsorship of both TV & radio versions of Oct.-Dec. series.

Interesting version of same technique will be tried by N.Y.'s new ETV station WNDT (Ch. 13) for benefit of that "minority" of metropolitan area's cultural leaders who don't speak French. Station plans to run Sept. 17 French-language show "A la Recherche d'Albert Camus," originally shown by Radiodiffusion-Télévision Française. For those dolts whose French is a little rusty, non-commercial WRVR (FM) will give simultaneous English translation.

CANADA'S HEADSTART ON U.S. FILMS: Virtually every U.S. film show due to be seen on either of Canada's TV networks this fall has been bought on a "pre-release" basis. Started by CBC-TV nearly 4 years ago as polite request, pre-release is now firm policy for CBC, CTV and many Canadian stations which buy filmed shows from U.S. sources only where Canadian showings will precede U.S. showings by a week or two, or more.

Main reason for policy is to avoid watering-down Canadian TV audiences in TV markets such as Toronto, Windsor, Montreal and Vancouver, which are also covered by U.S. stations. A CBC-TV official in Toronto put it this way: "Our pre-release policy on film shows provides a useful fringe benefit to sponsors as well as more flexibility in our programming."

Pre-release demand can be enforced by Canadian buyers, thanks to BBG rule which specifies 55% of Canadian network fare must be produced in Canada. This leaves American distributors, with bumper crop of film shows, scrambling for berths within only 45% of Canadian TV time. To some extent, pre-release applies to purchase of syndication film properties and feature films in border markets as well.

List of pre-released shows for 1962-63 season in Canada indicates importance of running headstart for Canadian networks & stations. Among CBC-purchased shows which will televise episodes prior to U.S. network telecast of same series are: *Walt Disney, Hazel, Danny Thomas, Car 54, Perry Mason, My 3 Sons, Ben Casey, Defenders, True, Empire* and *Beverly Hillbillies*. CTV's pre-release roster includes: *Sam Benedict, Eleventh Hour, Dr. Kildare* and *Stoney Burke*, plus local-market deals on such film series as *Gunsmoke* and *77 Sunset Strip*.

Promotional point is made by Canadian stations carrying such shows, with billboards, tune-in ads etc. featuring U.S.-produced film shows while pointing up themes of "See it first on . . ." or "If you watched it on Buffalo TV, you missed it on. . ." Same point is made to advertisers, although Canadian salesmen try not to point out that the pre-release situation may well produce a bonus audience in U.S. of people near border who like to peek at the last chapter of mystery novels.

U.S. film distributors don't seem alarmed by situation. "The fact that there are 2 Canadian networks now buying pre-released shows calls attention to it," said one export sales chief. "Hasn't hurt our U.S. ratings as far as we know," said another N.Y. film executive.

Push for televised Senate sessions came last week from Sen. Javits (R-N.Y.), who introduced resolution (S. Res. 378) for himself and Sen. Morse (D-Ore.), to amend Senate rules to permit TV or radio coverage "from time to time." Senate now allows coverage of committee hearings at discretion of chairmen; House has always excluded broadcasters completely. Javits resolution is unlikely to get anywhere this late in session, will undoubtedly be re-introduced in January. NAB Pres. LeRoy Collins lost no time in praising Javits and endorsing the legislation. Said Gov. Collins: "We at NAB are pleased to have such a staunch ally in our campaign to secure greater access for electronic journalism."

FCC Limits on Commercials? "Clear & certain limits" by FCC on number & length of commercials might be necessary if self-regulation doesn't work. So said FCC Chmn. Newton N. Minow in interview published by newsletter of National Audience Board.

"The time is past due to 'put up or shut up' on self-regulation," said Minow. "If the broadcasters are unable to achieve self-discipline, the Commission may have to adopt a rule on commercials which does apply to everyone." He suggested NAB Code provision as "guideline." As to commercial content, he said this was no business of FCC.

On other subjects, the chairman: (1) Foresaw need for 4th commercial TV network some time in future. (2) Predicted regular use of TV satellites for special events in late '60s. (3) Expressed hope "the Commission and the industry will explore" such subjects as possible easing of multiple station ownership limits "in the next few months."

Goldwater's Vast Wasteland: Comes now Sen. Barry Goldwater (R-Ariz.) with harsh words for everybody's favorite whipping-boy, U.S. TV. "It's barbaric," he told Greek-American dinner audience in Chicago last week. Goldwater used ancient Hellenic culture as standard for rating TV, said the old Greeks provided model against which to measure the theatre for all time. Castigating TV for its "meaningless violence and sex," he told group: "Your ancestors would look upon us with pity."

Limit children's TV viewing, former HEW Secretary Abraham Ribicoff urges in September *McCall's* magazine "Mothers and fathers who let their kids sit like vegetables in front of a TV set are doing a disservice to the children and themselves," he asserts. Ribicoff states that many parents, educators & public-spirited citizens are worried about quality of TV, are anxious to see more ETV development.

Newest tall-tower entry is WKRC-TV Cincinnati's 971-footer, claimed to be 4th largest self-supporting tower in world. Built at cost of \$500,000, station reports structure will extend station coverage to additional 400,000 viewers in 1,650 sq. mile area. Tower is equipped with GE helical antenna, adapted by Taft Bcstg. engineering vp William Hansher.

Nearly 18% of U.S. TV homes have 2 or more sets, ARB reported last week on basis of 3-month multi-TV-home study. Breakdown shows more than 16% of homes have 2 sets and over 1% have 3 or more TVs. ARB also reported that more than 7% of all U.S. homes can now receive signals from uhf stations.

Sale of WTVW Evansville, Ind. by Ferris E. Traylor, Rex Schepp & Miklos Sperling to Producers Inc. for \$514,800 has been approved by FCC. Producers is owned 50% by Traylor family, 50% by Polaris Corp., real estate & equipment leasing company.

New Canadian starter, CFTK-TV Terrace, B. C., with satellite at Prince Rupert, B. C. will begin about Oct. 15. Station will be supplementary, non-connected affiliate of CBC English TV network's Pacific region.

Quick estimates of spot costs can be made with 31st edition of Katz Agency's *Spot Television Advertising Cost Summary*. Publication lists market-by-market rates for nighttime half-hours and 20-sec. announcements; daytime one-min. and 20-sec. spots; late night one-min. spots, on one-time, 6-plan & 12-plan basis. Copies are available to advertisers & agencies from Katz, 666 Fifth Ave., N.Y. 19.

Westinghouse Broadcasting's plan to finance Broadway plays and televise taped versions of them on opening night (Vol. 2:34 p1) ran into opposition—of the verbal type, at least—last week. Cross-section of Broadway producers & theater owners who would comment—including Billy Rose, Michael Myerberg & Cy Feuer—said they opposed plan. One report stated that WBC had offered to back forthcoming production by Fred Coe & Arthur Cantor—both of whom have extensive TV backgrounds—and was turned down. Pay-TV proponents generally scoffed at plan as unrealistic and no threat to them. Pres. Solomon Sagall of Teleglobe, for example, expressed doubt that showing of play on WBC's 5 outlets could offer enough financial incentive to producers.

Add broadcasters into CATV: Jefferson Standard Bcstg. (WBTW & WBT Charlotte, WBTW Florence), controlling stockholder in group that includes Communications System Corp. & Spencer Kennedy Labs, has proposed to underwrite Florence (N.C.) Cable Co. for \$400,000 for system in Florence. System would include 50 miles of cable, later expanding to 75, bringing subscribers 7 commercial channels, S.C. ETV network, and 24-hr. time, weather, & temperature service. If approved by Florence City Council, system would go into operation by Dec. 1, charging \$20 installation fee, \$5 monthly.

Pa. CATV Assn. will install gratis master antenna TV reception system at Pa.-operated Polk State School & Hospital, Polk, Pa. CATV group made offer on learning that institution has never been able to use its 58 TV sets, bought by state in 1956, because \$27,000 appropriation for installing master antenna system was never granted. Pa. CATV will furnish all material, equipment & labor for 3-channel b&w and color TV system.

New CATV system, now under construction, will serve Endicott & Union, N.Y. with signals from 3 stations in N.Y., 2 in Scranton-Wilkes-Barre, plus FM & background music. Tri-Town Video is owned by William Calsam group, operator of CATVs in Delhi, Oneonta, Norwich & Sidney, N.Y.

More than 30 CATV system officials have enrolled in NCTA's first annual management institute Aug. 26-29 at U. of Wisconsin, Madison.

"Evolution of FM Radio" highlights *Journal of Broadcasting* Summer issue. Other articles: "Research in Broadcasting," "Discharge of Station Employees," "Radio in Presidential Campaigns," "Law of Broadcasting," "Ecology of Broadcasters in the U.S." Quarterly is available for \$6 per year from Assn. for Professional Bcstg. Education, 1771 N St., N.W., Washington 6.

Will balloons replace microwave towers? An Australian scientist, identified as Prof. V. Hopper, reportedly is experimenting with captive weather balloons for use as low-cost long-distance TV relays. He's quoted as saying experiments will take about year, and first lighter-than-air relay station could be established within 2 years.

License revocation of KPFR(FM) Palm Springs, Cal. for failure to have full-time licensed first-class operator, unauthorized transfers and misrepresentations to Commission (Vol. 2:27 p6), was finalized by FCC Aug. 20.

N.Y. area educational WNDT (Ch. 13) will have gala opening Sept. 16, with FCC Chmn. Newton N. Minow & USIA Dir. Edward R. Murrow as speakers.

Ziv-UA Inc. changes name to United Artists TV Inc. Sept. 1.

Personals

Armand Grant, ABC-TV dir. of daytime programming, becomes daytime programming vp, succeeding Giraud Chester, who has rejoined NBC-TV as program administration chief . . . Grant Tinker promoted to NBC West Coast program operations vp; Edwin S. Friendly Jr. moves up to special programs vp . . . Sanford C. Cummings, ABC vp & ABC-TV western div. program dir., resigns effective mid-September, will announce plans then.

John Porter, NBC national advertising & promotion dir., resigns, no future plans announced . . . Robert T. Goldman, ex-ABC-TV spot sales dept., promoted to asst. to pres., ABC-TV o-&o stations.

John D. Scheuer Jr. promoted to Triangle Stations administrative executive, a new post; Dick T. Hollands, ex-NBC International, named Triangle Stations personnel mgr., also new position; Martin Colby promoted to eastern TV sales mgr., another new post; Rex Morgan promoted to WFIL-TV & WFIL Philadelphia special events dir.

Martin Weldon, Metropolitan Bcstg. news & special events dir., resigns to become N.Y. Democratic campaign dir. for TV, radio, advertising. He'll form new agency, Public Affairs Projects Inc., to handle assignment. Paul Rust promoted to Weldon post.

E. Jonny Graff, ex-NTA east coast sales vp, named Independent TV Corp. syndication sales vp . . . Selwyn Ginsler, ex-UA Canadian TV mgr., appointed Seven Arts Canadian sales dir., Toronto . . . Arthur Price promoted to exec. asst. to the president, General Artists TV dept., Beverly Hills, Cal. . . Richard E. Davis, BBDO TV-radio copy supervisor, elected a vp.

G. O. Markuson, ex-Hearst Corp. exec. vp, named pres., Television City Inc. (WTAE) Pittsburgh . . . Robert S. Buchanan promoted to WJW-TV Cleveland gen. mgr., succeeding Joseph Drilling, resigned to become Crowell-Collier Bestg. pres.; Linton Wells, prominent author & newsman, appointed Storer Washington correspondent . . . Mark Woodlinger, ex-WMBD-TV & WMBD Peoria, appointed vp-gen. mgr. of Grand Rapids-Kalamazoo Ch. 13, due on air Nov. 1.

Dan W. Shields, NAB special asst. for TV, resigns Sept. 17 to become exec. asst. to president Clair McCollough, Steinman Stations.

Tom Bostic, KIMA-TV & KIMA Yakima, Wash., elected to AP Radio-TV Assn. board; Tom Eaton, radio WTIC Hartford, Conn., Robert E. Schmidt, radio KAYS Hayes, Kan., Dwight Martin, WDSU-TV New Orleans, all re-elected to board.

Charles G. Pogan promoted to vp, Capital Cities Bestg. . . John S. Kirk promoted to sales mgr., WABC-TV N. Y. . . Don Menke named mgr., WFBM-TV and WFBM Indianapolis.

Robert L. Owens, ex-mgr. of KXGO-TV Fargo, N. D., named to similar post with KXJB-TV Valley City, N. D. & radio KXGO Fargo . . . Tom Parrington promoted to asst. mgr., WKY-TV Oklahoma City.

Robert F. Fuzy, ex-educational WOSU-TV & WOSU Columbus, O. operations mgr., appointed gen. mgr. of educational KVCR-TV & KVCR-FM San Bernardino, Cal. and chmn. of San Bernardino Valley College telecommunications div. . . Duane Franceschi, ex-educational WNEB-TV Buffalo production mgr., appointed program mgr. of educational WFSU-TV Tallahassee.

W. Forrest Morrow promoted to WSJV-TV South Bend, Ind. operations mgr.; James E. Blacklaw moves up to production mgr. . . Bill Williams promoted to program mgr., WNEP-TV Scranton-Wilkes-Barre; Tom Bigler, ex-WILK-TV Wilkes-Barre, Pa. program & news dir., appointed WNEP-TV news & public affairs dir.

Donald Scott Thomas, KTBC-TV & KTBC Austin, Tex. attorney, & board member, elected to American College of Trial Lawyers.

Network TV gross time billings totaled \$63,722,372 in June, 12.2% above June 1961's \$56,788,579, TvB reports. Billings for first half of 1962 were \$387,722,615, up 11.6% over same period last year's \$347,313,741. Jan.-June network billings: ABC-TV, \$100,690,335, up 6.4% from 1961 period's \$94,636,040; CBS-TV, \$149,443,593, up 16.2% from \$128,636,037; NBC-TV, \$137,638,687, increase of 11% from \$124,041,664. Daytime billings increased 15.4% in first 6 months this year, from \$104,691,977 to \$120,780,344. Night-time rose 10%, \$242,621,764 to \$266,992,271. Spot billings in first half of 1962 totaled \$371,531,000, up 19.1% from same 1961 period's \$311,927,000.

New spot TV advertisers totaled 214 in 2nd quarter, TvB reports. Of last year's top 100 advertisers, 22 had 26 brands using spots for first time during quarter.

Trend toward color commercials gets big boost this fall with some of biggest advertisers planning to make their pitches in hue, as reported in *Advertising Age* survey. Ford Motor, reportedly envious of Chevrolet's color commercials on *Bonanza* and *Dinah Shore Show*, has switched its *Hazel* to color this season, with NBC picking up most of added tab. Other big sponsors moving to color are P. Lorillard's Kent & Newport cigarettes, American Tobacco, R. J. Reynolds, Liggett & Myers, Chrysler.

European TV will lag as long as it's under govt. control, according to pres. Charles R. Farran, Griswold-Eshleman Advertising. Recently returned from AFA-sponsored European tour, he told *N.Y. Herald Tribune* advertising columnist Joseph Kaselow that in Germany, where commercials are run in 3 or 4 5-min. bunches daily, there is 400% backlog of advertisers waiting to get on air. This, he pointed out, can be big plum for the politico who determines which shall be seen.

FCC granted extension for filing of comments in FM allocation proceeding, at request of NAB—until Oct. 1, replies Oct. 16.

North Dakota KX Network (KXJB-TV Valley City-Fargo, KXMB-TV Bismarck, KXAB-TV Aberdeen, KXMC-TV Minot, KDIX-TV Dickinson) names Young TV national rep.

Reservation of Ch. 44 Boston for ETV has been requested by WGBH Educational Foundation there.

Obituary

Kirkham Wright Torney, 53, Seven Arts station representatives sales dir., died Aug. 19 in Norwalk, Conn. Prior to joining Seven Arts, he operated Torney Bush retail TV chain in California, and was associated with MCA. His widow, 3 sons survive.

Ruth Warburton, ABC-TV on-the-air promotion supervisor until her retirement in July, 1961, died Aug. 18 at Lake Crystal, Mich., was buried there Aug. 20. Two sons survive.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

NATIONAL VIDEO TO COLOR, GE TO KIMCODE: Even in these pre-Labor Day dog days, there's plenty stirring in picture tube industry. More specifically—National Video soon will begin mass production of color tubes; GE's cathode ray tube dept. starts output of Kimcode tubes today (Aug. 27).

National Video, largest independent picture tube manufacturer, is expected to announce this week that it will begin production of color tubes shortly. At press time, start-up date and type of tube weren't known. However, it's understood National Video believes it will be 2nd manufacturer to make color tubes, which would make date some time before end of this year, since Sylvania & Rauland have both announced they'll be in color tube production early next year.

National Video has been working with Motorola in development of 23-in. rectangular shadow-mask color tube using b&w-type glass. Nevertheless, it would be surprising to see National Video start out production with anything but conventional 21-in. round type.

GE today becomes 2nd tube maker to go into production of Kimcode tube, which requires no external implosion glass. Company begins output for unnamed customer, which presumably will have barefaced-tube sets in its 23-in. line this fall.

National Video, first producer of Kimcode tubes, now is shipping about one truckload a day, will switch production soon to "Kimcode Phase 2," slightly lighter weight version with more desirable viewing area for easier masking (Vol. 2:30 p8), for which UL listing is expected momentarily.

Kimcode is available only in 23-in. size so far, but 19-in. version is due soon and Kimble Glass Co. is expected to sample tube makers with 16-in. bulbs in mid-September.

First set maker to use Kimcode, incidentally, is understood to be Curtis Mathes, believed to be switching entire 23-in line to new tube.

There's been no stampede to Kimcode so far, but set makers are expressing such great interest in it that there seems little doubt it will be standard fixture on TV scene. Process was developed by Kimble Glass Co., but it's not illogical assumption that there'll soon be Corning version of bulb for Kimcode process—although we don't think it'll be called "Corncode."

FCC GIVEN PROPOSED UHF TUNER STANDARDS: In harmonious meeting which lasted only one hour, industry ad hoc committee of TV receiver & tuner manufacturers turned over to FCC its proposals for minimum standards for receiver performance under all-channel set law.

Proposals were simple, involving only 2 figures to govern noise level & sensitivity. They're realistic "state-of-the-art" measurements, and vast majority of all-channel sets being made today would conform with them. Under aegis of EIA, ad hoc engineering committee headed by Philco's Harris O. Wood had previously gotten views of 21 TV set makers representing 97% of U.S. TV receiver production, as well as 7 tuner manufacturers (Vol. 2:33 p7).

Here are industry's 2 major proposals for uhf tuner specifications and how they were arrived at:

(1) Noise figure should be set at specific maximum of 18 db across entire uhf band. Survey of set maker engineers showed that average limits for all-channel sets currently in production was 16 db. Set makers chose 18-db maximum by 18-2 vote (2 abstentions).

(2) Sensitivity figure was set in terms of ratio to performance level of vhf tuner in same set. This was done because "over-all sensitivity is primarily dependent on additional IF amplification provided in the

receiver, generally in the vhf tuner." Engineers voted to set limit of uhf sensitivity at 8 db lower than vhf, by 13-2 vote. Limit of uhf sensitivity in present sets is about 6 db lower than vhf.

Industry recommended that FCC consider 2-year time limit (after U-day) on these standards. Reasoning was that "advances in the art, brought about by competition, will, during that time, obviate further necessity for this requirement."

Group made no recommendation on FCC's question of "ease of tuning," simply assuring FCC engineers that "push-button, as well as other means of tuning, has been, and will continue to be, actively pursued."

Subject of remote controls, strangely, took up 20 minutes of hour's FCC-industry discussion. Industry engineers said best method of extending wireless remote control to uhf at present time is by use of uhf turret-tuner strips, installed in addition to continuous uhf tuners. Would sensitivity & noise limit provisions apply also to uhf strips? Consensus at FCC was that legally they wouldn't—but that it would be difficult for manufacturer or installer to get away with noisy or insensitive uhf strip, because consumer could make direct comparison between reception of same uhf channel on strip & on continuous tuner in same set.

FCC personnel at meeting, headed by associate chief engineer Ralph J. Renton, praised industry for its "efficient & expeditious" response to Commission's request for recommendations.

Committee will return to FCC this week—Aug. 28—to file industry-wide cost of pushing "U-Day"—date of complete conversion to all-channel set production—to July 1963. Industry previously had recommended date of July 1964, is now being surveyed on added cost in scrapped tooling, etc., to achieve earlier date. Cost is expected to be prohibitive, presumably will be submitted to head off any protests that date has been set too far ahead.



Commission is expected to give all-channel law implementation top priority when members return from vacation next week. Chief engineer's office hopes to have proposal ready for agenda by first fall Commission meeting Sept. 5. Next move would be notice of proposed rule making, setting forth suggested standards & U-Day, allowing 30 days for comments, 10 more days for counter-comments. Proposals could be finalized early in November—but there's many a slip, and realists at FCC are shooting for finalization early next year.

It's probable that no hearings will be held on proposals. Although some uhf telecasters may be dissatisfied with length of time before U-Day, they may well be quite hesitant to request hearings—knowing that this could be self-defeating by prolonging effectiveness of law even further.

COMPONENTS MAKERS NET BIG MIDYEAR GAINS: Accelerating their strong first-quarter comeback from dismal 1961 (Vol. 2:14 p9), representative components & tube makers gained momentum in 2nd quarter and closed out 1962's first half with impressive gains in sales & profits.

Combined sales of 19 firms shot nearly \$90 million ahead of their Jan.-June 1961 volume. Their aggregate profits jumped \$7.4 million. These gains compare impressively with those of our first-quarter analysis (Vol. 2:21 p9). At end of 1962's first 3 months, 20 components & tube makers were \$59 million ahead of their Jan.-March 1961 sales pace. Their combined first-quarter profits were \$2.9 million better than year ago.

Like their OEM customers (Vol. 2:34 p7), components & tube makers showed no signs of sales-profits slowdown as result of stock market slump & recession talk. Conversely, first-half trend indicates OEM's suppliers are headed for highly profitable year.

Many of 19 firms in our first-half analysis are major factors in military production of components & tubes. Some also make products other than tubes & components. However, they are representative of TV-radio components industry & clearly reflect sales & profit trends. Firms analyzed are CTS Corp., Clevite, Dynamics Corp. of America, Gabriel, General Bronze, Globe Union, Indiana General, International Resistance, P. R. Mallory, Muter, National Union, Oak Mfg., Sangamo Electric, Sonotone, Sprague Electric, Standard Kollsman, Texas Instruments, Thompson Ramo Wooldridge, Tung-Sol.

Combined first-half sales of these 19 representative components & tube makers rose to \$791,950,358 from \$702,168,498 in Jan.-June 1961. Their profits jumped to \$30,574,336 from \$23,160,340—after deducting

Sangamo Electric's first-half loss of \$494,000 and \$574,688 in losses registered by 2 manufacturers in the 1961 period. Sangamo's loss, it must be noted, followed "abnormal charges" of \$833,000 occurring when Marion, Ill. plant was closed and its machinery & operations shifted to Pickens, S.C. In 2nd quarter, Sangamo earned \$725,000, compared with \$421,000 a year earlier.

Overwhelming majority of these 19 companies—15 out of 19—improved first-half sales over a year ago. Even more impressive, 16 of 19 earned more than they did in 1961's first half, and 18 operated in black. Two manufacturers with first-half losses a year ago rebounded into profit column: General Bronze, to \$13,695 from loss of \$393,738 & Sonotone, to \$150,895 from \$180,950 loss.

Record sales & profits were registered by Dynamics Corp. of America, International Resistance and Sprague Electric. Oak Mfg. & Clevite scored record sales. International Resistance also had record sales & earnings in 1962's first quarter, and Oak Mfg. had record first-quarter sales.

Most of 16 firms that bettered year-ago profit did it impressively. Thompson Ramo Wooldridge, for example, shot up to \$6.4 million from \$2.1 million. Muter rose to \$142,977 from \$41,003. Oak Mfg. more than tripled earnings to \$620,568 from \$187,520. National Union more than doubled profits to \$545,801 from \$231,062. Other marked profit gains: Dynamics Corp. of America—to record \$1.8 million from \$881,840. Indiana General—\$1.2 million from \$770,604. CTS Corp.—\$1 million from \$745,055. Sprague Electric—record \$3.3 million from \$3 million.

Sales gains were no less impressive. Thompson Ramo Wooldridge climbed nearly \$31 million to \$231.6 million from \$200.9 million. Dynamics Corp. of America jumped to record \$37.8 million from \$22.2 million. P. R. Mallory rose to \$49.1 million from \$41.4 million. Other notable gains: Muter—\$8.1 million from \$6.3 million. Globe Union—\$31.9 million from \$26.4 million. Indiana General—\$14.1 million from \$10.3 million. Oak Mfg.—record \$15.8 million from \$11 million. Tung Sol—\$35.6 million from \$31.4 million. CTS Corp.—\$13.8 million from \$9.6 million. Sprague Electric—\$42.5 million from \$37.1 million.

Sales & profit declines were registered by Standard Kollsman & Texas Instruments. Former's sales slipped to \$46.2 million from \$51.7 million. Profits dipped to \$1.4 million from \$1.6 million. Texas Instruments' sales lagged behind \$119.7 million vs. \$119.9 million, but profits tumbled to \$4.8 million from \$6.4 million in Jan.-June 1961. General Bronze also declined in sales—to \$8.1 million from \$9.6 million—but, as noted before, reversed 1961's first-half loss of \$393,738 with a \$13,695 profit. Sangamo Electric, which wound up in red vs. year-earlier's \$811,000 profit, also showed first-half sales decline—to \$24.4 million from \$24.6 million.

Here's 1962-vs.-1961 first half performance of 19 representative components & tube manufacturers:

	Sales		Earnings	
	1962	1961	1962	1961
CTS Corp.	\$ 13,763,321	\$ 9,581,479	\$ 1,034,820	\$ 745,055
Clevite	53,555,494	46,700,745	3,879,108	2,423,739
Dynamics Corp. of America ..	37,782,572	22,226,614	1,752,354	881,840
Gabriel	16,788,085	15,459,250	693,762	345,142
General Bronze	8,071,763	9,567,702	13,695	(393,738)
Globe Union	31,881,107	26,390,545	1,232,132	865,695
Indiana General	14,068,216	10,250,925	1,188,052	770,604
International Resistance	14,286,212	10,946,738	1,165,873	929,468
P. R. Mallory	49,078,494	41,360,943	2,050,379	1,839,973
Muter	8,109,340	6,340,930	142,977	41,003
National Union	18,375,580	16,513,449	545,801	231,062
Oak Mfg.	15,769,956	11,009,138	620,568	187,520
Sangamo Electric	24,379,000	24,636,000	(494,000)	811,000
Sonotone	10,527,606	10,236,607	150,895	(180,950)
Sprague Electric	42,463,100	37,066,358	3,265,122	2,960,166
Standard Kollsman	46,157,144	51,745,707	1,420,497	1,615,967
Texas Instruments	119,736,000	119,860,000	4,784,000	6,374,000
Thompson Ramo Wooldridge ..	231,589,854	200,879,678	6,414,666	2,071,337
Tung Sol	35,567,514	31,395,690	713,635	641,457
TOTALS	\$791,950,358	\$702,168,498	\$30,574,336	\$23,160,340

FTC READIES NEW DECEPTIVE PRICING GUIDE: FTC is preparing to throw book at fictitious pricing practices. It's the 1962 edition of "Guide to Deceptive Pricing," last issued in 1958. Updated version is now at staff level, is slated for early submission to Commission, likely will start rolling off presses this fall.

New edition will add much information & clarity to pricing situation, although it will contain no rules per se that weren't in 1958 book, we were told. Recent litigations, coupled with new FTC decisions (Vol. 2:26 p14), have put new interpretations on old rules, shed light on previously little-known restrictions.

"Nooks & crannies in the pricing field never before litigated have become illuminated in light of recent FTC decisions and court cases," we were told. "The 1962 Guide will update all rulings and use many more examples than the 1958 version to elaborate on and to clarify pricing rules."

In view of current agitation, and widespread interest, in areas of pricing practices, FTC's 1962 Guide could be runaway best-seller. However, when approved, it will be available without charge. More than 200,000 copies of 1958 Guide were distributed by FTC. Noted one FTC staffer, regretfully: "If they'd let us put a sexy jacket on this book and a fair price, we'd all be rich in no time."

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 17 (33rd week of 1962):

	Aug. 11-17	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	107,160	129,822	142,040	3,984,632	3,599,022
Total radio	349,425	270,801	379,898	11,244,297	9,529,113
auto radio	120,123	131,299	124,867	4,047,001	3,016,005

TOPICS & TRENDS

Fourth great area of business for electronics in next decade will be production of power by direct conversion from light & heat energy, RCA Pres. Dr. Elmer W. Engstrom told Wescon banquet in Los Angeles last week. He compared its business potential with that of TV, radio & solid-state electronics, and urged electronics industry to make required investments in money & development to translate military breakthroughs in this field into industrial & commercial applications.

Dismissal of misrepresentation charges against Jerrold Electronics in connection with its "TV Receptor" (Vol. 2:2 p9) was recommended by FTC hearing examiner in initial decision issued last week. Examiner Joseph W. Kaufman ruled that: (1) FTC complaint counsel relied on "scientific semantics plus a report of doubtful persuasiveness in proving misrepresentation," rather than testimony from consumers or experts; (2) there was no rebuttal to "voluminous proof" supplied by Jerrold; (3) there was no proof that Jerrold's claims were false; (4) Jerrold stopped making device 2 years before issuance of complaint, anyway—and "this type of product [designed to use house wiring as antenna] is dead due to the bad name created by the product" of another firm.

New TV importer: Sharp Electronics Corp., 1270 Avenue of the Americas, N.Y. (Herman Marsen, national sales mgr.) will import Hayakawa TVs, radios, phonos, etc., under "Sharp" brandname. Now on display at Sharp showroom are battery-operated 8-in. TV designed to list at \$229.95 and 16-in. portable with "introductory promotional" retail price of \$129.95. Future plans include importing of 21-in. color set in January, with 19- & 23-in. lines to come later. Sharp is currently negotiating for distributors in principal U.S. areas.

Add first-half financial reports: Muntz TV earnings more than doubled in 1962's first 6 months as sales took a healthy bounce. Although Muntz TV's fiscal year ends Aug. 31, Pres. Wallace A. Keil told us Jan.-June profits rose to \$360,322 from \$147,210 in 1961's Jan.-June period. Sales climbed to \$5,890,703 from \$4,560,273. With addition of Muntz TV's figures, our first-half analysis of TV set makers (Vol. 2:34 p7) now covers 12 firms. All netted substantial profit improvement over 1961's opening half. Only 2 of 12 failed to increase sales.

Pacific Mercury will begin color TV production next spring. Pres. Joe Benaron said Pacific Mercury will produce sets for Sears Roebuck under license from Warwick Mfg., which will design & engineer Sears' 1964 color TV line. Both Pacific Mercury and Warwick are affiliated with Sears. Warwick is currently producing Sears' entire color TV line, and will continue to make color sets for Sears.

Manufacturers' 1961 TV receiver shipments totaled 6 million sets valued at \$805 million, Census Bureau reported. This was 6% gain over 1960's 5.6 million units & 4% ahead of 1960's \$755 million value. Home radio shipments slipped to \$172.7 million from 1960's \$180.1 million; radio-phono combos increased to \$128.7 million from \$91.4 million, according to Census. Figures differ from EIA statistics, which give factory TV sales as 6,155,222 at \$832 million, factory radio sales (excluding auto) as \$209 million (Vol. 2:18 p7).

Trade Personals

Norman E. Galentine, ex-Philco Distributors, named mgr. of distributor operations, Sylvania Home Electronics Corp. . . . Harold F. Rieth, chief engineer of Packard Bell Home Products Div., named dir. of R&D; his department currently is developing "new wireless remote control concept, an indoor antenna for color TV and a remote uhf tuner."

Lord Nelson of Stafford named English Electric Co. chmn. & chief exec. officer, succeeding his father, the late Lord Nelson, who died last month; G. A. Riddell & E. B. Banks named joint managing dirs.

T. C. Wisenbaker retires from Raytheon after 19 years, succeeded as vp-gen. mgr. of Missile & Space Div. by Lt. Gen. Donald N. Yates (USAF, ret.).

William R. Simpson elected pres. of Lionel Corp. subsidiary Dale Electronics, succeeding George Risk, who continues as dir.

Rubie Saranik named selenium operations mgr., General Instrument's Rectifier Div . . . Milton T. Fuglesang, ex-Delmonico International, appointed Admiral room air conditioner sales mgr.

Doris Shaffner appointed NARDA membership dir., also assumes editorship of *NARDA News*, succeeding Don Andreas, resigned.

John P. Maguire Jr. elected General Dynamics secy., succeeding Allen D. Marshall who has been named pres. & chief exec. officer of United Student Aids Funds Inc.

Thomas P. Orso named controller, Adler Electronics.

Obituary

Donald A. Shaw, 62, RCA manufacturing & services divisions' senior counsel for personnel, died of a heart attack Aug. 16 while on business trip to RCA's Cherry Hill, N.J. facility. He lived in Newtonville, Mass., had been with RCA since 1951.

Raymond J. Ridge, 69, retired Westinghouse patent attorney, died Aug. 20 at Fitzgerald Mercy Hospital, Lansdowne, Pa.

Ravenswood Corp. has opened new hq. & production plant in Annapolis, Md., at McGuckian & Edgewood Sts. In addition to new 38,000-sq.-ft. Annapolis plant, Ravenswood has warehouse facilities at Hagerstown, Md.

Distributor Notes: Olympic appoints Modern Wholesale Distributors, Nashville. . . . John W. Miller appointed gen. sales mgr., Philco Distributors, Cleveland.

123 Million Transistors at Midyear: Transistor industry's price-profit decline is clearly evident in first-half results, released by EIA last week. Factory sales of transistors were up more than 34 million units over Jan.-June 1961—but dollar value declined by some \$6.9 million. First-half unit sales climbed to 123,025,915 from 88,682,882; dollar value dropped to \$150,237,229 from \$157,120,149.

June factory transistor sales rose to 21,776,037 units valued at \$26,374,356. However, although sales jumped nearly 4 million units, value inched ahead to only \$26,374,356 from \$26,148,746 in June 1961. Here are EIA's figures:

	1962		1961	
	Units	Dollars	Units	Dollars
January	17,238,376	\$ 21,459,598	12,183,931	\$ 22,955,167
February	20,239,880	24,151,155	13,270,428	25,699,625
March	22,982,655	28,202,422	15,129,273	29,815,291
April	19,621,048	25,097,960	15,072,064	27,388,278
May	21,217,919	24,951,738	15,128,181	25,113,042
June	21,776,037	26,374,356	17,899,005	26,148,746
Totals	123,025,915	\$150,237,229	88,682,882	\$157,120,149

Out of frying pan dept.: June imports of Japanese transistor radios dropped to 728,751 from 768,544 in June 1961, after showing gains in previous months. However, imports from Hong Kong skyrocketed to 156,000 in 1962's first 4 months from less than 5,000 in Jan.-April 1961, and Aug. 23 *Wall St. Journal* notes "Hong Kong gains a bigger share of the market for transistor radios selling for less than \$10." Transistor World, importer of Toshiba radios, reports sales down about 10% from a year ago.

Auto TV sets will be sold by car dealers throughout Japan through contract signed by Sony Corp. and Toyota Motors Sales Co., according to reports from Tokyo. Deal provides that Toyota dealers will sell Sony's transistorized 5-in. TV, which is designed for operation on 12-volt auto battery and has bracket for mounting on rear of car's front seat for viewing by back-seat passengers.

First annual Japan Electronics Show will be held Sept. 20-29 at Harumi Fair Grounds, Tokyo. Sponsored by EIA of Japan, it will feature exhibits by more than 200 Japanese manufacturers. Further information is available from EIAJ, Japan Trade Center, 389 Fifth Ave., N.Y. 16 (Murray Hill 3-6260).

End of an era: The 14-in. tube, long Japan's most popular TV size, is going out of production. Asahi Special Glass Co. has discontinued production of 14-in. bulbs, replaced by 16-in. square-cornered type.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Curtis Mathes	1962—year to May 31 1961 ¹	\$ 31,934,640	—	\$ 2,512,340	—	—
Sangamo Electric	1962—6 mo. to June 30 1961—6 mo. to June 30	24,379,000 24,636,000	\$ (1,192,000) 1,544,000	(494,000) ² 811,000	— \$0.50	1,637,545 1,634,123
Silicon Transistor	1962—qtr. to June 30 1961—qtr. to June 30	623,000 439,000	— —	73,000 ³ 27,000	.15 .05	516,250 516,250

Notes: ¹ Not available because of change in accounting period. ² After "abnormal charges" of \$833,000 involved in closing Marion, Ill., plant

& shifting machinery & operations to Pickens, S.C. facility. ³ Record.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
American Bosch Arma	Q	(omitted Aug. 22)		
Andrea Radio	Q	\$0.12½	Sep. 15	Aug. 31
Globe-Union	Q	.30	Sep. 8	Aug. 31
Indiana General	Q	.20	Sep. 10	Aug. 27
Pathe Equipment	—	.05	Sep. 1	Aug. 15
Sprague Electric	Q	.30	Sep. 14	Aug. 28
Time Inc.	Q	.75	Sep. 10	Aug. 23
Zenith	Q	.20	Sep. 28	Sep. 7

Globe-Union will split its capital stock 3 for 2 if stockholders approve at special Oct. 18 meeting. Directors also have indicated plans "to increase the dividends on the split shares by 10%, earnings commencing with the December dividend payment," reported Pres. C. O. Wanvig Jr. "It would result in a 22¢ quarterly payment on the new shares." Globe-Union also reported it will apply for listing on N.Y. Stock Exchange.

Storer Bcstg. anticipates record revenues & profit rise this year over \$4,453,681 earned in 1961 on \$31,160,791 sales. "Business looks good for the rest of the year," reported exec. vp Stanton P. Kettler. "Ad budgets look as if they're going to be higher this fall, and we're expecting our proportionate share."

Japan Business Automation Co., formed to sell computers and lease computer time, has been founded by Tokyo Shibaura Electric Co. (Toshiba), Fuji Telecasting Co., Japan Engineering Consultant Corp. and Tosho Co. It's capitalized at about \$139,000.

Reports & comments available: CBS, comment, H. Hentz & Co., 72 Wall St., N. Y. 5. Vornado, comments, Bioren & Co., 1508 Walnut St., Phila. 2, Pa. Litton Industries, discussion, Gruntal & Co., 25 Broad St., N. Y. 4. International Resistance and AT&T, analysis, Orvis Brothers & Co., 15 Broad St., N.Y. 5. A. C. Nielsen, discussion, Loewi & Co., 225 E. Mason St., Milwaukee 2. GT&E, review, Walston & Co., 120 Broadway, N.Y. 5.

Mergers & acquisitions: Silicon Transistor has purchased for about \$500,000 in cash & stock Secoa Electronics, Westbury, L. I. Hewlett-Packard will acquire for stock, if boards of both companies agree, Neely Enterprises, North Hollywood, Cal. electronic sales rep. firm.

Philco filed charges with American Arbitration Assn. last week against 2 IUE locals involved in recent 3-day work stoppage at its 6 Philadelphia-area plants (Vol. 2:34 p11). Philco asked AAA for damages, charged IUE locals with supporting stoppage in violation of their no-strike contracts.

Olympic has introduced 8-transistor AM portable radio at open list. Unit features heavy-duty speaker, 5-inch ferrite antenna. AC adapter, available at extra cost, converts set for playing on house current, also is used for recharging batteries.

Desilu stockholders voted down a cash dividend by 10-to-1 margin at annual meeting last week. Responding to shareholder disgruntled because Desilu has paid no quarterly cash dividend on common stock since Feb.-1961 payment, Pres. Desi Arnaz said company is reinvesting money, called for vote "to see if the stockholders want cash dividends." Administration & finance vp Edwin E. Holly told shareholders Desilu will show profit for first fiscal quarter ended July 31, compared with year-ago loss of \$130,638. Arnaz said 1963 fiscal year will be "one of the best" in Desilu history, said 4 Desilu-owned TV shows will be on networks this fall, vs. only one a year ago.

Troubled 20th Century-Fox is setting its sights on TV as a way out of its financial difficulties. New Pres. Darryl F. Zanuck said after board meeting last week that he had asked directors for "full authority" to organize "complete TV dept." No field, he said, "presents a greater opportunity." 20th's first-half operating loss totaled \$12,456,457 and Zanuck predicted full-year losses would be \$25 million. Directors voted to omit dividends on common stock.

Electro-Science Investors will convert from electronics-oriented small business investment company to full-scale venture capital investment firm, following stockholder approval last week (Vol. 2:33 p10). They also approved doubling authorized common shares to 10 million, voted distribution to themselves of 5½%, 10-year debentures on basis of one debenture for each share held. Chmn. James J. Ling said principal amount of debentures probably would be valued at "\$1 to \$1.25 per share of ESI stock."

WEEKLY **Television Digest**

SEPTEMBER 3, 1962

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NEW SERIES VOL. 2, No 36

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

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MEYERS MEMO INJURED, MAY FADE OUT. White House says proposal for State Dept. "Office of International Broadcasting" has "absolutely no standing in the govt." Non-controversial aspects may be kept alive (p. 2).

ETV'S SUCCESS STORY—POOR BUT POPULAR: "Solid and significant impact" has been made on country by ETV development but more money is needed, new study reports (p. 3).

SRA ON TRAIL OF CBS INCENTIVE PLAN, tells FCC restrictive facets remain despite contract amendments (p. 3).

JET-AGE COMMUTER is fate of TV commercial producer who works in Hollywood and does most of his business in N.Y. New breed is typified by film maker Jerry Schnitzer, who expounds on new trends in TV commercials likely to be seen this fall (p. 5).

Consumer Electronics

163 STATIONS IN FM STEREO in U.S. & Canada, latest Television Digest survey reveals. Manufacturers report sales good, anticipate big Christmas season with widespread promotion expected to give added boost. List of latest starters (p. 7).

KIMCODE & KIMCOLOR: Big switchover to Kimcode tube concept seen next year. Set-makers excited about color possibilities (p. 8).

TEXAN WHO 'THINKS SMALL,' Curtis Mathes Mfg. Co. specializes in segments of TV-stereo market big manufacturers can't afford. Family-run firm employs 2,000, sticks to 'splinter market' (p. 8).

BUY-A-TV PROMOTION, special "TV Set Buyers' Guide," goes this week to 8 million TV Guide readers, announcing formal debut of 1963 sets (p. 9).

TOPICS & TRENDS: Army boosts micromodule program; build-it-yourself color TV kits on market (p. 10).

DEPT. STORES DO WELL with TV-radio-phonos, NRMA survey shows, with both sales & profits increasing in consumer electronics depts. (p. 11).

NEW FCC NOMINEE—OUT OF THE BLUE: E. (for Emil) William Henry, President Kennedy's nominee to replace FCC Comr. Cross, is certainly the surprise that many industry guessers expected. Though not well known, he's not inconspicuous.

A 32-year-old Memphis lawyer, from firm of Chandler, Manire & Chandler, he came to President's attention through brother Bobby Kennedy, having worked for latter in 1960 campaign in nationalities div. of Democratic National Committee.

People who know him describe him as "liberal," "extremely liberal" or "radical"—apparently depending on their views of integration, for which he's an advocate.

Henry is from well-to-do family, married girl of similar background. He's described as "a very successful lawyer in a very prominent law firm," is said to enjoy fine relationships with conservative clients despite his liberal political beliefs. An attorney who knows him said: "He'll be an aggressive, competent commissioner. I'd expect him to respect property rights and very actively pursue the public interest."

Reached last week in Memphis, he told us: "I have no strong views about TV & radio, because of my lack of close familiarity with them. Like most people, I guess, I believe broadcasting can be improved. Am I

a 'liberal'? I'm a liberal Southerner; that's for sure. Taking the country as a whole, I'd describe myself as a 'Kennedy Democrat.' "

As for Congressional support of his nomination: "I've had a telegram of support from Sen. Kefauver. I believe Sen. Gore will endorse me. I believe Rep. Davis won't oppose me." He said he had never met FCC Chmn. Minow, had spoken to him on phone for first time shortly after announcement of nomination.

Known to friends as "Bill," Henry is Memphis native, 1951 Yale graduate, served 3 years in Navy (Lt. j.g.), received Vanderbilt U. law degree in 1957. He's married, has daughters Elizabeth, 5, & Sherrye, 3, and son E. William Jr., one. He's Episcopalian. "I have no specific hobbies," he said, "because I have no particular talent—but I play tennis, like duck-hunting & fishing."

Assuming Senate confirms him after Commerce Committee hearing, he takes over for 7-year term, replacing Cross who had continued serving since his term expired June 30.

Speculation persists, of course, as to next FCC vacancy, also a Democratic one. Comr. T. A. M. Craven's term expires next June 30. However, he could retire—or President could retire him—when he reaches 70 in January. Also, President could make him a top official of new Communications Satellite Corp., a possibility first mentioned in June (Vol. 2:24 p1).

Maybe this opens door for Sen. Magnuson's protegee Kenneth Cox, chief of FCC's Broadcast Bureau. But—to indulge in an understatement—some of Kennedy's appointments are unexpected. Cross reports that his plans are unsettled, that he is not now scheduled for another position in govt.

1964 U-DAY DATE STILL IN WORKS: There'll be no "crash program" to advance set manufacturers' U-Day by one year—to require all receivers be all-channel by July 1963 instead of July 1964 as sought by manufacturers (Vol. 2:32 p2, et seq.).

In meeting with FCC staff last week, EIA representatives submitted estimates of extra cost of such a crash program. They ranged up to \$4.5 million per receiver maker, and an FCC spokesman assured us he couldn't visualize Commission imposing such burden.

"In addition," he said, "we want the industry to have the extra year for research. It needs it and wants it—for push-buttons, antennas, oscillators, and so forth." Question of built-in antennas arose during meeting, and EIA spokesmen told Commission that competition would see to it that uhf antennas would be built in and, furthermore, cost is relatively slight.

Industry's recommendations on noise & sensitivity for uhf (Vol. 2:35 p7) seem to satisfy Commission engineers quite well, thus foreshadowing FCC acceptance.

A new angle has developed in calculating U-Day. Although industry's recommendations had centered around July 1964 as date after which no vhf-only sets could be shipped in interstate commerce, EIA last week informed FCC staff that better language might be to ban interstate shipment of vhf-only receivers "manufactured" after, say, March or April 1964. EIA representatives said such wording wouldn't change manufacturers' plans but would be of great help to distributors & dealers who might have to warehouse sets for some months before shipping them across state lines. Commission undoubtedly will go along with this, too.

FCC target for new rules still runs as before: start rule-making in Sept., issue final rules by end of year—effective in 1964.

FCC conferees were pleased by industry reports of stepped-up all-channel production already underway. They were told that such receivers in 1963 may well run 20-25% of total.

MEYERS MEMO INJURED, MAY FADE OUT: Not yet dead—but badly wounded. That's status of an "Office of International Broadcasting" in State Dept. This was proposal by Tedson J. Meyers, FCC Chmn. Minow's administrative asst., which had been under study by Administration before word of its existence became public (Vol. 2:35 p1).

Rep. Bass (R-N.H.) led attack on Meyers memo, asserting that latter proposed govt. control of programs sent overseas—something Meyers vigorously denied. Bass demanded White House assurances, then reported

he had received word that "document has no standing in the govt." and that "no agency is being contemplated that would supervise programs being transmitted overseas." This disclaimer would appear still to leave way for other facets of Meyers' ideas "to exploit the power of international TV & radio broadcasting in our national interest." However, White House News Secy. Pierre Salinger later announced that memo "has absolutely no standing in the govt." and had been submitted by Meyers "as a citizen," not a govt. official, leading some to conclude that whole project is kaput. But there's still substantial belief that non-controversial aspects of recommendations will get favorable consideration. Meanwhile, Meyers left office end of week, is now on leave. He had been working on world-TV project, exclusively, for several months. Project was his own, not endorsed by FCC.

ETV'S SUCCESS STORY—POOR BUT POPULAR: After 9 years in operation, nation's educational TV stations have made "solid and significant impact"—but, not surprisingly, they need more money. So reports Stanford University's Institute for Communication Research in report on just-completed 2-year audience survey. Study was conducted by Institute Dir. Wilbur Schramm, research associate Jack Lyle, 5 other staffers. Copies available from NET, 10 Columbus Circle, N.Y. 19.

Institute studied 8 "representative" ETV outlets, came up with: (1) ETV supplies part of education for almost 3 million students and attracts 10-24% of adult viewers in every community where it's available. (2) ETV viewers are close to broadcaster's "dream" audience—above average education, more articulate, better informed, etc. (3) ETV watchers aren't heavy users of TV in general, and usually watch in family groups. (4) ETV needs more money.

Audiences are loyal, but interest won't continue indefinitely unless stations improve—equipment, talent and programming—report relates, and chief problem is money. Researchers say ETV will have to provide own talent, as movies and TV have done, although with enough funds, it could get services of people in commercial TV and other media.

SRA ON TRAIL OF CBS INCENTIVE PLAN: CBS-TV incentive compensation plan for affiliates, which has been under FCC fire (Vol. 2:33 p2), received broadside last week from Station Representatives Assn. which has long & persistently sought to wean affiliate hours away from networks.

In letter filed with FCC, SRA insisted that CBS still hasn't eliminated features of plan which Commission has asserted are illegal. Though CBS amended plan so as not to reduce rate of compensation to an affiliate which substitutes another network's programs for CBS offerings, SRA asserted that affiliate will be penalized because other networks are likely to pay less than the 30%-rate CBS assumes they will. SRA claimed that other networks may be expected to adopt CBS-type plan which would give affiliates less than 30% for such substituted programs.

SRA offered several examples wherein, it claimed, affiliates' pocketbooks and service would be damaged if they want to substitute for CBS programs. "Suppose," it said, "the station has an opportunity to broadcast a series of local programs of outstanding significance. However, the program costs are quite extensive and are beyond the financial capacity of the station. The station has sponsors who are willing to underwrite the costs of the program in whole or in part. Under the CBS plan, the station can substitute this superior local program for a CBS commercial program only if it is able & willing to carry the program on a sustaining basis. If the station receives the slightest financial assistance from a sponsor, it must be prepared to be heavily penalized by CBS by suffering a reduction in revenue with respect to other CBS programs broadcast by the station."

As for option time, SRA said: "CBS has very effectively found a way of extending its option power to all hours of the day, specified or unspecified, option or non-option. No wonder it brought forth its new plan at a time when it had become clear to it that the old option time system was likely to be abolished by govt. action."

Conclusion: "The objective and design of the CBS plan are all too clear. It is to tie affiliates to CBS and to severely limit the ability of competitors to furnish programs to CBS affiliates." FCC is scheduled to take subject up shortly after it returns from August hiatus this week.

CURRENT CAPSULES

Initial appropriation of \$4,750,000 for ETV grants was requested by Health Education & Welfare Dept. last week at closed session of House Deficiencies Appropriations Subcommittee. HEW also asked for \$239,000 for administrative expenses. Remainder of the \$32 million authorization will be sought over next 4 fiscal years. Request now must go to full Committee, then to House. Subcommittee staffer explained it wouldn't get to House before next week at earliest.

In effort to anticipate questions likely to arise by applicants for grants when funds become available, Dean W. Coston, HEW Deputy Asst. to the Secretary (ETV), has prepared 4-page interpretation of the federal program; it's being distributed by National Assn. of Educational Bcstrs. He points out that rules, application forms, informational brochures, etc., probably will be issued by early fall, with applications accepted shortly thereafter as funds become available. Many specifics, such as what types of projects & equipment will be eligible for support, cannot be fully answered yet, he says. Coston issued warning to applicants not to purchase any equipment until projects are approved by HEW. Should Dept. disapprove project, he notes, applicant would be stuck for full cost. If however, urgency requires acquisition of equipment before final project approval, he suggests applicant have provision inserted in contract that he will not be obligated to make purchase if application is disapproved. Copies available from NAEB, DuPont Circle Bldg., Washington 6.

"Errors of fact and uninformed conclusions" seriously weakened recent study of Kennedy-Nixon TV debates published by Center for the Study of Democratic Institutions, CBS Pres. Frank Stanton told meeting of American Society of Journalism School Administrators in Chapel Hill, N.C. Pamphlet's statements that one-third of audience turned off debates, that debates drained attention from other elections, were called false by Stanton. He also strongly disputed proposal that broadcasters be required by law to give time for election debates, said industry needs freedom to cover campaigns "as they deserve to be covered." He again urged complete elimination of existing equal-time restrictions, which, he said, still prevent broadcasters "from doing what we were able to do in the presidential campaign two years ago."

New Internal Revenue Service ruling issued last week requiring payment of taxes at ordinary rather than capital gains rates on sale of TV films, tapes, and certain motion pictures, apparently is eliciting little concern from TV film-makers. Ruling declares, in effect, that profits from sale of films and tapes made primarily for showing on TV are taxable at ordinary rates (52% for corporations), rather than capital gain rates (maximum of 25%). One large telefilm producer we queried said his firm always has paid ordinary rates; others noted they had heard of new ruling but weren't too interested in it. An IRS spokesman pointed out that most big film producers probably wouldn't be affected by ruling, since they've been paying regular rates all along. Rather, he said, ruling would act as clarification for smaller firms who may have been paying only capital gains tax on their sales of filmed series.

Communications satellite bill was signed into law Aug. 31 by President Kennedy, who said "no single company or group" would dominate new corporation. At White House bill-signing ceremony, he declared satellite system will provide better and less expensive world-wide communications. Bill had finally been passed by House Aug. 27 by 371-10 vote, despite blocking attempts by small band of liberals charging "give-away." Meanwhile, Telstar on Aug. 29 transmitted first sports program to Europe. Show was produced by ABC-TV for BBC, videotaped in London, shown same evening. In another in long line of firsts, Telstar was used to synchronize clocks in U.S. & England.

TV-type FM allocations, based on minimum separations, "will stifle the growth of FM and will severely restrict the latitude of development of existing stations," according to Assn. of Federal Communication Consulting Engineers. Allocation by protected-contour is the only practical & effective method, AFCCE said, asking Commission to hold up effective date (Sept. 10) of new rules and to reconsider its decision. According to new rules, for example, AFCCE said, 86.4% of Class B stations in Zone I now have sub-standard spacings. Copies of 42-page engineering analysis & argument available from Walter L. Davis, Chmn., Rules & Standards Committee, Munsey Bldg., Washington.

In addition to expanding uhf allocation plan to "load up" channels—increasing assignments from 1,550 to about 3,500 (Vol. 2:33 p4)—FCC is considering changing rules to allow application for a channel within about 40 miles of its assignment. Currently, application must be for location within 15 miles of assignment; if applicant wants station beyond 15 miles, he must petition FCC for tedious rule-making to get channel re-assigned. New procedure would eliminate many of these delays. Of course, applicant would still have to complete with all mileage minimums—co- & adjacent-channel, etc.

JET-AGE TV COMMUTER: A TV film commercial producer who likes to work in Hollywood must be prepared to live the life of a jet-age commuter, hopping back and forth between both coasts to the point where he becomes the darling of airline credit officials, and logs as many air hours as some pilots.

Such a jet-propelled traveler is Gerald "Jerry" Schnitzer, a veteran producer in the commercial field, who averages 3 or 4 round trips monthly between Hollywood (where he maintains a film studio base at KTTV) and N.Y. (where 70% of his business stems). Last week, Schnitzer sounded off to us in N.Y. on some of the key fall trends he sees in TV commercials:

Look-alike selling: "The leading auto accounts and gasolines are finding out that cars and gas pumps look pretty much alike in TV commercials. What makes the difference, and an effective commercial, is the emotional response of the audience. You achieve this the hard way, by scrapping a lot of out-dated movie ideas and calling in a creative film producer in the concept stage."

Common commercial faults: "I can see 'fatigue factors' at work in some TV commercials. It shows up in sloppy acting and cutting, heavy-handed music tracks and superfluous narration. Not enough producers and agencies are going for actors with dimensional faces—that is, actors who look like people rather than actors in commercials."

New trends in commercials: "There's a trend away from opticals such as dissolves in commercials, since they reduce definition by calling for extra film 'generations' to create the opticals, and make the pace sag. There's more freedom for outstanding music arrangers, like Marc Brown and Andre Previn, to do new things and try out experimental musical ideas. There's more and better humor in commercials, although it takes a sense of rhythm and style to do it well. Above all, there's more of a trend toward agencies buying a producer because he is a creative guy, not because he has a formula."

Tape-vs.-Film: "I've worked with tape and I've worked with film. Tape has certain advantages of speed and economy, and you can see your results quickly in a tape commercial. But there is a certain clumsiness with tape. You can't set character quickly; you have to build up to it, as in a theater. You can't get 'rhythm cutting' with tape, and you can't work frame by frame in editing. Tape is better than film for certain tabletop stuff such as food photography. You don't need as much light in such setups as you do for film, and product appearance is more natural. I prefer film."

Hollywood-vs.-N.Y.: "I've made commercials in both production centers. Personally, I like to work in Hollywood, because I think there's a greater depth of film talent there and a growing number of New York-oriented creative people. I know that Hollywood is accused of

'factory production.' Well, there is New York factory-type production of commercials, too. Now that commercial budgets are large, commercials in Hollywood are no longer shot at the end of the day by a bunch of tired guys. They're done with loving care."

Schnitzer, who has won a number of TV awards for his commercials, was until fairly recently associated with N.Y. producer Robert Lawrence. Now, he heads his own commercial shop, and is happy about his firm's business prospects. Among recently completed Schnitzer jobs are commercials for 1963 Chevrolets, Gallo Wine, Del Monte Ketchup, Kaiser Aluminum, Sun-Ray DX and Signal Oil, Santa Fe Cigars and Pacific Gas & Electric Co. "I like being a commercial producer," Schnitzer told us. "I don't want to produce a TV series and I have no burning ego to become a feature producer. I just want to make good commercials."

Access of TV-radio to public proceedings—executive, legislative & judicial—receives airing in 2 sessions this week: (1) Over WMAL-TV Washington Sept. 5, 7:30 p.m., by FCC Comr. Fred Ford, NAB Chief Counsel Douglas Anello, TV-radio attorney Harry Plotkin. (2) Before Federal Bar Assn. Sept. 6, 2:30 p.m., Statler Hotel, Washington, by Sen. Kefauver (D-Tenn.), Cowles Newspapers' Clark Mollenhoff, CBS News Pres. Richard Salant, FCC General Counsel Max Paglin, Plotkin.

President Kennedy's TV popularity continues strong, according to *Television Age*. Pulse survey made for *Age* reported 91% of 500 viewers questioned favor continuation of televised news conferences. Of those polled, 25% reported they liked President more after watching conference, 4.8% liked him less, 70.2% had same opinion. Also, 66.2% found him easier to understand on TV than former President Eisenhower, 5% thought him more difficult to comprehend, 29% found no difference.

"Social science fiction" research in TV-radio is needed to complement science fiction writers in predicting world of future, according to NAB research vp Melvin A. Goldberg. He told American Sociological Convention in Washington, a "codification of ignorance" cataloging areas of knowledge which should be studied, such as leisure time, taste, moral values, education & entertainment, is needed by communications industry.

NAB Pres. LeRoy Collins dismissed another rumor last week—speculation in *Tampa Tribune* that he's interested in running for Fla. governorship again. "I have no plans to re-enter the political arena," he said. "I'm wholly devoted to the job here. There's no change in my situation."

Title of new book on TV is self-explanatory review: *The Great Time-Killer* (World Publishing, Cleveland, 352 pp., \$4.95) by off-on TV writer Harold Mehling.

Personals

Joseph L. Merkle promoted to ABC-TV station relations administration mgr., Charles Leasure to station relations regional mgr. . . . Richard B. Barnhill advanced to WNBC-TV N.Y. production & operations mgr., Len Weinles to exec. producer, public affairs, a new post . . . Alan R. Morris moves up to ABC-TV program business affairs asst. dir.

Lawrence K. Grossman, ex-CBS-TV advertising & sales promotion asst. administrative dir. & asst. copy chief, appointed NBC national advertising & promotion dir. . . . Francis X. Zuzulo, ex-Robert K. Richards PR N.Y. mgr., appointed MBS PR dir.

Harry R. Olsson Jr., ex-NBC senior attorney, appointed AB-PT gen. attorney . . . Ben Brady, former TV producer-director, appointed executive in charge of programming, ABC-TV Western div., will be named a vp.

Harvey Jacobs promoted to ABC International TV advertising, sales promotion & PR mgr. . . . Eugene Pleshette, Brooklyn Paramount Theatre managing dir., appointed ABC Merchandising Inc. vp.

Albert S. Burchard promoted to NBC News San Francisco mgr. . . . William P. Andrews named Warner Bros. TV Western District sales mgr.

Malvin R. Goode, ex-Pittsburgh TV-radio reporter and newspaperman, appointed to ABC-TV News UN staff, first Negro to join a TV network news dept.; Ena Hartman, Negro fashion model, has signed long-term TV talent contract with NBC, first Negro to receive one.

Paul M. Segal, veteran Washington TV-radio attorney, retires; Bernhard G. Bechhoefer is new partner of firm, renamed Scharfeld, Bechhoefer, Baron & Stambler, which has moved to 5th Floor, 1710 H St., N.W., Washington 6. Phone: 298-6030.

Zalmon H. Garfield, asst. to Jerrold Electronics pres., resigns to establish business management consulting service specializing in CATV & pay-TV, with Jerrold as one of first clients.

George U. Lyons, ex-Storer TV Sales midwestern sales mgr., named WJW-TV Cleveland gen. sales mgr. . . . Caryl Coleman, TV-radio writer-producer, named KPIX San Francisco public affairs dir. . . . Ronald L. Sack, ex-radio WLS Chicago promotion mgr., appointed ABC Radio o-&o publicity & promotion mgr.

E. R. Vadeboncoeur, WSYR-TV-AM-FM Syracuse pres., named Educational TV Council of Onondaga County, N.Y. trustee . . . L. Walton Smith, ex-WROC-TV Rochester PR dir., appointed promotion & PR mgr., new WOKR there.

Benjamin B. McLaughlin, ex-KETV Omaha sales mgr., appointed Broadcast Time Sales vp, N.Y. . . . Jack Trustman, ex-Detroit ad agency operator, named KOLD-TV Tucson promotion mgr.

Rod Gibson, ex-WSTV-TV Steubenville, O. national sales mgr., named to similar post with Patterson stations (KICU-TV Visalia, Cal., radios KSAN San Francisco & KBIF Fresno).

Walter J. Rothschild, KHQA-TV Hannibal, Mo. & radio WTAD Quincy, Ill. mgr., elected pres. & gen. mgr. of parent Lee Bcstg. Inc. and all other Lee broadcasting interests; Herber H. Ohrt, pres. of KEYC-Lee TV (KEYC-TV Mankato, Minn.) and Forward TV Inc. (WMTV Madi-

son), vp of Lee Radio (KGLO-TV-AM-FM Mason City), and exec. vp, Lee Bcstg. Inc. (KHQA-TV & WTAD), resigns for personal reasons, no plans announced; Merritt Milligan promoted to WMTV vp & station mgr., Robert K. Baumgartner to KEYC-TV vp & mgr., Henry B. Hook, Lee Radio vp, elected to KEYC-Lee TV & Forward TV boards.

Billions in local advertising billings are going begging, according to TvB pres. Norman E. Cash. Guesting for vacationing advertising columnist Joseph Kaselow in Aug. 30 *N.Y. Herald Tribune*, he claims there are \$3 billion in potential TV billings on loose "and nobody seems to care." Department stores and other merchants with no agency ties constitute bulk of this, he says. While national advertising doubled from 1951-61, Cash points out, local billings rose by only 69%.

Spot TV billings totaled \$189,433,000 in 2nd quarter 1962, 17% ahead of 2nd quarter 1961's \$160,599,000, TvB reports. Largest increases in product classifications were in automotive products, whose billings rose 63% from \$4,555,000 to \$7,427,000. Heaviest advertisers during quarter were food & grocery products, \$48,569,000, up 9.4% from 1961's \$44,392,000. TV, radio, phonograph & musical instruments firms were smallest spenders, with billings of \$43,000, up 19.4% from last year's \$36,000.

Appeal against FCC decision to reassign WTEV (Ch. 6) from New Bedford, Mass. to location near Tiverton, R.I. to serve Providence (Vol. 2:31 p6), was filed in Washington, D.C. Court of Appeals by Rhode Island TV Corp. and owner Robert A. Riesman, Ch. 6 applicant. They charged Commission granted WTEV permission to move without rule-making or hearings, while dismissing Rhode Island TV's application for Tiverton without comparative hearing.

RKO-General's 12½% of KWTW Oklahoma City will be disposed of soon, RKO told FCC last week, asking Commission to deny Philco request that hearing on RKO-NBC Boston-Philadelphia swap (Vol. 2:34 p5) explore whether RKO violates multiple-ownership rules. RKO said it would be happy to accept approval of swap conditioned on its sale of KWTW interest.

NBC seeks "KNBC" call letters for its KRCA (Ch. 4) Los Angeles, changing its radio KNBC & KNBC-FM San Francisco to KNBR & KNBR-FM, in petition filed with FCC. Earlier, it had asked for waiver of "no-more-3-letter-calls" rule to change the San Francisco outlets back to their old KPO designation—but it rescinded that request and substituted the KNBR petition.

The 971-ft. tower of WKRC-TV Cincinnati, said to be 4th tallest self-supporting unit in world (Vol. 2:35 p5), was designed, fabricated & erected by Kline Iron & Steel Co., Columbia, S.C.—Tower Dept. Sales Mgr. J. R. Trotter reminds.

WLOX-TV (Ch. 13) Biloxi, Miss., due to start Sept. 10, and WIIM-TV (Ch. 13) Grand Rapids, Mich., due Nov. 1, named ABC-TV primary affiliates. Latter appoints Peters, Griffin, Woodward as rep.

CTV network sponsored programs for fall season will be triple number carried last year, its first season of sponsored shows. Among new U.S. series to be carried are *Sam Benedict*, *Eleventh Hour*, *Jack Paar Show*.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

163 STATIONS IN FM STEREO: Number of FM stations broadcasting stereo has risen to at least 163 in U.S. & Canada. Manufacturers report healthy stereo receiver sales and they're looking forward to bang-up Christmas season, with FM stereo to be widely promoted.

Our last list of FM stereo stations was published July 9 (Vol. 2:28 p8), containing 139 stations in U.S. and 2 in Canada. Here are the additional stations on air, to bring that list up-to-date (Garden City, N.Y. was inadvertently omitted from last list, so we're including it here to correct the record):

ALABAMA		LOUISIANA		OHIO	
Huntsville	WNDA	New Orleans	WWMT	Port Clinton	WRWR
CALIFORNIA		MICHIGAN		OKLAHOMA	
Coachella	KCHQ	Bay City	WNEM-FM	Oklahoma City	KFNB
Los Angeles	KPOL-FM	MINNESOTA		TENNESSEE	
Sacramento	KHIQ	Minneapolis	KRSI-FM	Kingsport	WKPT-FM
San Francisco	KBCO	NEW MEXICO		TEXAS	
COLORADO		Albuquerque	KHFM	Amarillo	KCHO
Denver	KLIR-FM	NEW YORK		Dallas	KVIL-FM
FLORIDA		Garden City	WLIR	San Antonio	KEEZ
Miami	WWPB	Utica	WUFM	UTAH	
GEORGIA		NORTH CAROLINA		Salt Lake City	KSL-FM
Atlanta	WSB-FM	Charlotte	WBT-FM	CANADA	
ILLINOIS		Greensboro	WQMG	Montreal	CKVL-FM
Chicago	WMAQ-FM			Vancouver	CHQM-FM

FM stereo will be one of topics discussed at EIA fall conference Sept. 10-13 at N.Y.'s Biltmore Hotel. "Mr. FM Stereo," FCC's Harold Kassens, will look into future of FM at Sept. 11 joint meeting of radio & phono sections. He'll also discuss complaints about alleged deviations from FM stereo standards by broadcasters & set manufacturers.

EIA has begun collecting statistics on production of FM stereo radios, and is expected to start gathering distributor sales figures this fall. For the present, however, industry is in dark as to how many FM stereo units have been sold.

One large manufacturer has ventured an estimate, covering only "FM stereo radios"—which excludes radio-phonos and adapters. His guesstimate: 46,000 stereo radios have been sold this year (through August). He predicts total of 80,000 for all of 1962. We'd be interested in hearing from subscribers about their estimates—and whether they think these are too high or too low.

New add-on merchandising gimmick is developing in FM stereo field. Just as FM stereo is being sold as accessory to phonographs, now phonos are being sold as accessory to FM stereo. GE is introducing "furniture coordinate" with drop-down record changer to fit its T-1000 table model stereo radio. Coordinate unit in matching walnut finish is on legs to hold radio. Radio lists at suggested \$175, coordinate phono & table \$89.95. Packard Bell has introduced its FM stereo radio, originally shown at Music Show (Vol. 2:27 p9), which can be hung on wall as used as table model. Radio is \$159.95, matching record-player unit \$119.95.

NEXT KIMCODE OFFSPRING—KIMCOLOR? Kimcode may or may not be the greatest thing since chopped liver, but it's almost a certainty now that good number of next year's sets will be made using the Kimble Glass implosion-proof tube which requires no external safety glass.

Some large set makers say cabinet tooling requirements make it impossible to go heavily to Kimcode concept this year—but a few have definitely finalized on it for 1963. Although some tube makers are still non-committal on whether they plan production, it seems fairly certain that all OEM tube manufacturers are preparing for it, as soon as they line up customers' requirements. In addition to other tube makers now in production of Kimcode (National Video, GE), it's understood Westinghouse tube div. is making Kimcode presentations to set-maker customers.

There's some excitement about one prospective use of Kimcode process, although it hasn't come out in open yet: Color tubes. Even though current color tubes are far brighter than their predecessors, Kimcode offers way to give brightness another little boost—by eliminating 2nd layer of glass. It's within realm of possibility that Kimcolor could come with debut of 90-degree short color tube early next year, or little later.

National Video will produce 21-in. round 90-degree color tubes as reported here last week (Vol. 2:35 p7). Production will start around first of next year, with output of rectangular tubes planned "when the rectangular glass envelopes become available." Company announced it has broken ground for 45,000-sq. ft. color tube addition to its Chicago plant. Pres. Asher J. Cole said plant scheduled for completion by Dec. 1962 "and we expect to start production promptly."

A TEXAN WHO THINKS SMALL: Name a national TV-stereo manufacturer who's scared to death of growing too big . . . who refuses to make 19-in. TVs, portable phonos or radios . . . who sells only for cash-on-the-barrelhead . . . whose major markets are at least 1,000 miles from his plant . . . who has no ad manager or public relations agency and doesn't want any . . . and whose business has increased steadily over last 5 years.

If you said Curtis Mathes, you're pretty close. Curtis Mathes Mfg. Co. is a family business, headed by Curtis R. Mathes, chairman & chief exec. officer, who has been in appliance manufacturing (refrigerators, air conditioners) in Dallas since 1928. Heightening the paradox is fact that company went into TV business in Dec. 1957, about the time many other small companies were getting out.

"We were looking for a new field then," recalls the soft-spoken Mathes. "It seemed like an odd choice at the time, but we felt it had inherent strength. We selected TV because it had the best growth potential in the durable goods field. We analyzed the market and found that the small people had been shaken out. There were holes in the market and we thought we could fill them. Most manufacturers had dissipated their cabinet facilities and couldn't get the proper cabinets for hi fi. There were no small people left; the big ones were tied to high production volume—they weren't flexible enough in styling & merchandise. They were missing the splinter markets."

These "splinter markets" are Curtis Mathes' specialties. "We're living off crumbs," says Mathes. "We want to make sure we're in the market the big ones aren't in." Mathes specializes in high-styled TV & stereo consoles & combos at relatively low prices. "We're the price leader in the top end," he says.

Curtis Mathes sells direct to dealer—in carload lots only. "We sell only for cash, and that's heretical in this business. We have strict and strait-laced rules, because we can only sell so much. We sell only to professionals, mainly independent appliance stores—no discounters, no 'mass merchandisers.'" Mathes does no private branding, sells at one price to outlets in 40 states, selects franchise-holders carefully to avoid direct competition between his dealers.

When Mathes talks "flexibility," he means ability to turn on a dime. "We move fast and explore trends. If we're right, the competition moves in. If we're wrong, we can stop fast. We can bring out models in less time than the big manufacturers can call a meeting to discuss it. We bring 'em out quietly and drop 'em quietly."

His company's fact action performs useful function for industry, Mathes believes. He says his company was first with 23-in. set, first with bonded tube, first with 2-story hutch-type combinations. Now his TV line will be first to use Kimcode bare-faced tube.

"We specialize in what we build—and we make a bigger part of our own merchandise than most people think," he says. "We make our own furniture, coils, transformers. We have 2,000 employes—a higher number per dollar than anyone else in the industry. Yet our overhead & costs are the lowest in the business."

Smallness is a virtue to Mathes. "Our niche is the dirty, messy end of this business. It's the only area where we can compete—the 'style' business. This style business is like the clothing business—you have to be small so you can move fast. We'll be successful just as long as we remember what we can do and what we can't do. The minute we forget, we're just another manufacturer being clobbered. We have no ambitions for size," says Mathes. "We grew too fast last year," he adds ruefully. "We're already as big as we want to be. We have to grow to serve our customers, but we're not overjoyed. We're not interested in being big—we're interested in making money. And besides, this kind of business is more fun." (In the year ended May 31, Curtis Mathes reported net profit of \$2,512,340 on sales of \$31,934,640.)

One of the danger areas for a small company, Mathes believes, is color. "The market's not big enough now. But we hope there's room for splinters in the color market next year. Meanwhile, we're making a comfortable living off of FM stereo—which is really just another reason to buy hi fi."

How do industry-wide business conditions look to Mathes? "The big companies which are getting ahead in this business now are out with the toughest, most aggressive programs I've ever seen in my life. It's going to be rough as a cob from here on in. I've been in this [appliance] business since 1928, and I've never seen more rough competition. Someday, we'll be able to look back and tell our grandchildren we lived through the great war, the great depression—and the great competition. That's what we're in now."

How will Texas' only TV-stereo manufacturer make out in the great competition? Talking with Mathes, you have feeling he'll do all right picking up "crumbs" big manufacturers can't afford to concentrate on. "All we want," says Mathes, "is a place to hide."

TV GUIDE'S BUY-A-TV PROMOTION: In biggest promotion of its kind ever attempted, more than 8 million families will be told this week of the advantages of buying a 1963 TV set. It's *TV Guide's* special 32-page pull-out, "TV Set Buyers' Guide 1963," now being promoted widely with TV spots, newspaper ads & TV dealer displays.

Special full-color supplement was designed to tell quality & value story of new TVs, to help generate same aura of excitement that surrounds new-model autos. TV story is told in factual manner, with aid of specially made color photos. Slim booklet, designed to be removed from *TV Guide* and saved for future reference, was 10 months in preparation.

Many manufacturers & dealers are capitalizing on Buyers' Guide, which is specifically designed to put viewers in TV-set-buying mood. Booklet is geared to value, rather than price, and stresses step-up features throughout. Section on portables is aimed toward 2nd-set market, and features color picture of 12 competitive makes of 1963 portables (photographed early last May)—probably first time so many competing TV receivers were photographed at same time before introduction date.

Guide attempts to make serious evaluation of trends in TV furniture, tube sizes, special features. One article is devoted to technique of buying TV set, based on information gathered from TV manufacturer engineers and retailers. Other stories cover installation, maintenance, warranties, service, etc.

Booklet points out that 14 major TV brands offer total of 503 "basic" TV models, including 75 different color sets—and leaves it to reader to determine which one is for him. Major brands treated in Set Guide—all of which gave full cooperation in its preparation—are Admiral, Du Mont & Emerson, GE, Magnavox, Motorola, Olympic, Packard Bell, Philco, RCA Victor, Silvertone, Sylvania, Westinghouse & Zenith.

New TV Buyers' Guide sets precedent in promotions in that it attempts to treat purchase of a TV set as serious investment in entertainment & information. By presenting facts about TV, its aim is to start fall selling season with suggestion to the nearly 25 million who will see it, advantages of a new TV set.

This type of industry-wide promotion may well spread, and results will be watched closely. Somewhat similar concept is being used by *N.Y. Herald Tribune* in 24-page roto supplement Sept. 23 devoted entirely to color TV & FM stereo. Information for TV Set Buyers' Guide (and for *Herald-Tribune* supplement) was assembled & written by David Lachenbruch, managing editor of *Television Digest*.

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 24 (34th week of 1962):

	Aug. 18-24	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	155,142	107,160	107,362	4,128,670	3,699,188
Total radio	550,949	349,425	283,260	11,784,639	9,529,113
auto radio	270,377	120,123	96,002	4,280,052	3,016,005

TOPICS & TRENDS

Micromodule program, now beginning actual production, is being stepped up by Army. Chief Signal Officer Maj. Gen. Earle F. Cook announced last week that Army will commit \$8 million in ultra-reliable micromodule systems & equipment in fiscal 1963, that production rate of 250,000 micromodules a year will be reached by next March, one million a year by June 1964, and 3-5 million in 1965.

Concept was developed by team headed by RCA, uses tiny ceramic wafers, each with one or more components, with as many as 12 components occupying plastic cube about half size of sugar lump (Vol. 17:29 p16). Principle can be applied to all semiconductor circuits, can use conventional-type or molecular components. At press meeting last week, RCA officials declined to discuss potential consumer applications—but it seems possible that "cheap-&-dirty" version of automatically produced module concept could some day make such items as transistor radios smaller and easier to repair (by replacing plug-in modules).

25th anniversary of "first commercial TV receiver," a Du Mont set, will be commemorated by Emerson's Du Mont Div. this fall with gift of framed masterpiece painting reproduction, valued at \$50, to each purchaser of a Du Mont console. Promotion carries "Masterpieces in Sight & Sound" theme, will offer console buyers choice of Vermeer, Van Gogh and Utrillo masterpieces.

Build-it-yourself color TV sets are being mail-ordered by Transvision Electronics, Yonkers, N.Y. fabricator of TV assembly kits. Pres. Herbert Suesholtz told us color TV kit of chassis & 21-in. picture tube sells for \$439, is licensed by RCA. Direct-mail ads in trade journals began this month, he said, "but we're already a month behind on deliveries." Sets are aimed at kit builders & hi-fi fans, but "anyone who can follow directions can assemble the set," Suesholtz told us. Transvision has been selling b&w TV kits via direct mail since 1945.

On agenda of EIA fall conference Sept. 10-13 at Biltmore Hotel, N.Y.: (1) Discussion of future of FM. (2) Implications of all-channel law. (3) Panel on chances for new business in command & control equipment. (4) New electronics fields, such as masers & teaching machines. (5) Session on significance of FCC's proposed rules for new ETV service outside present TV band. (6) Significance of President Kennedy's new trade bill to electronics industry.

Minority report on 1962 color sales: Working estimate of industry-wide sales this year, as developed in GE TV receiver dept., is 175,000 sets. GE concedes estimate is "conservative," but refuses to go along with companies predicting sales of 300,000-450,000 sets.

First-quarter factory sales of microwave components totalled \$27.6 million, exclusive of R & D billings, EIA reports in debut of new statistical program for the microwave industry. Sales by product categories: non-ferrite components, \$25.3 million; ferrite parts, \$1.4 million; semiconductor & solid-state duplexer assemblies, \$890,000. Data was furnished by 73 companies which account for about 80% of industry's sales. EIA said balance of business is shared by about 150 firms.

More good business news: Motorola's July TV sales shot ahead 19.2% compared with industry's over-all 4% increase over July 1961, reported Motorola Consumer Products Pres. Edward R. Taylor. Some 60 of Motorola's distributors participated in TV sales increase, he said.

WIDENING WORLD OF COLOR: Vast increase in color programming—local as well as network—along with some interesting predictions about color, are detailed in recent special edition of *Radio-Television Daily*.

Orders for color broadcast equipment are running nearly 3 times ahead of last year, RCA Bcst. & Communications Div. vp-gen. mgr. C. H. Colledge writes. "While all of the major items of color equipment share in this strong upward trend," he states, "color film camera chains are showing the most impressive gains. Bookings during the first 6 months [of 1962] were more than 3 times those received during all of last year." Other highlights:

Crosley Bcstg. Corp. Pres. Robert E. Dunville: "Eventually there will be 100% conversion of TV to color . . . I believe that when color set homes reach a point of 15 or 20% of the total number of TV sets, it will be a matter of only a year, or possibly a little less, until the conversion is complete." Crosley's WLW-T Cincinnati now has 30 hours of local color programming weekly, will soon put all local news shows in color—including newscast and still photos.

WGN Inc. exec. vp Ward L. Quaal estimates Chicago area now has 120,000 color sets and that independent WGN-TV will telecast more than 1,700 color hours in 1962.

Zenith Sales Corp. Pres. Leonard C. Truesdell estimates 1962 sales of 350,000-400,000 color sets, of which Zenith will account for more than 100,000. "We look forward to the possibility of a million color sets a year being sold by 1967 . . . Color TV may well become the business bonanza of the current decade."

Admiral Sales Corp. Pres. Carl E. Lantz predicts sales of nearly 400,000 color sets this year, rising in 1963 to 750,000 units, "equal in dollar volume to 3 million b&w receivers."

Sports Network Inc. Pres. Richard E. Bailey outlines plans for vast increase in sports colorcasting and forecasts: "The time is not too distant when perhaps two-thirds of all sports shows will be presented in color."

Admiral has been operating retail store in Galesburg, Ill. since 1959, reports Aug. 30 *Home Furnishings Daily*. Experiment was designed to get retail experience, Admiral spokesman is quoted as explaining. Store's sales have increased from \$135,000 to \$250,000 a year under Admiral ownership, according to story, and Admiral has used it to experiment with promotions before offering them nationwide. Store displays complete Admiral TV-radio-phono-appliance line, handles non-competitive items of other manufacturers.

Polaroid Corp. has filed suit against Polarad Electronics Corp. to block registration of "Polarad" as trademark. Polarad in the past has made TV & radio tuners, other electronic devices. Polaroid charges similarity of names will deceive prospective purchasers.

Andrea entered color TV last week with announcement of 3 consoles in 10 wood finishes, all with tambour or hinged doors. No prices were made public.

International Electrohome Inc. is new U.S. subsidiary of Dominion Electrohome Industries Ltd. New firm will have hq in Bensenville, Ill. Robert Moore is U.S. sales mgr.

TV—Dept. Store Star: Department stores have made good comeback in TV-radio-phono picture, and they've done it with increasing profits. This is reflected in 1962 *Departmental Merchandising & Operating Results*, released last week by National Retail Merchants Assn.

Although figures are quite old—they show fiscal 1961 results—they indicate growing importance of consumer electronics to department stores. Highlights of report:

While dept. stores' gross margins declined 3% in fiscal 1961, consumer electronics departments were among few which showed increased margins—radios & phonos 25.3%, up from 23.8% year before, and TV 19.7%, up from 19.5%.

In downtown dept. stores, sales for fiscal '61 were same as fiscal '60—but TV-radio-phono sales rose 7%. In branch stores, where total sales were up 4%, TV-radio-phono sales showed 19% increase, biggest rise of any product category.

In 10-year comparisons, study showed selling costs have risen in all departments except one—TV-radio-phono, in which costs have declined by 0.5¢ on gross margin dollar during the period.

Survey showed, however, that TV-radio-phonos still represent only 1.4% of total dept. store sales.

More recent report, by Federal Reserve Board, shows dept. store sales of TV-radio-phonos for June 1962 ahead of year-ago level in 10 of 11 reporting districts. Only district where no gain was registered was Kansas City, where sales were same as last year. Other gains ranged from high of 55% (Dallas, TV) to low of 8% (St. Louis, TV).

New plants & expansions: RCA will construct \$2-million West Coast hq on Sunset Blvd., Los Angeles. Completion of 9-story, 82,000-sq.-ft. building is scheduled for late 1963. It will house RCA West Coast corporate functions, data processing sales, RCA Victor Records studios . . . Arvin will build 25,000-sq.-ft. plant at Princeton, Ky., for manufacture of radio & phono parts & subassemblies . . . Tung-Sol announced plans for additional 25,000-sq.-ft. plant in Weatherly, N.J., for production of subminiature tubes.

U.S. electronic components shipments in first quarter 1962 rose 4% above previous quarter and 18% above first quarter a year ago, Commerce Dept.'s Business & Defense Services Administration reports. Biggest gains over preceding quarter were registered in transformers, with output increased 18%; receiving tubes, 12%; semiconductor diodes, rectifiers & special devices, 8%. Transistor shipments rose only 1.4% because of falling prices.

"Whither or Whether Citizens Radio" titles Aug. 26 address by FCC Comr. Fred Ford to citizens-band meeting in Parkersburg, W. Va. It covers history and regulatory problems—copies available from Ford's office, Washington.

IRE Space Electronics & Telemetry 1962 symposium, including TV papers, will be held Oct. 2-4 at Hotel Fontainebleau, Miami Beach. Theme: "Unlocking the Universe."

Champion Molded Plastics, Bryan, O., has been purchased from Tappan Co. by Standard Oil Co. of Ohio. Champion makes plastic parts for TVs, appliances, radios, autos, etc. Its sales are about \$5.5 million a year.

Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Audio Devices	1962—6 mo. to June 30	\$ 4,070,103	\$ 446,196	\$ 223,196	\$0.26	848,701
	1961—6 mo. to June 30	3,677,089	212,023	112,023	.13	848,701
Eitel-McCullough	1962—6 mo. to June 30	15,821,010	—	261,576	.14	—
	1961—6 mo. to June 30	13,165,833	—	42,707	.02	—
Emerson Radio	1962—39 wks. to Aug. 4	—	3,722,149	1,787,431	.78	2,280,239
	1961—39 wks. to July 29	—	2,282,896	1,114,050	.49	2,280,239
Philips Lamp	1962—6 mo. to June 30	661,900,000	—	42,200,000	—	—
	1961—6 mo. to June 30	586,400,000	—	41,100,000	—	—
Rollins Bcstg.	1962—qtr. to July 31	1,928,715 ¹	—	168,642 ¹	.18	—
	1961—qtr. to July 31	1,307,636	—	113,275	.12	—
TraVler Industries	1962—qtr. to July 31	5,214,000	159,000	82,000	.08½	965,658
	1961—qtr. to July 31	4,207,000	79,000	35,000	.03½	965,658

Notes: ¹ Record.

Trade Personals

Herman L. Weiss, ex-lamp div. vp-gen. mgr., appointed vp & group executive in charge of GE consumer products group, succeeding Fred J. Borch, who was elected to GE board last month and appointed exec. vp in charge of company's 5 operating groups. Consumer products group includes major appliances, housewares & commercial equipment, Hotpoint Co., lamps, radio & TV, GE Supply Co., GE Credit Corp.

James P. Veatch promoted to dir., RCA Frequency Bureau with hq in Washington, succeeding veteran Philip F. Siling, dir. since 1944, who retires, continues as RCA consultant.

Norman J. O'Malley promoted to new position of Sylvania general patent counsel . . . Bernard T. O'Dea named pres.-gen. mgr. of GT&E International activities in Mexico.

Henry Berwanger elected sales vp, Ravenswood Corp.

William R. Simpson, exec. vp, named pres. of Dale Electronics, Lionel subsidiary, succeeding George Risk; David B. Chase succeeds Risk as chmn. of Lionel exec. committee; columnist George E. Sokolsky succeeds Chase as vice chmn.

Elected to fellow membership in SMPTE: Millard W. Baldwin Jr., Bell Labs; Joseph T. Dougherty, Du Pont; George T. Eaton, Eastman Kodak; Henry M. Fisher, Paromel Electronics Corp.; Theodore H. Fogelman, Consolidated Film Industries; H. Theodore Harding, Du Pont; George T. Keene, Eastman Kodak; John A. Leermakers, Eastman Kodak; James A. Moses, Army Pictorial Div.; John W. Wentworth, RCA; Joseph D. White, Magnasynce Corp.; Daan M. Zwick, Eastman Kodak.

TV-Electronics Fund reports decrease in net assets as of July 31, 1962 as compared with same 1961 date. As of July 31, 1962, net assets per share totaled \$6.92 (\$351,008,728 net assets and 50,742,152 capital shares) vs. \$8.90 (\$439,642,613 net assets and 49,281,709) a year earlier.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Amphenol-Borg	Q	\$0.20	Sep. 28	Sep. 14
General Industries	Q	.20	Sep. 15	Sep. 5
Electronic Commun. Stk.	5%		Oct. 15	Oct. 1
Rollins Bcstg.	Q	.10	Oct. 25	Sep. 25
Rollins Bcstg. B.	Q	.05	Oct. 25	Sep. 25

Sylvania Electronic Tube Div. will move its hq from Emporium, Pa. to Seneca Falls, N.Y. Sept. 10. Senior vp Merle W. Kremer said move is designed to locate majority of divisional marketing personnel in one location. A portion of the staff now located in N.Y. City will move to Seneca Falls. Sylvania's picture tube operations are currently headquartered in Seneca Falls, receiving tube operations in Emporium.

Push for 35-hour week with no loss in pay will be primary objective in negotiations by United Electrical Workers for new contracts with GE & Westinghouse. Union's officers, at Long Beach convention last week, said they expect 35-hour week to be key objective in all negotiations. UE's 3-year contracts with GE & Westinghouse expire in fall of 1963.

New version of its 8-in. TV was announced last week by Delmonico International, "designed to be promoted as low as \$99.95." Similar in appearance to model it replaces, it's made by Japan Victor, and, according to Delmonico "is completely insulated against all shock hazards."

Useful references: *Electrical Merchandising Week's* compilations of specifications for 1963 TV sets (published with Aug. 20 issue) & 1963 radios (with Aug. 27 issue). Copies are available from *EM Week*, McGraw-Hill Bldg., N.Y.

General Instrument has introduced 2 new plug-in FM stereo converters, one with indicator light, the other without.

SEP 10 1962

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WEEKLY

Television Digest

SEPTEMBER 10, 1962

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NEW SERIES VOL. 2, No. 37

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Broadcast

COLOR RESISTANCE crumbling at CBS as colorcast is scheduled at request of sponsor. 'No change in policy,' says network, but color is under careful consideration (p. 1).

CHIPPING AWAY AT GOVT. CLOSED DOORS continues in Federal Bar Assn. panel discussion, govt.-industry representatives plumping for TV-radio access to most proceedings (p. 2).

I.D. FORFEITURE CASE STIRS NAB, Collins "shocked" at \$500 fines imposed by FCC on 4 Minneapolis TV stations for failure to identify sponsor in store-closing-vote controversy (p. 2).

NEW PAY-TV PROGRAM SOURCES are being opened by RKO General for Hartford pay-TV test. Due this week is taped special showcasing The Kingston Trio, and movie deal has been signed with Columbia Pictures (p. 2).

FM STEREO PAYS OFF for commercial stations, says Ted Jones,

pres. of WCRB Boston, who cites billings gain of 12-15% from sponsors buying stereo shows (p. 3).

WNBT GUINEA PIG FOR AFTRA TEST? Success in unionizing drive against new N.Y. ETV outlet may be blow to national ETV development, officials fear (p. 3).

Consumer Electronics

TV PRICE INCREASES may be coming, as tube makers hint at across-board raises of up to 8%; component makers restive, too. End of \$140 set in sight (p. 6).

PHILCO'S 16-IN. lightweight portable weighs in at 24 lb. in 2 open list models, believed designed to sell for \$160 top. Color line emphasizes furniture style (p. 6).

ANTENNA MAKERS SEE BIG 1962 & growth ahead. Five factors contribute to surge, 8 manufacturers tell us—listing color TV, FM stereo, uhf, replacement market, trend to high-end buying (p. 7).

COLOR RESISTANCE CRUMBLING AT CBS: "There's been no change in our policy on color." That's official CBS line, despite fact that network broke its long (though unwritten) no-color rule by accepting order for color program to be scheduled early next year.

Special program, "A Tour of Monaco With Princess Grace," will be filmed in color by Revue Productions and carried in color by N.Y., Chicago, St. Louis & Los Angeles stations at request of co-sponsor Chemstrand Corp. Chemstrand, which will advertise carpets made with its Acrilan fibers, requested color in these markets. However, Chemstrand spokesman told us company has no objection if other network outlets carry show in color (which many undoubtedly will do); it just didn't order them in color. Show will be 8-9 p.m. Feb. 17.

CBS-TV's long-standing policy has been: "We'll go into color when there's enough audience or sponsor demand for it." It previously has turned down sponsors' requests for color, and presumably booking of Monaco show in color is reflection of combined greater audience demand, greater sponsor demand and a subject which cries out for color.

Is CBS-TV really returning to color fold this season? Here are some observations by CBS official, who requested that he remain anonymous:

"Our planning isn't completed yet on this. It's probable. We haven't determined yet whether to put The Wizard of Oz in color this season [last year it was b&w]. Our Judy Garland special definitely will be b&w. Our new N.Y. hq building which is now going up will be equipped for color, of course. The question of color does come up from time to time, and it is under consideration. But there's been no basic change in policy."

CHIPPING AWAY AT GOVT. CLOSED DOORS: Exclusion of TV-radio from coverage of govt. activities is bound to give way eventually, in opinion of the industry—if industry continues ceaseless drive. The tough & painstaking task continued last week with blue-ribbon panel discussion before Federal Bar Assn. convention in Washington.

Panel had both govt. & industry representatives, but the industry members were very familiar with govt.'s side, attaining much experience as govt. employes or as long-time observers of govt. in action.

Consensus was powerful "yes" for open-door policy, with one substantial dissent on judicial proceedings. At 2-hour panel filmed for TV, et al., Sen. Kefauver (D-Tenn.), Cowles Washington correspondent Clark Mollenhoff, CBS News Pres. Richard Salant, FCC Gen. Counsel Max Paglin & Washington attorney Harry Plotkin agreed that broadcasters should have access to activities of govt.'s various branches. Only major dissent was by Plotkin, who opposed "vigorously" any televising of judiciary proceedings.

Salant was a most insistent advocate for moving cameras into halls of congress & courts. So-called "Rayburn rule," in which House forbids TV coverage of any sort is "completely unsound," he declared. He called it a "curious irony" that House, elected every 2 years, supposedly closest to public, completely shuts out TV-radio, while Senate allows some coverage. He urged opening up of most govt. proceedings, starting with Supreme Court. He added, however, that before this, a set of "ground rules" should be devised to guide broadcasters. Kefauver's views were similar. The only limitation on broadcast coverage of govt. proceedings, he said, should be that the equipment doesn't disrupt the proceedings. Mollenhoff echoed Kefauver.

Plotkin rode along most of way, but jumped off at suggestion that judicial goings-on should be included. He said courtrooms exist for one reason—to bring justice—and TV and radio coverage would be hindrance. "The task of arriving at the truth is much more difficult," he stated, "if the judge and the jury know they're on stage." FCC Gen. Counsel Max Paglin called for a "reassessment" of entire problem, pointed out that industry has grown up since 1937 when question first came up. He drew parallel with dispute over pay-TV, which FCC and the courts finally decided, he said, could be resolved only by a trial. He suggested that broadcasters be permitted to conduct dry runs—setting up equipment and going through motions without actually being on air—to demonstrate proficiency at operating unobtrusively.

I. D. FORFEITURE CASE STIRS NAB: NAB jumped in for first time in a station forfeiture case, thrusting into prominence FCC action proposing \$500 fines for each of 4 Minneapolis TV stations, for failure to identify sponsor of one-min. spots in a Sunday store-closing controversy.

Background: City council was about to vote on ordinance requiring closing of stores. Downtown Council, representing downtown stores which were suffering competition from suburban Sunday operators, bought last-minute one-min. spots on WCCO-TV, KSTP-TV, WTCN-TV & KMSP-TV. Spot featured discussion by economist Dr. Arthur Uppgren, favoring store closings. Stations explained to FCC that frantic last-minute rush was reason Downtown Council wasn't identified as sponsor.

FCC said reason wasn't satisfactory, notified each station that it was liable for \$500 fine. Outraged, stations complained to NAB, which usually keeps out of individual cases. But Pres. Collins evidently heard enough to become disturbed, said: "I don't have all the facts, but from those I do have I am frankly shocked at this action. We here at NAB will of course fully explore the matter promptly and decide what appropriate action may be taken."

Said an FCC source: "These are experienced broadcasters. They should know better. If they want to make a test case of this, they aren't picking a very good one."

PHONEVISION'S HARTFORD BLOCKBUSTERS: New pay-TV program sources are being opened by RKO General for its Phonevision "subscription TV" test on WHCT Hartford, despite undisguised antipathy of such movie-house operators as Allied Theatre Owners of N.Y. & N.J.

Current coup for Hartford test is a 90-min. video-taped special starring Kingston Trio, due to be seen (for \$1.50) by viewers in 700-home Phonevision panel this week (Sept. 11-13-15). It's a sort of do-it-yourself show, since it was packaged independently by trio and VHF Inc., tape commercial producer, and is leased to RKO for 7-time showing in 9-month period by the folk-singing group.

Kingston Trio show was taped on location in Maryland, at summer "music tent" show. Trio's manager, Frank Werber, stated last week in San Francisco that he felt pay-TV medium was "ideal" for presenting concert artists in TV. After Hartford playdates, tape will go on shelf for 9 months, may be offered to regular network buyers thereafter.

New movie source has also been opened by RKO General, with signing of deal with Columbia Pictures—one of movie industry's real majors—for "first subsequent run" (i.e., after downtown theatrical playdate) on Columbia product in Hartford area. Thus, station can be considered competitive with neighborhood houses and nearby drive-ins for movie audience. Previously signed by RKO General vp John Pinto for feature product in similar deals: Paramount, Warner Bros., and Buena Vista (Disney).

Columbia-RKO deal will be red flag to already-angry independent theater operators, by all indications. At meeting of previously-mentioned Allied group in Kiamesha Lake, N.Y. last month, board member William Infald told exhibitors: "We will have to watch Paramount and Warner Bros. very carefully because they have committed themselves to a policy of pay-TV." Obvious hint behind Infald's words: an exhibitor boycott, or at least sales resistance.

First feature under Columbia liaison in Hartford will be "The Notorious Landlady" (Kim Novak, Jack Lemmon, et al.). Interestingly, picture was still in its first Times Square showcase run in N.Y. as we went to press, at \$2 admission. Another interesting sidelight to Hartford test, according to RKO's Pinto: practice apparently makes perfect for teams installing Phonevision decoders; installation time is now "about 15% less" per home than it was only 2 months ago.

STEREO FM STEERS CLIENTS TO STATION: There's a definite pay-off for commercial FM outlets which add multiplex stereo. So we were told in N.Y. last week by Ted Jones, pres. of Boston-area WCRB in private chat during news conference called to show off station's stereo to press & agencies.

Jones estimated that revenue boost "purely from clients who bought stereo shows" is on the order of 12-15% increase in billings. Most new clients have stereo axe to grind, so program purchases (Boston Symphony Concerts, operatic shows, etc.) by GE, London Records, Lafayette Radio, H. H. Scott et al. are not unexpected. Some (Canada Dry, Arnold Bakers) are straight consumer-goods sponsors testing new medium.

Station has been stereocasting in FM for a year now, classifies itself as "a stereo pioneer." An experimenter with AM-FM stereo as far back as 1954 (when it had to produce most of its own program material), WCRB has more than casual pioneer spirit. Station's multiplex transmitter is not commercial model, was built by WCRB at nearby H. H. Scott firm starting in 1960. WCRB carries 60 stereo hours of 120 FM hours weekly.

"First Stereo U.S. Network" is another WCRB claim. Station's stereo signal is rebroadcast, from direct air pickup, by FM outlet in Providence, about 40 miles away. According to WCRB Mgr. Richard L. Kaye, signal strength and stereo quality "are excellent."

WNDT GUINEA PIG FOR AFTRA TEST? Move against soon-to-start educational WNDT N.Y. last week by American Federation of TV & Radio Artists may spell trouble for all existing & upcoming ETV stations. Union's order to its N.Y. local's 8,000 members—not to appear on WNDT unless station requires teachers to join AFTRA—was underscored when it directed stage comedian Zero Mostel to cancel scheduled appearance.

Because of N.Y. location and vhf channel, WNDT has become nominally most important ETV outlet in country, and "it would appear that the union has picked it to make a test issue," an NAEB official said.

Union's sudden action brought violent protests. NAEB vp Harold E. Hill warned: "If educational TV stations across the nation are required to recognize unions, overhead costs will definitely rise, and this could conceivably force some stations to curtail their programming and might even force some off the air." FCC Educational Bcstg. Branch Chief Lawrence L. Frymire said move "could present problems of a very serious nature if it becomes widespread." And Sept. 7 *N.Y. Herald Tribune* trumpeted "A Union Outrage Against Educational TV" as leading editorial.

WNDT Vp & Gen. Mgr. Richard D. Heffner, himself an AFTRA member, said station would go on air Sept. 16 as scheduled. Union & station representatives agreed to meet with N.Y. Acting Labor Comr. James J. McFadden Sept. 10 in effort to settle dispute. "Any interruption in the plans for the operation of our new educational TV station WNDT is a serious matter," McFadden told parties.

CURRENT CAPSULES

Old St. Louis Ch. 11 "influence" case is about to be cleared up. It's due for FCC discussion this week, and staff recommends closing case without further ado. One-time applicant 220 TV Inc., which lost competition for Ch. 11 to CBS, had alleged that CBS Chmn. Paley & Pres. Stanton had Tex McCrary attempt to influence commissioners before channel was awarded. CBS has since turned Ch. 11 over to 220 TV Inc., acquiring Ch. 4 (KMOX-TV, formerly KWK-TV) for itself. FCC staff says investigation proved allegations unwarranted, urges dismissal of charges.

Crosley has WLWI (Ch. 13) just about locked up finally, after very close shave. FCC last week announced intention of approving agreement whereby WIBC, which Commission had said should get channel, will pull out of Indianapolis case, acquire Crosley's WLWA Atlanta for approximately \$3,420,000 (Vol. 2:25 p5). Though not announced, it's understood vote was 4-3—Minow, Ford & Bartley dissenting. If Cross, due to be replaced by E. William Henry, hadn't voted, there would have been 3-3 tie. Then when case came up again, and Henry voted, it's presumed he would have joined minority, killing deal.

Another thrust to CATV—more exposure to general business community—is feature in Sept. 1 *Business Week*, built around system broker-manager Bill Daniels, operating in a seller's market. Sample: "At 42, Daniels is at the center of this little-known, but whirling industry, whose very nature—especially the fast write-off of investment—has made it a financial man's haven."

Kaiser Industries may precipitate rush of applications for uhf channels in major markets, filing last week for Chicago, Detroit & Philadelphia areas, having applied earlier for Los Angeles & San Francisco (Vol. 2:29 p4). Some applicants, particularly local interests, may not be too willing to build uhf now—but they're forced to worry about seeing channels taken out of circulation, uncertain whether more can be found later. Kaiser asked for Ch. 38 in Chicago, Ch. 50 in Detroit, Ch. 41 in Burlington, N. J.—last aimed at Philadelphia, Wilmington & Trenton.

Tedson J. Meyers, FCC Chmn. Minow's admin. asst., has resigned. He's author of controversial memo to Administration, urging use of "the power of international TV & radio broadcasting in our national interest" (Vol. 2:36 p3). His plans haven't been disclosed. Successor is John F. Cushman, chief of administrative laws & treaties div. of Office of General Counsel.

E. William Henry's confirmation hearing before Senate Commerce Committee—on appointment to FCC (Vol. 2:36 p1)—hasn't been set yet but it's expected to be held next week. He may be questioned closely—but no significant opposition is expected. As one congressional veteran puts it: "There's got to be a major scandal involved, or something like that, before a man is in trouble in such cases."

Second communications satellite will be launched before end of year to join Telstar, NASA reported. This one will be RCA's Relay, 5 times as powerful as Telstar. First task for Relay will be experiment linking ITT ground stations in Nutley, N.J. and Rio de Janeiro. Rio station will be portable—capable of being assembled by 4 men in 16 hours. ITT reports equipment may be modified later to transmit TV. At end of last week, President hadn't announced his choice for incorporators for new Communications Satellite Corp., was expected to send names to Senate this week.

New WNYS-TV (Ch. 9) Syracuse began Sept. 9 with hour color show introducing staff & facilities. Station had geared debut to theme: "Channel 9 comes to Syracuse on the 9th day of the 9th month."

WBJA-TV (Ch. 34) Binghamton, due to start Nov. 1, was named ABC-TV primary affiliate.

Advertising opportunities now are enormous, and market potential is "gigantic," AAAA Pres. John Crichton told Assn.'s Chicago council. He pointed out that estimates calculate a 1972 market of 66 million households with average income of \$10,000. It's up to advertising, he said, to go after this bonanza.

Personals

Robert C. Mayo promoted to managing dir., CBS Europe & CBS Limited, succeeding **Michael Burke**, recently moved up to CBS Inc. development vp . . . **C. James Proud** resigns as Advertising Federation of America pres. & gen. mgr., no successor has been picked.

Giraud Chester promoted to NBC-TV program administration vp . . . **Tad Ware** appointed Westinghouse Bestg. asst. advertising & sales promotion dir.; **Milton Shefter**, ex-Maxwell Assoc., succeeds him as KYW-TV Cleveland asst. promotion mgr.

Dr. Lawrence T. Frymire, ex-mgr. of Mich. State U.'s WKAR, appointed chief of FCC's Educational Broadcasting Branch . . . **Sam Somora** has been appointed KTVI St. Louis promotion mgr., not vp & gen. mgr., as reported (Vol. 2:34 p6).

James T. Victory promoted to CBS Films vp, domestic sales; **Ralph M. Baruch** to vp, international sales . . . **Robert J. Quinn**, ex-CBS News, named ABC-TV news & special events exec. producer . . . **Herbert Jellinek** promoted to ABC Western Div. budgets & cost control dir., a new post.

Leo J. Fitzpatrick, former gen. mgr. & part owner of WGR-TV Buffalo & WJR Detroit, seriously ill at home, 551 Lakeshore Dr., Grosse Pointe Shores, Mich.

H. D. Hayes, FCC field engineering & monitoring bureau Chicago engineer-in-charge, retires after 41 years.

William Fowler promoted to ABC Washington News engineer-in-charge . . . **Leo Long** promoted to dir. of ABC Overseas Advertisement Sales, new div. of ABC-TV of Britain.

Ron Gleason, ex-KNXT Los Angeles asst. research dir., appointed research & sales development dir., KABC-TV; **Jim Healy**, radio KLAC Los Angeles sports dir., named to similar post with KABC-TV.

Alan B. Johnstone, ex-Avery-Knodel San Francisco radio mgr., appointed WOKR-TV Rochester sales mgr. . . . **Parker Daggett**, ex-radio WRIT Milwaukee gen. sales mgr., named sales mgr., WXIX-TV.

Patrick C. Arnoux, ex-WTAR-TV Norfolk production mgr., appointed WSPA-TV Spartanburg program dir. . . . **William H. Kline**, ex-WIBF(FM) Jenkintown, Pa. mgr., appointed operations dir., WIBF-TV, due to start next spring.

Donald J. Badger, ex-WJIM-TV Lansing, Mich. gen. sales mgr., named to same post at WIIM-TV Grand Rapids-Kalamazoo, due to start Nov. 1 . . . **Julian T. Kanter** promoted to midwestern sales mgr., Storer TV sales, succeeding **George U. Lyons**, now WJW-TV Cleveland gen. sales mgr.

Thomas J. White, Avery-Knodel exec. vp, elected an SRA dir. . . **Harold C. Altura** named Peters, Griffin, Woodward radio research & promotion dir.

Steve Gilmartin promoted to WMAL-TV-AM-FM Washington sports dir. . . **Paul J. Price**, former Dayton, O. police chief, named community service dir., WHIO-TV-AM-FM.

Merger of TV-radio reps **Venard, Rintoul & McConnell**, N.Y., and **Torbet, Allen & Crane**, San Francisco, was completed last week. New firm will be named **Venard, Torbet & McConnell**, with hq in both cities. **Lloyd George Venard** becomes pres., **Alan L. Torbet** exec. vp.

Switch to all-Negro programming by McLendon radio KYNR Chicago brought protest from 2 Ill. Democrats, Reps. **Pucinski & Rostenkowski**. They charged McLendon hadn't lived up to promises made to FCC at time of purchase, that station would retain foreign language programming. McLendon replied that Congressmen were trying to dictate programming, said he has right to program as he determines needs of community to be—and he had surveyed needs.

Payola may be deductible on record companies' tax returns, if: (1) Names, addresses of recipients are included. (2) Payments were made before Dec. 6, 1959, when FTC ruled against practice. (3) No sharply defined state policy or law was broken. Internal Revenue Service ruled last week that claims for deductions for payments prior to cutoff date will be judged on case-by-case basis. Payola payments on or after Dec. 6, 1959, aren't deductible.

First Negro TV models will appear in commercials for Gillette blades, Feen-A-Mint laxative, Sulfur-8 hair preparation & Artra skin tone cream. All but the Gillette commercials will be aimed at predominantly Negro audiences. Gillette advertising vp **A. Craig Smith** said Negroes will be used to lend realism. A Negro model agent called **move major breakthrough**.

Network TV led all media in first half of 1962 in advertising revenue gain over same 1961 period, *Printers' Ink* reports. Network TV rose 13%, followed by general monthly magazines, 8%; women's, farm & business magazines 6%; network radio, 4%. In first quarter 1962, spot TV increased 17% over same year-earlier period.

Forfeiture of \$2,000 has been levied against radio KISN Vancouver, Wash. for "apparent willful and repeated improper identification." FCC charged that station failed to give proper call letter and location at required intervals despite warning from Commission in June 1961.

ETV audience survey by Stanford U. (Vol. 2:36 p3) will be published by Stanford U. Press, will be available there. Initial Stanford announcement said copies would be distributed by NET, N.Y.

Rep appointments: WTEV Providence, H-R TV; KLAS-TV, Las Vegas, Avery-Knodel; KTVT Dallas-Ft. Worth, Katz; WRDW-TV Augusta & WBOY-TV Clarksburg, Young TV.

Pinpointed radio audience, enabling advertisers to concentrate on most likely prospects, is described by RAB head **Kevin B. Sweeney** in Sept. 4 *N.Y. Herald Tribune*. Subbing for vacationing advertising editor **Joseph Kaselow**, Sweeney noted that "On Target" research classifies listening habits of known users of specific commodities station-by-station, permits advertisers to reach selective audiences.

Psychotherapy by TV was discussed at recent American Psychological Assn. annual meeting in St. Louis last week. Harvard psychologist **Dr. Ogden R. Lindsley** said closed-circuit TV could be effective new method of treating mental patients. System would permit treatment at a distance, he explained, and allow researchers to study therapist-patient relationship.

"Scented With Success" is alluring title of new study by **Petry**, outlining growth of spot TV use by cosmetic-toiletries industry, 1956-61. Study points out that spot TV is fastest growing ad medium for industry, with billings up 74% over the 5-year period, while sales increased by 50%.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

TV PRICE INCREASES IN THE WORKS? Will 19-in. portable at \$140 quietly fade away with coming of new year? There are budding indications that it may—but they're far from certain.

It's still in trial-balloon stage, but talk is beginning about possible price increases in picture tubes and some components. Relatively low prices of these items have been partially responsible for making \$140 set possible.

Whispers of tube price rises center on "near future" across-board increases of as much as 7-8%—although, so far as we can tell, no tube maker has yet actually signaled his intention. Attrition has whittled down number of picture tube makers, Thomas Electronics & Tung-Sol being latest to leave OEM business (although GE recently expanded its tube activities to go out after more OEM). Scramble by remaining tube makers to pick up this business resulted in softening, rather than stiffening, of prices. Tube people are wondering just how long present price levels can be held.

In component market, too, there's evidence that suppliers lowered prices to hold on to customers who went to \$140 sets. Now their costs are catching up with them—and it may be only matter of time before they have to pass them on.

This is below-the-surface talk by suppliers. If these increases come, it could spell end of bargain-basement low-end TV sets—at least as we know them today, in 19-in. size.

PHILCO'S 16-INCHER & MORE COLOR SETS: Fall drop-in parade was officially under way last week as Philco introduced its long-discussed 16-in. lightweight TV, 2nd American-made set using new square-cornered 16-in. tube.

Philco's lightweight, called "Courier," comes in 2 models—both open list. Deluxe unit is extremely attractive black-&-silver model with rounded back and rigid snap-on cover. When closed it has appearance somewhat like portable typewriter. It weighs 24 lb., using Pittsburgh bonded safety glass on tube. Lower-priced set lacks carrying cover and earphone jack. It's believed deluxe model is designed to sell at about \$160 or less, vs. \$169.95 list on GE's 22-lb. Escort 16-in.

Also introduced by Philco was 4-model color line, emphasizing furniture styling. Color sets start at \$595 for mahogany hardwood console, with basic console step-ups at \$695, \$775 & \$895 in 8 varieties of finishes & styles. All have bonded tubes & shallower cabinets.

New Philco policy toward color TV was outlined by TV merchandising mgr. Jack Kane: "There is no doubt that color is a solid, growing business. . . . We want to strengthen the Philco distributor & dealer position in color TV merchandising. At the present price levels of color TV receivers, the consumer wants fine furniture styling."

Philco also introduced five 23-in. sets, portable stereo phono with Scratch-Guard feature previously available only on consoles, and one transistor radio at \$14.95.

Packard Bell premiered 4 new 23-in. TV-stereo combos at \$469.95-\$875 and 5 stereo consoles, all with FM stereo, at \$199.95-\$550, in addition to Stereo-Mates FM stereo radio & matching phono previously reported (Vol. 2:36 p7).

Next week will see debut of Admiral's new enlarged color line, which will feature all-wood cabinets, topped by color stereo theater unit.

ANTENNA MAKERS SEE BIG 1962 & GROWTH AHEAD: With so many things going for them, TV-radio antenna manufacturers view future with brisk anticipation. Year as a whole is shaping up as a big one, and outlook for immediate future is bright.

No less than 5 major factors presage booming sales & profits over next decade, in opinion of 8 antenna makers with whom we spoke last week. Their optimism is sparked by accelerating consumer interest in color TV, FM stereo & uhf, a burgeoning replacement market, a marked trend to high-end buying, reflecting growing consumer awareness that quality reception requires quality antennas.

Antenna makers blazed with confidence. Examples: "We look for a dollar volume growth of 25-50% over the next 2 years," Taco Pres. H. H. Brown told us. JFD anticipates "15-25% annual increases over the next several years," Pres. Albert Finkel said. Winegard sales mgr. Robert M. Fleming—"We are extremely optimistic about sales & profits over the next 2-3 years. We foresee great growth." All Channel Products sales mgr. Sidney Dorosin—"Our business should double in the next 5 years." Channel Master vp Harold Harris—"The future is extremely bright. We see very substantial growth ahead." Trio Mfg. Pres. J. L. Wade—"This will be a steady, growing market." M. L. Finneburgh Sr., partner in The Finney Co., summed it up this way: "Because of color TV, FM stereo & uhf, the outlook for the antenna industry is so much brighter than it was 3 years ago."

Antenna business this year is well ahead of year ago. With industry now coming into peak selling period, there's little question that banner year is in making for antenna makers. "This could be the biggest year in our history, Finney's Finneburgh told us. "We're 36% ahead of last year. August was about 70% ahead of August 1961." Winegard's Fleming told us "sales are running 15% ahead of last year, which was a record, and we'll beat 1961 by more than 15% by year's end." JFD is "operating at a record peak this year, with sales 25% ahead and profits up despite rising costs," Finkel said. Taco's Brown told us that "we expect a 25% sales jump over the year-ago period between now and the end of our fiscal year in February."

Surprise sales producer this year is color TV. Not only is color producing sales in its own right, it's making antenna shoppers quality conscious and sparking general trend to high-end buying.

"Color TV is helping us tremendously," Winegard's Fleming told us. "We believe this fall & 1963 will be terrific." To capitalize on mounting interest in color, Winegard this week will introduce to distributors a new 4-model line of "Colortron" antennas designed specifically for color and a new antenna amplifier with twin nuvistor tubes that can be used in any area. Winegard will promote "Colortron" line with fall ads in *Life*, *Parade*, *Family Week*, other publications.

Channel Master's Harris pointed out that color TV "is helping in 2 ways. It's making the public aware of the foolhardiness of economizing with second-rate antennas. Also, color customers are replacing their old b&w antennas with quality types needed for color." Finney's Finneburgh noted "this is the first year that color has been a factor in the TV antenna business," pointed out that "many people now buying b&w sets today are putting up quality antennas in anticipation of an eventual switch to color."

FM stereo has failed to produce anticipated business, there was general agreement—and also a few dissident votes. Majority opinion held that FM stereo is a comer—but antenna boom can't develop until (1) there's more FM stereo programming, (2) there's greater public appreciation of need for outdoor installation to improve reception. Consensus: FM stereo sales are rising, but anticipated surge has not yet developed. FM stereo is a comer.

Not so, contended several manufacturers who reported big things with FM stereo antennas. All Channel's Dorosin termed FM stereo business "excellent." Channel Master's Harris told us FM "is growing at faster rate than our regular TV business, which also is up considerably." Finney's Finneburgh was most optimistic: "Stereo is growing by leaps and bounds. It has added 30-40% to our FM business so far this year." He estimates that 75% of stereo sets sold today include an outdoor antenna installation. While all antenna makers agreed that stereos should be sold with outdoor antennas for maximum performance, most believe 75% estimate is on high side.

Uhf produced no disagreement among 8 antenna makers. This is future business, and current talk about all-channel sets has produced little or no extra market. Several antenna makers told us uhf sales are gaining, but consensus was that a surge is still years away and can't start to produce any material sales change until considerably more uhf stations go on air. Other points of interest covered:

Antenna discounters are becoming something of factor in field, but only in low-end products at present

time. Snyder Mfg. Pres. Benjamin L. Snyder told us that "discount stores & variety chains have become our biggest outlets." Snyder Mfg. is "practically out of the outdoor antenna business," is "concentrating on indoor types." We found considerably more con than pro on this subject. Channel Master's Harris pulled no punches. "This is a disservice to the industry," he described discount operation. "We make some 400 different models of antennas for price range and to meet all reception problems. The casual buyer who buys his antenna from a discount counter may well find himself shortchanged so far as quality reception is concerned." Most manufacturers told us discounting is becoming sensitive area and consensus was that discounters or mass merchandisers would become bigger factor in business.

Electronic antennas are developing into big, promotable factor in antenna business, and most manufacturers are now producing them. Taco's Brown summed it up: "Amplified antennas are the big thing today. They're our main push." JFD's Finkel—"Amplified antennas are really taking hold. This is an area that can be built up." Single dissident note—and an emphatic one—came from Trio's Wade.

"We don't make boosters because we don't believe in them," he told us. "In our opinion they don't give value received. We worked with them 8-9 years ago and found them impractical then. When you boost the signal you also boost the noise. Nothing replaces stacking in my opinion. You take 2 ordinary antennas and stack them and you'll get fine reception. Boosters represent added cost to the consumer, and they also represent added troubles for the manufacturer. You expose items like boosters to the elements and trouble soon develops. We don't believe in them."

Accelerating trend in antenna field is to dual-purpose antenna that can be used for both TV & FM stereo. The Finney Co. has introduced a patented line of 3 "Combine" antennas for TV-FM use. However, Winegard will introduce this week its "Stereotron"—new high-gain, 8-element antenna for stereo. It will list for \$23.65. Also available is a "Stereotron" amplifier with twin nuvistor tubes, listing for \$39.95. Sales mgr. Fleming told us "we do not recommend a single antenna for dual TV-FM service." Conversely, All Channel's Dorosin said "we favor a single antenna for TV & FM because of economy & installation simplicity." Consensus: most manufacturers have dual-purpose antennas as well as individual types for TV & FM, but their use depends on situation. Channel Master's Harris put it this way: "Most of our quality fringe area antennas are dual purpose. However, there are cases where separate antennas are needed."

Replacement market is among the more exciting prospects for antenna makers. "The replacement market is an absolute reality," Channel Master's Harris said. "The old ones are coming down. The antenna industry has a solid base in replacement business alone." Winegard's Fleming told us: "We are now basically in a replacement market. When people purchased their TV sets several years ago they had no choice in antenna selection. They bought the set and the installation. Today, they know about antennas and they shop for them, as they shop for other products." Taco's Brown—"The TV replacement market is excellent and accounts for about 90% of business today."

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 31 (35th week of 1962):

	Aug. 25-31	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	146,940	155,142	143,364	4,275,610	3,842,001
Total radio	389,153	550,949	421,698	12,173,792	10,378,985
auto radio	131,631	270,377	154,430	4,411,683	3,311,668

TOPICS & TRENDS

Transistorized TV circuit, using silicon planar transistors, has been designed & constructed by Fairchild Semiconductor. The 19-in. set, capable of operating from 110-v AC or 12-volt battery, uses 3 new transistor types, contains 22 transistors & 13 diodes. It's designed to compare favorably with "top-of-line" tube sets, according to Fairchild. The new transistors (horizontal output, 2 AGC types) are now available in sample quantities to manufacturers interested in Fairchild's transistorized receiver design.

New uhf converter has been announced by Gavin Instruments Inc., Somerville, N.J., headed by Joseph Kerner, former Blonder-Tongue sales mgr. Single-tube unit has nuvistor circuit, lists at \$24.95.

Amazing comeback of tape recording was detailed by Columbia Records mktg. vp William P. Gallagher, pres. of Magnetic Recording Industry Assn. at World's Fair of Music in Chicago. Retail sales of recorded tapes exceeded \$10 million last year, and will go up at least 20% this year. Blank tape sales for 1961 were \$50 million and should grow at rate of 20% a year, reaching \$100 million in 1965. At least 16 U.S. companies are making magnetic tape, more than double figure of just 2 years ago.

Some 600,000 domestic tape recorders were sold in U.S. last year, said Gallagher—up from 500,000 in 1960. He predicted 20% increase in this field for 1962. Japan shipped 800,000 recorders to U.S. in 1961 (including about 500,000 "toys" in \$35-&-under price range). Japanese imports this year will about double last year's figure, he estimated.

Trade Personals

Kenneth W. Bilby, RCA public affairs vp, elected an exec. vp.

John L. (Jack) Hanigan, vp-gen. mgr. of Corning Glass electrical products div., resigns to become exec. vp, gen. mgr. & board member of Dow-Corning Corp. (silicones). Corning Glass TV products dept. mgr. Allen W. Dawson last week was elected a vp, as were electronics dept. (components) mgr. Malcolm Hunt & lamp dept. mgr. Forrest E. Behm.

Dr. Allen B. Du Mont named one of 3 public governors of American Stock Exchange . . . H. Leslie Hoffman named chmn., Hoffman Electronics, succeeded as pres. by Stanley W. Horrocks, former exec. vp of North American Aviation's Autonetics div.

B. K. Wickstrum, ex-Sylvania senior vp, elected pres. of General Time Corp.; Don G. Mitchell, former GT&E & Sylvania pres., named chief exec. officer; former General Time pres. Donald J. Hawthorne elected chairman. Mitchell also was elected to board of Indiana General Corp.

Roland Kalb, onetime Herold Radio & Electronics chmn. & pres. of subsidiary Steelman Phonograph & Radio, named Pilot Radio gen. mgr., a new post.

Darrell H. Boyd appointed by Revere Camera to new post of project mgr. for automatic tape cartridge system (Vol. 2:32 p7).

Carl E. Lantz, Admiral Sales Corp. pres., will head panel on distribution policy at National Industrial Conference Board's marketing conference Sept. 20 in N.Y.

Martin B. Shellenberger, ex-Philco, appointed Sylvania Home Electronics sales promotion mgr., succeeding Robert J. Higgins, named mktg. administrator . . . Gene Gold, onetime Philco and Crosley, named gen. sales mgr. of Montreal-based Fleetwood Corp.'s new U.S. sales division (609 Fifth Ave., N.Y.).

Robert C. Sprague, Sprague Electric chmn., reappointed 1962-63 chmn. of EIA's electronic imports committee; J. A. Milling, pres. of Howard W. Sams' Sams Div., renamed chmn. of EIA distributor relations committee.

William P. Gallagher, Columbia Records mktg. vp, elected pres. of Magnetic Recording Industry Assn. Other officers elected: W. G. Paradis (Warwick Mfg.), vp; Herman Kornbrodt (Audio Devices), secy.; Herbert L. Brown (Ampex), treas.

Myron S. Friedman promoted to gen. mgr. of Allied Radio's New Stores Div.

David Libsohn, pres. of bankrupt General Magnetics & Electronics which has been acquired by Estey Electronics, appointed gen. mgr. of Estey's General Magnetics & Electronics Div.; Trevor Kendall, former GM&E chief engineer, retains that post in new division.

Robert Blumenthal, ex-RCA district sales mgr., joins Raymond Rosen & Co., Philadelphia, as mgr. of dealer development.

TV-appliance-furniture dealer Oran Gragson, mayor of Las Vegas, last week won GOP nomination for governor of Nevada.

James McLeod promoted to Page engineering dir., succeeding vp & engineering dir. Francis M. Ryan, retired.

Obituary

Moorhead Wright, 56, GE senior consultant on community & business relations and longtime administrator of company's management training program, died Sept. 3 in Northern Westchester Hospital, Mount Kisco, N.Y. He joined GE in 1927 as an electrical engineer.

Charles O'Connell, 62, former classical music dir. for RCA Victor records, died Sept. 1 in Pennsylvania Hospital, Philadelphia. He retired from the firm in 1944, but continued to write liners for RCA Victor albums.

Philco warned workers at Philadelphia-area plants that it may pull out of the Quaker City if they continue to substitute walkouts for contract-specified grievance procedure. In wake of recent 3-day walkout (Vol. 2:34 p11), industrial relations vp Robert M. Jones notified 4,500 workers by mail that Philco "has no alternative but to begin to make plans to close its operations here" unless walkouts stop. Walkout was 2nd since Ford acquired Philco. Jones said "no company can permit its production to be interfered with if it intends to stay in business." He added: Philco "is willing to try again, hoping that in the event of future disputes you & the union officials will follow the terms of the contract."

Zenith in local TV: Zenith has told distributors & dealers that it will pick up half the cost if they sponsor *Championship Bowling* on their local TV stations. This is first time Zenith has earmarked co-op funds for specific TV series. Firestone Tire is making similar arrangement with its distributors & dealers. *Championship Bowling* is produced by Walter Schwimmer, who produced *World Series of Golf* in color on NBC-TV Sept. 8 & 9, sponsored by Zenith & Amana.

Lawrence Gould appointed Microwave Assoc. exec. vp.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Lab for Electronics	1962—qtr. to July 27 1961 ¹	\$ 15,363,000	—	\$ 31,000	\$0.02	1,298,087
Meredith Publishing	1962—year to June 30 1961—year to June 30	69,300,000 ⁵ 60,200,000	— —	2,098,000 2,514,277 ⁶	1.58 1.90 ⁶	1,331,212 1,323,866
Paramount Pictures	1962—6 mo. to June 30 1961—6 mo. to June 30 1962—qtr. to June 30 1961—qtr. to June 30	— — — —	— — — —	1,701,000 4,420,000 ² 572,000 1,970,000 ³	1.01 2.62 ² .34 1.17 ³	1,681,681 1,684,481 1,681,681 1,684,481
Times-Mirror	1962—28 wks. to July 15 1961—28 wks. to July 15 1962—16 wks. to July 15 1961—16 wks. to July 15	74,881,704 63,288,670 44,369,255 37,571,163	— — — —	2,307,000 2,379,802 2,144,295 1,640,375	.54 .56 ⁴ .50 .39 ⁴	4,300,492 4,282,434 ⁴ 4,300,492 4,282,434 ⁴
United Artists	1962—6 mo. to June 30 1961—6 mo. to June 30	62,066,000 ⁵ 57,865,678	\$ 3,868,000 3,673,207	2,003,000 ⁶ 1,893,207	1.15 1.09	1,741,473 1,741,473

Notes: ¹ Comparison unavailable. ² Before investment profit of \$422,000 (25¢ a share). ³ Before investment profit of \$22,000 (1¢). ⁴ Adjusted

to reflect 2% stock dividend Jan. 1962. ⁵ Record. ⁶ Includes non-recurring credits of \$435,000 (33¢).

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Arvin Industries	Q	\$0.25	Sep. 28	Sep. 10
Clevite	Q	.35	Sep. 27	Sep. 14
Corning Glass	Q	.37½	Sep. 28	Sep. 17
Decca Records	Q	.30	Sep. 28	Sep. 17
Newark Electronics-A	Q	.06¼	Sep. 28	Sep. 15

Report & comments available: CBS, report, Steiner, Rouse & Co., 19 Rector St., N.Y. 6 • RCA, comment, Oppenheimer, Newbord & Neu, 120 Broadway, N.Y. 5 • Thompson Ramo Wooldridge, discussion, Abraham & Co., 120 Broadway, N.Y. 5 • "Electronics," pamphlet review, A. M. Kidder & Co., One Wall St., N.Y. 5 • AB-PT, pamphlet review, Sprayregen, Haft & Co., 26 Broadway, N.Y. 4 • RCA, discussion, H. Hentz & Co., 72 Wall St., N.Y. 5 • Raytheon, discussion, Amott, Baker & Co., 150 Broadway, N.Y. 38.

Mergers & acquisitions: Estey Electronics has acquired assets of General Magnetics & Electronics, Flushing, N.Y. manufacturer of tape recorders. General Magnetics, recently involved in a Chapter XI proceeding, will become an Estey division, sell its recorders under Germark label. Estey will pay up to \$180,000 for assets, comprising equipment, accounts receivable, inventories • Fairchild Camera & Instrument will acquire for cash The Davidson Co., division of Mergenthaler Linotype. Davidson makes precision offset presses. Acquisition is subject to approval of Mergenthaler stockholders.

Electronics Capital Corp. will distribute to stockholders some 245,000 of its 666,667 shares of Potter Instrument. Distribution will be made on about Oct. 22, to holders of record Sept. 28, on basis of one share of Potter for each 10 shares of ECC common held. ECC has 2,449,852 common shares outstanding.

New plants & expansions: Admiral has acquired cabinet maker Arvidson Cabinet Co., Rockford, Ill. Acquisition will double Admiral's cabinet production to 1,500 daily • Motorola will add 85,000 sq. ft. to its Chicagoland facilities in Franklin Park, Ill. this year "primarily for the warehousing of TV & stereo phonographs" • GE will open 4,000-sq.-ft. Servicenter in Richmond, Va. (4011 W. Broad St.) this fall to repair radios, portable phonos and electric housewares. It will be GE's 34th Servicenter. Six additional units are slated for 1962 opening • Motorola Communications & Electronics has established offices in Atlanta to coordinate operations in southeastern U.S.

FTC charges against Emerson subsidiary Jefferson-Travis were dismissed by hearing examiner. Jefferson, which manufactures TV cabinets exclusively for Emerson, was charged with granting discriminatory prices & advertising allowances to favored retail customers in 1960. Examiner noted that firm had discontinued that portion of its business, wasn't likely to resume it because of relationship to Emerson.

Tung-Sol will close its Washington, N.J. tube plant over next 18 months, transfer operations to Weatherly, Pa. facility which will be expanded by 25,000 sq. ft. Pres. Milton R. Schulte attributed closing of 10-year-old plant to declining tube market, increasing foreign competition, replacement of tubes by transistors.

New small business aid: 101-page *Federal Handbook for Small Business*, released jointly by Senate Small Business Committee, White House Small Business Committee & Small Business Administration. It's free, from Senate Committee or SBA, Washington 25.

National Electronics Conference Oct. 8-10 in Chicago will hear Oct. 10 luncheon address by Dr. Jerome Wiesner, special scientific advisor to President Kennedy.

Don G. Mitchell, former Sylvania pres. & chief exec. officer, elected a dir. of Indiana General.

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SEP 17 1962

WEEKLY **Television Digest**

SEPTEMBER 27, 1962

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NEW SERIES VOL. 2, No. 38

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The authoritative service for executives in all branches of the television arts & industries

WITH THIS ISSUE: Text of FCC Proposed Rule-Making on All-Channel Sets (Supplement)

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FCC SPELLS OUT ALL-CHANNEL PROPOSAL in suggested rules—follows industry recommendations straight down the line (p. 1).

CABLE PAY TV IN SOUTHWEST—BIG MONEY & big names corralled in Telemeter franchise for Southwest—CATV operator Midwest Video at focal point (p. 2).

NEW SCHOOL-TV allocation of non-broadcast frequencies eyed by manufacturers as significant equipment market. FCC's Parker tells EIA service may be ready by Jan. 1 (p. 2).

FIRST FM STEREO NETWORK BUY made by GE for TV, FM & stereo lines. Purchase is hour-long music show to be distributed via tape to QXR Network (p. 3).

LAWYER RIPS FCC PROCEDURES—Columbia U. Law Prof. William Jones finding comparative hearings a mess, mostly unnecessary (p. 5).

THE INDIANAPOLIS SPLIT. 4-3 vote for Crosley-WIBC deal, foreshadows hard road for similar future settlements (p. 6).

Consumer Electronics

STATE-OF-INDUSTRY, as outlined by EIA Pres. Horne: 1962 factory sales of \$12 billion; consumer products rising \$100 million from 1961. Inventories seen posing no problem (p. 7).

FM STEREO COMPLAINTS minor, Kassens tells manufacturers. Official hi-fi definition tentatively approved. EIA launches drive to recruit more consumer product makers (p. 7).

19-IN. AT \$129.95 in new Admiral promotion, as deluxe set is dropped in at \$139.95. Company introduces 11-set color line topped by \$1,500 combo (p. 8).

LITTON INDUSTRIES active in TV imports, claiming to be 2nd largest in field. Its Westrex subsidiary imports 2 models for discount chain and other exclusive outlets. Delmonico confident of winning more than 1% of U.S. TV market this year (p. 8).

JULY SALES STRONG. TV dealer purchasing rising 10% over July 1961, with radio up 22% for month (p. 10).

FCC SPELLS OUT ALL-CHANNEL PROPOSAL: FCC's implementation of all-channel-set law is running according to plan. Last week, new proposed rules were issued, and industry invited to comment on them by Oct. 22, reply comments by Nov. 1. (Since proposal has such broad application to both manufacturing & telecasting, and because it's first measure of its kind in FCC history, we're including full text herewith as Special Supplement to all subscribers—extra copies available at nominal charge.)

Commission incorporated industry's recommendations—uhf noise no greater than 18 db, sensitivity no greater than 8 db above that of vhf in the set. Also, as we indicated, FCC proposes that all sets manufactured after April 30, 1964, must meet new standards. A certification procedure, showing compliance, is spelled out (see Supplement). In addition, a carton-marking system is proposed—so that everyone will know if set is shippable in compliance with law.

Explaining its proposal, Commission listed considerations described earlier (Vol. 2:32 p2, et seq.), including: (1) No undue financial burden on industry. (2) Technical specifications as requested by manufacturers—well within state of art. (3) Time given for receiver improvement. (4) Time allowed for tuner makers to meet demand—10-15 times present uhf output.

Commission also said it hopes, "and has been encouraged by industry reports," that percentage of

all-channel sets will increase substantially—maybe up to 20% or more—even before new rules are effective. It noted that 8.35% of sets produced in first half of 1962 were all-channel, compared with 5.28% in same 1961 period. FCC last week dismissed the 8 famed deintermixture cases, saying it was putting faith in all-channel sets instead.

CABLE PAY TV IN SOUTHWEST—BIG MONEY, BIG NAMES: Including a Rockefeller (Winthrop)—no less—a dazzling array of names representing financial power and show-business knowhow has been assembled to push Paramount's (Telemeter) coinbox system of pay TV in southwestern U.S.

Sparking group is C. Hamilton Moses, ex-pres. of Ark. Power & Light Co., now pres. of big CATV operator Midwest Video Corp., which has been fighting through courts, opposed by theatermen, to put cabled toll-TV into Little Rock, Ark. Moses said group—named Home Theatres Inc. (HTI)—plans cable-only system, same as Telemeter's Toronto installation.

Breakdown of ownership in HTI wasn't supplied, but following were listed as stockholders—and note that spectrum shrewdly includes theater owners, publisher-broadcaster, big TV series producer, top-name actor, sports:

John W. Allyn, co-owner of Chicago White Sox; D. H. Byrd, Ling-Temco-Vought, Dallas; E. O. Cartwright, investments, Dallas; A. B. Cobb, Ark. "business executive & bank director"; Trammel Crow, building contractor, Dallas; A. E. Dahl, chmn., American National Bank, Rapid City, S.D.; Stanley & Richard Durwood, owners of movie chain with Kansas City hq; David Grundfest, chmn. of Sterling dept. stores (90 of them); Walter Hussman, owner of KTAL Texarkana and group of southwestern newspapers; Frank Newell, "insurance executive"; Leonard Phillips, oilman & pres. of Assoc. Chambers of Commerce of La.; TV's Dick Powell; movies' John Wayne; Lloyd B. Sands, Hunt Oil Co. (and son-in-law of massive-fortuned H. L. Hunt).

Speculation is that plans include home states & towns of many of foregoing—Dallas, Houston, Kansas City, Oklahoma City, etc.

Regardless of how much they've committed to HTI—even if it were token at this stage—mere fact that foregoing have joined together and announced participation is something to reckon with.

Pay-TV, a la Telemeter—or any other way—has yet to prove itself, of course, but telecasting industry is keeping sharper & sharper eye on the decades-old concept, just as it is on related CATV industry.

On-air test of Teleglobe system over KTVR Denver awaits FCC action, meanwhile. It's assumed that Commission will give it go-ahead within a few weeks, though questions have been raised, it's understood, as to whether financing is adequate.

Another big firm interested in pay TV is Brunswick Corp., Chicago-based bowling equipment mfr. Its vp R. W. Lutticken has been exploring field, says: "It's premature to call it 'an interest.' We're curious about something that might have a potential—like many other fields we're studying. However, it's our impression that whoever gets there firstest with the mostest will capture the market. We don't know yet what our interest might be—manufacturing, franchisee, or what."

MANUFACTURERS EYE NEW SCHOOL-TV PLAN: Dimensions of equipment market opened up by FCC's proposal to set aside special non-broadcast frequency band for classroom TV could be quite substantial—and manufacturers began taking look at this field at last week's EIA fall conference in N.Y.

Although no vote was taken on endorsement of Commission's plan, comments by manufacturers at special meeting were favorable, and there seems to be no opposition in sight from any quarter. FCC engineer McIvor L. Parker explained proposal, which would permit schoolcasting on special channels high above uhf band (Vol. 2:31 p5).

Two bands have been proposed for service—either 1990-2110 mc (shared with TV STL & intercity relay) or 2500-2690 mc. Former frequencies could accommodate 19 channels, latter 31, but lower band has advantage in that its propagation characteristics "should not be markedly different" from upper uhf band.

Parker estimated that special school TV transmitting installation would cost about 1/3 of standard broadcast station, that low power could cover an entire school district. Because of directionality of signals, co-channel separation could be as little as 10-12 miles.

Many schoolmen are quite excited about prospect of new service and educators at meeting said most school districts are talking in terms of 5-6 channels each. Parker said about 10-15,000 such school stations could be accommodated on nationwide basis. He estimated that any school district with budget of \$50,000 could afford the service. Fringe advantage of system: It could free regular broadcast channels from specialized schoolroom teaching use.

Recommendation was made at meeting that regular TV sets could be used with special high-band converter on master antenna distribution system. Equipment opportunities listed by Parker: Master antenna distribution equipment, studio gear, transmitters, receivers, converters.

Parker said system rules could be in effect by next Jan. 1. Adler Electronics Pres. Ben Adler, whose company tested system for FCC, said he favored lower of the 2 bands despite smaller number of channels available there, because equipment could be developed more quickly for those frequencies. He urged fellow equipment makers to act fast to develop equipment for big new school TV market.

• • • •

Educators are worried to death, meanwhile, by developments in House Appropriations Committee. HEW Dept. had asked for \$4.75 million to start the \$32 million aid-to-ETV program passed by Congress—but there appears to be campaign against giving HEW the money. Rep. Bow (D-Ohio), particularly, has seized on 2,000-mc ETV concept, telling colleagues to wait for it because it's much cheaper than regular ETV stations. Raymond Moley, in Sept. 17 *Newsweek*, took tack that use of 2,000-mc system will keep govt. from dictating to schools. "If Federally subsidized ETV gets established," he said, "the public schools of this country will be teaching largely what the U.S. Office of Education provides from them." HEW has rushed a report to Committee, in effort to show that the 2 systems are totally different, both valuable.

GE BUYS "FIRST NETWORK STEREO SHOW": Big step forward for FM stereo has been taken by QXR Network and GE with signing of national-level program purchase by GE in new medium. The buy: a weekly 55-min. pre-taped stereo radio show starring Victor Borge scheduled on 40-station QXR lineup, beginning Oct. 3.

QXR Pres. James Sondheim hailed deal last week at news conference in N.Y. as "breakthrough in stereo and network broadcasting." It is all of that. However, show won't be "network" in traditional AT&T-lines sense, nor will it be fed to QXR affiliates by air relay.

Distribution of show will be by tape, with WQXR N.Y. acting as production base. Majority of outlets will carry it Wed. 9-10 p.m. Initially, about half of FM "network" will carry series in stereo, others mono. GE hopes for all-stereo station lineup within 6 months, however.

GE plans to sell TV & stereo sets in commercials: monochrome, color, stereo FM combinations, home music systems, educational kits. Purchase, for initial run of 6 months (with options to renew), was made at national level through GE agency Young & Rubicam. GE dealers will create tie-in with store promotions and local commercials.

Program's format is variation of disk jockey formula, with Borge providing dryly humorous prefaces and anecdotes about music selections taken from available stereo records and tapes. Borge will tape commentary on his Vibo farm (where he has profitable sideline raising Rock Cornish hens), with editing & mastering handled in N.Y. by WQXR.

CURRENT CAPSULES

Two radio stations received sharp warnings from FCC last week. In letter to WLE (formerly WSHE) Raleigh, N.C., Commission said it would allow Feb. 6 transfer from Raleigh Bcstg. Corp. to Raleigh-Durham Bcstg. Inc. to stand, despite nature of programming on first day under new owner. Station was charged by FCC with irresponsibility for carrying on promotional stunt in which one record was played repeatedly, interrupted by "discordant sounds," jokes and comments—one off-color. WLE also was cited for using incorrect call letters. Commission said it would overlook carrying-on since they were confined to first day's operation, and

station has promised they wouldn't be repeated. Comr. Bartley dissented, voted for hearing. In other action, Commission granted one-year renewal to WCGA Calhoun, Ga., charged with operation below authorized power since 1956, failure to comply with FCC warnings, and failure to file annual financial report within required time. Commission told station it would be under scrutiny until Sept. 1, 1963, to give station "opportunity to demonstrate your compliance with the Commission's rules and regulations."

Broadcasters will have breathing spell, at least until new Congress convenes early next year, from multitude of committees probing every facet of industry from ratings to "sex-&violence." Staffers of Sen. Dodd's (D-Conn.) Juvenile Delinquency Subcommittee (Vol. 2:21 pl et seq.) claim no knowledge of plans for further hearings, but they report they're watching season's new crop of shows closely—and don't see much improvement. They also report continued progress on drafting of legislation affecting networks and/or programming—presumably to be introduced at next session.

Also good bet for early next year are hearings on ratings. Rep. Harris's (D-Ark.) Regulatory Agencies Subcommittee has been collecting facts & figures on polltakers for past year. It's too late for hearings this session, but Harris is likely to launch one early in 1963.

CBS and its Columbia Record Club denied restraint-of-trade charges all down the line in response to FTC June 25 complaint (Vol. 2:28 p4). FTC had charged them with entering exclusive arrangements with competing record manufacturers, foreclosing access by mail-order competitors to more than 1,000 LP records by 450 artists. CBS said contracts cited by FTC not only were isolated cases but had been rendered ineffective long before complaint was filed and that competitive clubs have sold records of competitive record companies. In addition, CBS denied that retailers are forced to pay more for records than Club members, and asserted FTC is wrong in claim "that the purported usual retail prices listed in advertising for records offered to club members are higher than the actual customary selling prices, and consequently purchasers do not realize claimed savings." Meanwhile, CBS & Club were among those cited in \$900,000 restraint-of-trade suit filed in federal court by Record Club Inc., Hollywood. Other defendants: Liberty, United Artists, Warner Bros., Mercury, Kapp, Verve.

Doors closed to TV-radio in House of Representatives and courts are "unreasonable anachronisms," CBS Chmn. William Paley told CBS radio affiliates convention in N.Y. "All of us," he said, "in broadcasting and outside of it—ought to fight this stubborn and pointless discrimination in every way we can until it goes the way of every other survival of the dark ages."

Relaxation of multiple-ownership rules, proposed by FCC in Dec. 1960 (Vol. 16:50 p9), was finally rejected by Commission. In companies with 50 or fewer stockholders, FCC had proposed not to count, in figuring maximum holdings, stockholders owning 5% or less—if they don't exercise any control over station. So, present rules remain. Said FCC: "It is particularly in these small corporate situations that opportunity is presented for stockholder influence, often without relation to size of stockholding." Comr. Cross dissented.

Superpower uhf antenna capable of radiating 5 megawatts has been shipped by RCA to WSBT-TV South Bend (Ch. 22). The 144-ft. slotted-cylinder antenna has gain of 46 with rated input power of 110 kw. RCA best. & communications products div. gen. mgr. C. H. Colledge said delivery schedules for rest of year indicate a fivefold sales increase for uhf transmitters and threefold gain in uhf antennas over 1961.

St. Louis Ch. 11 "ex parte" case has been dismissed by FCC, as anticipated (Vol. 2:37 p4). Commission said its investigations uncovered no skulduggery.

"Monopoly Problems in the Communications Industries" is subject of Sept. 18 luncheon speech by Rep. Celler (D-N.Y.), Judiciary Committee chmn., during Sept. 17-19 convention of National Mobile System in Statler Hotel, Washington. Luncheon honors FCC commissioners. Comr. Lee speaks at Sept. 19 banquet, subject not yet indicated.

New Starkville, Miss. CATV system is being constructed for Starkville TV Cable Co. by Davco Electronics, Batesville, Ark., using Entron equipment. Davco also has 4 other systems abuilding, in Corinth, Miss., Poteau, Okla., 2 on La. military bases. Jim Davidson is Davco pres. In Logansport, Ind., Jerrold Electronics has obtained franchise, will build own system.

Secret Communist propaganda radio stations have tripled broadcasts to free world in last 5 years, reaching 3,680 hours weekly June 30, 1962, USIA reports, in "Developments in Communist Bloc International Broadcasting in the First Half of 1962."

"A Red-Hot Hundred," Sept. 14 *Life Magazine* feature on outstanding young people, includes FCC Chmn. Minow. Article says group is typical of "the take-over generation."

LAWYER RIPS FCC PROCEDURES: "Provocative," to say the least, is latest analysis of FCC processes. Now circulating among Commission & industry attorneys is 230-page report—"Licensing of Major Broadcast Facilities by the FCC"—prepared for President's Administrative Conference, a high-level govt.-industry body designed to improve govt. processes. It gets into programming, "minority tastes," citizens advisory committees, overcommercialization, etc.

Report is work of Columbia U. law Prof. William K. Jones. It's his alone, may never get anywhere—but it will stir up disputes. It goes to Committee on Licenses & Authorizations, then to Conference, then to President—who can refer it to FCC, ask Congress for legislation based on it, or junk it.

FCC lawyers say report is "superb" analysis of its procedures—but most find most of his recommendations unsound. Basically, Jones believes comparative-hearing situation is a mess—most hearings totally unnecessary, particularly those involving technical matters. His recommendations:

(1) Amend Communications Act to: (a) eliminate evidentiary hearing where there's no "substantial & material question of fact," (b) "make clear that the ultimate question of whether the public interest requires a particular decision, or the preference of one proposal over another, does not in itself present a 'substantial and material question of fact,'" (c) allow FCC, in choosing among competitors, to have comparative hearing—or award license on first-come basis, or set up system of priorities favoring one class of applicant over another, or auction off licenses to highest bidder, or combination of foregoing.

(2) Give FCC enough money to: (a) provide it with new quarters, (b) increase staff, (c) raise salaries, (d) get more economic & statistical analysis.

(3) FCC should change procedures to: (a) give examiners more power in deciding interlocutory issues in hearings, (b) limit use of comparative hearings, (c) "encourage the formation of Citizen Advisory Committees . . . to represent minority tastes . . . and to assist the Commission in assuring that broadcast facilities meet the minority needs of their respective communities." Such Committees would consult with broadcasters and participate in renewal proceedings, (d) make broadcasters avoid "excessive commercialization, preferably by a general rule prescribing quantitative limitations, (e) "avoid the formulation of any programming criteria—including instructions to its own staff—which are not fully publicized and subjected to some form of public scrutiny or debate."

"Provocative" indeed—and not likely to find much support, even at FCC. But Jones' summary of FCC procedures is considered first rate, and top Commission attorneys say it can serve as a "primer in depth" for newcomers.

Composite week for program log analyses, for TV-AM-FM licenses expiring in 1963 and for applications seeking major changes in facilities, comprises following dates established by FCC: June 10, 1962; Feb. 19, 1962; Feb. 20, 1962; March 7, 1962; Nov. 16, 1961; May 11, 1962; Sept. 30, 1961.

Exceptional broadcast symposium scheduled for Sept. 27-29 at Willard Hotel, Washington, by IRE's Professional Group on Broadcasting, includes papers on following: effects of antenna VSWR on FM stereo, by P. K. Onnigian, Jampro; vhf & uhf translators, Dr. B. W. St. Clair, Electronics, Missiles & Communications; airborne uhf propagation, R. S. Kirby & A. P. Barsis, Bureau of Standards; vhf & uhf measurements behind trees, A. H. LaGrone, et al., U. of Tex.; Telstar, C. C. Chapman, Bell Labs; modern radio station, Harry Dennis, WERE Cleveland; WBAL-TV Baltimore's new center, J. T. Wilner, Hearst Corp.; WCBS & WNBC joint plant, Ogden Prestholdt, CBS; TV station break automation, Saul Meyer & Arthur Freilich, Chrono-Log Corp.; pulsed projector light source, A. W. Malang, ABC; color camera developments, H. N. Kozanowski & S. L. Bendell, RCA; TV tape improvement possibilities, Charles Anderson, Ampex; "Iowa" color system, R. M. Morris, ABC, & W. L. Hughes, Okla. State U.; SECAM color system, author not indicated; closed-circuit techniques, I. S. Rosner, Rosner TV Systems Inc.; transistorized audio ABC amplifier, N. J. Hudak, GE; time domain correction of TV signal degradation, J. R. Popkin-Clurman, L. I. Chromatel Inc.; IO camera operational improvements, J. F. Wiggins, et al., GE.

Crack in AFTRA pressure on educational WNDT N.Y. was hinted last week. Station planned to go on air with 3-hour inaugural telecast Sept. 16 featuring FCC Chmn. Minow, USIA Dir. Edward R. Murrow, Educational Bestg. Corp. Pres. Dr. Samuel Gould, despite boycott by talent union. During last week's negotiations between station & union officials, AFTRA national counsel Mortimer Becker denied his group is demanding that all teachers appearing on station join union. Teachers assigned to WNDT by Board of Education aren't involved, he said. Basic issue is re-use of taped programs and appearances by teachers and specialists on programs not given by Board; these, he said, have always been represented by AFTRA. Rates for these performers will be cut sharply, Becker stated, but they should be covered by union. Meanwhile, Sept. 10 N.Y. Times warned in editorial that "irresponsible & foolhardy" prolonged pressure on outlet by AFTRA could destroy WNDT.

Attack on illiteracy has been launched by KMOX-TV St. Louis, beginning Sept. 17 with daily half-hour program to teach reading, writing & spelling. Series will be carried on PS 4, 6:30-7 a.m. Mon.-Sat., repeated on educational KETC, 7:30-8 p.m. Mon.-Fri. KMOX-TV public affairs dir. Parker Wheatley claimed no other U.S. TV station is making such effort to provide this type of "grass roots" education. He said there are estimated 67,000 "functional illiterates" in metropolitan area.

Police yourselves or else, NAB Code Authority Dir. Robert D. Swezey warned again last week. Urging support of Codes, he told Mich. Assn. of Bestrs. annual convention that tighter govt. controls on broadcasting threaten only if "the industry demonstrates that without government intervention, it is incapable of enforcing its own standards."

Nationwide TV coverage could be supplied by 27 airborne uhf transmitters, such as type being considered for ETV, Bureau of Standards' M. T. Decker reports in study: *Airborne TV Coverage in the Presence of Co-Channel Interference*. Available for \$2, Report PB 161 635, 83 pp., from OTS, U.S. Commerce Dept., Washington 25.

Personals

George B. Storer, chmn., Storer Bcstg., receives Pulse 1962 "Man of the Year" award, given for making "notable contribution to advancement of broadcast industry," at Pulse 21st anniversary luncheon in N.Y. Oct. 17.

George A. Graham Jr. promoted to NBC Enterprises Div. vp, NBC Films chmn. & NBC International chmn., succeeding Alfred R. Stern, resigning Oct. 1. . . Ben Brady, ABC-TV Western Div. executive in charge of programming, elected a vp. . . Mark S. Ellentuck promoted to ABC-TV spot sales business mgr.

E. K. Hartenbower, KCMO Kansas City, named CBS Radio Affiliates Assn. chmn. . . Ben Wickham, ex-Showcorporation national sales dir. and former WJW-TV Cleveland gen. mgr., appointed TIO station services mgr. . . E. Robert Mashick, ex-KTLA Los Angeles, named KPIX San Francisco advertising & sales promotion mgr.

Arthur F. Kane promoted to CBS News live & videotape production mgr., succeeded as production supervisor by Gerald Slater; Robert Camfiord becomes a news staff dir., Gerald L. Lawson succeeds Camfiord as film control officer; Frank FitzPatrick advances to CBS News Washington administration mgr., succeeded as film traffic supervisor by William Covell; Clyde Bennett becomes asst. film traffic supervisor.

John L. McClay, former asst. to pres. of Westinghouse Bcstg. Co., named to new post of mgr. of Gannett Co. bcstg. div., headquartering in Rochester, N.Y.

Leonard E. Hammer, ex-NTA Eastern Div. sales mgr., appointed Seven Arts Station Representatives Sales dir., succeeding late Kirk Torney . . . Robert A. Behrens promoted to Official Films sales vp, a new post.

Alan Silverbach, 20th Century-Fox TV international sales dir., also becomes domestic syndication sales dir., succeeding Howard Anderson, who resigns to take post in Mormon Church; William L. Clark promoted to Eastern Div. mgr., N.Y., new Western Div. mgr. will be named soon.

Karl W. Friedline, ex-WFBG-TV Altoona asst. program mgr., appointed WNBC-TV-AM-FM Binghamton program dir. . . Kenneth S. Armstrong Jr., WJW-TV Cleveland news dir., promoted to news & public affairs dir., taking on duties of Robert E. Huber, recently promoted to program mgr. . . Frank M. Headley, H-R TV pres., elected to TvB board, succeeding Lewis H. Avery, Avery-Knodel pres., resigned.

Roy E. Morgan, radio WILK Wilkes-Barre, Pa., exec. vp & gen. mgr., appointed to Assn. for Professional Bcstg. Education board by NAB Pres. Collins; he succeeds William Holm, former radio WLPO La Salle, Ill. gen. mgr., who has left broadcasting.

William N. Hawkins, radio CFOS Owen Sound, Canada gen. mgr., becomes temporary gen. mgr., Bureau of Broadcast Measurement, Toronto. . . Howard W. Moffat promoted to gen. mgr., H & B American's Community Antenna Co., Reno, replacing Jack Sutherland, who continues with firm as consultant.

Charles Clift, ex-Reporter staff writer, and asst. to former FCC Comrs. Clifford Durr & Wayne Coy in mid-40's, rejoins Commission as research & education div. specialist. . . Donald D. Davis, KMBC-TV Kansas City vp, retires, will enter real estate business in Tucson.

THE INDIANAPOLIS SPLIT: Crosley-WIBC deal—latter dropping claims for Ch. 13 Indianapolis and buying Crosley's WLWA Atlanta (Vol. 2:37 p4)—was approved rapidly by FCC last week in tight 4-3 decision.

Dissenter Minow asked, after Commission awarded WIBC Ch. 13: "How can it be consistent with the public interest to permit the parties to treat our public interest judgment as a bargaining counter, nullifying it through private arrangements for private purposes?" He said he thinks WIBC got more than its hearing expenses out of Crosley, buying WLWA below fair price, something forbidden by law. He went on:

"Our process for the resolution of comparative license contests has not, to put the matter bluntly, always won public confidence. The contempt which these parties have displayed for it is paralleled by a widespread public concern for its fairness. There are many who think that our task in comparative cases is an impossible one; there are others who believe that we have mishandled the criteria underlying comparative choice. There is a need for basic re-thinking of the entire procedure. Whatever the ultimate outcome, however, one thing is certain. No lists of criteria, no set of procedures which this agency employs—now or in the future—can win respect unless we ourselves respect them."

Dissenter Bartley also thought WIBC got too much for pulling out, and: "The agreement portrays 2 applicants who would deal away here, by private bargaining, the public interest considerations to which we have devoted careful study."

Dissenter Ford said: "The result . . . does violence to our processes, undermining the integrity of our comparative hearing process." He said he voted for WIBC because of its local ownership but "the willingness of WIBC to abandon its plans for Indianapolis in order to take over a station many miles away tends to rebut the presumption and seriously prejudices the applicant's position." He said he'd prefer looking at case again, implying he might favor Crosley.

Hyde spoke up for majority, said both applicants were qualified, in fact: "Each of the applicants has at some stage of the proceeding been the recipient of a favorable decision. Finally, a proposal to resolve the conflict was submitted which the Commission finds consistent with law and in the public interest. The public interest is also served by bringing this protracted proceeding to a conclusion. Eight years of hearings and litigation are enough."

In light of foregoing views, and with new commissioner E. William Henry due on scene soon, prospects for more such settlements seem very slim.

Copies of color report delivered at International TV Conference in London last summer—"Recent Developments & Current Status of Color TV in the U.S."—by pioneering color expert George H. Brown, RCA research & engineering vp, available from RCA Laboratories, Princeton, N.J.

Institute for Advancement of Medical Communication, parent organization of Council on Medical TV, has moved hq to 9650 Wisconsin Ave., Bethesda 14, Md. Institute will also continue offices at old hq, 30 E. 68th St., N.Y. 21, and 1028 Conn. Ave., N.W., Washington 6.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

STATE OF THE INDUSTRY—GOOD: Electronics will be \$13.1-billion industry this year, compared with factory sales of \$12 billion in 1961. That was prediction of EIA Pres. Charles F. Horne (pres. of General Dynamics/Electronics & General Dynamics/Pomona) last week at organization's fall conference.

"Continuing pressure of competition, both foreign & domestic," he added, "may keep profits from rising at a comparable rate." He foresaw 1962 factory sales of consumer goods at \$2.2 billion (up from \$2.1 billion in 1961), industrial equipment \$2.4 billion (up from \$2.2 billion), military & space products \$7.7 billion (up from \$6.9 billion), replacement components (including tubes) \$800 million (unchanged). Electronics industry has more than 5,000 plants, employs more than 850,000, including 150,000 engineers.

This year's dollar increase in consumer products was attributed to expansion in color, FM stereo & uhf set production. Current factory & distributor inventory levels are 20% greater than last year, said Horne, but "there is no evidence that this build-up will slow down fall production." To emphasize this point, EIA marketing services dept. dir. William Long pointed out that inventories in May were 30% above 1961 levels. "The sales-inventory ratio is satisfactory & manageable," he said.

Horne made these predictions of consumer electronics unit factory sales for 1962: TV, 6.8 million (up from 6.2 million last year); radio (excluding auto), 12.9 million (up from 11.6 million); phono, 4.3 million (up from 4 million). Long predicted that distributor-to-dealer sales would be "in line" with these factory figures, probably "less than 150,000 units away from them."

Two developments "which may have profound effect" on electronics industry within next few years were cited by Horne—President Kennedy's foreign trade expansion bill and all-channel set law. As to their actual consequences, "only time will tell."

EIA president's optimistic predictions for consumer products were underscored in corridor talk at conference. On top of good August sales, September has started off ahead of last year for most TV-radio-phono manufacturers. Official July statistics, released last week by EIA, show distributor TV sales up 10%, radio up 22% from July 1961 (see p. 10).

FM STEREO COMPLAINTS MINOR, EIA TOLD: FM stereo's current problems are merely state-of-the-art difficulties of the kind which can be expected in any new service. So said Harold Kassens, chief of FCC's aural existing facilities branch, in discussion with TV & phono makers at EIA conference last week in N.Y.

Commission has received relatively few complaints about FM stereo problems, Kassens told joint session of radio & phono sections. "I don't feel it's a serious problem," he said. Difficulties can arise from any of several sources, he pointed out: (1) Transmission from station. (2) Receiver manufacture. (3) Failure of dealer to familiarize customer with operation of set. (4) Station's selection of recorded stereo material. (5) Lack of receiving antennas where they're needed.

Kassens said he felt most of the 150-plus stereocasting FM stations are sticking to FCC's transmission standards, and that other complaints are gradually being cleared up. He predicted that about 250 FM stations—or 25% of total—would be on stereo by year's end, that stereo eventually would replace mono on FM.

Kassens had been invited to confer with receiver manufacturers, because—in words of EIA consumer products staff dir. L. M. Sandwick—"the important thing is to take counsel now and not drift apart; all aspects of the industry must grow together—broadcasting, receiving and recording." Other conference highlights:

Long-sought definition of high fidelity, with associated standards of measurement, was tentatively approved by Consumer Products Div. exec. committee under Olympic Pres. Morris Sobin. More than 1,000 firms & individuals have been contacted to help prepare definition, which had been requested by FTC. Tentative definition now will be circulated to top management of hi-fi firms, with final approval scheduled at next EIA quarterly meeting Nov. 20 in San Francisco. (FTC Chmn. Everette MacIntyre addressed closed session of EIA legal committee.)

Two-pronged drive to recruit more consumer product manufacturers into EIA was approved by exec. committee. Noting success of new "section" activity (last week's meeting of radio & phono sections drew 42 attendees from 30 companies), committee voted to form "new products section," which would include manufacturers of such home entertainment products as electronic organs, tape recorders & hi-fi components. Committee also voted all-out drive to enlist TV manufacturers not now EIA members. These include Admiral & Zenith, as well as several smaller manufacturers.

In somewhat related move, EIA board members expressed concern about wide variety of EIA's services now available to non-members. One of particular sore spots is EIA's marketing data service, and there was discussion of possibility of eliminating "free riders" by refusing to supply data to non-members. (Some non-members now receive detailed statistics in exchange for supplying their own figures on production, sales, etc. to EIA's statistical pool.)

Electronic Imports Committee, under Chmn. Robert C. Sprague, was continued. Among its new functions will be presentation of industry viewpoint to govt. in connection with negotiation of new tariffs under President Kennedy's foreign trade program. Board approved plan to hold foreign trade symposium at spring conference in Washington next March, to discuss significance of foreign trade bill and rise of importance of European Common Market with Britain as member.

ADMIRAL 19-IN. PORTABLE AT \$129.95: TV prices are staying down, at least for time being, despite talk that tubes & parts may go up soon (Vol. 2:37 p6). In announcing fall drop-ins at week's end, Admiral cut list price of its former \$139.95 portable to promotional \$129.95 "for a limited period." Set is similar to 19-in. portable carried in early 1962 line at \$169.95.

Admiral dropped in new more-deluxe 19-in. set at \$139.95, with square-cornered styling, tilted channel indicator, DC restoration, monopole & handle. "Special list prices" were set on remote control portable—\$179.95 (single-button) & \$199.95 (2-button). Also dropped in were open-list 23-in. wood-cabinet lowboy & combo with FM stereo.

Color line was expanded with 11 new models, all in wood cabinets, topped by \$1,500 combo and starting with consolette at \$595. Line includes 2 open-list consoles and concentration of 4 models in \$695-\$750 range. Metal-cabinet consolette (formerly \$595) is continued in line with open list.

Admiral also dropped in 3 portable phonos, including first "tilt-out" mono unit (\$59.95) & stereos at \$59.95 & \$79.95. New 6-transistor radio is \$14.95.

LITTON ACTIVE IN TV IMPORTS: Quietly and without fanfare, big Litton Industries has been building up TV-radio-stereo import business, which includes—among other things—merchandising of \$88 TV sets in chain discount stores.

Litton's consumer product activities are handled by Westrex Co. Alpine, subsidiary of Litton Systems Inc., established 2½ years ago in N.Y. city area (Vol. 17:11 p18). Westrex Alpine, whose first consumer product was German-made portable music system which played grooved tape (Vol. 17:13 p21), is now actively importing TV from Japan, stereo phonos & radios from Germany.

Westrex Alpine uses unique merchandising system, which vp Harry Rich says has made company 2nd largest U.S. TV importer (after Delmonico). Westrex's TVs—sold under "Westar" trade name—are made by Nippon Electric Co. (NEC), with which Litton does large amount of non-consumer electronics business under \$60-million contract.

Westrex is currently offering 2 TV models—8-in. at about \$99 and 16-in. set weighing 28 lb. at around \$119. Big Boston-headquartered F. F.-J. M. Fields Inc. discount chain (owned by Food Fair), with outlets

all over eastern seaboard, is now handling Westar 8-in. set at \$88. Westrex's audio line consists of 3 stereo consoles and table radio made by Germany's Tefi Werke, subsidiary of Mercedes Benz.

What is different about Westrex's mode of operation is that it serves as sort of import agency for exclusive dealers—one to a community. Westrex takes orders for items in its short line, which are shipped directly from pier to dealer upon arrival in U.S. Westrex has no warehousing facilities for its consumer products and is in perpetual back-order position, according to Rich. Westrex Alpine doesn't advertise, has small staff. Said Rich: "We bring in these products so that we can save our customers money." Parent Litton Industries has facilities in 38 countries. It purchased Westrex Corp. in 1958 from Western Electric (Vol. 14:21 p18).

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More than 53,000 TV sets were brought into U.S. during 1962's first 8 months—and No. 1 importer by huge margin still is Delmonico International div. of Thompson-Starrett Co. With new competition in TV import field, how does business look to Delmonico?

"We will have well over 1% of the American TV market this year," we were told last week by Delmonico exec. vp Herbert Kabat. "We brought in about 31,000 sets the first half of this year, and we generally do about two-thirds of our business the 2nd half. Our gross this year will be about \$16 million; our best year before we had TV was \$7 million, and that included about \$3 million on transistor radios, in which we no longer specialize."

Delmonico's next TV product will be 16-in. lightweight set, weighing 24 lb. or less and using U.S.-made picture tube with Pittsburgh-type bonded implosion glass. Like Delmonico's 8-in. & 19-in. set, it will be offered in promotional stripped-down "can-be-promoted-as-low-as-\$99.95" version, and in more deluxe form at list of around \$129.95. Kabat feels ease of transporting is real advantage of 16-in. set.

Although Delmonico is importing a few color sets now, Kabat doesn't feel real market will open until 90-degree tube is available to reduce cabinet bulk. Japanese-made stereo console line continues to sell well, says Kabat—best-seller being stereo-phono-AM-FM-tape-recorder unit listing at \$299.95.

Among other major companies now importing TV are Olympic (19-in. wood cabinet table models), Matsushita (14-in. bookshelf set) and Sony (8-in. transistorized battery portable). Toshiba, Hitachi & Hayakawa sets, promised by Transistor World, Sampson & Sharp, respectively, haven't started arriving in quantity yet. Among other Japanese-made sets now on market are Star-Lite & Monarch, both 8-in. Nevertheless, more than 60% of all TVs imported in 1962 have gone to Delmonico.

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World's smallest 7-transistor radio is being imported by Standard Radio Corp., N.Y., U.S. agent for Standard Radio Corp. of Tokyo. "Micronic Ruby" is 1 $\frac{1}{4}$ x 1 $\frac{1}{8}$ x $\frac{3}{4}$ in., weighs less than 3 oz. with battery. It lists at \$39.95, will be handled exclusively by Liberty Music Shops, N.Y. until Oct. 15, when it goes into national one-step distribution to selected stores.

Its first product to be exported to U.S. by Standard, which will follow it with 3-band AM-FM-SW 10-transistor portable (at about \$100), miniature 2-way radio, 3-watt hi-fi battery radio and other specialty items. Micronic Ruby radio is of modular construction, has output-transformerless speaker.

Philco will close its radio manufacturing plant at Sandusky, O. and transfer production to Philadelphia by early next year. Philco said employment there has slumped to about 300 from a post-war high of 2,000, and there is "no economic justification" for maintaining separate radio plant. Sandusky facility will be sold.

GE has developed new technique for making synthetic diamonds. New process, a "direct transition" of graphite to diamond, achieves pressures & temperatures so high that previously required metal catalyst no longer is needed, GE said.

Admiral opens heavy fall newspaper ad campaign Sept. 24 to promote color TV in 166 markets. Opening 1,600-line ad will be followed by series of ten 800-line dealer signature ads throughout fall season.

Symphonic's shipments for first 8 months of 1962 are 34% ahead of last year, Pres. Max Zimmer announced last week. "Our back-order position is stronger than ever," he added.

Electro-Science Investors has obtained approval of Small Business Administration to relinquish its license as a small business investment company (Vol. 2:35 p12).

TV-RADIO PRODUCTION: EIA statistics for week ended Sept. 7 (36th week of 1962):

	Sept. 1-7	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	121,666	146,940	118,788	4,397,276	3,959,997
Total radio	342,316	389,153	345,848	12,516,108	10,727,741
auto radio	119,938	131,631	111,078	4,663,252	3,425,583

SALES STRONG IN JULY: There were no midsummer doldrums in dealer buying of TVs & radios, official EIA figures showed last week. July sales were hearty—with distributor TV sales to dealers up 10% over July 1961 and radio sales up a thumping 22%.

Radio sales figure is interesting, may possibly indicate changing seasonal pattern. July was year's 2nd best month to date in distributor radio sales—whereas traditional history shows July to be 2nd poorest month in "normal" year.

For first 7 months of 1962, distributor sales of TVs were about 9% ahead of 1961, radios nearly 12% ahead. July distributor sales reflected buying of newly introduced models and therefore can't be considered "normal" month. August figures should have more significant story to tell.

Seven-month production figures show radio output (including auto) passed 10-million figure in July. Interestingly, TV production was below comparable 1961 month for first time in July. FM & auto radio output continued well ahead of last year; uhf TV also was up from July 1961. EIA's distributor sales & production figures, with 1961 comparisons:

TV-RADIO DISTRIBUTOR SALES

Month	TV		Radio (excl. auto)	
	1962	1961	1962	1961
January	465,836	403,570	562,869	471,518
February	521,275	428,705	697,893	640,379
March	580,876	500,597	917,236	853,197
April	364,742	347,800	809,499	672,756
May	310,799	349,098	772,479	735,692
June	480,510	461,974	1,040,598	997,321
July	449,528	409,561	921,089	754,950
TOTAL	3,173,566	2,901,305	5,721,663	5,125,813

TELEVISION PRODUCTION

Month	Total		UHF	
	1962	1961	1962	1961
January	488,869	367,935	39,609	25,270
February	541,494	444,418	46,715	24,514
March	659,251	497,458	48,323	21,450
April	510,587	405,808	51,107	19,095
May	474,647	470,399	39,609	22,782
June	620,653	615,118	50,283	34,641
July	336,409	383,378	28,359	23,233
TOTAL	3,631,910	3,184,514	303,805	171,065

RADIO PRODUCTION

Month	Total		Auto Radio		FM	
	1962	1961	1962	1961	1962	1961
January	1,350,630	1,090,073	530,589	387,136	76,510	50,421
February	1,464,797	1,115,029	480,232	307,973	84,216	41,357
March	1,810,417	1,384,052	607,510	384,227	81,010	75,044
April	1,472,654	1,124,924	519,296	375,570	63,193	51,260
May	1,444,074	1,196,949	504,846	408,875	62,292	49,705
June	1,721,873	1,626,263	629,004	518,010	92,287	88,808
July	1,134,250	1,030,399	403,946	320,128	68,037	48,114
TOTAL	10,398,695	8,567,689	3,675,423	2,701,919	527,545	404,709

New plants & expansions: Sylvania will build 100,000-sq.-ft., multi-million-dollar receiving tube plant at Brookville, Pa. to replace 3 existing facilities there totaling 60,000 sq. ft. Site preparation has begun on 20-acre tract and plant is expected to commence operations late next year. Senior vp Merle W. Kremer said plant "will help us meet increasing foreign & domestic competition," forecast that "over the next 5 years receiving tube sales will be at the very high rate of 350 to 375 million units annually."

• Rauland, Zenith's tube-making subsidiary, has purchased 100,435-sq.-ft. building on 8-acre site in Niles, Ill., contiguous to 18.1-acre tract purchased by Rauland earlier this year (Vol. 2:17 p9). Zenith Pres. Joseph S. Wright said acquisition will become Rauland's general hq & concentrate on production of specialized tubes & electronic products. Move will release "a substantial area" in Rauland's Chicago plant for production of color & b&w TV tubes.

Mergers & acquisitions: TelePrompTer will acquire Conley Electronics, Evanston, Ill., maker of magnetic tape cartridges & related products, for about \$1 million if TelePrompTer stockholders approve at special Oct. 9 meeting. TelePrompTer also seeks to borrow \$2.4 million from Continental Illinois Bank & Trust, Chicago, will ask stockholders to approve mortgages on some CATV systems to secure loan. • Loral Electronics will acquire Astrex, maker of tube testing equipment & international distributor of electronic tubes, components & devices, in an \$8.2-million transaction subject to approval of stockholders of both firms. Proposed amalgamation calls for Loral to exchange one common share for each 1½ of Astrex's 769,000 outstanding common shares. Astrex has plants in Wis., Pa. & Fla., expects to report earnings of about \$420,000 on sales of more than \$12 million in 1962 fiscal year ended June 30 • Lear Siegler has purchased for undisclosed cash sum Trion Instruments, Ann Arbor, Mich., maker of lasers.

Japan is "disturbed" about U.S. protectionist trends, particularly "Buy American" policy, Japanese Foreign Minister Masayoshi Ohira stated last week. He told Tokyo meeting of America-Japan Society that particularly worrisome are restrictive moves by "certain American interest groups and trade unions" and policies which give "excessive preference" to U.S. interests. He said he "is told" there still exists in U.S. a "deep-seated prejudice" against Japanese-manufactured products.

Hitachi completed first sale of convertible securities by a Japanese company in U.S. last week by placing with group of institutional investors \$16.5 million of 6½% convertible debentures due 1977. Dillon, Read & Co. negotiated placement.

Reports & comments available: GE, report, McDonnell & Co., 120 Broadway, N.Y. 5 • International Resistance, memo, J. W. Sparks & Co., 120 Broadway, N.Y. 5.

Trade Personals

Gibson B. Kennedy resigns as merchandising mgr. of Philco consumer products div.; he's succeeded by Raymond B. George, most recently sales mgr. of Philco's Firestone Corp. account. Kennedy announced no future plans. H. S. Riband succeeds George as Firestone sales mgr.

Jack L. Hunter named sales mgr., GE radio receiver dept.; he formerly was TV-radio div. distribution planning mgr.

Jack V. Berquist, ex-Magnavox, appointed Sylvania Home Electronics sales training & dealer development mgr.

James J. McLaughlin resigns as Webcor vp & mktg. dir.; Robert Moffat, exec. vp, named to "guide corporate policies for all divisions."

Esterly C. Page, retired Page Communications Engineers chmn., named Dir. of Technical Support, National Military Command System, Office of Dir. of Defense Research & Engineering, Defense Dept.

Dermot A. Dollar, veteran RCA public affairs executive, named exhibits dir., in charge of all corporate exhibits.

Gerald L. Moran, vp-gen. mgr. of Sylvania's Chemical & Metallurgical and Sylcor Divs., also assumes over-all responsibility for Parts Div., succeeding senior vp Merle W. Kremer who will devote full time to Electronic Tube Div. Moran will continue to hq in Towanda, Pa.; Eugene E. Broker continues as Parts Div. gen. mgr., with hq in Warren, Pa.

Robert Beisswenger, Jerrold Electronics gen. mgr., Donald Spanier, Harman-Kardon gen. mgr., & Paul Garrison, Taco gen. mgr., promoted to vps by parent Jerrold Corp.

Cowan Harris, staffer of EIA of Canada since 1946, promoted to gen. mgr.

Robert E. Hull appointed engineering vp of Radio Engineering Labs . . . Saul Fast named National Co. vp & technical advisor.

Charles E. Erb named Westinghouse major appliance mktg. mgr., succeeding John J. Anderson who will be re-assigned.

Richard M. Emberson, ex-Associated Universities Inc., appointed IRE professional groups secy., succeeding Laurence G. Cumming, now field secy.

John M. Clifford, ex-RCA staff vp, joins Curtis Publishing as exec. vp in charge of finance & operations, also named a dir. . . . Matthew J. Fleming Jr. elected Clevite Transistor vp. . . . George E. Mueller appointed R & D vp, Thompson Ramo Wooldridge's Space Technology Labs.

EIA Parts Div. subdivision chairmen appointed last week: Roland Bixler, J-B-T Instruments, panel meter & service test instrument; C. J. Lucy, Corning, ultrasonic delay lines & devices; William H. Bingham, Hawley Products, sound system component; J. Frank Leach, Amphenol-Borg, electromechanical devices.

Frederick W. Hesse, Jr. appointed to new post of corporate operations vp, Thompson Ramo Wooldridge's subsidiary Space Technology Labs.

Gordon Edwards, Kraft Foods exec vp, and Paul L. Thoren, Central West Utilities Corp. vp, elected to TV-Electronics Fund board.

Obituary

Elmer A. Hamburg, 70, founder & chmn. of appliance & home instrument distributor Hamburg Bros., Pittsburgh, died Sept. 6 of heart attack in Golden Beach, Fla. He was a pioneer in mass distribution of radios, formed his distributing firm in 1920. One of his sons, Lester A., is pres. of Hamburg Bros.

George H. Lewis, 74, retired ITT asst. vp, died September 12 in Baltimore. Institute of Radio Engineers elected him a Fellow in 1951 "in recognition of outstanding contributions to radio-electronics."

Distributor Notes: Olympic Radio & TV names Kenneth Jordan midwestern district rep, succeeding Arthur M. Carrington. • Setchell-Carlson appoints Pioneer Electronics Supply, Cleveland, distributor for Greater Cleveland area • W. R. McAllister has formed W. R. McAllister Associates at 400 East 57th St., N.Y., manufacturers rep firm. He will represent Fonovox in area from Trenton, N. J. to Washington, D. C., also represent Mitchell stereo phonos. • Philco Distributors appoints Jack Reis, ex-Associated Distributors, Indianapolis, Ind., sales mgr. for Indianapolis area, a new post • Antennacraft names Ellinger Sales Corp., Chicago, midwest sales rep; Ferrell S. Carmine Co., Newark, N.J., appointed eastern sales rep • Packard Bell names Carson Pirie Scott & Co., Chicago, exclusive Illinois dealer.

July factory sales of TV picture tubes gained markedly in both units & dollars over July 1961, EIA reported last week. Receiving tubes declined in both categories. TV picture tube sales totaled 565,022 units valued at \$11,064,357—up from July 1961's 457,181 at \$9,364,364. For 1962's first 7 months, unit sales topped a year earlier 5.1 million to 5 million. Dollar value, however, trailed \$98.4 million vs. \$100.3 million in Jan.-July 1961. July receiving tube sales declined to 24,122,000 units valued at \$19,612,000 from 27,566,000 at \$20,979,000 in July 1961. Cumulative totals ran ahead of 1961's first 7 months both in units & dollars. Unit sales rose to 207.6 million from 206.3 million; dollar value increased to \$174 million from \$171.5 million. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	802,061	15,625,304	29,592,000	24,789,000
February	783,670	13,944,313	27,977,000	23,841,000
March	817,830	15,580,149	34,884,000	29,748,000
April	758,539	14,253,425	31,016,000	25,838,000
May	703,255	13,676,659	30,341,000	25,802,000
June	740,788	14,252,844	29,649,000	24,587,000
July	565,022	11,064,357	24,122,000	19,612,000
Jan.-July 1962	5,121,165	\$ 98,397,051	207,625,000	\$173,952,000
Jan.-July 1961	5,032,378	100,335,883	206,320,000	171,479,000

Electro-Science Investors, Dallas-based investment firm, will grant stockholders rights to a debenture issue. It will distribute 10-year 5½% debentures to stockholders of record Sept. 25 on the basis of \$1 face amount for each share owned. Debentures will be issued in minimum denominations of \$100.

Dynamics Corp. of America shifts from American Stock Exchange to New York Stock Exchange Oct. 8. Symbol: DCA. Involved are 4,116,560 shares of common, 443,100 shares of \$1 cumulative preferred.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avnet Electronics	1962—year to June 30	\$ 31,267,357 ⁵	\$ 4,715,315	\$ 2,322,564 ⁵	\$0.90	2,583,639
	1961—year to June 30	26,592,954	3,169,060	1,593,886	.66	2,420,605
Collins Radio	1962—year to July 31	208,000,000	—	2,675,000	1.20	2,230,062
	1961—year to July 31	216,000,000	—	2,545,352 ¹	1.15 ⁷	2,210,176
Desilu Productions	1962—qtr. to July 28	3,377,845	—	14,305	.01	1,155,940
	1961—qtr. to July 28	3,006,270	—	(130,638)	—	1,155,940
Harvey Radio	1962—6 mo. to July 31 ⁹	3,468,672	—	155,507	.20	770,000
	1961—6 mo. to July 31	1,990,585	—	93,768	.12	770,000
Heli-Coil	1962—qtr. to July 31	2,314,140	—	321,331	.46	699,442
	1961—qtr. to July 31	1,969,513	—	272,021	.39	690,798
Hewlett-Packard	1962—9 mo. to July 31	80,154,000	—	5,024,000	.44 ²	10,741,145
	1961—9 mo. to July 31	63,416,000	—	4,302,000	.38 ²	10,647,691
	1962—qtr. to July 31	28,185,000	—	1,818,000	.16 ²	10,741,145
	1961—qtr. to July 31	21,598,000	—	1,414,000	.12 ²	10,647,691
Kulka Smith Electronics	1962—6 mo. to June 30	3,686,325	—	299,716	.21	1,443,657
	1961—6 mo. to June 30 ⁸	3,073,918	—	270,819	.19	1,443,657
Lafayette Radio Electronics	1962—year to June 30	24,936,144	—	676,372	.64	1,061,675
	1961—year to June 30	23,565,861	—	790,028	.74	1,029,650
Muntz TV Story below.	1962—year to Aug. 31	12,494,066	—	950,000	.67	1,409,982
	1961—year to Aug. 31	9,032,186	—	832,948 ⁴	.60 ⁴	1,179,876
Philips Electronics & Pharmaceutical	1962—6 mo. to June 30	43,758,717	—	1,283,283	.55	2,000,874
	1961—6 mo. to June 30	18,545,129	—	373,991	.19	1,994,474
Screen Gems	1962—year to June 30	52,188,900	7,063,189	3,466,293 ⁵	1.37	3,538,400
	1961—year to June 30	55,821,052	5,360,808	2,665,371	1.05	2,538,400
	1962—qtr. to June 30	—	—	1,038,057	.41	2,538,400
	1961—qtr. to June 30	—	—	847,619	.33	2,538,400

Notes: ¹ Before non-recurring credit of \$538,553 (24¢ a share). ² After preferred dividends. ³ Includes combined earnings of H. H. Smith Inc., acquired by Kulka Electric this year. ⁴ Includes special credit of

\$170,681 (12¢). ⁵ Record. ⁶ Includes on pro-forma basis Federal Electronics & Federal Fabricators, acquired July 1962.

Muntz TV Posts Big Gains: Muntz TV earnings in 1962 fiscal year ended August 31 rose to \$950,000 from \$832,948 a year earlier (see financial table). Sales climbed to \$12.5 million from \$9 million. Chmn. Floyd G. Dana told N.Y. Society of Security Analysts that Muntz TV anticipates fiscal-1963 sales of \$15.6 million, earnings of \$1 million. He also reported that \$466,829 remaining long-term debt will be paid off by next February.

Muntz TV will introduce color TV sets next year, Dana said, and "our immediate goal is to increase our share of the TV market from its present ½% to 3% within 3 years." Nearly 7% of fiscal-1962's sales was in private-label sets. Dana said that company will strengthen its dealer organization by trimming it to about 1,000 "key" exclusive outlets from present 1,800 non-exclusive stores.

Litton Industries sales are currently running at annual rate of more than \$500 million and should "considerably beat" that figure by close of 1963 fiscal year next July 31, Pres. Roy Ash predicted. In 1962 fiscal, Litton earned \$16.2 million on \$394 million sales. Ash said profit in fiscal 1963 should be "commensurate" with last year's profit margin. Based on Litton's 1962 rate of more than 4% net profit to sales ratio, company expects to earn minimum of \$20.5 million in fiscal 1963.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Consol. Electron. Ind.	Q	\$0.25	Oct. 5	Sep. 20
GE	Q	.50	Oct. 25	Sep. 21
Hawley Products	Q	.05	Oct. 1	Sep. 14
Heli-Coil	Q	.15	Sep. 28	Sep. 21
ITT	Q	.25	Oct. 15	Sep. 21
MGM	Q	.50	Oct. 15	Sep. 21
RCA	Q	.25	Oct. 29	Sep. 21
Sangamo Electric	Q	.18 ³ / ₄	Oct. 10	Sep. 20
Universal Pictures	Q	.25	Sep. 27	Sep. 15
Western Electric	—	.90	Oct. 1	Sep. 20
Western Union	Q	.35	Oct. 15	Sep. 21

RCA has dropped its once-postponed plan to sell one million of its 1,158,563 shares of Whirlpool common stock (Vol. 2:21 p12). General market conditions were cited as reason for cancellation. When proposed public offering was announced last April, Whirlpool was selling at \$33 a share. It closed Sept. 11 at \$27.625.

Electronic Associates has been approved for listing on New York Stock Exchange Sept. 19. Symbol: EA. Original listing will involve slightly less than one million shares.

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FCC Proposed Rules on All-Channel TV Receivers

In the matter of Amendment of Part 15 of the FCC Rules with regard to all-channel television broadcast receivers. Docket No. 14769.

Adopted Sept. 12, 1962. Comments due Oct. 22, 1962, reply comments Nov. 1, 1962.

NOTICE OF PROPOSED RULE MAKING

1. Notice is hereby given that the Commission proposes amendment of Part 15 of its Rules and Regulations to implement the recently enacted all-channel television receiver legislation, Public Law 87-529, July 10, 1962 (Secs. 303(s) and 330 of the Communications Act).

2. The all-channel receiver law authorizes the Commission to require that television receivers shipped in interstate commerce for sale or resale to the public (or imported into the United States for such purpose) shall be capable of adequately receiving all frequencies allocated by the Commission to television broadcasting.¹ In practical effect, this means that the set would have to be capable of adequately receiving the 70 UHF channels. The law itself does not cut off shipments of the VHF-only receiver because it was obviously necessary to choose some future date which would permit an orderly transition.² In addition to the appropriate cut-off date, the law also calls upon the Commission to prescribe performance standards for the receiving sets so as to insure that it is "capable of adequately" receiving the UHF signals. This Notice deals essentially with these two matters—(i) the standards for adequate capability and (ii) the cut-off date. We shall take each in turn.

3. Before doing so, it would be helpful to set out the background to these proposals. Since late June of this year, the Commission has been in close contact with the Electronic Industries Association (EIA), and through it with the television receiver and UHF tuner manufacturing industries. At the Commission's request, EIA has obtained and has furnished the Commission the industries' recommendations with respect to standards for adequate capability and the effective date of the all-channel receiver requirement, together with supporting data and reasons. These recommendations, in the form of four reports, have been included in the docket file in this proceeding. As will be seen, our proposals closely parallel the essential industry recommendations.

4. Standards for adequate capability.

In adopting standards for adequate capability the Commission has taken into account the legislative history of the all-channel receiver law. In seeking the addition of the word "adequately", the Commission, in a letter to

¹ The purpose of the legislation is fully set out in H. Rept. No. 1559, 87th Cong., 2d Sess., and Sen. Rept. 1526, 87th Cong., 2d Sess. (hereinafter cited as "Sen. Rep.").

² Indeed, the Commission explicitly assured the Congress that in choosing the appropriate date and standards, it would "not only protect the public interest but also deal realistically with production and distribution problems faced by the industry" (Hearings before the Communications Subcommittee, Senate Commerce Committee, on S. 2109, 87th Cong., 2d Sess., p. 76). See, also, testimony of Chairman Minow, Hearings before the House Interstate and Foreign Commerce Committee, on H.R. 8031, 87th Cong., 2d Sess., p. 169.

the Chairman of the Senate Communications Subcommittee, made clear that "its purpose . . . is to obtain only the most limited authority needed to accomplish the statutory goal [of assuring] that receivers are capable of efficiently receiving all channels" (Sen. Rep., p. 20). The Commission further represented (p. 22) that:

"In specifying these two characteristics, the Commission would seek to insure adequate or effective capability of all-channel reception—and not the best possible capability. It would avoid extreme or unreasonable performance specifications, but rather, would select standards which are in the realm of the average characteristics of UHF receivers available on the open market today."

And, it specifically stated its "firm expectation and intent that receiver performance specifications adopted after full consideration in the rule making process would . . . prove generally acceptable [to manufacturers and users]" (p. 22). The Committee, in amending the bill to insert the word "adequately", stated that "on the basis of these Commission representations, your Committee agrees that the authority given to the Commission to require that all channel receivers 'be capable of adequately receiving' UHF channels is narrow in scope . . ." (Sen. Rep., p. 8).

5. With this as background, we are proposing the following standards:

- (a) The noise figure for any channel between 14 and 83 inclusive shall not exceed 18 db. See §§15.4(h) and 15.70(b).
- (b) The peak picture sensitivity, averaged for all channels between 14 and 83 inclusive, shall not be more than 8 db larger than the peak picture sensitivity in the same receiver averaged for all channels between 2 and 13 inclusive. See §§15.4(i) and 15.70(c).

These proposals are based upon recommendations made to the Commission by the television receiver industry, following an August 7, 1962, meeting of industry engineering personnel. They are not the highest standards which conceivably could be met. But it is our tentative judgment (pending consideration of the comments to be filed) that these proposed standards are (i) sufficiently high to insure adequate capability of reception of UHF signals, insofar as the receiver is involved—the statutory standard of 303(s); and (ii) are consistent with the legislative history, and specifically with that quoted in the foregoing paragraph (p. 22, Sen. Rep.).³

6. It is important to bear in mind that the standards

³ We also note that more stringent standards might adversely affect the manufacturer's ability to incorporate other desirable features, such as easier tuning and remote control, into the all-channel receiver.

proposed herein are minimum requirements. Further, it is fully expected by the Commission that the tremendous increase in UHF tuner and receiver production, together with normal competitive forces, will lead to substantial improvement in UHF set capability, not only with respect to the foregoing characteristics (noise figure and sensitivity), but also with respect to other features such as ease of tuning. As to the latter, the industry has advised us that "push-button, as well as other means of tuning, has been, and will continue to be actively pursued" (EIA "Technical Views" p. 9, submitted August 17, 1962).⁴

7. Effective date. On the basis of information furnished to the Commission by the television receiver and tuner industries, we are proposing that no television receiver manufactured after April 30, 1964, shall be shipped in interstate commerce or imported from any foreign country into the United States, for sale or resale to the public, unless (i) it is capable of receiving all of the 82 channels which have been allocated to television in the United States; and (ii) has been certificated to comply with the noise figure and peak picture sensitivity requirements set forth in proposed Section 15.70. The selection of April 30, 1964 as the proposed date for imposing the all-channel requirements is based on the following considerations:

(a) The only time during the year in which the change-over to all-channel receivers can be made without disrupting the television receiver manufacturing industry is at the time when new models are introduced. The industry pattern is for the new model to be designed fully a year before its introduction to the public, and then to be manufactured in the first quarter of the year, and shown to the public in early summer. Thus, the 1965 model receivers will be designed fairly early in 1963 (by June); production will begin in the first quarter of 1964; and they will be offered to the public in roughly June of 1964. The change-over from production of 1964 models would typically take place, model by model, from December, 1963, through April, 1964. In selecting the cut-off date, the Commission thus must choose between one geared to the 1964 model (to be offered to the public in June of 1963) or the 1965 model (to be offered publicly in June of 1964).

(b) But the 1964 model has already been designed. If the Commission were to choose April 30, 1963 as the cut-off date, the industry would have to engage in a "crash" re-design and re-tooling program. The April, 1963, cut-off date would have a most serious impact on the portable and remote control aspects of the industry's business. Indeed, some manufacturers estimated that because of extensive re-design problems and the short supply of UHF tuners (see (c), *infra*) they would be out of business for a period of months; and the industry as a whole estimated "conservatively" that imposition of all-channel requirement for the 1964, rather than the 1965, model year would involve "costs and penalties" of \$32,700,000 (see EIA "Estimated Costs", submitted August 28, 1962). Clearly, this would not be provision for an orderly transition, nor would it be consistent with the assurances given Congress (see par. 2).

(c) Further, it does not appear that UHF tuners will be available in sufficient quantity for use in all-channel receivers prior to the 1965 model year. Tuner manufacturers must expand production ten to fifteen fold to furnish tuners in sufficient quantity. This involves a tooling expansion, installation of new test equipment, and

⁴ The industry recommended, "that the Commission consider an (expiration date) for these standards two years after the VHF only cut-off date, since it is believed that advances in the art, brought about by competition, will, during that time, obviate further necessity for (such standards)." (See EIA "Technical Views" p. 10, submitted August 17, 1962.) The Commission recognizes that reevaluation of the need for these standards may well be called for as a result of changed competitive circumstances (cf. Sen. Rept., p. 21). Indeed, it is our hope and expectation that the competitive situation as to UHF will gradually evolve to one resembling the situation in VHF, where there is obviously no need for standards of adequate capability. But we do not believe that a built-in expiration date, chosen at this time, is the appropriate way of dealing with these future possibilities. Rather, we shall periodically review any standards adopted to determine whether changed conditions require their retention or revision.

the training of new personnel. We are advised by four tuner manufacturers that this will require 12 to 18 months after technical requirements have been established by the Commission; all four indicated that UHF tuners could not be produced in sufficient quantity to meet all-channel requirements for the 1964 model year.

(d) Finally, selection of the 1964 model (i.e., a cut-off date prior to June, 1963) might well inhibit the technical improvement in the all-channel set. We do not believe that, over the past few years, there has been much research expended on the UHF tuner or the all-channel set. If, then, the 1964 model is chosen as the cut-off point, there would be no opportunity for improvement over present UHF tuners or sets; instead, as a practical matter, there would have to be an all-out effort to mass-produce the present product. It is, we believe, greatly desirable to provide manufacturers with a reasonable opportunity to design and incorporate improvements in ease of tuning, remote control, stability, and possibly other characteristics which would make use of UHF more convenient to the average viewer. Because of all these considerations, it appears to us that the advent of the 1965 model (or April 30, 1964) is the appropriate effective date for the all-channel requirement. Significantly, it is the consensus of the television receiver and tuner industry that this deadline can be met (see EIA submission of August 29, 1962).

8. This proposed effective date (April 30, 1964) applies to the manufacture of television receivers—not to the date when the receiver is shipped in interstate commerce. If the receiver comes off the assembly line on or before April 30, 1964,⁵ the manufacturer will mark the carton accordingly, and the unit may be freely shipped in interstate commerce for sale or resale at any subsequent date, by the manufacturer, distributor, or dealer, even though it is not an all-channel set or does not meet the noise figure and sensitivity requirements of the proposed rules.⁶ If the receiver comes off the assembly line on or after May 1, 1964, however, it may be shipped in interstate commerce or imported, for sale or resale to the public, only if it is an all-channel set which has been certificated to comply with the Commission's standards. The certification requirement is met by the manufacturer when he has filed a certificate with the FCC covering the model in question. The seal or label currently attached to each receiver, stating that the receiver meets the requirements of Part 15 of the FCC rules (see Section 15.66(a)), will cover the noise figure and sensitivity requirements as well as the radiation limits to which it now applies, and no additional seal or label will be required. After January 1, 1964, the manufacturer must state on the shipping carton whether the enclosed set may be shipped in interstate commerce (or imported) for sale or resale (as either (i) manufactured on or before April 30, 1964, or (ii) meeting the requirements of Part 15 of the Commission's Rules for such shipment (see proposed Section 15.66(b)).⁷

9. In proposing the April 30, 1964, effective date for

⁵ Manufacture of a receiver will be deemed to be completed when the assembly process at the factory has been accomplished.

⁶ The reason for tying the cut-off date to a date of manufacture is to allow distributors and dealers a considerable amount of leeway in disposing of 1964 sets which do not meet the all-channel requirements. Such sets might, for example, be stored in a central warehouse for distribution to stores in several neighboring states (e.g., a New Jersey warehouse for shipment to New York, Pennsylvania, or Connecticut). Even as to such distributor shipments, a final cut-off date such as December 31, 1964, might be appropriate i.e., "no set shall, in any event, be shipped in interstate commerce for sale or resale (or imported for such purpose) after December 31, 1964, unless it is capable of receiving all frequencies allocated to television broadcasting in the United States and has been certificated as complying with the requirements set forth in Section 15.70". In this way, it would be clearly established that after 1964 (and this is a considerable grace period), only the all-channel set would move in the channels of interstate commerce. The Commission requests comments on this further proposal.

⁷ It would appear necessary to mark the carton because otherwise the distributor, after April 30, 1964, may not know whether a receiver stored in his warehouse can be legally shipped (unless he has carefully segregated all cartons received prior to that date). From the standpoint of certainty and ease of administration and enforcement, the information should therefore be stated on the carton. Because the proposed cut-off date is April 30, 1964, there would appear to be no need for any notation on cartons packed during 1963. We have

the all-channel rules, we wish to make clear that we would expect that all receivers produced for the 1965 model year would comply with the all-channel requirements, whether they are produced before or after May 1, 1964. Our purpose in setting that particular date, rather than a date earlier in 1964, is to furnish the receiver manufacturer adequate leeway with respect to the production of his "old" or 1964 models and to allow for an orderly model by model change-over to the "new" or 1965 all-channel receiver production. In short, when a new 1965 model is placed in the production line—at whatever time, even if it be as early as December 1963—we would expect that the new model would be an all-channel receiver meeting our proposed requirements.

10. While the date proposed for 100% manufacture of the all-channel receiver is thus April 30, 1964 (or introduction of the 1965 model), the Commission hopes, and has been encouraged by industry reports, that during the period leading up to the final cut-off, there will be a significant increase in the number of all-channel sets produced. There are, as we have noted (par. 7), limiting factors at this time on what that increased production can be. But we are advised that it might well rise to 20%, or even higher, of all sets produced.⁸

11. It is essential, both to the public interest and for industry planning, that the effective date and standards be established as soon as possible. For that reason, barring some extraordinary development or showing, the Commission will not grant any extensions of time for the filing of comments or reply comments. Comments in this proceeding must be filed on or before October 22, 1962, and reply comments on or before November 1, 1962.

12. All relevant and timely comments will be considered by the Commission before final action is taken in this proceeding. In reaching its decision in this proceeding, however, the Commission may also take into account other relevant information before it, in addition to the specific comments invited by this notice.

13. Authority for the rules proposed herein is contained in Sections 4(i), 303(s), and 330 of the Communications Act of 1934, as amended.

14. In accordance with the provisions of Section 1.54 of the Commission's Rules, an original and 14 copies of all comments shall be filed with the Federal Communications Commission.

⁸ The percentage of all-channel sets produced is already increasing. Thus, in the first six months of 1961, out of 2,801,136 sets produced, 147,832 were UHF equipped (or 5.28%), while in the first six months of 1962, 275,446 (or 8.35%) of the 3,295,501 sets produced were UHF equipped.

FEDERAL COMMUNICATIONS COMMISSION
 BEN F. WAPLE
Acting Secretary

APPENDIX

It is proposed to amend Part 15 as follows:

1. The Title of Part 15 is amended to read "Radio Frequency Devices".

2. Section 15.1 is amended by designating the present text as paragraph (a), and by adding a new paragraph (b) to read as follows:

§ 15.1 Basis of this part.

* * * * *

(b) Sections 303(s) and 330 of the Communications Act of 1934, as amended, provide that all television broadcast receivers shipped in interstate commerce, or imported from any foreign country, for sale or resale to the public, shall comply with the provisions of this chapter for capability of adequately receiving all television broadcast channels.

proposed January 1, 1964, since sets shipped after that date might still be in the distributor's warehouse on or after May 1, 1964. All-channel units manufactured prior to May 1, 1964, may, of course, be certificated as complying with the noise figure and sensitivity requirements; and in such cases the manufacturer may wish specially to notify his distributors or others of this fact, by marking the container or by adding a seal or label to that effect to the receiver.

3. Section 15.2 is amended by adding a new paragraph (c) to read as follows:

§ 15.2 Scope of this part.

* * * * *

(c) This part also contains requirements, technical specifications, and certification procedure for the all-channel reception capability of television broadcast receivers.

4. Section 15.4 is amended by adding new paragraphs (g), (h), and (i) to read as follows:

§ 15.4 Definitions.

* * * * *

(g) Television broadcast receiver. Apparatus designed to receive television pictures broadcast simultaneously with sound.

(h) Noise figure of a television broadcast receiver. The ratio of (1) the total noise power delivered by the receiver into its output termination when the noise temperature of its input termination is standard (290° K) at all frequencies, to (2) the portion thereof engendered by the input termination.

NOTE: For a television broadcast receiver, portion (2) includes only that noise from the input termination which appears in the output via the principal frequency transformation and does not include spurious contributions such as those from image-frequency transformation.

(i) Peak picture sensitivity for television broadcast receiver. The lowest input signal which results in standard picture test output when the receiver is tuned for maximum picture output.

NOTE: Standard picture test output for symmetrical sinewave modulation shall be 20 volts peak-to-peak between the control elements of the picture tube.

5. Section 15.6 is amended to read as follows:

§ 15.6 Information required by the Commission.

The owner or operator of any device subject to this part shall promptly furnish to the Commission or its representative such information as may be requested concerning the operation of the device, including a copy of any measurements made for the purpose of certification.

6. Section 15.61 is amended to read as follows:

§ 15.61 Scope of this subpart.

Radio receivers come within the scope of this subpart insofar as they are restricted radiation devices and generate and radiate radio frequency energy or are designed to receive television pictures broadcast simultaneously with sound. Typically this subpart limits oscillator radiation from superheterodyne receivers. In the case of television broadcast receivers, this subpart also limits the radiation of radio frequency energy which is generated by the sweep circuits, and requires that such receivers be capable of adequately receiving all television broadcast channels.

7. Section 15.63 is amended by adding a new paragraph (b)(3) to read as follows:

§ 15.63 Measurement procedure.

* * * * *

(b) * * *

(3) Institute of Radio Engineers standard 60 IRE 17 S1 for measurement of noise figure and peak picture sensitivity of a television broadcast receiver.

8. Section 15.64 is amended to read as follows:

§ 15.64 Certification of receivers.

(a)(1) No receiver manufactured after the effective dates of this subpart that operates in the range 30 to 890 Mc/s, including frequency modulation broadcast receivers and television broadcast receivers, shall be operated without a station license unless it has been certificated to demonstrate compliance with the radiation interference limits set forth in § 15.62.

(2) No television broadcast receiver manufactured after April 30, 1964, shall be shipped in interstate commerce or imported from any foreign country into the United States, for sale or resale to the public, unless it has been certificated to comply with the noise figure and peak picture sensitivity requirements set forth in § 15.70. (This provision does not apply to carriers which transport television broadcast receivers without trading in them.)

(b) The owner or operator need not certify his own receiver as meeting the radiation interference limits of § 15.62 if it has been certificated by the manufacturer or the distributor.

(c) Certification made by the manufacturer or the distributor shall be based on tests made on receivers actually produced for sale. Tests shall be performed on a sufficient number of production units to assure that all production units comply with the requirements of this subpart.

(d) The certificate may be executed by an engineer skilled in making and interpreting such measurements as are required.

(e) The certificate shall contain the following information:

(1) Name of the manufacturer or distributor of the receiver.

(2) Model number.

(3) Brief description of receiver, including tuning range, type of circuit, and purpose for which used (as broadcast, aircraft, etc.).

(4) Brief statement of the measurement procedure used.

NOTE: If a standard procedure is used, it is sufficient to identify the standard. Other measurement procedures must be described in detail.

(5) Date the measurements were made.

(6) A summary of the data obtained.

NOTE: For television broadcast receivers the measured noise figure and peak sensitivity must be stated.

(7) A statement certifying that, on the basis of measurements made, the radio receiver is capable of complying with the requirements of this part under normal operation with the usual maintenance.

(8) The name and address of the certifying engineer, and address of his employer, if any.

(9) Date of the certificate.

(f) The certificate shall be retained by the owner, the manufacturer, or the distributor (as may be appropriate) for a period of 5 years, and shall be made available, upon reasonable request, to an authorized Commission representative, or photostat furnished by mail. (See § 15.65 for filing requirements with FCC.)

9. Section 15.65 is amended by adding a new paragraph (c) to read as follows:

§ 15.65 Information to be filed with Commission.

* * * * *

(c) This information is not open to public inspection.

10. Section 15.66 is amended by designating the present text as paragraph (a) and adding a new paragraph (b) to read as follows:

§ 15.66 Identification of certificated receivers.

* * * * *

(b) After January 1, 1964, cartons containing television broadcast receivers shipped in interstate commerce or imported into the United States, for sale or resale to the public, shall clearly indicate either (1) that the receiver within was manufactured on or before April 30, 1964, or (2) that the receiver within meets all FCC requirements pertaining to all-channel reception (see § 15.70).

11. Section 15.68 is amended to read as follows:

§ 15.68 Date when certification is required.

(a) For television broadcast receivers. (1) VHF television broadcast receivers manufactured after May 1, 1956, shall comply with the certification requirements with respect to radiation of radio frequency energy, except that compliance with the power line interference limits for frequencies between 3 Mc/s and 25 Mc/s is required for such receivers manufactured after December 31, 1957.

(2) UHF television broadcast receivers manufactured after December 31, 1957, shall comply with the certification requirements with respect to radiation of radio frequency energy: **Provided, however,** that the limit of 500 uv/m appearing in the table in § 15.62 is temporarily increased to 1,000 uv/m for all UHF television receivers until December 31, 1962.

(3) All television broadcast receivers manufactured after April 30, 1964, shall comply with the certification requirement with respect to adequacy of all-channel reception.

(b) For other receivers. All radio receivers other than television broadcast receivers that operate (tune) in the range 30 to 890 Mc/s manufactured after October 1, 1956, shall comply with the certification requirements with respect to radiation of radio frequency energy, except as follows:

(1) FM broadcast receivers manufactured after December 31, 1956, shall comply with the certification requirements with respect to frequencies above 25 Mc/s. All such receivers manufactured after December 21, 1957, shall comply with the certification requirements with respect to all frequencies.

(2) The radiation interference limits and the certification requirements with respect thereto shall be met by all pocket type super-regenerative receivers used in the one-way signalling services as defined in Part 21 of this chapter which are manufactured after December 31, 1956.

(3) Super-regenerative receivers manufactured after October 1, 1956, for use by Class B stations in the Citizens Radio Service shall comply with the certification requirements of this subpart; except that, until November 1, 1963, radiation need not be limited within the band 462.525—467.475 Mc/s.

12. A new § 15.70 is added to read as follows:

§ 15.70 All-channel television broadcast reception.

(a) All television broadcast receivers manufactured after April 30, 1964, and shipped in interstate commerce or imported from any country into the United States, for sale or resale to the public, shall be capable of adequately receiving all channels allocated by the Commission to the television broadcast service. A television broadcast receiver shall be considered to be capable of adequately receiving all channels if it meets the specifications in this section for noise figure and peak picture sensitivity.

(b) The noise figure of any television broadcast receiver subject to paragraph (a) of this section, for any television channel between 14 and 83 inclusive, shall not be larger than 18 db.

(c) The peak picture sensitivity of any television broadcast receiver subject to paragraph (a) of this section, averaged for all channels between 14 and 83 inclusive, shall not be more than 8 db larger than the peak picture sensitivity of that receiver averaged for all television channels between 2 and 13 inclusive.

SEP 24 1962

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WEEKLY **Television Digest**

SEPTEMBER 24, 1962

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NEW SERIES VOL. 2, No. 39

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Consumer Electronics

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ELECTRONICS EXPORTS rose 32%—but imports climbed 58%—in first half 1962, govt. figures show. Balance of trade still favorable, but import rise is expected to accelerate as result of trade bill (p. 7).

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PHONO SALES CROSSOVER reached in July as 1962 total distributor sales exceed 1961 for first time (p. 9).

'TOUGH GLASS'—TV DESIGN CHALLENGE? Corning's new "Chemcor" process demonstrated last week, provides glass 5 times tougher than previously known, using new tempering process. No immediate TV application seen, but future development of breakproof & crackproof tubes possible (p. 9).

AMPEX'S ROAD BACK: Rise & fall—and rise again—of Ampex Corp. are detailed by Wall St. Journal in Sept. 17 case history to illustrate "problems that can build up almost without notice during periods of great corporate growth" (p. 11).

HENRY'S HEARING—A SHOO-IN: E. William Henry wafted through Senate Commerce Committee hearing on gentlest of breezes last week, and he's expected to be confirmed this week as FCC member succeeding Comr. Cross. He told us he expects to report for work—"if I'm confirmed"—Oct. 1 or 2.

It was just about mildest such session we've attended. Neither Sen. Magnuson (D-Wash.), chmn. of committee, nor Sen. Pastore (D-R.I.), chmn. of Communications Subcommittee, was on hand. Sen. Thurmond (D-S.C.) was only senator present for most of session; Sen. Yarborough (D-Tex.) came along for last half of meeting that ran less than an hour.

Sen. Kefauver (D-Tenn.) was there to kudoes the 33-year-old Memphis attorney, and Sen. Gore (D-Tenn.) sent his "very enthusiastic" endorsement via his asst.

Thurmond asked Henry what his qualifications were for job. Said Henry: "I bring to the job a willingness to work hard. I have no preconceptions. My intention is to serve the full term. I have no conflicts of in-

terest." He assured Thurmond he'd never been arrested, had no criminal record which might rise later to haunt him.

Committee communications counsel Nicholas Zapple asked questions of type Pastore usually does: Q—You know that FCC has been charged with inadequate regulation of common carriers, during debate on satellite communications bill? A—I've read the bill. I'm aware of FCC's responsibilities in the matter. Q—Overcommercialization? A—FCC has a responsibility to see that broadcasters operate in the public interest. Commercialization is one factor to be considered in applications & renewals. Q—What about regulation of networks, as sought by FCC? A—Haven't had a chance to look into it thoroughly. Q—We have reports that there's a new campaign to broadcast hard liquor commercials. Will you find out how many stations carry them? A—Will do. Q—Will you find out whether FCC needs more people and/or new law to speed disposition of application backlog? A—Yes. I'm aware of delays.

Thurmond told story of 6-year-old crying for beer because of commercial, said TV has important influence on children. He also asked about excessive "sex, violence & whodunits." Henry said programming is one factor to examine "in the public interest" but that FCC must be certain not to censor.

Yarborough got off long statement about political equal-time problems, said abuses occur mostly at local level, urged Commission to give matter more attention.

That's the gist of it—kid gloves. When through, Henry said: "I thought it was going to be rougher than that." Among those in audience, relieved at conclusion, was his wife—very attractive, tall, slim. Henry's youth is still subject of joshing in Washington TV-radio circles. Said one old timer: "Gad. They're getting commissioners younger than my grandchildren."

Meanwhile, back at the Commission, Sept. 26 farewell party was being arranged for Comr. Cross, who'll become private engineering consultant. Comr. Craven, commenting on reports about his plans, said: "I want to stay on until my term expires." His term runs until next June 30. However, he'll be 70 in January—and, he said: "It depends on which lawyer you talk to. Some say the President would have to grant a waiver for me to stay on beyond then, the retirement age; others say I don't need a waiver." Broadcast Bureau Chief Kenneth Cox, who was slated to succeed either Cross or Craven, presumably is still due to move into Craven's slot. Definite information is not available, probably because Administration hasn't decided.

POSSIBLE FCC COMMERCIAL SQUEEZE: Specific FCC limits on commercial time are being urged by some at Commission who want NAB's TV & radio Code ceilings incorporated in FCC rules. Industry will of course fight any such effort to the hilt—as indicated by NAB Pres. Collins (see p. 4). There's no telling whether, when or how FCC will go about this. However, one draft of proposed rule-making is said to include language such as this:

"It would, indeed, be highly desirable and preferable for regulation in this area to come from the industry itself. NAB has for many years endeavored to achieve this goal through its Codes. But only 33% of radio broadcasters and 76% of telecasters subscribe—and there's no sanction to enforce compliance. Notable though the NAB efforts may be, it's evident that more effective regulation is needed.

"There is no mathematical point beyond which there is over-commercialization. But we think that it is more important that the law be certain and apply to all than that it be flexible enough to take account of every difference in circumstances. Furthermore, waivers could take care of extraordinary and compelling situations.

"We think it important that the limitations be strong enough to protect the public with a reasonable balance between commercials & programs, without unduly limiting the licensee's freedom of action or jeopardizing his financial stability. The NAB standards are based on the operations of successful stations."

PUBLIC AFFILIATION CONTRACTS DEPLORED: FCC got what it expected—and more—in industry comments on its proposal to publicize affiliation contracts (Vol. 2:28 p1). Among objections by the 3 networks, which had note of exasperation in their statements:

- (1) Such interference with private business relationships has no earthly benefit to public.
- (2) It might help some broadcasters get better terms—but Congress never intended that FCC intervene in business details. Broadcasters aren't common carriers.

(3) It would produce more uniformity of compensation—a restraint on competition.

(4) Since FCC has the information, it can act any time it finds dangers to public interest.

(5) ABC said that it had to offer premium compensation to get into one- and 2-station markets. Disclosure of these contracts, it said, would bring demands from other ABC-TV affiliates which could reduce network's earnings and its ability to compete.

(6) NBC also said disclosure could increase affiliates' take, at networks' expense—and affiliates already get too big a slice of the pie.

Typical among non-network commentators, Meredith Stations insisted that broadcasting is a private business no different from others, that competing media would try to clobber TV-radio with the data, that trend to standardization of compensation would minimize advantages that "differentiate the quality broadcaster from its less highly motivated competitor."

MCA GETS UNIVERSAL, DECCA: TV significance of consent decree under which giant MCA has govt. green light to retain ownership of Universal Picture Corp. & Decca Records is 2-fold: (1) The last big uncommitted-to-TV backlog of post-1948 movies outside Paramount's vaults may soon find its way to TV market. (2) MCA can't move very far in TV (or any other) expansion without govt. approval, but it now becomes the real giant of TV production firms.

Feature films featured in govt. go-ahead to MCA. There are some 215 post-1948 Universal movies which station buyers have long eyed hungrily, and these will now be sold in distribution deals outside Universal-MCA alliance. In fact, MCA can't bid for post-1956 items among them for at least 5 years. If all goes smoothly, they may begin reaching TV market in small groups during 1963. Universal's pre-1948 films are already on market, distributed by Screen Gems.

MCA is now movie-TV maker of first rank, a fact which makes govt.-prodded spinoff of its talent agency a minor blow. Already Hollywood's top producer of filmed TV fare (there are more Revue-produced shows on TV networks this fall than those of any other producer), MCA now rounds out movie picture by adding Universal's foreign distribution setup and Decca's position as record outlet to ownership of former Universal lot in Hollywood.

TV can take some pride in MCA future, since even Hollywood's leading talent & technical unions are betting that MCA's slick cost control systems and fast production techniques learned in TV filming will bring a lot of movie production back to Hollywood. MCA is even now starting work on new 14-story hq building at Revue lot—first such film office complex built in many years.

Up to last moment, MCA pleaded innocent to govt. charges of "monopoly" or "conspiracy" in controlling talent and program margin in TV and other media, with MCA stating that it had "not committed any violations of anti-trust laws." In Washington, Atty. Gen. Kennedy called settlement "in the best interest of the public and the industry." In Los Angeles, Federal Judge Jesse Curtis has 30 days to sign and effect the decree.

NEWSPAPER OWNERSHIP OF BRITISH TV RAPPED: As in U.S. from time to time, the British last week were told that newspaper control of TV is dangerous. In 60,000-word report, a royal commission found that newspapers' financial difficulties are serious, but that press control of TV would be even worse. Commission suggested remedy: Cut papers' inefficiency, particularly in personnel which should be cut about 34%.

Reaction of U.S. observers was to suggest that many American newspapers survive primarily because of TV-radio earnings.

Five-man commission headed by Lord Shawcross, Shell Petroleum director & attorney general in former Labor Govt., found no harm in papers holding minority interest in TV but it urged end of press control of stations. Group called this necessary to preserve freedom and diversity of opinion.

Commission also proposed establishment of judicial court to rule on mergers or transfers of ownership of major newspapers. Court would have authority to decide whether amalgamations or purchases giving any organization control of papers with weekly aggregate sales of over 3 million copies was in public interest. New judiciary body, however, wouldn't be permitted to interfere with existing press combines.

BROADCASTERS LIKE COLLINS' DEVELOPMENT: More of what broadcasters want to hear is coming from NAB Pres. LeRoy Collins, nowadays. In speech before Tenn. Assn. of Bcstrs. in Nashville last week, he made these major points:

(1) "It is no secret that the FCC now has under discussion the adoption of radio commercial time limitations. This we will oppose with all our capability. This is not an area in which the govt. should tell us what we can and cannot do." But Collins again pitched for more Code subscribers as bulwark against govt. efforts in this area.

(2) Regarding radio "overpopulation" study by FCC & industry, Collins said he hopes "that adequate cures can be worked out wholly around sounder & better-enforced engineering standards." He said that any honest study must involve "economics"—but that it's "an insult to the broadcasters" and the FCC to assume study will result in recommendation that radio be made a public utility. "Strawman," he called such charges.

(3) "We are determined to preserve the freedom of broadcasters in international broadcasting as in domestic broadcasting." This was reference to furor over the Meyers proposal for new U.S. Office of International Broadcasting (Vol. 2:36 p2). Collins' answer to critics of TV programs sent overseas: "Let us resolve by open covenant with the people of America that we recognize this as a trust of great responsibility." He proposed that broadcasters work now to determine: international TV-radio impact on foreign policy, "the proper interests" of commercial & ETV broadcasters and govt. in programming, frequency allocations, international copyright laws. He proposed broadcaster-govt. consultation.

Among other topics Collins stressed: more editorializing, greater TV-radio access to public proceedings, stepped-up research—for greater profits & performance.

TV FILM "SIDESHOW" AT NAB MEET: Climax to 5-year stress between TV film distributors, who claim NAB invites associate membership (at annual rate of \$1,250 for larger firms) and then treats them like step-children at annual convention, and NAB will occur during 1963 Chicago conclave. Eighteen (so far) of largest TV film companies will simply stage their own exhibit a block from NAB meet.

Background: After 1958 convention, NAB decided that film exhibitors had become too honky-tonky, ruled that they could maintain hospitality suites but couldn't exhibit. NAB spokesman said that member attendance at meetings, thereafter, improved substantially. Week before the 18 announced plans for own show, NAB said it could give them space on exhibition floor for 1963 meeting. Now, presumably, few if any will accept NAB's offer.

Walkout group has picked name for private show: "TV Film Exhibit—1963," and has booked 21-suite space at Chicago's Pick-Congress Hotel. This, TFE spokesmen said in N.Y., would provide "compact, centralized exhibit area" and "would not be designed to interfere with the NAB meetings."

Some of the biggest film firms are involved in the TFE project. Co-chmn. of TFE's executive committee are Seven Arts Associated vp Robert Rich and Screen Gems syndication vp Robert Seidelman. Also on committee are Trans-Lux vp Richard Carlton and Jayark Films vp Harvey Victor. Other TV firms in TFE: Allied Artists TV, Desilu Sales, Flamingo, Four Star Distrib. Corp., Hollywood TV Service, King Features, MGM-TV, Official Films, 20th Century-Fox, UA-TV, Video House, Walter Reade-Sterling, and Warner Bros. TV.

MCA is not part of TFE act, although MCA's syndication offshoot is one of industry's largest (off-network reruns, syndication properties, feature films) and MCA is reportedly "interested" in TFE project. Reason for MCA's caution: MCA is walking softly in Washington these days. Network-owned syndication offshoots, which generally stage their exhibits and hospitality functions within network suites at main NAB hotel, are also avoiding active participation in TFE.

There's no rancor involved in TFE, or so said spokesmen Rich and Seidelman last week. Outside exhibit is so far planned only as one-shot event, in hopes NAB will change its mind about film companies. On Sept. 12, Messrs. Rich and Seidelman junketed to Washington and met with NAB's Everett E. Revercomb and LeRoy Collins "to explain our position." It was, the film men said in N.Y., "a friendly meeting."

CURRENT CAPSULES

Naked pressure on FCC was exerted by Rep. Celler (D-N.Y.), chmn. of Judiciary Committee, with luncheon speech at National Mobile Radio System convention in Washington last week. With all 7 FCC members present, and obviously aware that Commission had scheduled discussions of Bell System rates with AT&T for the next 2 days, he said: "Why negotiate rates? It's outrageous. That's no way to regulate rates. There should be an investigation. I hope the gentlemen present take heed of what I say. If this be used as warning, let it be so. Maybe FCC doesn't have enough funds & staff to handle the problem. If so, it should ask for them." Celler also mentioned NBC-Westinghouse station exchange and RCA-NBC consent decree, said that his Anti-trust Subcommittee "will keep a close eye on it."

Radio KWK St. Louis is clean, FCC Examiner Forest McClenning ruled in initial decision last week, recommending against license revocation on charges of running fraudulent contests (Vol. 16:45 p2). Examiner found that station mgr. William Jones had deceived KWK Pres. Andrew Spheeris, didn't tell him that prizes in "treasure hunt" promotion weren't hidden until last day of contests. In instances where vacation winners had trouble with airlines, he said, station did all it could to rectify situation. Several other charges were groundless or "too minimal" to worry about, he said. He concluded that Spheeris exercised reasonable supervision, said that FCC's Broadcast Bureau "fails to state what further acts of care and prudence could reasonably be expected under such circumstance and none is apparent." And, finally, he said, licensee itself certainly wasn't guilty of "wilfulness" in the instances where public was misled.

Already-edgy educators, watching hassle in House Deficiencies Appropriations Subcommittee, where HEW is trying to pry \$4.75 of its \$32 million aid-to-ETV funds loose (Vol. 2:38 p3), had scare last week. Printed transcript of hearings released Friday showed HEW Undersecretary Ivan Nestingen arguing that federal funds for ETV are unnecessary because proposed new 2,000-mc system can do job much more cheaply. Statement actually had been made by Rep. Bow (R-O.), who is big foe of \$32 million aid law, but printing error attributed it to Nestingen. Bow is booster of new 2,000-mc plan, which he thinks will be much cheaper than regular ETV. His office quickly confirmed that statement attributed to Nestingen was Bow's.

Tobacco Institute is burned up about Sept. 19 *CBS Reports*, "The Teen-Age Smoker." In telegram to network Pres. Stanton, Institute Pres. George V. Allen protested "one-sided presentation against tobacco." Allen said his own participation was obtained by "misrepresentation . . . that the program would be an objective report on smoking and health." Instead, he complained, show presented "extreme opinions and prejudices" without attempting to dig into facts. He charged program failed to emphasize that causes of lung cancer still are unknown. CBS had no comment, merely pointed out that *CBS Reports* staff is highly competent. *N.Y. Times'* Jack Gould had the most cogent comment: "If in the future charges are made that commercial TV is beholden to its advertisers, last night's edition of *CBS Reports* will be a major exhibit in contradiction."

As "convenience to applicants and its own administrative processes," FCC announced that oath requirement on applications is eliminated, permitted by new law. However, many broadcasters are stewing about fact that Commission at same time imposed a new requirement—principal executive officer of parent company must now sign applications of broadcasting subsidiaries. Licensees affected termed this a real nuisance, hope to persuade Commission to drop it.

FCC Chmn. Minow's speech at Sept. 27 N.Y. Hotel Roosevelt luncheon of International Radio & TV Society (former RTES) is expected to emphasize world TV and communications satellites. All FCC members are invited, per annual custom.

RKO's multiple-station ownership will be an issue in NBC-RKO station-swap hearing, FCC's Review Board ruled, acting on petition by Philco (Vol. 2:34 p5). Philco said RKO has interest in 6 vhf's—one above ceiling—including 12½% of KWTW Oklahoma City and 2/3 of CKLW-TV Windsor, Ont. RKO said it's disposing of KWTW interest.

Another short-term license renewal was issued by FCC last week, which charged radio WACR Columbus, Miss. with unauthorized pre-sunrise operations and inoperative Conelrad receiver. Commission granted renewal to Aug. 1, 1963, to give station sufficient time to demonstrate "intention to operate in complete compliance with Communications Act and the Commission's Rules."

Personals

James T. Aubrey Jr., CBS-TV pres., appointed to Musical Theatre Academy of N.Y. board of advisors. . . . James Aberle promoted to CBS-TV Extended Market Plan sales mgr., succeeding George Kolpin, resigned to head own radio KDMO Carthage, Mo.

David A. Engles promoted to NBC Radio central sales mgr., Chicago; Paul C. Holter to western sales mgr., San Francisco . . . Marshall Hough, asst. to pres., Advertising Federation of America, elected AFA vp.

Joseph B. Somerset, radio WPAT Paterson, N.J. program operations dir., promoted to programming vp of parent Capital Cities Bestg., N.Y. . . . J. Robert Holland, ex-WIIC Pittsburgh news dir., named to similar post at WCAU-TV Philadelphia, succeeding Charles Shaw, who will give full time to on-air activities.

George Schmidt new Radio-TV Representatives, N.Y. sales mgr., succeeding Tom Carroll, resigned to join H-R Reps there. . . . Bob Johnson, ex-20th Century-Fox TV Canadian chief, appointed UA Assoc. Canadian sales head, Toronto.

Kurt Blumberg, ex-Robert Lawrence Productions sales vp, named WNEW-TV N.Y. business mgr. . . . Earl F. Reilly Jr., ex-radio KING Seattle mgr., named KING-TV sales mgr.

Norman Shavin, ex-Atlanta *Journal Constitution* Sunday editor, named Peace Corps public information office special asst. for TV-radio.

Henry E. Rhea, Triangle Stations engineering dir., also appointed pres. of Triangle-owned ITA Electronics, Lansdowne, Pa., succeeding founder Bernard Wise. Latter said he "still maintains a large ownership in the business" & has been offered "a substantial position with ITA." He's "evaluating" offer, will decide shortly whether to accept.

Tedson J. Meyers, former admin. asst. to FCC Chmn. Minow, who recommended starting a U.S. "Office of International Broadcasting" and began controversy (Vol. 2:36 p2), left last week on 2-month trip including South America on itinerary. In Bogota, Colombia, he'll work on Peace Corps project—help set up ETV system.

Joseph E. Keeton promoted to gen. mgr. of Fla. Antennavision, Panama City CATV system, succeeding John A. Sullivan, resigned. . . . Ruby Renaut named Toronto mgr., new Academy TV Film Productions of Canada.

Robert Prater, ex-Muzak national sales coordinator, appointed Broadcast Time Sales Philadelphia mgr. at new offices, 706 S. Washington Square. Phone: Pennypacker 5-3432.

Raymond C. Laws, ex-Rochester N.Y. *Democrat & Chronicle* reporter, former WROC-TV & radio WHAM Rochester asst. news dir., appointed news dir., new WOKR there . . . Charles Ryan, ex-radio WAJR Morgantown, W. Va. news dir., named WSAZ-TV Charleston news editor.

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"American Pageant of the Arts," Nov. 29 closed-circuit telecast to about 100 cities to raise funds for proposed \$30 million national cultural center in Washington, has lined up: Benny Goodman, Harry Belafonte, Pablo Casals, Dorothy Kirsten, Frederic March, Gene Kelly, Danny Kaye & Jerome Robbins. Leonard Bernstein will host program, produced by Robert Saudek, in which President and Mrs. Kennedy will participate.

Vigorous protest against Sept. 17 *Newsweek* ETV column by Raymond Moley (Vol. 2:38 p3) came last week from NET Washington dir. David C. Stewart. Moley's contention that eligibility for funds under recently-enacted \$32 million aid-to-ETV is limited to public schools & colleges is false, Stewart wrote magazine. Moley should know his comments were untrue, Stewart stated, since he reported on the bill (opposing it) on previous occasions. New law clearly states that any non-profit groups organized primarily for ETV broadcasting are eligible, NET official pointed out. Moley's suggestion that present ETV plan be scrapped in favor of the still-experimental 2,000-mc system, Stewart stated, "is like proposing to eliminate all air transportation in the U.S. and replace this service with monorail."

Big boost to communications between President and news media has been supplied by present administration, White House News Secy. Salinger told Radio-TV News Directors Assn. last week. Live TV news conferences are having big impact on public, he said, and White House has attempted to help TV, radio and other media develop own exclusives. Salinger said reason his office has no broadcast specialist is strictly budgetary. He urged broadcasters to send him suggestions and complaints about flow of news at White House.

N.Y.'s 3 TV stations broadcast a dreary stream of wrestling matches, detective shows, violent deaths and commercials, a Soviet tourist reports in Russian magazine *Soviet Culture*. Visitor A. Sakharov, who apparently couldn't find channels 2, 9 & 11 on his set while in N.Y., had glowing praise, however, for *Captain Kangaroo* and *Sing Along With Mitch*. "When listening to Mitch," reported Sakharov, "it seems not as if a chorus is singing, but really workers, farmers and sailors. It's an excellent production."

First Paraguayan TV station may be constructed next year, *International Commerce* reports. President Stroessner has issued decree setting 525-line standards for TV service.

Ben Casey & Dr. Kildare practice good medicine, according to current issue of AMA publication *Today's Health*. AMA is advisor for both series.

New 1,078-ft. tower of WITI-TV Milwaukee—tallest self-supporting unit in U.S.—now in use at city's antenna farm.

Entron has moved to new plant at Montgomery Industrial Park, Silver Spring, Md.

ABC radio network appoints Sindlinger market analyst.

NEW AM-FM RADIO DIRECTORY

EXTRA COPIES of our updated 1962 AM-FM Radio Station Directory are now available. Full TV-AM-FM service subscribers have received the directory as part of their service. The directory lists all North American AM & FM stations by state & frequency (with company names, addresses, frequencies, powers, DAs, FM antenna heights, network affiliations, stereo operation), plus all AM & FM applications by state & frequency, AM & FM stations by call letters, FCC's officially approved AM & FM transmitters. Copies are \$7.50, \$5 each for 5 or more.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

DEFINING THE 'ELECTRONIC INDUSTRIES': That \$12.1-billion complex of industries known as electronics—ranking 5th among all U.S. industries in dollar-volume of factory sales—is defined & delineated statistically in valuable new compilation from EIA's marketing services dept.

Electronic Industries 1962 Yearbook, compiled under direction of EIA marketing services dir. William F. E. Long, gives at-a-glance statistical data of all branches of electronics & related industries, placing industry's growth from \$1 million in 1914 to an anticipated \$13.1-billion in 1962 in panoramic perspective.

Of particular interest in consumer electronics field are these recapitulations of past years:

Tabulation of consumer electronics factory sales shows rise from \$1.797 billion in 1957 to \$2.101 billion in 1960, with slight decline to \$2.087 last year. However, since color TV is excluded, it's good guess that 1961 sales totaled slightly higher than 1960's. EIA has already estimated 1962 factory sales at about \$2.2 billion (Vol. 2:38 p7).

Breakdown of these figures makes interesting reading. Last year, black-&-white TV sales brought in \$832 million at factory level. Second biggest consumer electronic item last year was the phono, which accounted for \$335 million at factory. This is followed by miscellaneous category, at \$270 million, which includes tape recorders, electronic organs, pleasure boating electronic equipment, home training kits, electronic toys, electronic ovens, etc. Next biggest category is records & magnetic tapes, with value of \$265 million last year, followed by home radios at \$209 million, auto radios at \$134 million and hi-fi components at \$42 million.

Hi-fi component sales, always a sketchy area, are estimated in yearly breakdown. EIA computes them at paltry \$1.9 million (factory sales) in 1950, zooming to \$7.5 million in 2 years and climbing to \$42.2 million last year. Sales of specific hi-fi components are almost equally divided in dollar volume among amplifiers, speakers & tuners (record changers & turntables aren't tallied). Last year, component hi-fi fans spent slightly more for speakers (\$15.1 million) than for amplifiers (\$14 million) or tuners (\$13.1 million).

Attrition on consumer electronics manufacturing scene is shown graphically in tally of number of manufacturers. In 1950, there were 140 makers of TV sets. This figure dropped almost steadily to 35 last year—the all-time low. Radio manufacturers, too, have decreased. From 59 makers of home radios in 1953, number dipped to low of 31 in 1957, rising again to 43 in 1960 and 42 in 1961. There were 12 auto radio makers in 1952 and only half that number in 1961.

Copies of Yearbook are available at \$2 each from EIA, 1721 DeSales St., N.W., Washington 6, D. C.

ELECTRONICS EXPORTS UP, IMPORTS UP MORE: Even as Senate was passing President Kennedy's foreign-trade bill, with implications of vast changes in electronics industry trade patterns, Commerce Dept. was distributing figures showing large increase in U.S.-foreign trade in electronic products.

Official figures for first half of 1962 showed electronics industry's balance of trade still overwhelmingly "favorable"—more exports than imports. While they indicated U.S. electronics exports had increased 32% over first-half 1962, they also showed 58% increase in imports of electronic equipment. Thus imports currently are rising far more rapidly than exports—and many in industry feel trade bill will accelerate this process.

During first half of this year, U.S. electronics industry exported \$372.3 million worth of equipment, up from \$282.6 million in same 1961 period. Imports totaled \$114.6 million, compared with \$72.2 million year be-

fore. While major gains in U.S. exports were concentrated in "special-category items," such as large one-of-a-kind complex equipment, more than half of U.S. electronic imports were in category of "radio apparatus & parts."

Areas where gains in U.S. exports were scored included many categories where Japanese are also increasing their exports—for example, semiconductors, TV receivers, recorders, test equipment, computers. Declines in U.S. exports were registered in tubes & broadcast equipment.

U.S. exported 73,000 TV sets during first half 1962, with value of \$9,377,000, compared with 60,000 at \$7,095,000 during same 1961 period. In addition, some 80,000 TV chassis were exported at \$4,959,000, vs. 73,000 at \$4,947,000 year earlier. Venezuela was biggest U.S. customer for TVs, buying \$2,453,000 worth of sets & \$571,000 worth of chassis.

Other U.S. consumer electronics exports for first-half 1962 (similar 1961 period in parentheses): Home radios, 62,000 at \$1.8 million (down from 77,000 at \$1.62 million); home radio chassis, 22,000 at \$374,000 (vs. 22,000 at \$452,000); picture tubes, 418,000 at \$8.15 million (vs. 473,000 at \$9.74 million). Decline in radio exports reflects increasing competition, particularly from Japan.

Import figures show "radio apparatus & parts" at nearly \$59 million, up from \$43.5 million in 1961 period, with transistor radio imports totaling 4,756,000 units at \$29.87 million (compared with 3,725,000 units at \$25.33 million). Particularly strong increase was shown by "other articles" category, which includes microphones, hi-fi equipment, amplifiers, etc.—to \$12.48 million from mere \$2.27 million a year earlier.

Interesting comparison of electronics balance of trade with selected countries is evident in EIA's new Electronics Industries Yearbook, showing comparison of 1961 imports & exports: Electronic equipment from U.S. to Japan, \$28,977,000; from Japan to U.S., \$98,202,000. To Canada, \$80,186,000; from Canada, \$22,857,000. To U.K., \$23,592,000; from U.K., \$21,306,000. To West Germany, \$37,488,000; from West Germany, \$21,919,000. (Although not directly comparable, these figures give good idea of magnitude of difference in U.S. import & export trade with foreign countries.)

MORE TALK ABOUT SUPPLIER PRICE RISES: Couple of tube makers last week individually confirmed our Sept. 10 report that price increases may be in wind (Vol. 2:37 p6). But parts makers, by & large, indicated that business right now is too hotly competitive to permit more than extremely modest raises, despite pinch in costs.

Sylvania is "considering an increase" in picture-tube prices, we were told by marketing vp Robert Lynch—"but at this time we have no definite plans."

National Video is feeling profit squeeze as result of depressed picture-tube prices, Pres. Asher J. Cole told stockholders meeting last week (for financial report, see p. 11). Higher prices, he said, "are quite possible in the near future." His confidence, he said, is based on increasing demand, which would make increase "more palatable to set producers."

There's no unanimity among parts makers—except that they are feeling cost squeeze themselves.

"Component prices should go up—there's no question about that," we were told by one major manufacturer of resistors and other parts. "However, whether they do go up is another question. Competitive pressures so far have kept prices down despite rising labor costs. Foreign competition certainly isn't helping the price & profit picture, and the new trade bill isn't conducive to raising prices. Prices should go up, but we don't see any sign that they will."

From another parts maker—Radio Condenser senior vp Russell E. Cramer Jr.—came this comment: "There's a real tight price squeeze right now." He anticipates price rise—but only slight one and probably not for another 6 months or so. He also noted that foreign competition is increasing, thereby holding lid on prices. "In this industry right now," he added, "companies are cutting their internal organizations to the core to keep rolling. That's the way the semiconductor business came back—by dropping unprofitable product lines, consolidating departments and trimming non-essential products, personnel & services. That's what's going on in this industry today."

Erie Resistor mktg. vp Allen K. Shenk noted that "prices are still quite soft, especially in capacitor field, and I see no evidence of an upward trend." He added that "there are many areas in which certain components are selling at unrealistic prices," noting increasing trend among parts makers to bid the bone for 6-month OEM contracts.

J. A. Milling, president of Sams Div. of Howard W. Sams & Co.—a man who generally has his finger on pulse of parts business—put it this way: "It's a pure question of economics. If the line can be held on costs of wages & materials, chances are the parts manufacturers will sweat it through. The situation differs by product & category, of course—but manufacturers are going to remain competitive till it hurts."

This situation isn't peculiar to electronic parts industry. Reporting on survey of 100 manufacturers, *Wall St. Journal* said Sept. 21: "In product lines from crackers to steel, manufacturers are itching to raise prices to relieve a profit squeeze. But competition is so fierce that the great majority don't dare try."

JULY—TURNING POINT FOR PHONO SALES: July was crossover month for phono sales—the month that brought total sales for 1962 ahead of 1961.

As in TV & radio, July was whopping month for distributor sales of phonos. In fact, it was year's 2nd best month in total sales—trailing only month of March, and by mere 7,000 units at that.

Dealers bought new-model phonos to extent of 292,300 sets in July—increase of 18% over July 1961—new EIA figures show. This brought sales for first 7 months of year to 1,721,987 units—about 9,000 better than Jan.-July 1961. Monophonic units account for difference, since stereo sales for 1962 haven't quite caught up to 1961.

July was 3rd month out of 7 that phono distributor sales surpassed same month in 1961—others being March & June. With phono sales now ahead of 1961's figures, all 3 major branches of consumer electronics now bid to have better year—unit-wise, at least—than last year.

Here are EIA's official figures for phono sales & production, with 1961 comparisons:

PHONO DISTRIBUTOR SALES							PHONO FACTORY SALES						
Month	1962			1961			Month	1962			1961		
	Mono	Stereo	Total	Mono	Stereo	Total		Mono	Stereo	Total	Mono	Stereo	Total
January	48,423	171,305	219,728	74,881	211,268	286,149	January	68,545	191,014	259,559	80,336	211,383	291,749
February	50,563	188,857	239,420	54,097	210,365	264,462	February	52,566	202,846	255,412	50,710	204,638	255,348
March	60,206	236,051	299,257	59,290	231,021	290,311	March	60,991	237,492	298,483	62,396	227,469	289,865
April	54,615	146,577	201,192	48,532	173,585	222,117	April	45,152	137,950	183,102	53,074	152,974	206,048
May	65,192	130,372	195,564	55,057	164,400	219,457	May	67,610	119,682	187,292	53,887	142,450	196,337
June	91,526	183,000	274,526	47,970	170,178	218,148	June	104,548	278,989	383,537	61,533	197,170	258,703
July	90,175	202,125	292,300	58,514	153,550	212,064	July	89,699	220,694	310,393	70,681	171,331	242,012
TOTAL	463,700	1,258,287	1,721,987	398,341	1,314,367	1,712,708	TOTAL	489,111	1,388,667	1,877,778	432,647	1,307,415	1,740,062

'TOUGH GLASS'—TV DESIGN CHALLENGE? Just when it appears "they've gone about as far as they can go," something new crops up to open new vistas in possible improvements of existing consumer electronic products.

Take Corning's new "Chemcor" process, for example. As announced & demonstrated to newsmen last week, it's new method of tempering glass which makes it up to 5 times stronger than previous glasses. There are dozen different types of Chemcor glasses, some of them extremely flexible while retaining glass' natural properties—transparency and inertness (resistance to corrosion).

Development means ultimate availability of extremely strong glass—or glass which is far thinner & lighter than present glasses of comparable strength.

What does this mean to TV? Immediately, not much, according to Corning research & development vp William H. Armistead. Corning's present bonded-tube bulb is strong enough, he told us. Besides, at present state of art, Chemcor glasses can't be used for picture-tube bulbs, because reheating process at tube plant would cause them to lose much of their added strength. Dr. Armistead conceded Chemcor could be used in bonded-tube "caps" (implosion plates), but said there are no plans now because it seems unnecessary.

It doesn't take much imagination, however, to foresee day when extra-strong glass can be reheated and reworked. Such a development could mean picture tubes possibly one-third of their present weight for

lightweight sets—or, alternately, tubes of present weight which are not only implosion-proof but virtually unbreakable & crackproof, without any cap or external implosion glass. (Kimble's Kimcode process is classified implosion-proof, but it can crack or break.)

This type of development is in indefinite future. Nevertheless, there may be other consumer electronic uses of tough glass which are closer to realization. In announcing new glasses, Corning said it wanted to challenge imagination of designers to develop new uses of glass. What TV-radio-phono designers will do with Chemcor, if anything, can be anybody's guess. But since anybody can guess, we have visions of strong & smooth glass cabinets for some unusual radios or phonos. If there's no economic or aesthetic justification for this, how about a TV set whose entire "front end"—mask, escutcheon & all—is made of strong, lightweight curved glass, either bonded or gasketed to picture tube?

There are constant new challenges in new materials & new processes. Chemcor is only one of these developments which may help shape consumer electronic products into something new, something better, to enhance their appeal to American public.

TV-RADIO PRODUCTION: EIA statistics for week ended Sept. 14 (37th week of 1962):

	Sept. 8-14	Preceding wk.	1961 wk.	'62 cumulative	'61 cumulative
TV	154,126	121,666	143,430	4,551,402	4,102,560
Total radio	420,917	342,316	400,235	12,937,025	11,131,810
auto radio	153,489	119,938	89,551	4,685,110	3,517,421

Trade Personals

Lester L. Kelsey resigns as TraVler Industries merchandising vp.

William Lawrence, ex-General Dynamics, appointed Lab for Electronics exec. vp, a new post; R. Everett Curtis named vp-gen. mgr. of Tracerlab Div.

N. M. Marshall named industrial mktg. gen. mgr. of General Precision's GPL Div., a new post.

E. R. Perry elected pres. of National Electrical Mfrs. Assn. to fill out unexpired term (to Nov. 14) of Homer Travis who died in July.

Philip L. Gundy, ex-Ampex vp & asst. to pres., appointed Technical Systems Inc. exec. vp & dir., Los Angeles.

William H. Cooley "is no longer" pres. of TV Shares Management Corp., Chmn. Chester D. Tripp disclosed last week, adding that successor is expected to be selected "within the next 10 days or so."

Allan F. Schmahl appointed govt. mktg. mgr., Sylvania Tube Div., with hq in Seneca Falls, N.Y.

Lee Bunting appointed Bell Television chmn. . . . Thomas G. Lanphier Jr., ex-Fairbanks, Morse pres., elected Raytheon vp for corporate planning, a new post.

Werner P. Gullander resigns as General Dynamics exec. vp to become first full-time pres. of National Assn. of Mfrs., effective Nov. 1. Previously, he had been with GE for 22 years.

L. Berkeley Davis, GE vp & Electronic Components Div. gen. mgr., & former EIA pres., appointed 1962-63 chmn. of EIA's organization planning committee; Frank Whitten, Philco Electronic Products Service Div. mgr., named chmn. of EIA service committee for 2nd term; William F. Rueger, Sylvania vp, secy. & general counsel, renamed chmn. of EIA law committee.

Dr. Herbert F. Mitchell Jr., ex-Collins Radio, joins Teleregister as advanced systems development vp.

Matthew J. Fleming Jr. elected a Clevite vp, will devote efforts to operation of subsidiary Clevite Transistor. He was incorrectly reported a vp of the subsidiary in Vol. 2:38 p11.

Terry Halpern promoted to mgr. of International Resistance's Control Components Div.

Albert I. Rothenstein, Arco Electronics chmn.-pres., elected a dir. of parent Loral Electronics.

Martin L. Scher, formerly with Admiral-N.Y. & Motorola-N.Y., appointed to new post of vp of BSR (USA) Ltd., distributor of BSR record changers & tape decks; G. Leonard Werner named sales vp, also a new post.

Magnavox is adding dealers in markets where existing outlets fail to meet quotas, Pres. Frank Freimann said in letter to franchised dealers. Company is establishing quota for each market, and "where we fail to attain these quotas, we will add as many dealers as we need to achieve adequate distribution." With some 2,000 franchised dealers, Freimann noted Magnavox now accounts for about 4% of national TV market.

Curtis Mathes has formed Curtis Mathes Co. of Arkansas, a wholly-owned subsidiary, to manufacture TVs, radios, wood cabinets & electronic components in facilities leased from McCoy Couch Furniture Mfg., Benton, Ark. Horace Kelton, Curtis Mathes exec. vp, secy. & treas., also has been named pres. of new subsidiary. Benton facilities will approximately double Curtis Mathes production capacity.

Admiral has renewed for 3 more years its 2,500-sq.-ft. electric sign in Times Square, N.Y. Sign, turned on in April, 1952, proclaims "Admiral" in 16-ft. high letters, "Television" & "Appliances" in 8-ft. letters.

Ampex's Road Back: Rise & fall—and rise again—of Ampex Corp. are detailed by Sept. 17 *Wall St. Journal* to illustrate “in somewhat extreme form” the problems “that can build up almost without notice during periods of great corporate growth.”

“Few companies in any business have achieved more rapid growth than Ampex,” which was formed in May 1946, case history noted. From 1950 to 1960, sales mushroomed from less than \$1 million to more than \$73 million. Profits boomed from \$115,000 to nearly \$4 million. Suddenly, in fiscal year 1961, ended April 30, Ampex produced “stunning reversal” with loss of \$3.9 million on sales decline to \$70 million.

Journal noted that various factors suddenly came to head in mid-1960, aggravated by unanticipated slowdown in orders for magnetic tape recorders. Among factors: tremendous overhead & duplicated services resulting from decentralizing of corporate structure in 1959; management inexperience at high levels; failure to cut production when sales slowed; “tinkering with its products in an effort to make them more attractive to potential buyers,” but “hasty design changes” resulted in obsoleting “some unsold products and unused parts.” In 1960-61 fiscal year, Ampex was forced to write off \$4.3 million in obsolete & excess inventory.

With revitalization of Ampex management, election of William E. Roberts as president in 1961, centralization of corporate structure, pickup in tape recorder business, and severe cutting of costs, Ampex hit road back. In its 1962 fiscal year ended last April 30, Ampex earned \$3.2 million on \$84.1 million sales. Sales & earnings “are at record levels so far this fiscal year,” *Journal* said.

“Where does Ampex go from here?” Company now makes 5 types of products, case history noted, but “intends to introduce 25 or more new products by next April.” Ampex also is “particularly interested in pushing foreign sales, plans to expand its manufacturing facility at Reading, England, and is considering building a plant in Germany.”

Concluded *Journal* analysis: Ampex's experience “points up why all-around management ability is assuming increasing importance in the electronics industry, an industry in which technological innovation once almost guaranteed success.”

Distributor Notes: Dominion Electrohome Industries appoints Romaine L. Marco district sales mgr. for San Francisco & northern Cal., George Auf Der Heide district sales mgr. for St. Louis area; John G. Shannon appointed special sales asst. for N.J., Del., Md., Cal. & eastern Pa.; Charles W. Gavin appointed for metropolitan N.Y. • Sylvania appoints Strawn Distributing Co. (Robert C. Strawn, pres.), Preston St., Knoxville, Tenn., TV-radio-phono distributor in 16 Tennessee counties.

Phono record sales outstripped book sales at retail counters, in 1961 for 2nd consecutive year, RIAA reports. Sales of books (except texts & encyclopedias) totaled \$509,640,000. Record sales came to \$513,100,000.

Add FM stereo starters: WTIC-FM Hartford will begin stereocasting Oct. 14.

RCA has introduced new 19-in. TV with swivel base, with open list.

National Video Sags: “Disappointing” was Pres. Asher J. Cole's word for National Video's fiscal-1963 opening quarter, ended Aug. 31. He told stockholders that depressed price for TV picture tubes (see p. 8) caused profits to drop to \$86,690 from \$325,078 in June-August 1961, sales to dip to \$3.9 million from \$4.6 million (see financial table).

Color TV is expected to contribute to a profit upswing in near future, he said, adding: “We will have spent a total of \$1.5 million or \$2 million on this product and we hope that it will become a profitable item after about a year of production.”

National Video will initiate limited production of 21-in. 90-degree color tube by March 1963, will be in full production by July or August (Vol. 2:35 p7). Pilot runs will commence around first of year. New 45,000-sq. ft. plant now under construction will enable National Video to turn out 10,000 color tubes monthly, he said.

Mergers & Acquisitions: Avnet Electronics has reached preliminary agreement to acquire for 300,000 shares, valued at more than \$7 million, Hamilton Electro, Los Angeles distributor of electronic components & devices. Agreement, subject to approval of Hamilton stockholders, calls for Avnet to exchange one share for each 2 of Hamilton's 600,000 outstanding shares. Oxford Electric, Chicago-based components manufacturer, has acquired Globe Tool & Die Co. and affiliate Globe Instrument, both in Southbridge, Mass.

Japan's electronics industry will spend \$100 million in 1963 to expand & modernize facilities. Toshiba Pres. Fumo Iwashita said Japan also will spend \$200 million to expand its electric industry. “We anticipate that we will seek a major portion of these funds in the international money market,” he noted. Toshiba alone will invest \$61.4 million in equipment in its current fiscal year, anticipates rise in sales to \$700 million.

Giannini Controls expects this year's profits to run “comfortably ahead” of 1961's \$858,000, Pres. Donald H. Putman reported. Conrac Div., which makes closed-circuit TV systems, has racked up best sales increase to date this year, he said. Giannini anticipates “a very strong 4th quarter,” has increased backlog to nearly \$11 million from \$8.7 million Jan. 1.

Sign of the times: *TV Guide's* familiar logo, the magazine's name within a TV picture screen, has been updated to reflect changing shape of TV. It's now a “square-cornered” picture, corresponding to contours of the newer 16-, 19- & 23-in. tubes.

Emerson has introduced a room air conditioner with a small refrigeration compartment that can be operated independently. Pres. Benjamin Abrams said refrigerator feature will increase year-round sales & use of air conditioners. Recommended retail price: \$279.

New EIA members: Dreyfus Fund Inc., N.Y.; Emenee Corp., N.Y.; KLH Research & Development Corp., Cambridge, Mass.; Pickard & Burns Inc., Waltham, Mass.; Telautograph Corp., Los Angeles.

New plants & expansions: Sonotone has purchased from govt. 46,000-sq.-ft. plant which it had been leasing at Cold Spring, N.Y. for production of nickel-cadmium batteries. Sonotone plans to double plant's size for expanded battery production.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Electronic Assistance	1962—6 mo. to July 31	\$ 1,105,295	\$ 39,248	\$ (226,052)	—	1,307,668
	1961—6 mo. to July 31	1,451,945	115,370	56,991	\$0.04 ¹	1,307,668
GE Ltd.	1962—year to Mar. 31	378,487,200	—	8,912,400	.35	—
	1961—year to Mar. 31	322,066,000	—	5,530,000	.25	—
Gulton Industries	1962—6 mo. to Aug. 31	14,471,000	—	704,000	.62	1,131,370
	1961—6 mo. to Aug. 31	10,702,000	—	393,000	.35	1,129,810
	1962—qtr. to Aug. 31	7,516,000	—	340,000	.30	1,131,370
	1961—qtr. to Aug. 31	5,802,000	—	318,000	.28	1,129,810
Lynch Corp. (Symphonic)	1962—6 mo. to June 30	10,969,429	(66,105)	(125,933)	—	963,926
	1961—6 mo. to June 30	8,885,304	222,600	1,402	—	715,555
	1962—qtr. to June 30	7,344,249	—	108,453	.12	963,926
	1961—qtr. to June 30	4,970,294	—	47,656	.06 ³	715,555
National Semiconductor	1962—6 mo. to June 30	1,715,819	—	72,802	.12	—
	1961—6 mo. to June 30 ³	—	—	—	—	—
National Video Story on p. 11	1962—qtr. to Aug. 31	3,919,658	—	86,690	.07	1,233,334
	1961—qtr. to Aug. 31	4,559,259	—	325,078	.26	1,233,334
Pentron Electronics	1962—year to June 30	10,752,544	572,218	356,911 ⁴	.15	2,441,037
	1961—year to June 30	6,788,087	(426,529)	(491,929)	—	2,055,000
Perkin-Elmer	1962—year to July 31	39,600,000 ⁵	—	1,929,111 ⁵	1.50	1,287,134
	1961—year to July 31	31,800,000	—	1,573,413	1.24	1,271,434
Seeburg	1962—9 mo. to July 31	37,700,000	—	1,197,000 ⁶	.61	1,964,802
	1961—9 mo. to July 31	25,100,000	—	917,000 ⁷	.46	1,964,802
Sony Corp.	1962—6 mo. to Apr. 30	27,616,000	—	1,180,000	.28	3,630,060 ⁸
	1961—6 mo. to Apr. 30	23,725,000	—	1,139,000	.31	3,630,060 ⁸
Universal Pictures	1962—39 wks. to July 28	—	—	4,547,939	5.07 ¹	880,770
	1961—39 wks. to July 28	—	—	2,284,782	2.45 ¹	888,390

Notes: ¹ After preferred dividends. ² Adjusted to reflect 5% stock dividend June 1962. ³ Comparison unavailable. ⁴ Includes \$140,000 credit resulting from changing pricing of one division's inventory. ⁵ Record.

⁶ Includes tax credit of \$150,000 (8¢ a share). ⁷ Includes tax credit of \$399,000 (20¢). ⁸ American Depositary Shares.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
CTS Corp	Q	\$0.12½	Oct. 20	Sep. 28
Int'l Electronic Research	Stk.	3%	Nov. 1	Oct. 10
MPO Videotronics-A	Q	.10	Oct. 15	Sep. 28
Motorola	Q	.25	Oct. 12	Sep. 28
TV Shares Management	SA	.20	Nov. 16	Oct. 31

Zenith sales in August climbed 15% higher than those of Aug. 1961 & 3% higher than previous high set in Oct. 61. Sales for 1962's first 8 months also set record. Chmn. Hugh Robertson & Pres. Joseph S. Wright said "it has recently been necessary to increase 4th quarter production schedules on all Zenith products." Sales of b&w TV, radios & stereo hi-fi are ahead of a year ago, they said, and color TV sales "continue to run ahead of initial expectations."

Rollins Bestg. expects 25% jump in sales & earnings in its first fiscal half ending October 31. In previous fiscal first-half, May-October 1961, Rollins earned 27¢ a share on revenues of \$2,999,289. Pres. O. Wayne Rollins told stockholders 2nd-quarter net income will rise slightly from year-ago's \$144,731 (15¢ a share).

Electronics International Capital Ltd., Bermuda-based investment firm, has invested \$1 million in S.A. Novak of Brussels, a leading Belgian TV-radio manufacturer. EICL said Novak soon will be merged with Antwerp electronics manufacturer AREL, in which EICL has invested \$2.1 million. When merger is completed, EICL will own 62% of combined firm. An international banking institution, EICL concentrates in electronics, has some \$10 million invested in this field.

P. R. Mallory expects 3rd quarter earnings to "exceed somewhat" the \$961,035 earned in 1961's September quarter. Administrative vp Charles A. Barnes forecast a sales rise to more than \$24 million from \$20.7 million in July-Sept. 1961. He said "across-the board" gains in all product lines contributed to anticipated 9-month sales increase to some \$73 million from \$62.1 million in Jan.-Sept. 1961.

Servel is seeking control of Sonotone via offer to buy 700,000 of latter's 1,220,000 outstanding common shares. Servel offer expires Oct. 11, is for \$10 a share free of transfer tax & stock exchange commissions. Sonotone closed Sept. 19 at 6⅞.

Our N.Y. Office to Move

On Oct. 1, our N.Y. office will move to larger quarters at 580 Fifth Ave., N.Y. 36.