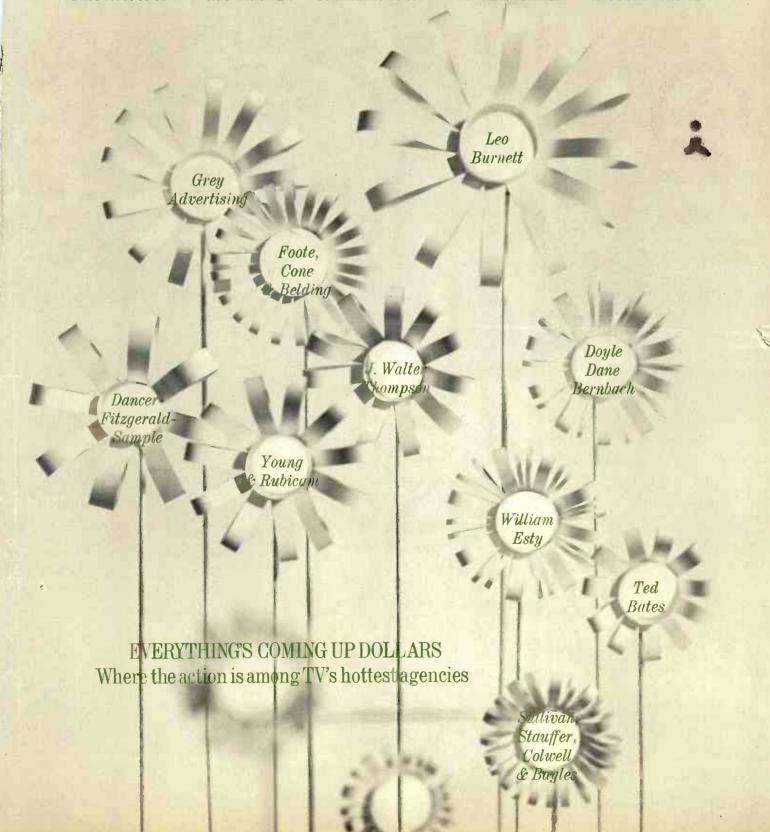
FROM THE TOP DOWN: TvM'S EXCLUSIVE TOP 50 LIST OF 1965'S BEST ACCOUNTS

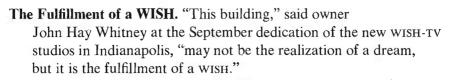
HOW PROCTOR-SILEX WOOS THE HOUSEWIFE, AND WINS HER

A FAR-OUT LOOK AT WHAT MAKESTY HOW TO BEAT EXECUTIVES TICK-AND THE SYSTEM WITH SOMETIMES GO OFF

AN EXPERT'S ADVICE: SYSTEMS SCIENCE

IMPORTED FROM ENGLAND: WHAT YOU CAN TELL YOUR BEST FRIENDS ABOUT ADVERTISING





And in a way it was...a wish and a determination to build into a single television structure a creative environment, production efficiency and architectural distinction.

Located only five minutes from the heart of Indianapolis, this building reflects the new vitality of the entire central Indiana area where agriculture and industry combine to make the nation's *fifteenth* television market—a market where both advertisers and viewers are best served by WISH-TV.

Responsibility in Broadcasting

③ KXTV, Sacramento−KHOU-TV, Houston−WISH-TV, Indianapolis−WANE-TV, Fort Wayne−KOTV, Tulsa





Anscochrome -- courtesy of General Aniline and Film Corporation.

PETRY



THE TV MEDIUM FOR '66

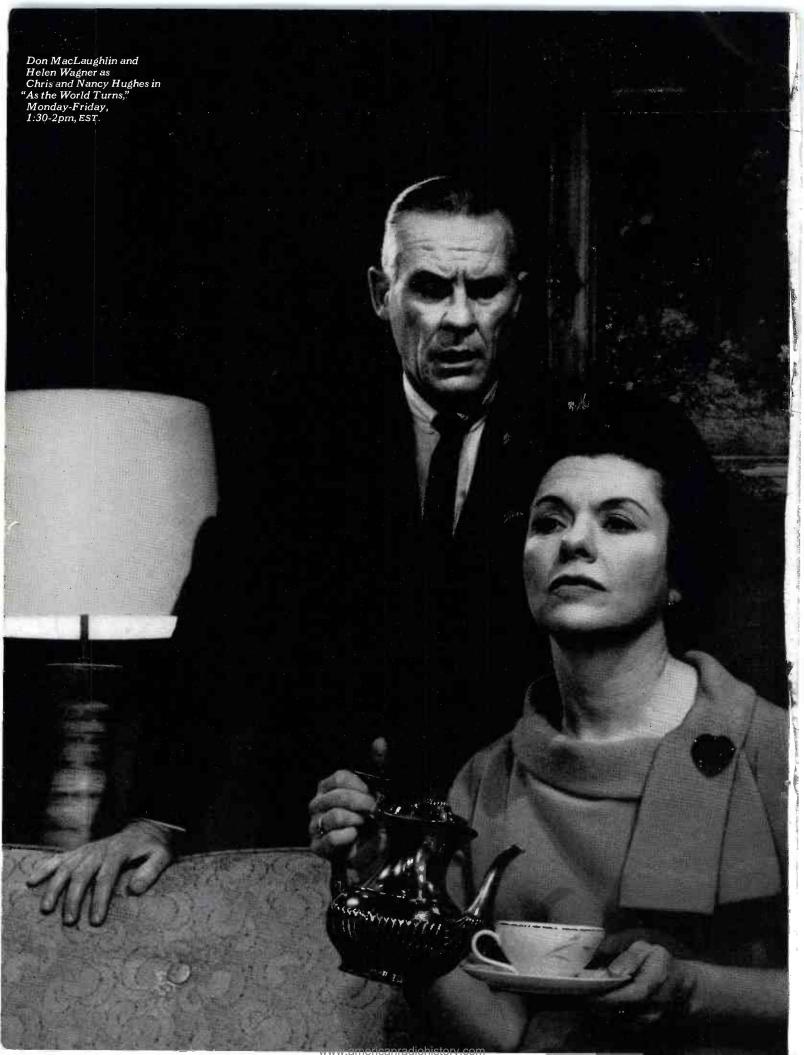
Sight, sound, motion, color—put them together and you've got Color Television. Add the flexibility and economy of Spot Television and you've got something even better—Colorspot. The Television stations we represent are leading the way in this new kind of selling. You can depend on them for results.

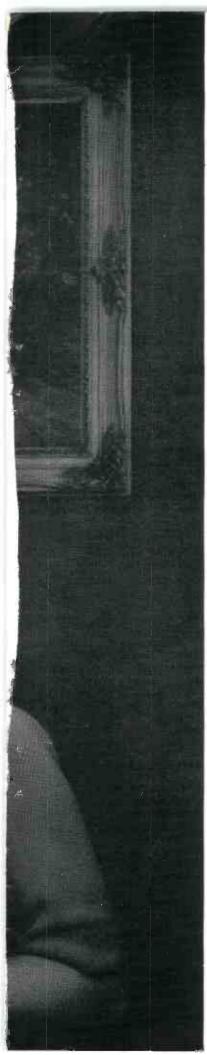
COLORSPOT-FOR FOUR DIMENSIONAL SELLING



THE ORIGINAL STATION REPRESENTATIVE

NEW YORK & CHICAGO + ATLANTA + BOSTON + DALLAS + DETROIT + LOS ANGELES + PHILADELPHIA + SAN FRANCISCO + ST. LOUIS





(THE LIVING ROOM OF CHRIS AND NANCY HUGHES. THEY HAVE JUST FINISHED DINNER)

NANCY: You seem distracted, dear. Is anything troubling you?

CHRIS: Not really. (PAUSING) Nancy, wouldn't you say we've been pretty honest with each other all these years?

NANCY: As honest as the day is long.

CHRIS: There's something I've been wanting to tell you for a long time, but I haven't known exactly how. It's pretty complicated.

NANCY: Just say it, dear...I'll understand.

CHRIS: Nancy, we're on the most popular daytime program in all television.

NANCY: How marvelous!

CHRIS: There's even more to it than that. The CBS daytime programs are now delivering 64 per cent larger average audiences than the next closest network, and 119 per cent larger audiences than the third network. And in each case it's a bigger lead than a year ago.

NANCY: (EXCITEDLY) It's too good to be true!

CHRIS: It is true. CBS daytime programs reach almost as many households as the other two networks combined. As a matter of fact, our programs have averaged the biggest daytime audiences for 8 years. We've been first in every one of Art Nielsen's last 74 reports.

NANCY: He must be a very busy man!

CHRIS: Yes, and there's even more: CBS has 5 of the Top Five daytime programs, 10 of the Top Ten, and 13 of the Top Fifteen.

NANCY: Why, Chris, we have just about everything!

CHRIS: You can say that again. In fact, that's the reason why the nation's leading daytime advertisers spend almost as much money on the CBS Television Network alone as on the other two networks combined. And they've been doing it for years.

NANCY: (DRAWING CLOSE) They've been wonderful years, Chris, haven't they?

CHRIS: The best—and there are many more to come.



Based on National Nielsen Television Index average audience estimates for commercial broadcasts, Mon.-Fri., 7am-6pm, 2nd Nov. report; yearly audience data for 1958 forward. Billings from LNA/BAR since 1963, when net figures became available. Subject to qualifications available on request.

www.americanradiohistory.com

TELEVISION

TV'S FASTEST GROWING AGENCIES TwM takes a hard look at the 10 advertising agencies whose TV billings have grown fastest in the 1960's. Paced by Leo Burnett, TV's hottest agencies put nearly \$453 million more in the medium last year than they did in 1960. The agency profiles and spending data
FOCUS ON COMMERCIALS Marketing research indicates that the harried housewife is motivated to buy if she is convinced a product helps eliminate drudgery. That's the approach appliance-maker Proctor-Silex and its agency, Weiss & Geller, are using in a new series of color commercials. How it's being done
EXCLUSIVE: THE TOP 50 TV ADVERTISERS For the fourth year TvM predicts who, in the final analysis, will turn out to have been the biggest television spenders of 1965. Led by Procter & Gamble, the Top 50 plowed an estimated \$1,394,253,000 into TV last year, another record. The complete spending story begins on
IS TV MANAGEMENT FLYING BLIND? Systems science expert Beardsley Graham thinks it is. He advocates the use of this new discipline to help television plot the way ahead
TV EXECUTIVES AS SEEN FROM THE STARS Astrology's not a science but it's fun. This feature analyzes what the TV executive may be like, depending only on when he was born
A BRITON SPEAKS OUT ON ADVERTISING John J. Hobson, chairman of Hobson Bates & Partners Ltd., noted British ad agency, delivered this lecture before the Royal Society of Arts. It is a classic exposition of "The Influence and Techniques of Modern Advertising," and it starts a series of three Hobson lectures that will be reprinted in TvM 52

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TELEVISION MAGAZINE

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Senior Editor Albert R. Kroeger Associate Editor Deborah Haber Associate Editor Raiph Tyler Administrative Assistant Francine Hand

Sol Taishoff Editor and Publisher Donald V. West Vice President-Managing Editor Frank Chizzini National Sales Manager Robert Moran Sales Representative Jack L. Blas Adv. Production/Office Mgr. Eileen Monroe Secretary to the Sales Manager Editorial Assistant Carol Baratta Harriette Weinberg Subscription Service Stanley White Art Director

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Director of Publications John P. Cosgrove Irving C. Miller Comptroller

Chairman Sol Taishoff Lawrence B. Taishoff Assistant Publisher "Vice President-General Manager Maury Long Edwin H. James Vice President-Executive Editor Donald V. West Vice President-Managing Editor

HOLLYWOOD CHICAGO 360 N. Michigan Avenue 60601 1680 N. Vine Street Telephone 213 Hollywood 3-3148 Telephone 312 Central 6-4115 Editorial: Morris J. Gelman Sales: Bill Merritt

WASHINGTON 1735 De Sales St. N.W. 20036 Telephone 202 Metropolitan 8-1022 Editorial: Lawrence Christopher
Sales: David J. Bailey

Editorial: Edwin H. James
Sales: Edward L. Sellers

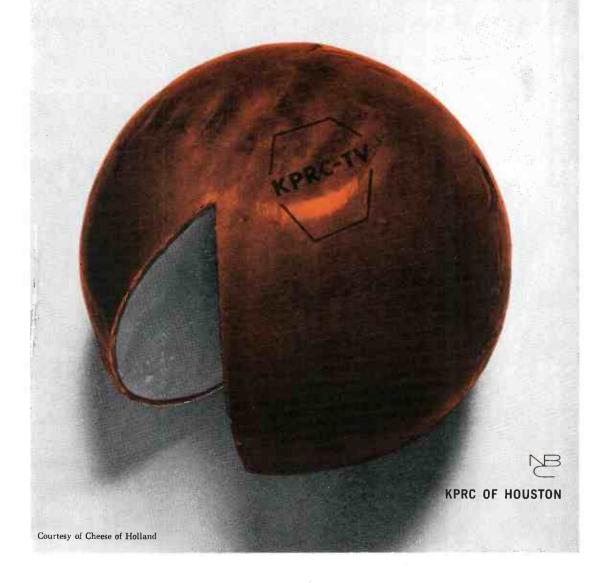
Cover . There are many ways to get an idea across, but few magazines turn to paper sculpture to do it. Television did for this month's cover, however, which makes the point that 10 agencies are growing faster than the others in television's fertile soil. The 10 appear in the guise of flowers on the cover and in their normal garls on page 35.

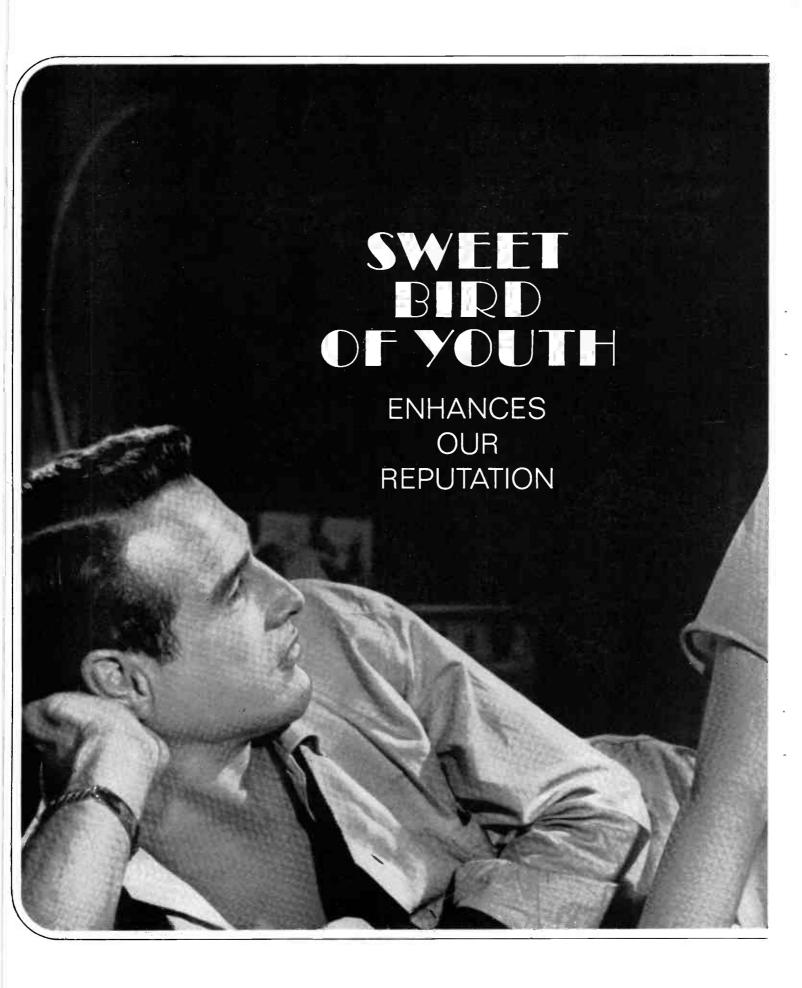


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Pâté costs more than liverwurst.
Bisque costs more than soup.
Stroganoff costs more than stew.
KPRC costs more than other Houston TV.
Life is short.







A REPUTATION FOR CREATING THE BIGGEST SYNDICATION NEWS OF 1966!

And with
LOLITA, RAINTREE COUNTY,
EXECUTIVE SUITE, QUO VADIS,
SOME CAME RUNNING and
SOMETHING OF VALUE
in your schedule, you'll have a
reputation for the biggest ratings,
the biggest profits in town.

90 SOLID HITS/36 IN COLOR

Further recognition that broadcasters need, and are entitled to, prime quality features for station programming.



THIS IS THE YEAR OF THE LION

NEW YORK / CHICAGO / CULVER CITY / ATLANTA / TORONTO

ALREADY HE'S NO. 1

IN NEW YORK WCBS-TV — Number one in his Monday through Friday time period. First in homes ... First in rating and share ... First in total viewers ... First in men ... First in younger women ... First in teenagers. IN WASHINGTON, D.C. WTTG — Number one in his time period, delivering more homes, more teens, and more children than all its competition in the market.

competition in the market.

IN LOS ANGELES KTTV — Number one syndicated children's program in the entire market for the month of October, reaching an average 325,000 children from Monday through Friday.

IN DETROIT CKLW-TV — Oops! Only second highest rated program on CKLW-TV's Monday through Friday schedule just one month after his debut.

SCREEN GEMS

SCREEN GEMS



Source: ARB estimates for October 1965.

Ratings and Audience Composition estimates are based on ARB reports and are subject to qualifications which will be supplied on request.

THE MONTH IN FOCUS

Kintner phasing out at NBC; ABC getting big brother; Season in stretch

OBERT E. KINTNER looked and acced more like a newspaperman than he did the occupant of a high seat in the councils of a mighty network. He hadn't quite the dull sheen that rubs into some men on their way to the summit. You might expect him to roll up his sleeves and relish the pressure as he got an extra on the street a half-hour ahead of competition. You'd be less likely to imagine him at the practiced arts of boardroom diplomacy.

But nonetheless, Kintner had been the president of ABC and was the president of NBC and looked as though he was moving up to the top executive spot as chairman of NBC when word leaked out that he was being stripped of his powers as a prelude to departure.

It was only months after James Aubrey had been yanked from the controls at CBS-TV, but in that earlier episode the network's ratings were slipping before the ax fell. Not so with NBC. The Kintner phasing-out occurs at a time when NBC is enjoying one of its best years ever.

A phase-out it is, since Kintner is a man of stature and a considerable sum of money is involved in the rupture. If the rumor is true that he had already signed a new contract for the next five years at a reported salary of some \$250,000 it becomes obvious why lawyers were burning the midnight oil over the settlement.

The NBC board met in mid-December and redesignated Kintner as its chairman as of Jan. 1. However, his duties were not defined and it was made clear that he would not be chief executive officer, as he had been slated to become by board action in September, or chief administrative officer, which he had been as president. Even before the board action there had been speculation that as part of Kintner's settlement he would keep his title for several months but without authority to make policy. The

mid-December announcement did not explain Kintner's removal from power and neither Kintner nor NBC would elaborate on it.

The new command at NBC, designated by the board, shapes up this way: Walter D. Scott, who was president of NBC-TV, is now president of NBC with duties as chief executive officer; Julian Goodman, moved from executive VP of NBC News to senior executive vice president, operations, and chief administrative officer at NBC. Goodman reports to Scott. Don Durgin, former VP in charge of sales for the TV network, was named an executive VP of NBC and designated to succeed Scott as president of the TV network. Succeeding Durgin as network sales vice president was John M. Otter, who had been VP in charge of NBC-TV's national sales.

As for Kintner's future, the most often repeated conjecture is that he will take a government post. That might bring him back to Washington where he first made a name for himself before World War II as a newspaperman, a career that gave him a look and style of life he never quite lost.

ABC and International Telephone & Telegraph agreed through their managements to merge after lengthy negotiations [see "Focus on Finance," page 13]. The action now awaits approval by the stockholders of both companies and review by several government bodies, including the FCC and the Justice Department.

ITT is a \$1.5 billion corporation while ABC always has had the least financial resources of the three networks. With shelter from the ITT umbrella, the network would be much less exposed to the buffets that now fluctuate its stock as ratings bode well or ill. It also would give ABC the key to vast capital resources at a time when it faces a reported \$75 million investment to give full color capabilities to its TV network and owned stations. The relationship would be rather like that enjoyed by NBC with RCA. If it goes through, it might mean that CBS would be the new little guy and ABC one of the fat cats in the business.

ABC and ITT have a community of interest in several areas. ABC International has foreign TV stations in 26 countries with heaviest concentration in Central and South America, while ITT has substantial manufacturing and sales in foreign countries, particularly in Latin America. Also, ABC has been advocating development of ground stations for satellite communications, once again emphasizing Latin America, while ITT is a pioneer in the development of satellite equipment.

A key provision of the merger agreement guarantees autonomy of operations to ABC.

■ ABC-TV is striking a blow at the traditional all-out-for-fall introduction of a new season's TV schedule each year. "Television has victimized itself by bringing about the unified premiere schedule among all three networks," Thomas W. Moore, ABC-TV president, told a regional meeting of affiliates. "We are going to change all that."

He said the network is going to launch "a new ABC-TV season" in January when four new shows are being introduced: Batman, Blue Light, The Double Life of Henry Phyfe and The Baron. Other ABC officials said the four will be backed with the same sort of promotional fanfare given any fall premiere season. The executives said the new approach does not mean that ABC-TV would not again introduce new programs at the same time in the fall as NBC and CBS. But, they said, the network is considering a constantly changing season with new programs introduced from time to time.

■ Also in the month that was:

The National Association of Broadcasters Television Code Board approved new restraints on advertising that criticizes competition. New wording prohibits identification of specific competitive product or service by audio or video if reference is derogatory openly or by implication. Derogatory is defined as any reference detracting from or belittling competition. This and other code changes recommended by the code board must be approved by the NAB TV board this month in Palm Beach, Fla.

The Television Bureau of Advertising reported that national and regional advertisers spent \$248,320,000 in spot TV during 1965's third quarter as compared to \$223,588,000 in the same July-September period last year. The biggest gains in product categories were confections and soft drinks, up 17% over the same period of '64; dental products, up 49%; drugs, 22%; gasoline and lubricants, \$1%, sporting goods, bicycles and toys, 41%, and transportation and travel expenditures, 30%.

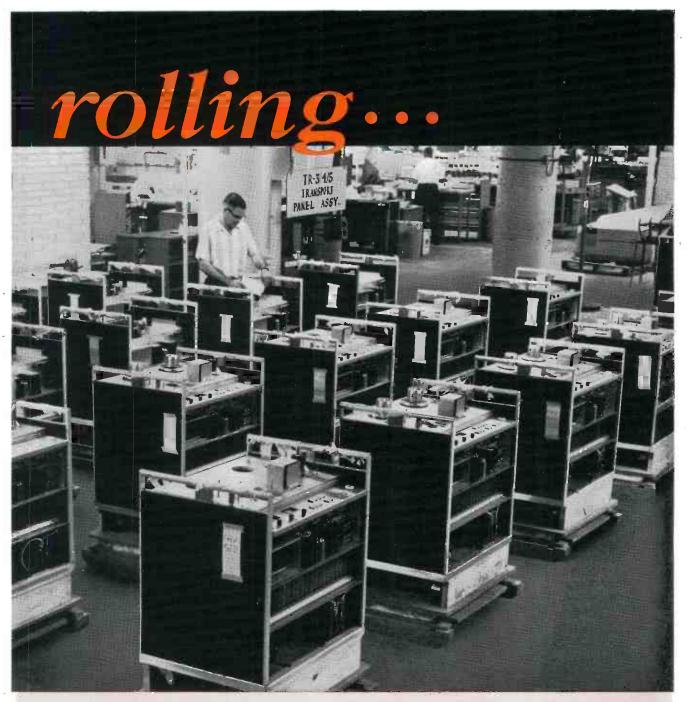
The networks presented the first live coverage of a splashdown from space when Gemini 6 hit the Atlantic Dec. 16. Special equipment set up aboard the USS Wasp by International Telephone & Telegraph relayed the signal via Early Bird from the recovery point to the ground station of the Communications Satellite Corp. in Andover, Me.

CBS regained the ratings lead in the Nielsen report for the two weeks ending Nov. 21. The rating service gave CBS an average evening rating of 20.2, NBC 19.8 and ABC 16.4. Rating charts for the same period a year ago showed a much closer race with CBS and NBC both achieving a 19.4 rating and ABC a fraction away at 19.3.

RCA TR-5's are



The only quadruplex mobile recorder—for color and monochrome



...rolling out to record any taping job you want to do!

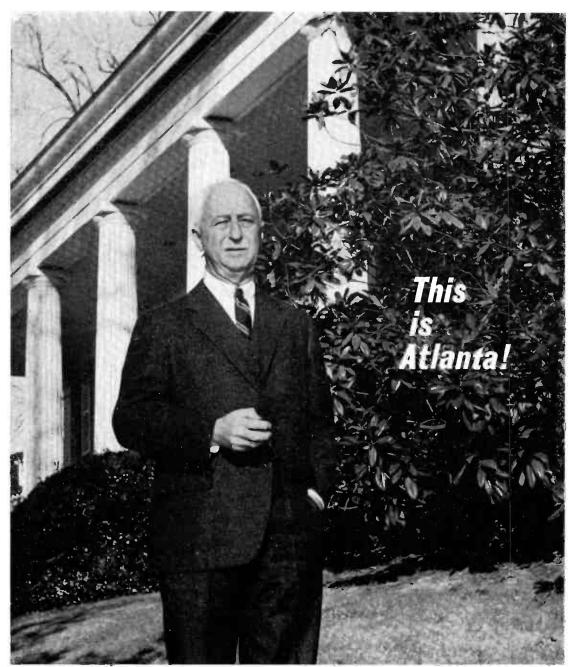
Now you can make quadruplex recordings in the field...recordings that can be played on the air—as is. Up to an hour's recording time is provided with standard reels, two hours with 7½ ips. reels.

The TR-5 has the "New Look"—it's compact, it's modularized, transistorized, compatible with any other quadruplex recorder. And it meets the exacting requirements of color.

If you don't have a TR-5 to "roll around" your studio or to your remote assignments, you're missing a lot in taping convenience and efficiency. On the job they prove their true usefulness by recording news events at the scene of action, fast taping and screening of on-the-spot commercials. Want to roll? Get the TR-5.

See your RCA Broadcast Representative for complete details on the TR-5 TV Tape Recorder. Or write RCA Broadcast and Television Equipment, Building 15-5, Camden, N. J.

The Most Trusted Name in Television



SOARING SALES! Richard Rich, chairman of the board of Rich's, Atlanta's largest department store, was interviewed recently for an article in U. S. News and World Report, citing Atlanta as "one of the hottest towns in the U. S. today". A booming economy, negligible unemployment, thriving industry all contribute to the fantastic sales picture. Get your share of \$1,780,843,000* in retail sales over WSB-TV.

WSB-TV

Channel 2 Atlanta

NBC affiliate. Represented by Petry



COX BROADCASTING CORPORATION stations: WSB AM-FM-TV, Atlanta: WHIO AM-FM-TV, Ogyton; WSCC AM-FM-TV, Charlotte: WIOD AM-FM. Miami; KTVU, San Francisco-Oakland; WIIC-TV, Pittsburgh.

FOCUS ON FINANCE

1965: It wasn't just a good year, it was the greatest

HAT with diversification and acquisition moves, the surge of color TV and a continuing stream of fat earnings statements, 1965 was an Up year for television and TV-associated stocks. And there was even a splashy climax in the big business news of a merger agreement between International Telephone & Telegraph and American Broadcasting.

If Wall Street once had but a passing interest in TV finance—because of the "uncertainty" of "entertainment" issues—the broadcast business events of the past year may have changed its thinking—and its appetite.

In 1964 the 63 companies listed in TvM's index outperformed Standard & Poor's 425 industrial stock index by 4%. (The industrial index showed an average gain of 12% for the year; TvM's index registered an average gain of 16%.) That was 1964. Fantastic is the only word to describe what happened to the TvM index in 1965.

Between Dec. 15, 1964, and Dec. 15, 1965, the 70 stocks on the TvM index had an average gain of 57%. Standard & Poor's 425 industrials again were up 12% in comparison. Sixty-one out of the 70 TV companies examined showed price increases ranging from a remarkable 1,074% to a respectable 4%. Of the stocks that showed increases, 48 powered to gains of 25% or more, 10 of them topping 100%. (In 1964 25 stocks showed losses. Last year only 8 declined.)

Among the top individual gainers last year: National Video, riding the color TV tube excitement, was up 82 points, 1,074%. Jerrold Corp. came to life with a 433% gain. Admiral Corp. was up 335%, Teleprompter 204%, Magnavox 169% and Motorola 159%. As a "pure" broadcast stock (with no outside interests influencing its showing), Capital Cities came off the outstanding group broadcast performer—24 points above its 1964 closing, up 69%.

On the down side of the index, Comsat and Four Star TV led the declines, each 36% lower. Medallion Pictures had a 35% slip.

All of the TvM index categories—television, TV with other major interests, programing, etc.—gave outstanding

THE TELEVISION MAGAZINE INDEX

to 72 television-associated stocks

to /2 television-associated stocks							
(Closing Dec. 15	Change From Nov. 15 Points (%)	1965 Highs- Lows	Approx. Shares Out	Total Market Capital- ization		
TELEVISION							
ABC	707%	+16%(+30)	751/2-48	4.636.000	\$328,577,000		
CBS	45	$+7\frac{1}{4}(+19)$	17 -33		919,125,000		
Capital Cities	$59\frac{1}{4}$	$+ 2\frac{1}{2}(+ 1)$	$61\frac{3}{8} - 30\frac{1}{2}$	1,361,000	80,639,000		
Cox Broadcasting	$3.5\frac{7}{8}$	$+ 3\frac{3}{8}(+10)$	363/8-203/4				
Gross Telecasting	31 1/2	$+ \frac{11}{2}(+5)$	3234-261/2				
H&B American Metromedia		+ 1½(+32) + 51∠(+14)	0%- 3½ 4674-30				
Reeves Broadcasting	6	+ 1/(+ 4)	634- 334				
Scripps-Howard	313/4	+ 3/(+ 2)	321/1-21				
Subscription TV	$2\frac{3}{4}$		45/8- 11/4	3,029,000	8,330.000		
Taft	33	- 1/8 -	$33\frac{3}{4}$ – $18\frac{1}{4}$				
Teleprompter Wometco	1938	+ 934(+101)		891,000			
Total	2774	+ ½(+ 1)	35 -21				
TELEVISION WITH	OTHER	MAJOR INT	ERESTS	17,002,000	41,002,700,000		
Avco	2714			13.699.000	\$373,298,000		
Bartell Media Corp.	Closing Dec. Nov. 15 Highs Points (%) Lows Out 15 Approx. Shares Capitalization 18 Points (%) Lows Out 15 Approx. Shares Capitalization 18 Points (%) Lows Out 15 Approx. Shares Capitalization 18 Points (%) Lows Out 18 Approx. Shares Capitalization 18 Points (%) Lows Out 18 Approx. Shares Capitalization 18 Approx. Shares Capital						
Boston Herald-Traveler	Closing Dec. 170 Nov. 15 Points (%) Lows Shares (Capitalization) Points (%) Lows Out Example (Capitalization)						
Chris-Craft	22%	$+ \frac{7}{8}(+10)$	211/2-113/8				
General Tire	203/	- 2½(-13) + 33/(+14)	21 1/8-11 1/4	2,944,000			
Meredith Publishing	3336	+ 35/(+12)	38 -1716				
Natco Broadcasting Inc	. 111/8	$+2^{5}\%(+23)$	147/8-8				
The Outlet Co.	16	$+ 1\frac{1}{2}(+10)$	167/8-131/4	1,010,000	16,160,000		
Rollins Inc.	1214	+ 65(+17)	5134-2158				
Rust Craft Greeting Storer		+ 31/2 + 16)	211/2-103/4				
Time Inc.	86 10 HZ	+ 8½,+11) +1574(+18)					
Total	11.17.2	+13/8(+10)	10472 50				
PROGRAMING				,			
Allied Artists	134	$-\frac{1}{4}(-13)$	31/4-11/4	932,000	\$1,631,000		
Columbia Pictures	$26\frac{1}{8}$	$-\frac{3}{8}(-1)$	283/8-195/8				
Desilu		$-\frac{3}{8}(-1)$	101/2- 61/2				
Disney (Walt) Filmways	38½ 111%	+ 3/8(+ 6)	171/-103/				
Four Star TV	316	$\frac{-2}{8}(-36)$	81/- 51/				
MCA Inc.		+64(+14)	აი ~ვა	4,687,000			
Medallion Pictures	51/	- %(-13)	121/4- 51/4	632,000			
MGM Inc.	493/8	+ 3%(+13)	491/9-32%				
National Telefilm Official Films	"/16 1	+ 1/6(+50)	15%_ 5%		2 629 000		
Paramount	671/	$+ \frac{3}{4}(+1)$	6734-1914				
Republic Corp.	65%	+ 5%(+10)	$8\frac{1}{4}$ - $5\frac{1}{2}$	2,454,000	16,258,000		
Screen Gems	977/6	+ 8%(+47)	277/8-135/8				
Seven Arts Trans-Lux	16 1/8	+ 4 (+31)	17% - 91/4		9 347 000		
20th Century-Fox	34.7%	+ 23/(+ 9)	351/2-1098	2.810.000			
United Artists	5446	+ 43%(+ 0)	551/3-341/3		112,851,000		
Walter Reade-Sterling	15/8	$-\frac{1}{8}(-7)$	2 - 1	1,583,000	2 572 000		
Warner Bros. Pictures	$15\frac{7}{8}$	$-1\frac{1}{8}(-7)$	207/8-133/8	4,877,000	77,422,000		
Wrather Corp. Total	41/8		71/4-31/8		7,231,000		
MANUFACTURING				10,107,000	\$1,107,102,000		
Admiral Corp.	69	-23%(-3)	751/4-155/6	2.465.000	\$170.085.000		
Ameco	18	$+ \frac{3}{4}(+4)$	191/8-161/4	1,200,000	21,600,000		
Ampex Corp.	$27\frac{1}{8}$	$+ 3\frac{1}{2}(+15)$	283/8-133/8				
Emerson Radio	22 1/8	$-1\frac{1}{8}(-5)$	25 1/8-10 1/8	2,230,000			
Entron Inc. General Electric	1141%	- ⁷ 8(- ²)	1201/4-91	91 016 000			
Jerrold Corp.			18 - 35%		36,828.000		
Magnavox	931/	$+ 2\frac{3}{8}(+ 3)$	853/6-313/6	7,393,000	615,467,000		
3M	671/8	$+ 2\frac{3}{4}(+ 4)$	715/8-54	53,386,000			
Motorola Inc. National Video	8012	+ 8%(+ 6) +933/(+35)	101%4-62%	0,065,000 9,549,000			
RCA	4.63%	- 31/2(- 7)	501/2-31				
Reeves Industries	234	$+\frac{1}{2}(+22)$	31/4-17/8	3,327,000			
Westinghouse	6138	$+6\frac{3}{8}(+11)$	643/8-403/4		2,370,674.000		
Zenith Radio Total	120	$+4\frac{3}{4}(+4)$	121 1/8-62 1/4		1,120,560.000		
SERVICE				203,191,000	\$44, \$13, 770,000		
C-E-I-R	13	-11/(-9)	143%- 7	1,555,000	\$20,215.000		
Comsat	$38\frac{3}{8}$	$-2\frac{1}{8}(-5)$	6634-36				
Doyle Dane Bernbach	$46\frac{3}{4}$	$+ 8\frac{5}{8}(+23)$	4634-2634	997,000	46,610,000		
Foote. Cone & Belding	18 1/8	+ 134(+10)	1914-131/2				
General Artists Grey Advertising	191%	+ 1%(+40) + 236(±14)	0 1/8 - 3 1/8 1914-163/				
MPO Videotronics	131%	- 11/4(-8)	181/4-7	469.000			
Movielab Inc.	$12\frac{5}{8}$	$+ 2\frac{1}{2}(+25)$	$12\frac{5}{8} - 5\frac{1}{8}$	890,000	11,236,000		
Nielsen (A.C.)	$26\frac{3}{8}$	+ 1%(+ 7)	26 1/2-20 1/4				
Papert, Koenig, Lois Total	10	+1 (+11)	$10\frac{1}{2} - 7\frac{1}{8}$				
Grand Total				454,246,000	\$28,246,039,000		
			Data com	piled by Roth	i, Gerard & Co.		

FINANCE continued

performances, with the brightest record coming from the "Manufacturing" companies. This category had a point advance of 106%, helped by National Video's amazing showing and the striking gains made by the others connected with color TV.

Every one of the 14 listed manufacturing companies were up, from 10% on Reeves Industries to National Video's gain of over 1,000%. Motorola led every stock on the TvM index with a share point surge of 1005%. And on a point basis, the color-connected companies won the index laurels. Second highest point gainer was National Video, 817/6; Zenith was third, up 577/8; fourth was Admiral, up 531/8, and Magnavox came in fifth, up 521/4.

"TV with other major interests" was second in TvM index category performance. It gained 64% over its 1964 showing and all 13 of its companies advanced. Rust Craft led with a 124% gain, Chris-Craft and Rollins were up 81% each (Rollins having led the 1964 TvM index with a gain of 348%), and Storer, with its big 1965 acquisition of Northeast Airlines, boomed in with a 79% gain, an increase of 38 points (bettered

only in the category by Time Inc.'s pickup of 45 points.)

The "Television" category had an overall gain of 34%. Twelve of the 13 listed companies rose, only Wometco declined (by 11% but only 31/4 on the point side). Teleprompter showed up as the best ground gainer, up 204% over the course of the year. Actually, Teleprompter's fortunes took off between Nov. 15 and Dec. 15 when it was granted a franchise to operate a CATV system in New York City. On TvM's monthly index, Teleprompter went from 95% to 193%, a boost of 101%.

Capital Cities, with a solid 69% advance, led the group broadcasters. Taft also showed luster with a 58% gain and Scripps-Howard went up 53%.

As a stock category "Programing" was up a nice 28%, but the up-anddown nature of program supply was reflected in the fact that six of the 21 companies listed suffered declines and another (Allied Artists) stayed even. The best showing was by Screen Gems, up 83% on a good sales year to the networks. United Artists also scored big with a 70% rise and the best point increase in the "Programing" category, 223%. Four Star, on the decline side, went down 36%, 2 points.

The "Service" companies as a group went up 18%, led by MPO Videotronics. This TV commercial production house, currently riding the boom in color commercials, had a gain of 104%. Movielab, also getting benefits from color film processing, was up 87%. The only one of the nine "Service" companies to decline, by 36%, was Comsat with some of its initial attraction worn off.

In all it was an almost unbelievably good year, one that would be hard to top in any industry. And the stock men will have to take notice of the business of broadcasting. Indeed they are.

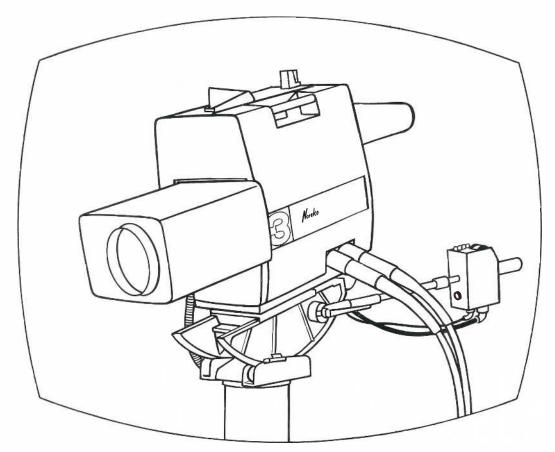
The December merger announcement between Harold Geneen's ITT and Leonard Goldenson's ABC naturally rocked both Wall Street and the TV industry, although it was not a complete shock. ITT has made no bones about being on the hunt for acquisitions. When reported talks last year between the giant communications company and CBS fizzled, an ITT walk-over to see how ABC felt about merger was perhaps predictable.

Also predictable was what happened to ABC's stock, which had been nosing down under low 1965-66 ratings for the TV network. Before reports of the merger, ABC was being traded at

HOW TELEVISION'S INDEX FARED AGAINST STANDARD & POOR'S

		for the	e 12 months ;	from Dec	e. 15, 1964,	to Dec. 15, 1	965			
	Closing 12/15/65	Closing 12/15/64*	Change From 12/15/64 Points	m %			Closing 12/15/65	Closing 12/15/64*	Change F 12/15/6 Points	rom 4 %
TELEVISION ABC CBS Capital Cities Cary Eroadcasting Gross Telecasting H&B American Metromedia Reeves Broadcasting Scripps-Howard Subseription TV Taft Releprompter	70 1/8 45 59 1/4 35 1/8 31 1/2 51/4 6 31 1/4 2 3/4 33 19 9/6	51 ¼ 41 35 ¼ 25 ¾ 26 ¼ 3 ¼ 41 ¾ 40 ¾ 4 20 ¾ 4 20 ¾ 60 ¾ 30 ½	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	+ 38 + 10 + 69 + 20 + 75 + 11 + 50 + 53 + 29 + 204	National Te Official Film Paramount Republic Cc Screen Gem Seven Arts Trans-Lux 20th Centur United Artis Watter Reac Warner Bro Wrather Co	s orp. s y-Fox sts de-Sterling s, Pictures	3/6 1 1 67 1/4 67 1/4 27 1/8 16 1/4 16 1/4 16 1/4 17 1/4 18 1/8 19 1/8 19 1/8	12/13/04 34 48 4 7% 15 ½ 15 ½ 11 ½ 23 ½ 1 ¾ 1 ¾ 16 ¼ 3 ¼	+ 1.6 + 1.6 + 1.9 - 1 + 1.2 % + 1.3 % + 1.3 % + 2.2 % - 2.3 % - 1 + 3.6	+ 53 + 31 + 8 + 4 + 4 + 7 + 2
Wometco	271/4			- 11	Admiral Cor Ampex Corr	p.	69 271⁄4	15 7/8 14 5/8	+ 53 16 + 12 12	+ 333 + 8
TELEVISION WITH Aveo Bartell Media Corp. Boston Herald-Traveler Chris-Craft Cowles Communications General Tire Meredith Publishing Natos Broadcasting Inc. The Outlet Co. Rust Craft Greeting Storer.	27 1/4 53/8 22 5/8 17 23 3/4 14 1/8 16 1/2 25 1/4	20 3 6 5 14 36 14 12 16 11 3 4 19 3 4 20 16 8 14 3 6 23 16 11 14	TERESTS + 6 1/4 + 26 1/5 + 10 1/4 + 10 1/4 + 10 1/4 + 10 1/4 + 12 1/4 + 16 1/4 + 17 1/8 + 19 + 19 + 14 + 38 + 38	+ 34 + 12 + 73 + 81 + 45 + 63 + 77 + 11 + 81 + 124 + 79 + 76	Emerson Ra Entron Inc. General Elec Jerrold Corp Magnavox 3M Motorola In National Vic RCA Reeves Indu Westinghous Zenith Radio	dio ctric c. deo stries se	22 7/8 8 1/8 114 18 18 1/4 67 1/4 163 3/4 89 1/8 2 3/4 64 3/8 120	1014 352 8976 388 31 5434 6378 778 3214 215 4578	+ 12% + 4% + 24% + 14% + 152% + 100% + 11% + 11% + 14% + 191% + 577%	+ 33 + 8 + 12 + 13 + 2 + 43 + 15 + 15 + 107 + 4 + 1
l'ime Inc.	1041/2	59 1/2	+ 45	+ 76	SERVICE C-E-I-R Comsat	3	13 38 %	7 1/8 60 1/4	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	+ 8
PROGRAMING Allied Artists Columbia Pictures Desilu Disney (Walt) Filmways Four Star TV MCA Inc. Medallion Pictures	1 3 4 26 1/8 8 5/8 58 1/2 14 1/2 3 1/2 52 1/2	1 34 20 1/2 9 1/4 43 1/4 13 5 1/2 45 8 1/6 36 3/4	$ \begin{array}{rrrr} & -5 & 6 \\ & -5 & 6 \\ & +15 & 6 \\ & +17 & 6 \\ & -2 & 6 \\ & +12 & 6 \\ & +12 & 6 \\ & +12 & 6 \\ \end{array} $	+ 27 - 7 + 35 + 12 - 36 + 17 - 35 + 34	Doyle Dane Foote, Cone General Arti MPO Videot Movielab In Nielsen (A.C Papert, Koe	& Belding sts cronics c) nig, Lois	46 34 18 76 6 16 13 1/2 12 5/8 26 3/8	27 1/4 16 4 7/8 6 5/8 6 9/4 21 5/8 6 7/8	$\begin{array}{c} + 19\frac{1}{2}\\ + 2\frac{1}{2}\\ + 1\frac{1}{4}\\ + 6\frac{1}{6}\\ + 5\frac{1}{4}\\ + 3\frac{1}{4}\\ + 3\frac{1}{4}\end{array}$	- 30 + 70 + 10 + 10 + 20 + 20 + 4
MGM Inc.	49 %	50 %	+ 12%	Closing	Closing	adjusted for all sto Change	•	or stock divid	ienas.	
		Standard & Poor's 425 Industrials		12/15/65 97.98	12/15/64 87.83	Points +10.15	% + 2			
				711.70	07.00	. 10,10	. –	mpiled by	Roth, Gerar	d & Co

COLOR IT FAITHFUL



The revolutionary Plumbicon television camera tube was designed after years of development work supported by original research on "spectroscopically pure" lead compounds at Philips Research Laboratories division of North American Philips Company in Briarcliff, New York.

Color cameras utilizing these amazing tubes are now in production and are manufactured at the Studio Equipment operation in Mount Vernon, New York. Many of these cameras now have more on-air time than any other *modern* color camera in network

operational use. The results of this breakthrough have been quoted as the most spectacular improvement in home color television reception—a significant stimulus to viewer, set maker and advertiser alike.

Out of this research and development depth, constant improvements are being made. Color fidelity has now been greatly improved over the amazing results thousands have already witnessed.

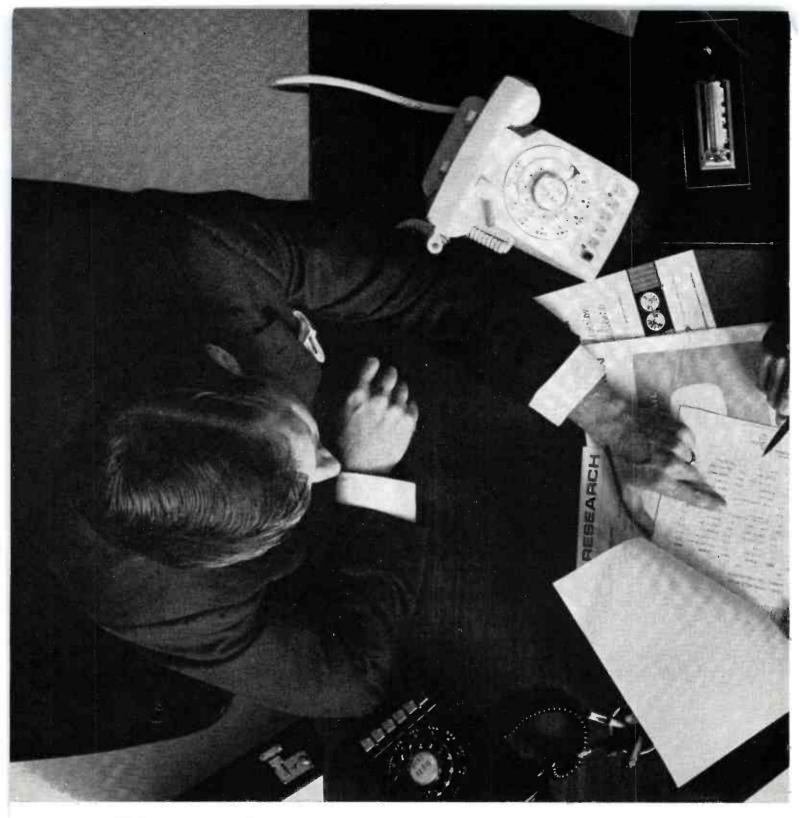
With the magic of these new cameras, you too can Color it Faithful!

Norelco Plumbicon Cameras are manufactured in Mt. Vernon, N.Y.



Plumbicon is a registered trademark

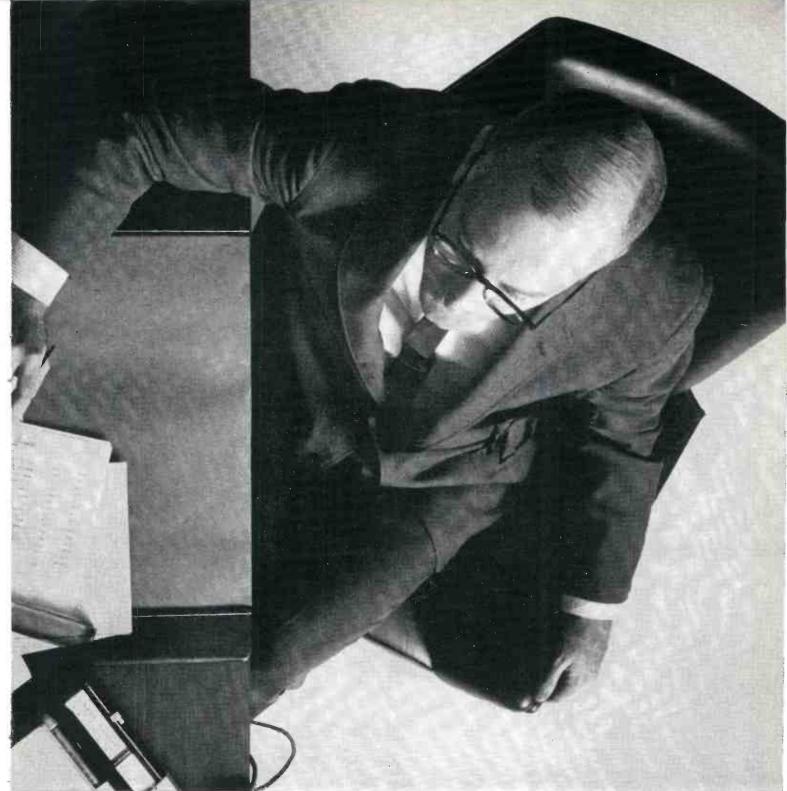
Represented nationally by Visual Electronics Corporation, 356 West 40th Street, New York, N. Y. 10018



Who helped Madison Avenue improve time buying estimates?

You guessed it. Blair Research.

(Just one more reason why Ted Bates' Sam B. Vitt* listens when Blair talks television.)



*Blair Television's Pat Devlin meets with Sam B. Vitt, VP and Executive Director of Media-Program at Ted Bates.

Which will be the hot new shows come next fall? The best time buys?

Lacking a crystal ball, advertising men have had to seek the answers by relying on such timetested devices as past performances, advice, instinct, and maybe a little coin flipping. And at the local level, the situation was even wilder.

That is, until Blair Television turned its Research Department loose on the Nielsen and ARB ratings. We dug into mounds of network projections, local conditions, audience surveys and the like. (Maybe we'll tell you how we did

it someday.) And we came up with our own system for estimating fall ratings on a *local basis* months ahead.

Has it paid off? You bet it has. Agencies now accept Blair estimates because they find them reliable and objective. They know they can bank on them. And advertising men can forget about flipping coins.

It's just one more example of Blair's service to agencies and stations. We call it Enlightened Marketing. It means creative choices. Thorough Research. And Blair Television experience.



BLAIR TELEVISION

A Division of John Blair & Company | 32 Years Serving The Broadcasting Industry
OFFICES IN 10 MAJOR CITIES: New York/Chicago/Atlanta/Boston/Dallas/Detroit/Los Angeles/Philadelphia/St. Louis/San Francisco

FINANCE continued

around 54. By Dec. 1, the day the merger talks were confirmed, it moved to 62. And with the Dec. 7 announcement of the merger plan, ABC moved up 9 more points to close at 74. (The Dec. 15 closing was 70%, up 30% from Nov. 15. ABC on the year—see 12 month index—was up 38%.)

The merger, involving a \$370 million exchange of stock, would create a \$2 billion electronics-entertainment colossus, a new entry among the nation's 20 largest companies, and a formidable rival for RCA-NBC. There are, of course, some hurdles to be cleared. Approval must come from the Justice Department (antitrust), the Securities and Exchange Commission (stock), the FCC (industry policy) and 1TT-ABC stockholders. Fi-

nal approval, after a close government look at the deal, is generally expected.

ABC, of course, has pleaded countless times before the FCC for a way out of a facilities bind which has put it at a competitive disadvantage vis-a-vis CBS and NBC. The FCC had no remedy, but now it can make amends. And ITT, long under the shadow of AT&T-Western Electric, might find this at least a leg up for merger permission.

The advantages for ABC in the merger are strikingly obvious. It can draw on 1TT capital and contacts, research and development (1TT is a major owner in Comsat and much of its R&D is angled to satellite transmission), equipment know-how and a huge international operation which can back up ABC's own considerable investment in foreign TV stations. Also of decided im-

portance: ABC in a merger finds a haven from the take-over threat posed by West Coast industrialist Norton Simon, who controls the largest single block of ABC stock. (One of the conditions in the merger agreement is "the continued autonomous operation and management of ABC by its present management as a separate subsidiary of ITT.")

An ITT-ABC merger, of course, would leave CBS as the only TV network without a big corporate shelter (and at the mercy of every bad rating season, as has often hurt ABC on the stock market—but not so NBC, nestled to the bosom of big RCA). The new game, naturally, is picking companies who may be interested in CBS. Mentioned: IBM, General Electric, General Telephone & Electronics, Litton Industries. CBS is noncommittal.

FOCUS ON

GREY ADVERTISING

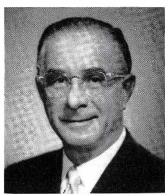
A TELEVISION ANALYSIS

ELL before the summer's end the bloom appeared to be off the rose for publicly owned advertising agencies. The rain of rumor about various agencies' plans to unload some of their equity in the public marketplace had subsided. Indeed, such talk was at a three-year low. What had seemed a trend, begun by Papert, Koenig, Lois in 1962 and followed in successive years by Foote, Cone & Belding and Doyle Dane Bernbach, had come to a halt. The overall stock market had been down and soft prices for the public agencies attended the general decline. In addition, there was talk of the hardship of disclosure of information demanded of agencies on going public and in reports to stockholders thereafter.

Then, last August, Grey Advertising, 17th largest agency in the country and possessed of a good growth record, popped its news. It too would be publicly owned. It gave clients notice of its public-mindedness in a letter dated August 16. It was more of an explanation why than a solicitation of support for its going public. Over the years, the letter explained, Grey had been approached by investment bankers suggesting that the agency make an offering of its shares and the time seemed ripe for doing so. It would be a means of giving younger members of the firm an increased interest in the company and thus would provide the foundation for an orderly transfer of leadership as the older members of the firm reached retirement. The obvious advantage of establishing a fair market value for the company's equity, especially for a service company, much of whose assets don't

show up on the books, went without saying.

Grey's note to clients did assure them there'd be no change in their relation to the agency and that there'd be no problems of disclosure of confidential information.



ARTHUR C. FATT

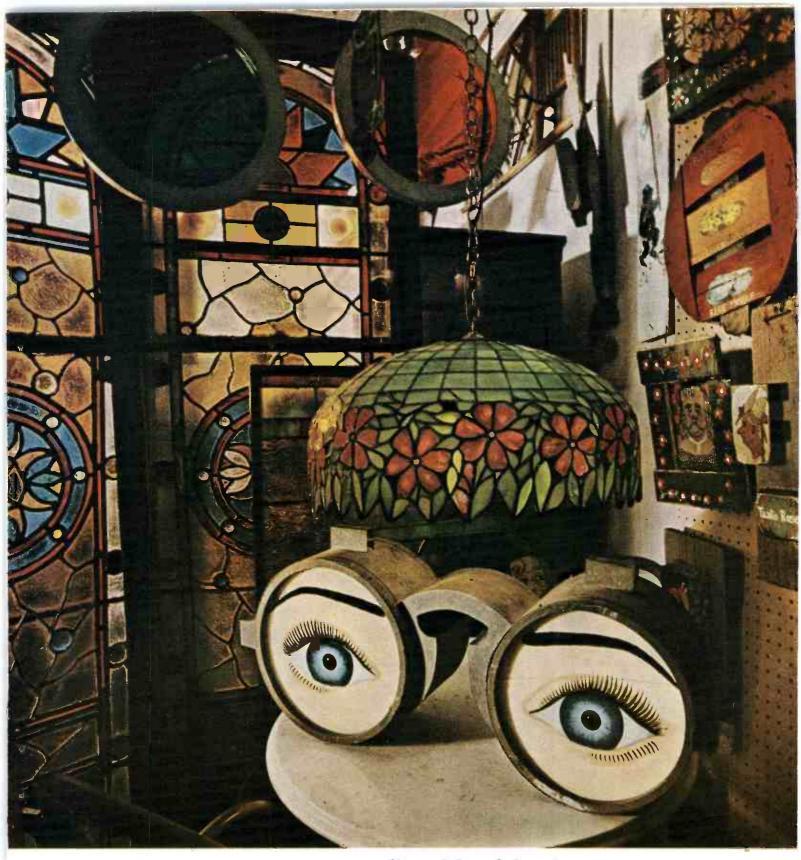


HERBERT STRAUSS

Reaction to the letter was neither adverse nor wildly enthusiastic, according to a Grey spokesman. The clients, he says, mostly public companies themselves, merely understood it as a natural business move for the agency to make.

Among the fastest growing of all U.S. agencies, Grey was in a reasonable position to put its shares on the market. From 1959 its gross billings have shown a steady rise as have derivative commissions and fees, although earnings have followed a more erratic pattern. In 1959 gross billings to clients were \$44.6 million; by 1964 they had reached \$92.7 million and the estimate for 1965 is \$120 million. Meanwhile commissions and fees grew in yearly hops of relatively consistent distance from \$7.3 million in 1959 to \$14.4 million in 1964. But the profit line, the one which catches the first investor glance, won't graph a straight line. Expressed in earnings per share it started at 111/2 cents in 1959, fell to 41/2 cents in 1960, grew eight-fold to 361/2 in 1961, gained again the next year to 571/2 cents, fell back to 43 cents in 1963 and showed its most impressive gain in 1964, rising to 701/2 cents.

Grey gave the public a short lesson in reading agency earnings reports in its prospectus, serving to explain the variable ratio of commissions and fees to net earnings from year to year. The factors are not peculiar to Grey, but general in the advertising industry. First, there's a lag time between acquisition of a new account and the receipt of income from placing advertising for that account. During this period extra staff may be added and the expenses of developing new advertising high. Thus the addition



WCBS-TV is an old hand at GOOD LOCING singled out the "fluidly providing good viewing for its audiences."

Second of City's recent locally."

Second of City's recent locally.

For example, "Simple Gifts," a recent locally-produced exploration of enjoyable pursuits (antique buying, fox hunting) and pleasures (sailing, mountain climbing).

"Simple Gifts" was the station's first full-hour prime-time special in color, and the critics' raves left no doubt that Channel 2's touch was as deft and sure as ever.

The New York Heraid Tribune headlined its rave, "Poetry through Eyes of Camera,"

Newsday called it "a lovely color documentary." And Variety summed up "Simple Gifts" as "magnificent...all the more so because it is the work of a station rather than a network."

New Yorkers know a good thing when they see it. Season after season, they find just what they are looking for on WCBS-TV

Channel 2:in NewYork/CBS Owned. Represented by CBS Television Stations National Sales.

This is a picture of San Diego getting smarter.

The same picture is happening in Grand Rapids, Indianapolis, Denver and Bakersfield. Because all of the Time-Life Broadcast stations are dedicated to a simple belief that people want to get smarter. So we pile it on.

The News Comes First. At our stations, news is the most important local product. But these local presentations have the advantage of a worldwide point of view. Last year, our news directors toured Western Europe. This year, separate camera teams from each station cover the Asian countries and, with the aid of Time/Life News Service, send these film reports to all five broadcast cities for inclusion in the nightly news. In addition, stations receive daily film and radio reports from our Washington Broadcast News Bureau, the first established by a group broadcaster.

In an effort to better all local broadcast news, not just ours, we've co-sponsored a national TV Newsfilm Standards Conference with RTNDA, arranged five follow-up regional meetings, and published two books on TV news.

Educational Programming. Education on our stations is regularly scheduled, not haphazard. Fourteen colleges and universities around Grand Rapids contribute a faculty for WOODTV's "Ten O'Clock Scholar." Teachers in San Diego learn about innovations in teaching science on KOGO-TV. Home-study guides on the New Math are demonstrated and distributed through WFBM-TV Indianapolis. KLZ-TV tells Denver about urban agriculture each week. And in Bakersfield, KERO-TV recreates a classroom in its studio, lets adults in on their youngsters' lessons.

The Knowledge Industry. Our efforts are a small part of a fast-growing phenomenon—the knowledge industry. In just a few years, this business of circulating intangibles and information will amount to one-third of the U.S. gross national product.

It's a huge amount. And a huge responsibility.





KERO-TV Bakersfield KLZ-TV-AM-FM Denver WOOD-TV-AM-FM Grand Rapids WFBM-TV-AM-FM Indianapolis KOGO-TV-AM-FM San Diego



check Blackburn about financing!

Arranging the proper financing that responsible buyers and sellers need to do business is just one of the full range and depth of services of Blackburn, the reliable broker. Others, equally important, include an accurate appraisal or actual as well as potential; a good name that is worth more to us than any single commission could ever be.

BLACKBURN & COMPANY, INC.

Radio • TV • Newspaper Brokers

WASHINGTON, D.C.: RCA Building, FE 3-9270 CHICAGO: 333 N. Michigan Avenue, FI 6-6460 ATLANTA: Mony Building, 873-5626 BEVERLY HILLS: Bank of America Bldg., CR 4-8151

RESTAURANT VOIJIN

One of the Great Restaurants of the World Presents

THE CLIENT LUNCHEON

For that most important social or business luncheon, our courtesy limousine will escort you and your guests to the Voisin for an unhurried luncheon in quiet, relaxed surroundings.

At the prix-fixe price of \$5.50

FOR DINNER AND LUNCHEON RESERVATIONS MICHEL LE 5-3800

Restaurant Voisin 30 East 65th Street New York City

FINANCE continued

of a new account, otherwise a propitious event, may have an adverse effect on earnings in the short run. Second, during the course of an agency's growth there will be periods when it will be able to take on new business without proportionate increases in staff or expenses. And last, an account's profitability shifts depending on fluctuations in its advertising budget and in the amount of service it requires of the agency.

For prospective stockholders Grey outlined some of its own history this way. An expansion program in 1957 involved considerable outlays for staff additions. Significant benefits from this program weren't seen in net income until 1961. In 1964's first half a sizable amount of new business at Grey caused substantial expenses but income from it wasn't realized until the last half of the year. One need look only as far as the 1964 semiannual figures for confirmation. Only 13 of the 701/2 cents earned per share for the year showed up in the first half. For this reason it would make little sense to compare the 13 cents with the 671/2 cents earned for 1965's first half. Grey was careful to point this out in the prospectus.

The agency isn't alone in its effort to explain the advertising business to the investing public. Perhaps the most peripatetic of ad agency professors is Robert Carney, the board chairman of Foote, Cone & Belding. Carney has traveled from one end of the country to the other explaining to security analysts the "stability" of an industry which probably has an unstable image in the public's mind. Only last month he was in Denver addressing that city's Society of Security Analysts, Quarter by quarter fluctuations in FC&B's reports were explained this way: ". . . the pattern of billing within the year can and will vary, although our expenses are relatively more stable." Earnings per share in FC&B's first quarter this year were down to 18 cents from 30 cents for the same period last year and the agency noted some resultant disenchantment in the investing and financial community. FC&B's stock, which hit the Big Board at 187/8, fell as low as 13 and a fraction after that first quarter news. "In fact," FC&B explains, "it was the 1964 first quarter that was out of the usual pattern, not 1965."

Grey Advertising's overall growth in billing has been good, its growth in television billings has been great (see story page 35). As recently as 1960 its television placements came to \$23.9 million and represented 47.3 percent of total billings. Proportionate allocations to television have increased steadily since then as well as overall billings so that this year Grey pumped 64% of its advertising effort into TV representing \$76.8 million.

What does all this have to do with

going public? Plenty. As a most efficient way for an agency to spend large sums of money-and to get advertising efficiency for its client at the same timetelevision has helped provide agencies with the kind of growth and profit margins necessary to carry off a public stock offering successfully.

Incorporated in New York 40 years ago, Grey was the outgrowth of a business founded in 1917 by Lawrence Valenstein and joined four years later by Arthur C. Fatt. Fatt is now chairman of the board and Valenstein chairman of the executive committee. These two and their families were the primary selling shareholders. The private owners put 290,000 shares on the market through 44 underwriters headed by Merrill Lynch, Pierce, Fenner & Smith. The issue was marketed at \$19.50 per share on Sept. 21 with proceeds to the sellers set at \$18.25. Among the sellers were 16 individuals and two funds. Two days after the offering the stock was trading in a free market and it closed its first public week with a bid of 181/4. Since then the shares have moved only slightly. On Dec. 15 they were bid at 191/8.

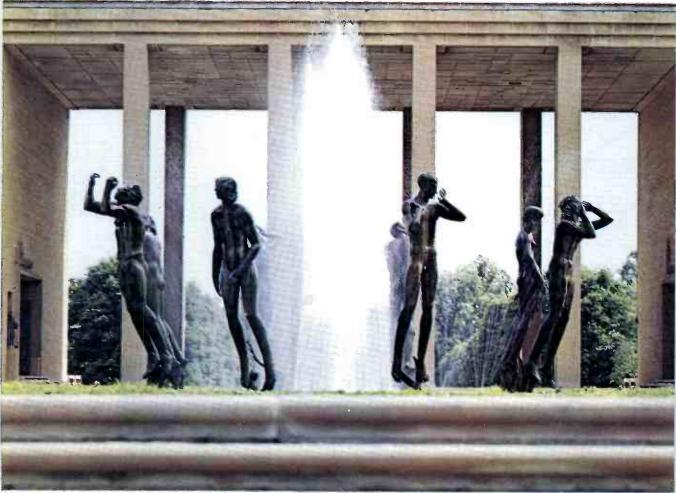
Grey's revenues in 1964 came 82.4% from commissions and the balance from fees for so-called "collateral services." Its 10 largest clients in that year accounted for approximately 65.8% of gross billings, the smallest of the 10 representing only 2.2% of the total. New products introduced through the agency over the past five years for existing clients account, roughly, for 20% of the billing

total.

Grey employs some 900 people, over 800 of them at New York headquarters and the remainder in offices in Beverly Hills and in Montreal and Toronto. The agency has been serving Canadian clients since 1959. More recently it has been gathering interests in a number of foreign agencies located in Australia, Belgium, France, Germany, Great Britain, Italy, Puerto Rico, Spain and Venezuela.

With public sale of stock comes public disclosure of executive salaries and other remuneration. Board chairman Fatt, who sold 45,000 of his own shares at the offering for a gain of \$821,250, has an \$80,000 salary as does finance committee chairman Valenstein and agency president Herbert Strauss. Samuel Dalsimer, vice chairman of the board, gets a \$70,000 salary, and three other executives, Alfred Hollender, president of Grey's international division; Richard Lessler, an executive vice president, and Edward Meyer, executive vice president and treasurer, each get \$67,500. All Grey officers and directors as a group were getting paid at the rate of \$733,000 annually last June: the total accrued to them under profit sharing through 1964 was \$402,270 and their estimated annual benefits on retirement were \$233,073.

DISTINCTIVELY DETROIT



ORPHEUS FOUNTAIN, by the noted Swedish sculptor Carl Milles, is part of the largest Milles collection in the United States. It graces the campus of the Cranbrook Academy of Art in suburban Bloomfield Hills.

Just as Detroiters regard The Orpheus Fountain as distinctive of Detroit, so they have regarded The WWJ Stations as distinctively Detroit for over 45 years. Why? Because of programming that reflects Detroiters' own interest in local news, sports, entertainment, public affairs, and community service. And because of WWJ's home-ownership by The Detroit News. When you ask a Detroiter which radio and TV stations are distinctively Detroit, he'll instinctively tell you "WW.J."

> THE DETROIT NEWS. AFFILIATED WITH NBC. NATIONAL REPRESENTATIVES: PETERS, GRIFFIN, WOODWARD, INC. VT-LWW bns LWW



Isabel Brown turns them down

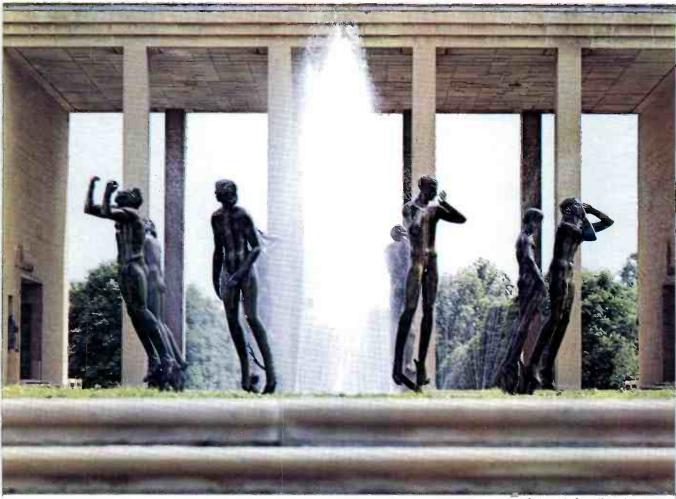
We have a long list of volunteers eager to become a part of the American Research Bureau's sampling activities. People write to us regularly requesting that they be included in our audience surveys, eager to cast their "vote." But Isabel Brown turns them down.

As Field Staff Director, she knows that good sampling requires using only those people who are selected during the due course of ARB's procedures . . . the idea being that everyone in the defined universe is given an equal opportunity for selection. This is the critical criterion. We don't have to ask everybody, but once we do make a selection we are particularly concerned that those people, and those alone, participate.

For those over-eager volunteers, we have to make a friendly policy. Don't call us, we'll call you . . . maybe. It just has to be that way to keep ARB audience reports as good as they are.



DISTINCTIVELY DETROIT



Photograph by George Kawamoto

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OPERATED BY THE DETROIT NEWS: AFFILIATED WITH NBC. NATIONAL REPRESENTATIVES: PETERS, GRIFFIN, WOODWARD, INC.



Isabel Brown turns them down

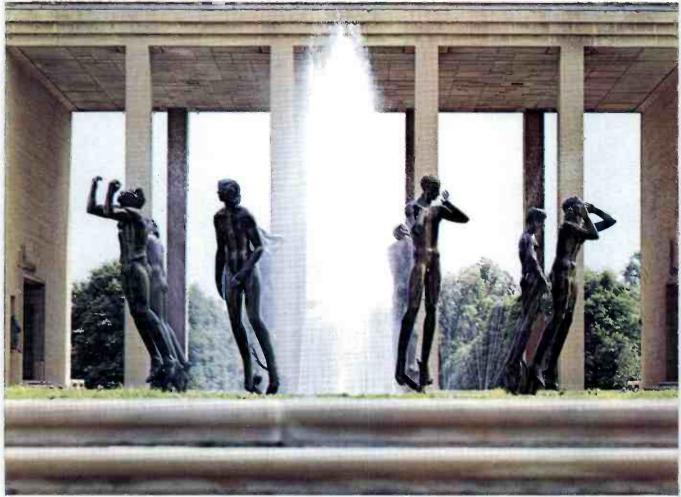
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WWJ and WWJ-TV

OWNED AND OPERATED BY THE DETROIT NEWS. AFFILIATED WITH NBC. NATIONAL REPRESENTATIVES: PETERS, GRIFFIN, WOODWARD, INC.



Isabel Brown turns them down

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HANDARY PLAYBACK

Willard E. Walbridge, executive vice president-general manager of KTRK-TV Houston, makes no bones about where he stands on the question of community antenna television. This is how he put it in a speech to the Arizona Broadcasting Association in Phoenix:

CATV's contemplated unrestricted growth would certainly imperil the free [TV] industry—great and strong as we now may be. If we fight it out according to jungle law and lose, where will the programs come from as the parasite devours its host? For the first time, they would have to turn to their own success—which would be the same as ours—and for the first time also, this would be pay television in its purest form.

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Too often marketing people take the easy, the comfortable, the statistical path of making straight line projections from current and past data and using such projections as predictions of the future. This is why in a rising stock market practically all analyses predict further rises, and by the same methods, in a falling market predict further drops. By the same reasoning the favorite in a horse race or a football league is the guy who won yesterday. I suggest to you gentlemen that the absolute opposite is true in regard to our advertising and marketing methods and techniques. I will bet against the man or the company satisfied with current methods and techniques and not actively seeking and achieving improvements.

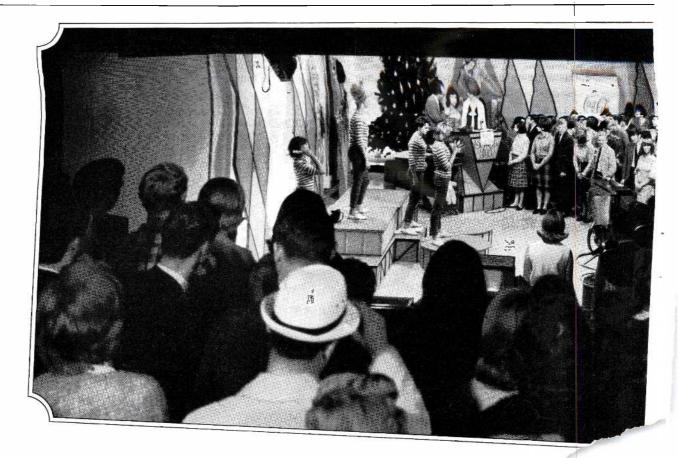
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HANDARY PLAYBACK

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Censorship is still a very real barrier between peoples and their cultures. In many places it is explicitly provided for in the law. In others it operates under the deceptive euphemism of "government approval." In still others—and not entirely unknown here in Washington—it functions, extralegally, as the raised eyebrow. Isn't it wholly appropriate for your committee to suggest to our own government and those of the world steps to remove all censoring devices, overt or covert, to control the flow, outward and inward, of cultural, informational and intellectual materials?

Are there not also affirmative opportunities before the government to ease the way for the arts? The preferential rates for the shipment of educational materials, whether printed or recorded, whether on paper or on film or on tape, can be extended and broadened. Telstar, Relay, Early Bird and their successors offer the most promising means the world has even known for generating an international community of understanding. But governments in both hemispheres can abort the promise of this scientific marvel at the very outset of its career by establishing arbitrary restrictions for its use or by diverting its limitless potential for truth to political purposes and propaganda . . .

If I have emphasized the a posteriori role of governments in the cultural and intellectual lives of nations, it is because I am deeply convinced that, in healthy societies, they cannot be ascribed a useful or meaningful a priori role. There is a line

of Woodrow Wilson's, spoken half a century ago, in which he said of the mystery of democracy, 'that its richest fruits spring up out of soils which no man has prepared and in circumstances amidst which they are least expected.' Governments certainly cannot prepare the soils, nor predict the circumstances, if the cultural and intellectual lives of the world's peoples are to have those qualities of validity and freedom and delight that make them worth their salt. But governments can prize the harvest and remove the barriers that blight the arts and the fences that shut out the works of the intellect.

Margaret Carson, copy supervisor, Foote, Cone & Belding, in a talk before the Fort Worth Advertising League:

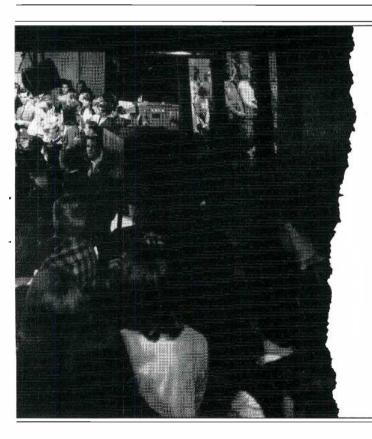
My own survey of what women think of advertising shows that what women dislike most is being underrated. They feel that some advertisers assume they are easily taken in. Maybe they were a few years back, but not in the 1960's. Some advertisers today are talking to women who simply aren't there—to women of the 1940's or even the 50's. The 50's are a long way off. The 70's are just around the corner.

Condescension is out if you are with today's women. Some advertisers adopt a style in writing to women reminiscent of the itsy bitsy baby talk misguided adults used to adopt for children. I don't believe women like cute talk any better than children like baby talk.

Jack Gould of the "New York Times," ending a column in which he had discussed CBS-TV's televised study of Frank Sinatra, commented in general about a problem of TV journalism:

Whatever the defects of the Sinatra study, undoubtedly they derive in part at least from the nature of the medium. A TV producer is at a major disadvantage if he does not have the cooperation of the person he wishes to examine. It is not impossible for a prominent official or a celebrity to kill a program by the mere act of refusing to sit before a camera. Friends and foes of a figure to be profiled may be willing to confide their judgments to a reporter on an off-the-record basis, but, understandably, they may hesitate to go on film with a criticism or opinion that can never be erased or may be put in a context over which they have no control.

Some day TV journalism will have to take the big step of going ahead with a profile of an individual whether or not he approves. One important lesson suggested by the Sinatra program was television's virtual abandonment of one of the most fascinating areas of programing, the study of people. Such profiles as there are have been little more than newsreel clippings patched together with bromidic narratives or perfunctory interviews lacking balanced appraisal. On the other hand, incisive portraits, not only of the prominent headliners but of everyday folk making their unsung contributions, could be absorbing network television.



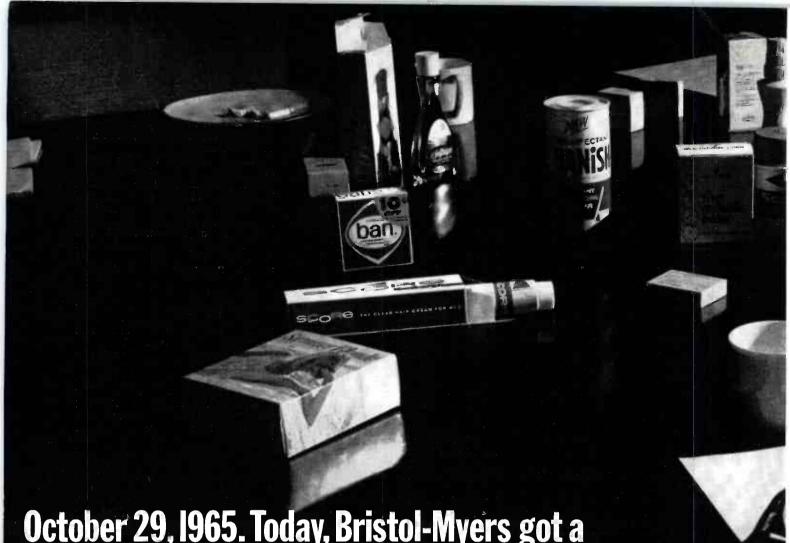
Cit you had the Cuality touch

The importance of local programming and production would be paramount. But, to be different... to reach the optimum... to gain maximum effect....you would showcase your programming in the only completely autonomous suburban television studio in the industry. There, 400,000 shoppers weekly can view the activity of Studio 3, NorthPark Shopping Center... programming, production, merchandising. Interested in the unique? Want to get that Quality Touch? Call your Petryman.

WFAA-TV

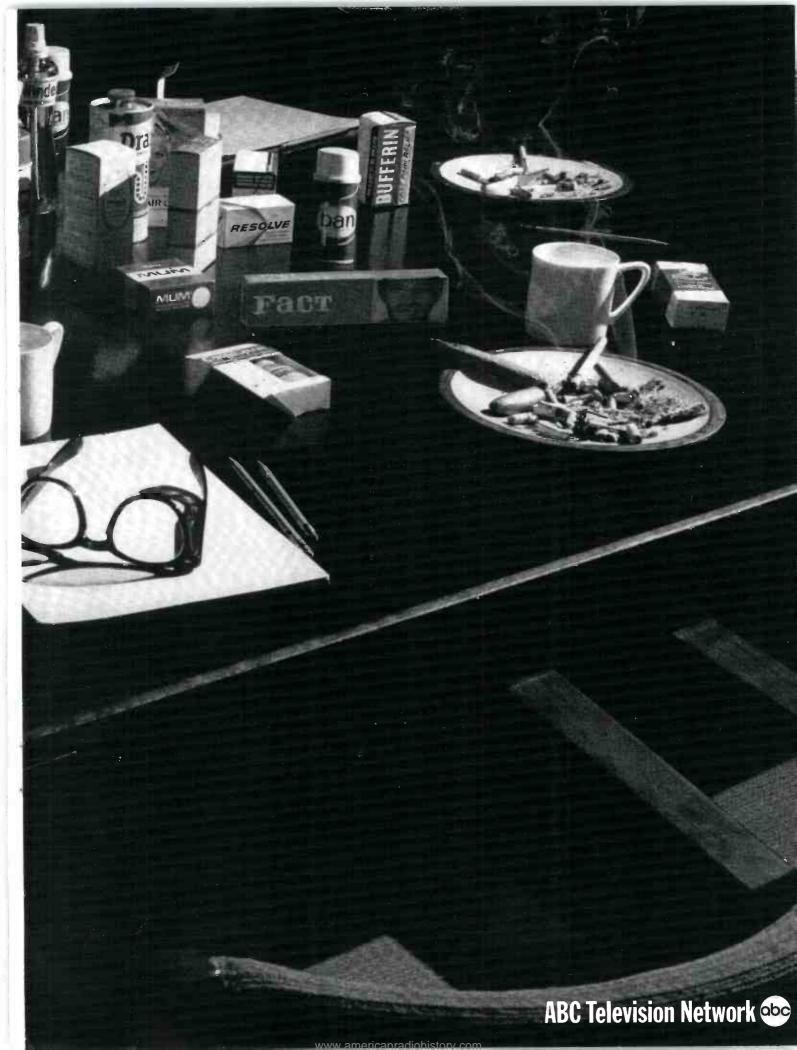
The Quality Station serving the Dallas-Fort Worth Market

ABC, Channel 8, Communications Center / Broadcast Services of The Dallas Morning News/Represented by Edward Petry & Co., Inc.



October 29, 1965. Today, Bristol-Myers got a peek at ABC's plans for '66 and did some concentrated thinking about television. They decided to concentrate the bulk of their dollars on ABC. And their dollars add up to nighttime television's largest budget. What's got companies like Bristol-Myers, Alcoa, Armstrong Cork, Du Pont, Ford and General Electric making major investments on ABC? Could be the spectacular parade of new programming ideas, new talent discoveries, exciting innovations now in the making here.

A lot of tomorrow is happening today at ABC.





FOCUS ON PEOPLE

BUD STEFAN It's a phone-ringing, client-meeting, buying-andselling, nerve-jangling job but Robert Joseph Stefan takes it all in good-natured stride. Stefan's a product of the West Coast, born in San Francisco and educated at the College of the Pacific, who's brought the open manner of California to his job as VP and director of TV and radio for BBDO in New York, for which he directs the fortunes of some \$132.2 million in broadcast billing, \$104.5 million in TV. Stefan majored in drama, wanted to be an actor. After Navy service he returned to Los Angeles and his first job—as a dolly pusher at experimental station w6xyz. The station later became KTLA, and Stefan became a boom operator, then stage manager. He branched out into writing and directing radio shows, then into acting, a career that included the roles of Milton the delivery boy on Fibber McGee and Molly and of Mr. Cooley the egg man on The Great Gildersleeve. Wayne Tiss, then chief of BBDO's Hollywood office, asked Stefan to take a job in the TV department. Said Stefan: "I don't know anything about advertising." Said Tiss: "I don't know anything about television. Try it for a year." That was 13½ years ago. Stefan advanced to become head of production for BBDO Hollywood in 1957, assumed his present job in 1963. ■ A widower, Stefan now makes his home in a Manhattan duplex, makes frequent trips to the Coast on business—"To me it's all show business but I find California more show and New York more business." Does he miss being an actor? "In this business you're 'on' all the time."

JACK GOULD True, it's only one man's opinion, but when it's Jack Gould's, it matters. The TV critic of the New York Times is backed by the most influential circulation in newspapering.
Gould, 51, began as a copy boy for the N.Y. Herald Tribune in 1932, in six months became a reporter on the police beat, then started covering show business. He went to the Times in 1937 under Brooks Atkinson, who taught him to write "your individual opinion, how you feel about what you've seen." Gould has been doing it almost continuously since, the only interruption an abortive executive suite stint at CBS in 1954 that ended amiably after seven weeks. ■ The reviews that can make on _ rak a TV executive's breakfast-are written for the most part in Gould's Oid Greenwich, Conn., home, phoned in to the Times to meet an 11:30 p.m. deadline. He's in New York about three days a week. ■ As Gould tells it and writes it, programing performance over the years has not kept pace with its promise. "I don't think the industry should forget how much television we've seen. The broadcaster educated the audience to a phenomenal degree; now we're ready for more mature programing. The broadcaster has an obligation to keep the curve going up." Gould does his best to remind TV of that obligation. He found little to cheer about this season, dismissed most of the new shows with brief three- or four-line reviews. "The *Times* covers everything that happens in the world. You have to have certain values. Can you legitimately take up half a column with Mona McCluskey?" Gould admits to moments when "I'd like to kick the set in," but says "I don't despair totally. When there's access to those millions of human minds, you can't despair altogether. After all, we're still in the first generation of network presidents."





BILL DANIELS His accountants tell him he's a millionaire, but this 45 yearold bachelor says he's "too involved in deals to sit back and notice." The deals are for CATV systems, for which Daniels has been broker on \$126 million worth over the last six years. He's been middleman on 87 transactions, closed 17 of them in 1965 alone—a \$35 million turnover—and is starting 1966 out right with a \$2.3 million sale set to close in a few weeks. By his reckoning he is handling about 80% of all U. S. CATV sales. B Daniels, an ex-carrier pilot, ex-insurance man, is known as a take-charge kind of guy, tough, pragmatic, a bit flamboyant. Some CATV operators refer to him as "big daddy." Daniels earns the title by dispensing such parental advice, as in one National Community Television Association convention address a few years ago as, "You guys are getting sloppy Why don't you clean up your service trucks? Traveling around it looks to me like you never wash them." If CATV wasn't much of a business when Daniels got in it in 1958, it is now. And he wants it to look like a smart business. Naturally, his commissions improve as systems improve. Daniels & Associates, headquartered in Denver, is now fully owned by Daniels, who bought out two partners in 1964. In addition to the brokerage business, there's Daniels Management Co., a subsidiary managing 27 CATV systems with an annual gross of nearly \$2.5 million, consulting work and Daniels' personal ownership in five systems and some oil production. For several years Daniels was showing interest in broadcast ownership. He bought KFML-AM-FM Denver but sold it recently. He had a contract to buy KTVR Denver (now kcto) but wound up operating it for only a year. ■ CATV, says Daniels, "has never had more buyers interested. The broadcasters are in and now I'm going after the newspaper publishers." Bets are he'll land some.

Which is right for you?



If your hearing is normal, the telephone handset on the left is for you. It's what you use now.

But if hearing is a problem, the one on the right may be a help.

It's a transistorized handset for the hard of hearing that has been developed by engineers at Bell Telephone Laboratories.

The small, thumb-operated knob lets the hearer adjust the volume of the caller's voice as on a radio, making it as loud as desired. The handset fits inconspicuously on any phone base, in any color. It's one of a number of telephone aids for the handicapped.

For the speechless, there is an electronic artificial larynx, also developed at Bell Laboratories. This provides a steady tone in the throat cavity which can be modulated into words by shaping mouth and lips.

<u>Several thousand bedfast children</u> around the country keep in touch with classroom work from home or hospital via two-way Bell System amplified telephone circuits.

For the blind, operate by touch. Other devices for other impairments are being worked on.

Some of this equipment looks like the regular thing—some doesn't.

But the point of it all is to give the handicapped service that's as close to the regular as we can make it.

If you'd like more information about any of these helpful special services, just call a Bell System Business Office, or ask a telephone man.





CLOSED CIRCUIT

I thought your article ["Will Wire Take Over?"] in the December issue of Television Magazine was well written and I congratulate you. You have handled a complex problem in a very intelligent way. If those who are charged with its resolution could envisage it with your clarity, an early solution would be forth-

coming. G. RICHARD SHAFTO President, Cosmos Broadcasting, Columbia, S. C.

Congratulations on an excellent story about wired television. This is the finest wrap-up I have seen in a long time. J. LEONARD REINSCH President, Cox Broadcasting Corp., Atlanta, Ga.

I would like to congratulate you for the excellence of your CATV article in the December issue of Television. As an experienced member of the CATV adventure, I felt that your article, although well written, was based on well researched fact. Congratulations! Wal-TER E. BAXTER Northern Regional Manager, Entron, Pitman, N. J.

The thoroughness and lucid nature of your writing was an educational pleasure to read. The elusive, gelatine-like nature of the topic you were analyzing made your summarizing, broad insight approach that much more useful. MICHAEL M. GOLDBERG Attorney, Teplin & Goldberg. New York.

ADDENDA

I want to congratulate you on the Screen Gems article ["Steady As She! Goes—Upward," December 1965]. However, I must register one terrible gripe: You omitted to cross out the HONE\$T. I need hardly tell you that nothing could hurt me more than to have your readers think that I would try to pass myself off as HONE\$T ED without crossing out the HONE\$T. EDWARD L. JUSTIN VP-Merchandising, Screen Gems, New York. [Editor's Note: Typographical limitations prevent us from crossing out the HONE\$T as Ed Justin does, but the reader will get the idea.]

I have just finished reading your interesting and entertaining article on Gadabout Gaddis, "TV's Compleat Angler" [December 1965]. My quarrel with you is that you did not give wrob any credit for being the TV station that first put Gaddis on the air. If we had not then Nick Russo would not have stumbled across Gadabout Gaddis while on a sales trip in the Albany-Schenectady-Troy area. Also, further on in the story you state, "His first fishing program on TV dates back to experimental programing for General Electric in 1939." This could only be

Without distracting in any way from the contributions made by Messrs. Russo and Mergott and stations which to and wor-tv, some credit should have been given in your article to the TV station that got Gadabout Gaddis started on his way to becoming "TV's Compleat Angler." In other words, your story is not "compleat" without some reference to wrgb. Arthur R. Garland Manager—Promotion, General Electric Broadcasting Co., Schenectady, N. Y.







HIGH CALORIE MARKET

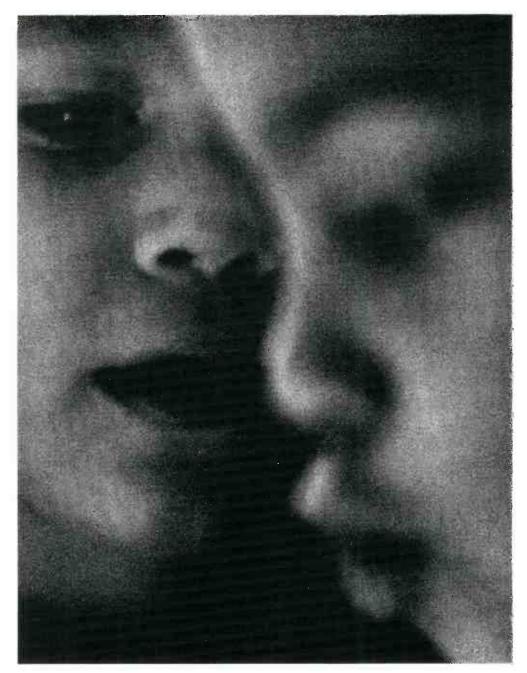
Food sales per person for this million-peoplebillion-dollar market do run \$30.77 a year higher than down in Detroit and Wayne County. (\$377.39 vs. \$346.62. Source: SRDS, July, 1965.)

That's an appetizing indication of the power-

ful advertising response you can generate in the 36 Upstate Michigan counties.

For a "vittle" victory in market selection, get the facts about WWTV WWUP-IV's performance. Consult your jobbers and distributors in these parts. Or check with Avery-Knodel.





Handled With Care

Born into a world they may never fully comprehend, desperately in need of help they cannot ask for—these are mentally retarded children. Each year, thousands of these youngsters slip deeper into hopelessness because too few people care enough to lend a hand.

But WCAU-TV cared. And acted to create mass awareness of the problem. As part of its weekly prime-time TV10 Reports series, it broadcast "Born in a Shadow"—a down-to-earth look at the basic nature of mental retardation. To encourage active community support, the broadcast concluded with a unique invitation to call WCAU-TV where a panel of experts was waiting to answer viewers' questions and channel offers of service. Calls poured in...many from those volunteering their services at training centers for the mentally retarded.

This sensitive eye to a local problem—and the constructive handling of the matter—is further evidence of how much TV10 cares about the Philadelphia community. And provides one more reason why the community in turn cares so much for what it sees on TV10.

WCAU-TV/CBS OWNED/TV10 PHILADELPHIA



(On the Air January 4, 1966)

The channel of change in Chicago TV

We can tell you now that WFLD is here to stay. We can promise you that it will make a real dent in the Chicago TV pattern, almost certainly a very large dent.

We can tell you now some very certain things about why we will succeed, and how we will go about it.

Our purpose in life will be to gain and hold the interest of adult men and women on Channel 32. WFLD will not be an electronic egg-head, but it will be intelligent. It will not live on slap-stick or soap opera, but it will not balk at reaching hearts and funny-bones as well as minds.

We will succeed because of four simple facts. Because there is a great and growing potential UHF audience. Because in seeking that audience we will use equipment and facilities never before used by any single TV station. Because we will fill the existing program vacuum with a new richness of viewing fare. And because we will make available to advertisers, large and small, cost-and-audience possibilities that do not exist anywhere else.

Audience potential? Every new set built in the last year and a half is equipped to receive UHF. Close to 800,000 of these are already in reach of Channel 32. Before you know it, the area's 2.4 million TV homes will all have at least one UHF set.

We are not about to wait for a random explosion of this new audience. We are out to trigger it, controllably.

Facilities? Nearly \$3,000,000 has already been spent for equipment and mechanical facilities that are new, ultramodern, the best. They include 1 million watts of effective transmitting power. They include portable vidicon cameras with 10-1 zoom lenses, capable of getting under a city's skin as TV has never before been able to do.

Another facility, too, is unique. We are blood brothers to two great metropolitan newspapers. Their immediacy, authenticity and excitement in news-getting can be shared by our viewers. Their newsrooms, from which live reports will be made, will be part of our operation. Their experts will serve our viewers well. Their combined circulation is over a million per day. Through them, we can directly invite their audience to be ours.

Programs? From 6:30 to 8:00 we will present adult entertainment. Charlie Chaplin revived. The Richard Boone Theatre. Profiles in Courage. Innovations yet to come. From 8:00 to 10:00, Channel 32 will be a sports theatre. Live, almost entirely. Current. Seasonal. Mostly big-time colleges. Notre Dame, Northwestern, Loyola, Illinois, Michigan State, and De Paul. Finally, 10:00 to midnight. Our news theatre. News in depth. News documented and interpreted by expert, experienced newspaper men.

Last but far from least, we will succeed through the new opportunities we open to advertisers. Into the dearth of good prime spot time we bring new openings. Into a TV world of ever rising costs, we bring a schedule of advertising rates you can eminently afford. To the adventurer in commercial technique, we bring an affordable place for adventure. To the advertiser with a special interest in the Chicago market, we bring a new force to implement that interest. To advertisers of vision and courage and imaginative foresight, we bring an extraordinary opportunity to stake out a claim on the ground floor of a sure thing. It certainly means something that one of the world's largest advertising agencies has bought our whole opening night for its own sponsorship.

This is WFLD, Channel 32, signing off for now. We will grow and we will succeed. Why not grow and succeed with us? Life will not be dull along the way. Life will be a little richer as we get there—for the viewer, for the sponsor, and for yours truly,

Field Communications Corporation

Marina City—Chicago

TELEVISION

"Don't tell me how well we're doing. Tell me how much better we're doing today than we did yesterday." That's the criterion of the 60's, the way of the world in which television has its orbit. Some fare better in it than others do. This report is about 10 agencies which fare very well indeed.

Sullivan.
Stauffer,
Colwell &
Bayles

 BU_{RNETT}^{LEO}

STATE OF STA

These may not be the fairest flowers in television's garden, but they're the fastest-growing. In a business where

growth is a way of life, these 10 are special.

FOOTE, CONE & BELDING

333

WILLIAM

PITZGERALD SAMPLE HOABNAGE HOABNAGE

TELEVISION'S FASTEST-GROWING AGENCIES

BY RALPH TYLER

This is the decade they labeled "The Soaring Sixties," a time when all of industry would take a quantum leap torward. In many ways the 60's have fulfilled their promise. Certainly in regard to advertising. Particularly in regard to television. Especially in terms of the 10 advertising agencies singled out here.

These are, by Television Magazine's reckoning, the fastest-growing agencies in television. They're the ones to watch, the ones many advertisers are settling millions of dollars on. The roll, in order, reads as follows:

Grey Advertising
Foote, Cone & Belding
J. Walter Thompson
Doyle Dane Bernbach
Dancer-Fitzgerald-Sample (tied for sixth)
Young & Rubicam (tied for sixth)
William Esty
Ted Bates
Sullivan, Stauffer, Colwell & Bayles

Television moves so fast that it's sometimes hard to see what's happening until the action is long past. This story is an attempt to freeze a specific motion—the growth of TV dollar billings—so that it can be examined before its course is spent. A certain amount of arbitrariness is involved. To begin with, TvM has taken as its criterion for measuring growth the increase in actual dollars billed in television since 1960.* The top 10 by this standard is not the top 10 in percentage increase, although five agencies make both lists. The leaders in percentage growth are ranked this way: Doyle Dane Bernbach first, Grey second, Ogilvy, Benson & Mather third, Clyne Maxon fourth. Foote, Cone & Belding fifth, Sullivan, Stauffer, Colwell & Bayles sixth, Norman, Craig & Kummel seventh, Leo Burnett eighth, Campbell-Mithun ninth and D'Arcy tenth.

Emphasis on the percentage leaders, however, would favor unfairly agencies which had a low figure for their base year. Using dollar increase, on the other hand, does tend to favor the larger agencies.

Taking the six years from 1960 through 1965 to determine the TV agencies on the move also was arbitrary. TvM did so because it's a period that reflects the most recent activity and also is of long enough duration to represent something tangible. If a 10-year period were taken, from 1956 through 1965, the top 10 in absolute growth of TV billings would be nearly the same—the sole exception that Benton & Bowles would be among the top 10 and William Esty would not.

Together, the top 10 growth agencies chosen billed \$452.8 million more in television in 1965 than they did in 1960.

Although they have their expanding TV billings in common, they differ widely otherwise. Some are very big agencies. In fact, the top four in total TV billings for 1965 also made the billings growth list: J. Walter Thompson, Young & Rubicam, Ted Bates and Leo Burnett. But some, such as Doyle Dane and Grey, are in the middle range. All are head-quartered in New York except Leo Burnett, whose main office is in Chicago, and Foote, Cone & Belding, which has autonomous offices in New York, Chicago and elsewhere.

For most, the share that television represents of total billings also increased during the six years. But in Ted Bates' case it declined slightly, although remaining high since it was substantial in the first place. Three of the agencies among the top 10 went public in the 60's: Foote, Cone & Belding in 1962, Doyle Dane Bernbach in 1964 and Grey last fall.

Many of the agencies attributed their television growth mainly to the new clients that came their way since 1960, while others stressed the new business they got from existing clients. The pattern often was for an agency to start out with one or two products of a major package goods manufacturer and add more to its list as the agency proved it knew what it was doing. Several of the agencies at the top have relatively short lists of blue chip clients, and it is these larger accounts that tend to invest most heavily in television. However, others, like the highly-successful Doyle Dane or J. Walter Thompson, have a wide variety of clients, ranging from small to huge.

As for the division between spot and network spending, some of the agencies feel that there has been a trend toward spot recently. However, an agency like Bates, which is noted for its spot expenditure, is moving more into network as that becomes more flexible with its participation plans.

In structure, many of the agencies combine both spot and network buying along with programing into one broadcast department, while others put network buying and programing together and leave spot buying to the media department. The agencies differ widely in the interest they take in programing. Some, such as William Esty, are still active in the early stages of program development, although the trend is increasingly away from such a close program involvement.

As for the future, most of the agencies do not expect the share of their television expenditure to total billings to increase significantly in the next few years. There is a feeling that a leveling-off process has set in. And many express anxiety about the cost efficiency of television as rates continue to go up. Some also are apprehensive that the spread of UHF and other new ways of reaching people by television will fragment the audience.

Capsule descriptions of TvM's growth agencies begin overleaf.

^{*} For purposes of this report Television has used the annual billings estimates of Broadcasting magazine, widely-accepted indicators of TV activity.

	10 IN DOLLAR VOLUME INCREASE	MILLIONS			RCENTAGI
1.	Leo Burnett	\$66.6	1.	Doyle Dane Bernbach	332.8
2.	Grey	\$58.3	2.	Grey	315.1
3.	Foote, Cone & Belding	\$53.0		Ogilvy, Benson & Mather	
1.	J. Walter Thompson	\$45.4	4.	Clyne Maxon	153.
5.	Doyle Dane Bernbach	\$41.6		Foote, Cone & Belding	
5.	Dancer-Fitzgerald-Sample	\$41.2	6.	Sullivan, Stauffer, Colwell & Bayles	127.
5.	Young & Rubicam	\$41.2	7.	Norman, Craig & Kummel	117.
3.	William Esty	\$37.0	8.	Leo Burnett	108.0
€.	Ted Bates	\$34.6	9.	Campbell-Mithun	106.4
).	Sullivan, Stauffer, Colwell & Bayles	\$33.9	10.	D'Arcy	84.

■ Leo Burnett, the only Chicago-headquartered agency among the top 10, leads the list in terms of actual dollar growth of TV billings. The agency billed an estimated \$127.9 million in the medium this year, up \$66.6 million from the 1960 outlay. Although it is first in dollar growth, it is eighth in percentage growth, since its base-year spending for TV already was a sizeable \$61.3 million. The 1965 expenditure is 108.6% above that.

Leo Burnett's TV upsurge "is probably a function of two things," says Leonard S. Matthews, executive VP at the agency. "The agency's total billings growth has been rather substantial in the same period of time. We also have about the shortest list of clients for an agency of our size. They are mostly large companies that are either leaders or among the leaders in their industries. And it is these larger companies, as you can see by the spending pattern of the top 50 advertisers, that have shifted more to television than the average advertiser has."

Although Burnett's total U.S. billings have increased during the same six-year period, the rise has been from \$112 million to \$176 million, up 57.1%—less spectacular than television's upswing.

Leo Burnett's clients numbered 24 in 1960. Since then the agency has lost six and gained 11 for a 1965 total of 29. Slightly fewer than half the 1960 accounts were in the food business, which as an industry is television's biggest spender. Among Burnett food clients are some of the medium's top advertisers: Campbell Soup Co., which started the decade as 41st in TV outlay and has risen to 31st this year; Kellogg, currently in 16th place, and Pillsbury Co., now ranking 41st. Burnett also has some of the business of the number one TV advertiser, Procter & Gamble, but in soap and cosmetics. Other food advertisers the agency had in '60 and still has are Green Giant (with Burnett since the agency began 30 years ago), Star-Kist Foods, Sunkist Growers, Swift & Co. and Sugar Information Inc.

Among the major television clients the agency has gained since 1960 are Nestle Co., currently 39th in rank as a TV spender, Joseph Schlitz Brewing Co., 42nd, Vick Chemical Co., Union Carbide's Consumer Products Division, United Airlines and Gallo Wines. The biggest one that got away in that sixyear span was Chrysler Corp., along with smaller accounts as Hoover and Cracker Lack.

One of Burnett's accounts that has increased its television spending decisively since 1960 is Philip Morris, which moved up from 18th place to 9th among television's Top 50 advertisers. According to Matthews, three accounts that had been mainly in print have shifted in recent years to the point where television is now their primary medium: Allstate Insurance, Green Giant and Star-Kist Foods.

What is the image that has attracted advertisers and their television dollars to Burnett? Matthews says, "Basically we're thought of as a creative agency. We'd like to think that creative extends to all areas of the agency." The man who founded the agency and now serves as its board chairman, Leo Burnett, says, "While we are now a large agency, we have tried to preserve the informality and creative climate of our earlier days when everything was uphill and we had to be good just to stay alive." The agency has integrated marketing with advertising, and claims that through its Creative Research Workshop it can predict, with 70% accuracy, whether or not an ad or commercial will be effective.

Television's share of Burnett's overall billings this year is 72.6%, compared with 55.1% in 1960. Of the estimated \$127.9 million billed by Burnett in TV in 1965, \$84.8 million was in network and \$43.1 million in spot. Burnett's current network buys are for such companies as Allstate, Campbell's, Green Giant, Kellogg, Motorola, Nestle, Philip

Morris, Pillsbury, Procter & Gamble, Schlitz, Star-Kist Foods, Union Carbide, United Airlines and Vick Chemical. All these, with the exception of Allstate, also are in spot.

Burnett's television billings from year to year were (in millions of dollars): 1960, \$61.3; 1961, \$69.3; 1962, \$93.1; 1963, \$85.3; 1964, \$108.2; 1965, \$127.9. The only decline was in 1963. The falloff then was attributed largely to the loss of the Chrysler account to Young & Rubicam late in 1962.

As for the rest of the decade, it's Matthew's opinion that the percentage figure representing television's proportion of total billings will not grow very much. In fact, he says, TV's share has remained about the same for the last couple of years. He says TV homes have reached a plateau while rates probably will continue to go up, pointing to a decline in the medium's cost efficiency.

■ GREY ADVERTISING achieved the highly commendable distinction of being the number two agency in television billings growth both in terms of actual dollars and in percentage. The dollars jumped spectacularly from \$18.5 million in 1960 to \$76.8 million in 1965, a 315.1% hike. Only Leo Burnett did better in dollar increase, Doyle Dane Bernbach in percentage growth.

Grey went public in August of this year, following in the footsteps of three other rising advertising agencies: Doyle Dane Bernbach in 1964, and Foote, Cone & Belding and Papert, Koenig, Lois, both in 1962. Grey, FC&B and DDB also made the top 10 list in television growth, and it can be assumed that the agencies' burgeoning television business had something to do with their decision to sell their stock to the public, since you can't sell stock at a good price unless you carry an aura of success.

Herbert D. Strauss, president of Grey. says there's no simple answer to why the agency's television billings have risen so steeply. "Basically," he says, "it's attract-

ing the right clients and doing work for those clients that increases the budget every year. It's producing results. A great deal of our growth comes from starting with a company and working on a very small segment of its business, doing a good job, and being assigned more of its products."

There are several cases in point during the 60's. P. Lorillard gave some business to Grey in 1961, Bristol-Myers did the same in 1962 and H. J. Heinz did so last year. In each instance the list of products from these clients lengthened. Lorillard now has four products with Grey: Erik Cigars, Old Gold Filter Cigarettes, Omega Filter Tipped Little Cigars and Spring Cigarettes. Bristol-Myers has consigned to the agency Bufferin, Mum, Mum Aerosol Spray Deodorant, Score Hair Cream, Score Spray Deodorant and Trushay. And Heinz now has both its baby foods and its pickles at Grey. Many of these products are heavily in television, and the advertisers are some of the more lavish spenders in the medium. Bristol-Myers now holds second position among TV advertisers, moving up from seventh place in 1960, and Lorillard is currently

23rd in rank, down from 14th in the first year of the decade.

Grey also has acquired since 1960 some other clients that invest substantially in television. The agency picked up Revlon in 1960, Diamond Crystal Salt and Tidewater Oil in 1962, Ex-Lax in 1963 and Rival Pet Foods in 1964.

Of course, Grey has to pay a price for its lengthened client list. The agency reportedly turned down some \$14 million in potential billings this year, mostly because of product conflict. In the drug field, certainly, the agency's roster is pretty well complete, with Block Drug, Bristol-Myers, Ex-Lax, Mennen, and Revlon and its subsidiary Thayer Laboratories.

Although Grey's total billings have grown substantially in the six years since 1960, the ascent has been gentler than television's. The overall billings stand at an estimated \$120 million today, up 73.3% from 1960's \$50.7 million. According to Strauss, part of the reason for the increasing proportion of TV to total billings is the agency's success in attracting package goods clients, normally heavy users of the medium. "We also find television is very effective in selling

products," Strauss says. "Today we have soft goods accounts important in television advertising such as Van Heusen shirts."

As to the agency's overall growth, Strauss says: "To grow you have to start with a nucleus of good people. People attract people and good people attract good people. One of the things that has helped us to grow is the high standard we've set for ourselves. We've never been satisfied with mediocrity."

Strauss says the agency believes in the integration of all elements in the advertising mix. "Creativity and marketing go hand in hand," he says. "We use all the tools in our command."

Grey's network TV billings this year were estimated at \$37.2 million, with \$39.6 million going to spot—a nearly equal division. Active network advertisers were Bristol-Myers, P. Lorillard, Procter & Gamble, Mennen, Block Drug and Revlon. These also are in spot, plus Diamond Crystal Salt, Ex-Lax, Greyhound, H. J. Heinz, Hudson Pulp & Paper, Ideal Toy, Rival and Tidewater.

The year-to-year increase in Grey's television billings went like this (in millions of dollars): 1960, \$18.5; 1961,

1965'S TOP 25 AGENCIES AND HOW THEY GREW

This chart lists the 25 agencies which ranked first in television billings in 1965, as estimated by Broadcasting magazine, and traces their billings growth back to 1960. It was from this raw data that Television Magazine arrived at its calculation of the fastest-growing TV agencies.

Rani	Agency	1965	1964	(Rank)	1963	(Rank)	1962	(Rank)	1961	(Rank)	1960 ((Rank)
1	J. Walter Thompson	\$158.4	\$131.0	(1)	\$145.0	(1)	\$123.0	(1)	\$115.0	(1)	\$113.0	(1)
2	Young & Rubicam	137.2	119.7	(3)	119.8	(2)	88.1	(4)	86.5	(3)	96.0	(3)
3	Ted Bates	136.6	120.2	(2)	108.2	(3)	110.5	(2)	112.3	(2)	102.0	(2)
4	Leo Burnett	127.9	108.2	(4)	85.3	(6)	93.1	(3)	69.3	(6)	61.3	(7)
5	BBDO	104.5	103.3	(5)	86.0	(5)	83.0	(5)	84.0	(4)	75.0	(6)
6	Benton & Bowles	99.0	97.0	(6)	88.4	(4)	82.0	(6)	80.5	(5)	78.0	(5)
7	Dancer-Fitzgerald-Sample	95.0	88.0	(7)	75 .0	(9)	67.0	(8)	62.5	(8)	53.8	(8)
8	Foote, Cone & Belding	94.0	78.8	(8)	6 5 .7	(10)	51.6	(12)	46.5	(11)	41.0	(11)
9	McCann-Erickson	91.0	78.0	(9)	79.0	(7)	51.8	(11)	68.1	(7)	89.0	(4)
10	William Esty	82.0	68.2	(11)	62.0	(11)	60.0	(9)	46.0	(12)	45.0	(10)
11	Grey Advertising	76.8	5 0.0	(14)	42.0	(15)	39.0	(16)	22.2	(19)	18.5	(22)
12	Compton	69.5	76.3	(10)	79.0	(7)	70.7	(7)	56.8	(9)	47.5	(9)
13	Sullivan, Stauffer, Colwell & Bayles	60.4	61.5	(12)	5 4.6	(13)	42.0	(14)	35.4	(15)	26.5	(15)
14	Lennen & Newell	56.7	5 5.6	(13)	62.0	(11)	58.0	(10)	54.0	(10)	37.2	(14)
15	Doyle Dane Bernbach	54.1	27.3	(22)	18.2	(26)	13.3	(31)	9.6	(35)	12.5	(30)
16	Needham, Harper & Steers	45.0	24.2	(25)	24.5	(19)	18.1	(24)	23.7	(17)	22.6	(18)
17	Ogilvy, Benson & Mather	42.2	38.5	(16)	21.0	(24)	22.6	(20)	15.0	(27)	16.0	(25)
18	N. W. Ayer	40.5	45.0	(15)	46.5	(14)	45.0	(13)	43.5	(13)	40.8	(12)
19	Clyne Maxon	38.0	38.0	(17)	22.0	(22)	20.3	(23)	17.6	(24)	15.0	(27)
20	D'Arcy	36.0	24.4	(24)	22.0	(22)	30.0	(18)	20.9	(22)	19.5	(21)
21	Kenyon & Eckhardt	33.5	33.8	(18)	37.0	(16)	42.0	(14)	42.0	(14)	40.3	(13)
22	Norman, Craig & Kummel	33.0	33.0	(19)	32.3	(17)	31.1	(17)	23.3	(18)	15.2	(26)
23	Campbell-Ewald	29.5	28.5	(20)	27.5	(18)	26.0	(19)	26.0	(16)	26.0	(16)
24	Cunningham & Walsh	27.0	28.0	(21)	20.0	(25)	17.5	(25)	21.0	(21)	23.0	(17)
24	Tatham-Laird	27.0	18.5	(27)	17.8	(27)	14.3	(30)	16.2	(25)	22.1	(19)

TH IN A SERIES ABOUT THE CREATION OF TV COMMERCIALS

PERKING UP A PERCOLATOR COMMERCIAL

1. Fade in: Graphics flash an imploring "Who?" Narrator picks up: "Who puts..."

2. Quick cut: The words "Real Taste" move in to split the word "Coffee." Narrator continuing: "... real taste back in coffee?"

5. Cut to: A product shot and the title—"Proctor-Silex Automatic Glass Electric Percolator." Narrator:" With the new Automatic Glass Percolator . . ."

6. "... you enjoy only rich pure coffee." The scene is coffee being poured.

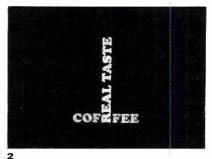
9. Cut to: Hand lifts Proctor-Silex bowl out easily, followed by an easy-cleaning demo. Narrator: "Because the glass bowl lifts right out . . . cleans easier."

10. Cut to: Girl's smiling face seen clearly behind cleaned glass percolator bowl. She widens smile. Narrator: "Completely!"













ARKETING studies for countless products have been indicating one purchase motive over and over again: The harried housewife—and which one claims she isn't—will buy a product if she is convinced it helps eliminate or reduce unpleasant aspects associated with the job—such as drudgery, wrinkles, wobbles and woe. Mr. Clean, the White Knight, the 10-ft. tall washer and all kinds of "magic" additives and ingredients have been advertised as her rescuer, the "best" for the job. One of the latest to the rescue is Proctor-Silex Corp., a leading manufacturer of irons, toasters and other home appliances.

Modern home appliances, of course, rank as the top time and work-saving products. And Proctor-Silex has the task of impressing the housewife that its products time-save and work-save best. It's currently doing this with a series of color commercials that combine live product demonstrations with eye-catching modern graphics.

The direction of the new campaign was determined by Adam Hepp, Proctor-Silex ad manager; Max Tendrich, executive VP Weiss & Geller and account supervisor, and the agency's director of creative services, Art Ross. (The Proctor-Silex W&G union has been profitable. In the 12 years W&G has had the account on television, P-S sales have climbed from \$4 million to over \$40 million.)

After setting the basic campaign course—the time-saving, work-saving tactic—the client-agency trio concentrated on working up a strong, new brand name identification approach. For they had inherited a problem.

Proctor-Silex has for years marketed a wide range of consumer products under a variety of brand names. It was fine for sales, but overall brand identification was lagging. Based on research findings, both agency and client agreed that all consumer products in the future would be marketed and advertised under the Proctor-Silex name. And whichever product was advertised, it would bear the logo and name "P.S.—Proctor-Silex."

Within the frame of new TV commercial thinking, it was decided that the brand identification concept "P.S. means Proctor-Silex" would be a key element. With the overall approach settled, Hepp, Tendrich and Ross tackled the creative problem—getting a different "look" and "sound" to gain maximum attention and brand image awareness for the Proctor-Silex line.

The creative direction began to take shape in the form of a series of questions put by an unseen narrator to the curious, hopeful and harassed housewife. Example, for a new Proctor-Silex glass electric percolator: "Who puts the taste back in coffee?" or, "Who takes the mess out of coffee-making?" The answer to each question, of course: "P.S.—Proctor-Silex!" (Or, in the case of another P-S commercial. for an iron,

WITH SOME FAST-PACED COLOR GRAPHICS

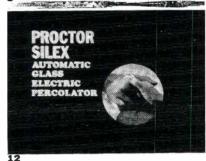












- 3. Cut to: Girl at a coffee table against a black limbo. She looks up inquiringly. "Who? Tell me who?"
- 4. After a series of dots popping on in beat of music to form a percolator, Proctor-Silex logos cut in. Narrator: "P.S. Proctor-Silex."
- 7. Swish pan to: Girl with metal coffee pot making a bitter taste look. Narrator: "No bitter taste often found . . ."
- 8. "... in harder-to-clean metal pots." A metal pot cleaning demo shows the difficulty of cleaning.
- 11. After a sequence on "who takes the mess right out of coffee?"—P.S. Proctor-Silex—narrator asks: "Who puts the romance back in coffee?"
- 12. On the close, hands affectionately touch. Then, slow iris down to frame the hands and fade on title. Girl: "Things sure do 'perk up' with a Proctor-Silex."

"Who takes the drudgery out of ironing?")

By repetition of this stylized question and answer technique, as ad manager Hepp explains, "a potent memory device is established, one that links the major benefits of these appliances with the brand name Proctor-Silex."

Starting from this premise, creative director Ross (writer-producer-art director on the series) wrote a series of question and answer scripts, and determined that the provocative word "Who?" must play a major role in the graphics for the commercials.

Working out the mechanics with Drew Lawrence Productions, a top New York graphics design film house, Ross developed a visual pattern that called for a rapid-cutting editorial treatment which alternated between colorful, attentiongetting graphics, inquiring homemakers (the actresses used in the commercials) and tight, closeup product demonstrations. Each question and answer se-

quence was then punctuated with the brand identification "P.S. - Proctor Siley"

Ross, an experienced award-winner in TV commercial color technique, insists on not using color for the sake of making what usually comes off as a garish splash. "The problem with color," says Ross, "is remembering to use it judiciously."

In the new Proctor-Silex series, Ross had all the live action shot against a "black limbo," with color attention centered only on the key object or element in each scene. This achieved a highlighted, almost three-dimensional effect in the finished footage.

Ross saved the excitement for the graphics, the punch pauses between the live sequences. Words and symbols in bright blue, orange, yellow and red whirl and align themselves into designs, a lively punctuation that accents key words from the narration. "We used the color excitement as a counterpoint to the

live action," says Ross. And the total effect is a fast, satisfying answer to what housewives might want to know about the product.

The "Who?" campaign is currently running in color on the full NBC-TV network as well as in 54 spot markets and all leading markets in Canada. It will also form the basis for newspaper and magazine ads with the "Who?" and other graphic motifs used in the films carried over to print visuals. Dealer trade ads and point-of-sale pieces will also carry the new "Who?" look. (The commercial times out at 53 seconds, allowing Proctor-Silex dealers time to hook on a local ID in spot markets.)

"The new campaign will strengthen our overall impact on the consumer," says account supervisor Tendrich, "through repetition of the same graphics used in all commercials and all art in other media. And it will put forth a totally unified Proctor-Silex brand image."

CREAM OF THE **CROP**

BY ALBERT R. KROEGER

THE **FIRST** FIFTY: AS THEY ARE AND USED TO BE

Ran	k Advertiser	1965	1964 (Rank)	1963 (Rank)	1962 (Rank)	1961 na
-			,			
	Procter & Gamble	\$160,955,200	\$148,783,200(1)	\$130,449,160(1)	\$111,945,864(1)	\$108,632,187
2.	Bristol-Myers	76,701,600	61,519,710(3)	51,093,390(4)	39,511,443(6)	24 719 - 21
3.		71,768,300	70,874,800(2)	50,439,780(5)	41,357,044(5)	178, 602 4
4.		71,353,100	59,208,720(5)	51,784,170(2)	47,316,619(2)	36 503 1
5.	Lever Brothers	58,157,500	58,365,220(6)	46,992,020(6)	45,825,873(3)	4, 38,41,27
6.	American Home Products	55,169,200	59,422,430(4)	51,460,610(3)	44,480,175(4)	42 624 300
	R. J. Reynolds Tobacco	44,177,100	45,414,270(7)	30,514,070(8)	27,522,719(8)	24,040 662
	Gillette	38,208,600	33,257,110(12)	23,675,990(11)	20,253,559(13)	17, 26 324 44
	Philip Morris	37,504,800	31,019,950(13)	20,249,060(15	18,300,913(15)	16.148,63 (14
	American Tobacco	36,573,900	37,635,620(9)	19,602,800(17)	14,199,473(23)	13,639,986(20)
	General Mills	35,646,100	34,122,030(10)	29,423,250(10)	21,868,394(11)	23,2*9,821(9)
	General Motors*	33,642,200	39,760,630(8)	34,148,450(7)	30,094,201(7)	28 333,310(6)
13	Chrysler*	33,037,500	30,991,240(14)	13,547,020(26)	8,520,227(40)	6,620,217(45)
	Coca-Cola*	31,769,500	30,481,100(15)	20,990,080(13)	18,350,976(14)	- 12,723,615(23)
	Alberto-Cuiver	31,388,200	33,966,390(11)	30,448,980(9)	24,477,005(9)	13,961,454(18)
	Kellogg	29,855,400	27,207,770(17)	21,043,970(12)	18,181,311(16)	15,000,228(16)
	Warner-Lambert	29,151,000	25,569,640(18)	18,832,130(19)	17,665,092(17)	11,721,228(25)
	Brown & Williamson	27,911,400	25,290,340(19)	16,951,060(23)	14,142,536(24)	17,597,611(13)
	Miles Laboratories	27,347,700	22,054,120(22)	19,644,560(16)	17,170,706(18)	19,580,969(11)
	Ford Motor*	24,797,800	29,704,810(16)	20,405,020(14)	20,507,863(12)	14.832,924(17)
	Sterling Drug	23,203,000	20,630,430(24)	15,977,940(24)	12,893,577(25)	16,081,946(15)
	Pepsi-Cola*	22,394,300	14,650,510(29)	10,332,510(32)	7,760,050(44);	5.570,626(51).
	P. Lorillard	21,620,800	24,173,590(20)	19,427,890(18)	22,920,380(10)	21,609,920(10)
	Wrigley	21,202,500	22,413,750(21)	18,033,390(21)	15,289,928(212	11,117,550(26)
	S. C. Johnson & Son	20,135,700	12,393,240(33)	9,966,860(34)	10,795,866(29)	13,581.030(21
26.		20,106,100	11,670,340(35)	5,821,180(63)	5,920,693(52)	7,832,446(39)
27.		19,501,400	21,404,750(23)	18,577,750(20)	15,541,925(20)	. 13,904,761(19)
	Ralston Purina	19,441,700	15,554,900(27)	12,689,480(27)	8,913,289(35)	8,113,120(36)
29.		18,956,400	16,002,020(26)	14,019,300(25)	11,794,231(26)	12,891,872(22
30.		17,774,900	14,898,690(28)	11,379,230(30)	11,278,867(28)	10,312,916(29)
	Campbell Soup	15,820,400	18,546,480(25)	17,861,340(22)	14,226,630(22)	10,700,933(27)
	J. B. Williams	15,421,000	12,634,140(32)	10,925,590(31)	11,501,039(27)	9,905,537(30)
	Block Drug	13,764,900	14,149,370(30)	11,491,670(29)	9,168,069(33)	*7.828,627(40,
	Carnation	13,633,600	8,770,320(47)	5,386,490(69)	5,727,931(54)	6,287,190(47)
	Continental Baking	13,603,800	10,170,770(40)	7,366,460(48)	6,657,145(48)	9,049,453(33)
	Corn Products	12,817,400	11,104,640(38)	11,839,390(28)	15,833,971(19)	12,710,389(24)
	AT&T*	11,891,900	11,970,080(34)	9,134,210(38)	8,617,367(39)	7,970,190(39)
	Standard Brands	11,765,000	11,474,920(36)	8,457,740(40)	10,761,234(30)	9,284,680(32
	Nestle	11,729,100	9,851,100(42)	6,723,800(52)	7,120,043(46)	7,984,417(37)
	Shell Oil	11,689,100	8,876,930(46)	8,352,760(41)	5,475,071(58)	794,037**
	Pillsbury	10,896,800	13,760,190(31)	9,386,190(37)	8,824,910(36)	9,721,012(31)
	Jos. Schlitz	10,585,700	11,147,390(37)	9,635,730(35)	8,984,876(34)	5,409,558(54)
	Consolidated Cigar	10,579,100	10,312,020(39)	6,040,830(58)	4,998,475(67)	- 4,863,600(59)
	Stanley Warner***	10,500,000	7,399,730(60)	9,609,030(36)	6;273,730(49)	5,323,280(56)
	Carter Products	10,486,700	9,121,440(45)	8,135,200(42)	8,105,977(43)	8,166,838(35)
	Smith, Kline & French****	10,421,800	10,167,270(41)	8,981,360(39)	5,499,285(57)	1,451,414**
	Mars	10,190,200	8,414,370(49)	141,180**	650,572**	861,470**
48.	Chesebrough-Pond's	10,052,600	9,194,730(44)	10,086,810(33)	9,513,110(31)	5,117,306(59)
	Falstaff	9,505,100	7,291,590(62)	5,844,090(63)	6,016,174(50)	3,948,868(72)
5U.	Johnson & Johnson	9,445,300	6,703,000(70)	7,418,170(46)	7,683,873(45)	6,331,369(46)
*inc	ludes expenditures of dealers	or hottlere or e	heidiaries			

^{*}Includes expenditures of dealers or bottlers or subsidiaries.

^{**}Not ranked among the Top 100 advertisers.

^{**}Not tanked among the Top Too adventisers.

**Formerly listed as International Latex.

***Includes Menley & James Laboratories.

Source: Television Magazine's exclusive estimates are based on actual nine-month spot and network data compiled by N. C.

Rorabaugh. Leading National Advertisers/Broadcast Advertisers Reports and made available by TvB. (Network figures going into the 1964 and 1965 totals are based on net time and program costs. Figures for 1961, 1962 and 1963 are gross time.)

Television's blue-chip accounts

continue to allot massive

dollar outlays to the medium. In 1965

they bought over half the time

TV sold to all national and regional advertisers.

T elevision advertising's consecutive yearly growth has never faltered. And it is still on the rise. In 1965, according to TvM estimates, television stations and networks sold more than \$2.3 billion worth of time to national and regional advertisers, 8.1% more than they did in 1964. Network net time billings are expected to be up 8.4%; spot gross time is figured to climb 7.7%.

Of the whopping \$2,336,469,000 allocated to television in 1965, an estimated \$1,394,253,000 (59.7%) was spent by the Top 50 TV advertisers. This powerful group put up \$553,331,000 (50.6%) of the \$1,093,848,000 that flowed into spot TV and \$840,922,000 (67.7%) of the \$1,242.621,-

000 spent in network.

The biggest TV dollar increases were registered by Bristol-Myers, \$15.2 million; Procter & Gamble, \$12.2 million, and Colgate-Palmolive, \$12.1 million. Newcomers to the 1965 Top 50 list were Falstaff Brewing, Johnson & Johnson and International Latex (Stanley Warner Corp.). All, at one point, had been in the select circle before, but they didn't make it in 1964.

Noxzema Chemical Co., Beech-Nut Life Savers and Sears, Roebuck fell off the Top 50 list in 1965 (Beech-Nut after a stay of more than five years). In addition, Pillsbury, with a 20.8% slash in its TV expenditures, led a group of 15 advertisers who, though they remained among the Top 50, spent less money in TV in 1965 than they did in 1964.

These are the highlights of TvM's fourth annual exclusive estimates of full-year spending by the Top 50 TV advertisers. The estimates are computed in terms of gross billings for spot TV, net time and program costs for network, and projected from actual nine-month spot and network data compiled by N. C. Rorabaugh, Leading National Advertisers/Broadcast Advertisers Reports and made available by the Television Bureau of Advertising. TvM applied its own estimates of fourth quarter spending.

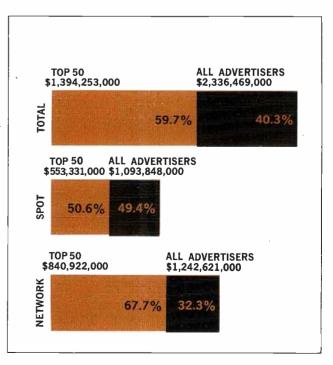
Advertisers in the 1965 Top 50 are estimated by TvM to have spent 7.7% more in the medium than did their 1964 counterparts. While this was a \$100.1 million increase over 1964 spending, it was nonetheless a downslide from the nearly 20% increase registered by 1964's Top 50 over 1963 leaders. In 1962 the Top 50 spent nearly 12% more than the Top 50 of 1961, and 1963's Top 50, in turn, outspent 1962's group by 13.4%.

Overall, Top 50 expenditures last year ranged between \$160,955,200 (for recurring champion P&G) and \$9,445,-

300 (for Johnson & Johnson). It was the first year the cutoff point for the list reached as high as the \$9 million mark. Only in 1964 was the \$8 million level achieved. (The rise in 1965 can be attributed partly to TvM's inclusion of net time figures for network expenditures where gross time figures were used formally. The difference between net and gross time varies so widely among individual advertisers that no meaningful overall yardstick of increase can be applied. These increases can range from lower than 1% to as high as 15%.)

In TvM's study of the Top 50, 35 of the TV giants increased their TV budgets while 15 others cut back. In the overall ranking of companies, 24 moved up in position, 22 dropped down and four remained constant. Leading the list of advertisers who bettered their TV lot: Quaker Oats, budget up 72.3%, rank up from 35 to 26; S. C. Johnson, a

Spending by the Top 50 is recorded on 44 and 45
Text continues on 61



RANK

THE TOP FIFTY: WHO AND HOW MUCH

SPOT TV NETWORK TV TOTAL TV

These are the advertisers whose spending in television outranked all others in 1965, along with the agencies which helped them do it.

RANK

PROCTER 2 GAMBLE \$71,182,300 \$89,772,900 \$160,955,200 Agencies: Compton (N. Y.); Benton & Bowles (N. Y.); Leo Burnett (Chi.); Young & Rubicam (N. Y.); Grey (N. Y.); Tatham-Laird (Chi.); Dancer-Fitzgerald-Sample (N. Y.); Campbell-Ewald (S. F.); Cunningham & Walsh (N. Y.); Honig-Cooper & Harrington (S. F.); L. W. Frohlich (N. Y.).	12 GENERAL MOTORS/DEALERS \$ 8,488,500 \$25,153,700 \$ 33,642,200 Agencies: Campbell-Ewald (Det.); MacManus, John & Adams (Det.); Kircher, Helton & Collett (Dayton); D. P. Brother (Det.); McCann-Erickson (Det.); Kudner (N. Y.); Dancer-Fitzgerald-Sample (N. Y.).
BRISTOL-MYERS \$22,894,400 \$53,807,200 \$ 76,701,600 Agencies: Needham, Harper & Steers (N. Y.); Ogilvy, Benson & Mather (N. Y.); Young & Rubicam (N. Y.); Grey (N. Y.).	4-8,027,800 \$25,009,700 \$ 33,037,500 Agencies: Young & Rubicam (Det.); BBDO (Det.); N. W. Ayer & Son (Det.); Richard N. Meltzer (Det.); Cunningham & Walsh (N. Y.).
GENERAL FOODS \$34,043,300 \$37,725,000 \$ 71,768,300 Agencies: Benton & Bowles (N. Y.); Young & Rubicam (N. Y.); Foote, Cone & Belding (N. Y.); Ogilvy, Benson & Mather (N. Y.).	14 COCA-COLA/BOTTLERS Agency: McCann-Erickson (N. Y.). \$27,655,200 \$ 4,114,300 \$ 31,769,500
COLGATE-PALMOLIVE Agencies: Ted Bates (N. Y.); Street & Finney (N. Y.); D'Arcy (N. Y.); Lennen & Newell (N. Y.); Norman, Craig & Kummel (N. Y.); William Esty (N. Y.); Stern, Walters & Simmons (Chi.).	ALBERTO-CULVER \$11,035,000 \$20,353,200 \$ 31,388,200 Agencies: Compton (Chi.); BBDO (Chi.); J. Walter Thompson (Chi.); Campbell-Ewald (Det.).
LEVER BROTHERS \$28,792,300 \$29,365,200 \$ 58,157,500 Agencies: BBDO (N. Y.); Doyle Dane Bernbach (N. Y.); J. Walter Thompson (N. Y.); Ogilvy, Benson & Mather (N. Y.); Sullivan, Stauffer, Colwell & Bayles (N. Y.); Reach, McClinton (N. Y.).	16 KELLOGG S13,042,400 \$16,813,000 \$ 29,855,400 Agency: Leo Burnett (Chi.).
AMERICAN HOME PRODUCTS \$11,076,800 \$44,092,400 \$55,169,200 Agencies: Tatham-Laird (N. Y.); Sullivan, Stauffer, Colwell & Bayles (N. Y.); Gumbinner-North (N. Y.); Cunningham & Walsh (N. Y.); William Esty (N. Y.); Kastor, Hilton, Chesley, Clifford & Atherton (N. Y.); Richard K. Manoff (N. Y.); Ted Bates (N. Y.); Grey (N. Y.).	WARNER-LAMBERT \$15,467,600 \$13,683,400 \$ 29,151,000 Agencies: Ted Bates (N. Y.); BBDO (N. Y.); Fuller & Smith & Ross (N. Y.); Pritchard, Wood (N. Y.); Castor, Hilton, Chesley, Clifford & Atherton (N. Y.); Lennen & Newell (N. Y.); J. Walter Thompson (N. Y.); Lambert & Feasley (N. Y.).
7 R. J. REYNOLDS TOBACCO \$13,845,500 \$30,331,600 \$ 44,177,100 Agency: William Esty (N. Y.).	18 BROWN & WILLIAMSON \$ 4,799,400 \$23,112,000 \$ 27,911,400 Agencies: Ted Bates (N. Y.); Post-Keyes-Gardner (Chi.).
GILLETTE \$ 7,216,000 \$30,992,600 \$ 38,208,600 Agency: Maxon (N. Y.).	19 MILES LABORATORIES \$11,836,600 \$15,511,100 \$ 27,347,700 Agencies: Jack Tinker & Partners (N. Y.); Wade (Chi.).
PHILIP MORRIS \$ 7,318,800 \$30,186,000 \$ 37;504,800 Agencies: Leo Burnett (Chi.); Benton & Bowles (N. Y.).	20 FORD MOTOR/DEALERS \$ 8,821,300 \$15,976,500 \$ 24,797,800 Agencies: J. Walter Thompson (Det.); Kenyon & Eckhardt (Det.); BBDO (N. Y.).
AMERICAN TOBACCO \$ 8,607,400 \$27,966,500 \$ 36,573,900 Agencies: BBDO (N. Y.); Sullivan, Stauffer, Colwell & Bayles (N. Y.); Gardner (N. Y.).	STERLING DRUG \$ 5,304,300 \$17,898,700 \$ 23,203,000 Agencies: Dancer-Fitzgeräld-Sample (N. Y.); Thompson-Koch (N. Y.); Cunningham & Walsh (N. Y.); Benton & Bowles (N. Y.); N. W. Ayer & Son (N. Y.)
GENERAL MILLS \$17,658,200 \$17,987,900 \$ 35,646,100 Agencies; Needham, Harper & Steers (Chi.); Dancer-Fitzgeraid-Sample (N. Y. & S. F.); Doyle Dane Bernbach (N. Y.); Knox Reeves (Mpls.); Tatham-Laird (Chi.).	22 PEPSI-COLA/BOTTLERS \$15,475,800 \$ 6,918,500 \$ 22,394,300 Agency: BBDO (N. 15).

SPOT TV NETWORK TV TOTAL TV

RANK SPOT TV NETWORK TV TOTAL TV	RANK SPOT TV NETWORK TV TOTAL TV
23 P. LORILLARD \$10,115,400 \$11,505,400 \$ 21,620,800 Agencies: Grey (N. Y.); Lennen & Newell (N. Y.).	37 AT&T/SUBSIDIARIES \$ 7,224,100 \$ 4,667,800 \$ 11,891,900 Agencies: N. W. Ayer & Son (Phila.); Cunningham & Walsh (N. Y.) and various regional agencies for affiliated Bell System Companies.
24 WILLIAM WRIGLEY JR. \$20,407,800 \$ 794,700 \$:21,202,500 Agencies: Arthur Meyerhoff (Chi.); Kudner (Chi.).	38 STANDARD BRANDS \$ 7,278,600 \$ 4,486,400 \$ 11,765,000 Agencies: J. Walter Thompson (N. Y.); Ted Bates (N. Y.).
\$ 2,340,000 \$17,795,700 \$ 20,135,700 Agencies: Needham, Harper & Steers (Chi.); Foote, Cone & Belding (Chi.); Benton & Bowles (N. Y.)	39 NESTLE \$ 4,164,100 \$ 7,565,000 \$ 11,729,100 Agencies: Leo Burnett (Chi.); VanSant, Dugdale (Balti.); Warwick & Legler (N. Y.).
QUAKER-OATS \$10,400,000 \$ 9,706,100 \$ 20,106,100 Agencies: Compton (Chi.); Papert, Koenig, Lois (N. Y.); J. Walter Thompson (Chi.); Doyle Dane Bernbach (N. Y.).	\$ 5,239,100 \$ 6,450,000 \$ 11,689,100 Agency: Ogilvy, Benson & Mather (N. Y.).
27 LIGGETT & MYERS TOBACCO \$ 4,540,000 \$14,961,400 \$ 19,501,400 Agency: J. Walter Thompson (N. Y.).	41 PILLSBURY Agencies: Leo Burnett (Chi.); Campbell-Mithun (Mpls.); McCann-Marschalk (N. Y.).
28 RALSTON PURINA \$ 8,514,200 \$10,927,500 \$ 19,441,700 Agencies: Dancer-Fitzgerald-Sample (N. Y. & S. F.); Foote, Cone & Belding (Chi.); Gardner (St. Louis).	42 Jos. SCHLITZ BREWING \$ 7,644,000 \$ 2,941,700 \$ 10,585,700 Agencies: Leo Burnett (Chi.); Post-Keyes-Gardner (Chi.).
29 NATIONAL BISCUIT \$ 7,430,700 \$11,525,700 \$ 18,956,400 Agencies: McCann-Erickson (N. Y.); Kenyon & Eckhardt (N. Y.); Ted Bates (N. Y.).	43 CONSOLIDATED CIGAR \$ 780,000 \$ 9,799,100 \$ 10,579,100 Agency: Papert, Koenig, Lois (N. Y.).
Agencies: N. W. Ayer & Son (N. Y.); J. Walter Thompson (Chi.); Foote, Cone & Belding (Chi.); Needham, Harper & Steers (Chi.); Papert Koenig, Lois (N. Y.).	STANLEY WARNER \$10,500,000 \$ 10,500,000 Agencies; Doyle Dane Bernbach (N. Y.); Ted Bates (N. Y.); Young & Rubicam (N. Y.).
31 CAMPBELL SOUP \$ 7,843,600 \$ 7,976,800 \$ 15,820,400 Agencies; BBDO (N. Y.); Leo Burnett (Chi.); Ogilvy, Benson & Mather (N. Y.); Needham, Harper & Steers (Chi.).	4-5 CARTER PRODUCTS \$ 3,912,700 \$.6,574,000 \$ 10,486,700 Agencies: Ted Bates (N. Y.); L. W. Frohlich (N. Y.).
32 JB.* WILLIAMS \$ 666,600 \$14,754,400 \$ 15,421,000 Agency: Parkson (N. Y.).	46 SMITH, KLINE & FRENCH \$ 3,903,800 \$ 6,518,000 \$ 10,421,800 Agencies; Foote, Cone & Belding (N. Y.); N. W. Ayer & Son (Phila.); Doremus (Phila.).
\$ 1,168,000 \$12,596,900 \$ 13,764,900 Agencies; Grey (N. Y.); Sullivan, Stauffer, Colwell & Bayles (N. Y.); Cunningham & Walsh (N. Y.); Daniel & Charles (N. Y.).	47 MARS Agencies: Ted Bates (N. Y.); Ogilvy, Benson & Mather (N. Y.).
34 CARNATION \$2,242,900 \$11,390,700 \$ 13,633,600 Agency: Erwin Wasey (L. A.).	48 CHESEBROUGH-POND'S \$ 4,950,500 \$ 5,102,100 \$ 10,052,600 Agencies; J. Walter Thompson (N. Y.); Norman, Craig & Kummel (N. Y.); William Esty (N. Y.).
35 CONTINENTAL BAKING \$13,214,700 \$ 389,100 \$ 13,603,800 Agencies: Ted Bates (N. Y.); Ketchum, MacLeod & Grove (N. Y. & Pittsburgh); Ben B. Bliss (N. Y.).	49 FALSTAFF BREWING \$ 3,767,700 \$ 5,737,400 \$ 9,505,100 Agencies: Dancer-Fitzgerald-Sample (N. Y.); Wade (L. A.).
36 CORN PRODUCTS \$ 7,144,700 \$ 5,672,700 \$ 12,817,400 Agencies: Dancer-Eitzgerald-Sample (N. Y.); Sullivan, Stauffer, Colwell & Bayles (N. Y.); Lennen & Newell (N. Y.); Foote, Cone & Belding (N. Y.).	50 JOHNSON & JOHNSON \$ 5,311,400 \$ 4,133,900 \$ 9,445,300 Agencies: Young & Rubicam (N. Y.); Sullivan, Stauffer, Colwell & Bayles (N. Y.); Norman, Craig & Kummel (N. Y.).

Is TV Management Flying Blind?

An expert says yes, and explains why



BY BEARDSLEY GRAHAM

President, Spindletop Research Inc.

The growth of science and the multiplication of technologies that have created the space age have also created enormous problems in managerial control. Yesterday's P&L statement gives little clue to tomorrow's conditions of competition. As Beardsley Graham, president of Spindletop Research Inc., has written: "Reality has indeed progressed beyond experience."

To help business (and government) analyze its own production and the environment in which it must cope, a whole new business has developed. It is called systems science, and Graham is a firstgeneration practitioner in the field.

Graham started out as a chemist (BS, University of California, 1935), but went on to do graduate work in electrical engineering. He was an engineer for RCA and did early television experimentation for NBC in 1940-42. During World War II he was on the staff of the radiation laboratory of the Massachusetts Institute of Technology, engaged in design and development of microwave radar equipment. In the late 40's he was chief research engineer for Bendix Aviation.

In 1951 he joined Stanford Research Institute, Palo Alto, Calif., which was then beginning to marry technology and economics in programs of industrial research. At SRI Graham directed automation and computer activities.

Graham has had the knack of staying on the leading edge of applied technology. In 1958 he joined Lockheed Missiles & Space Co., of Palo Alto, as manager of satellite systems planning and was active as a technological adviser in the conception and passage of the federal Communications Satellite Act of 1962. He was one of the 13 incorporators named by the late President Kennedy to establish the Communications Satellite Corp. and was a member of the Comsat board until 1964. Since 1964 he has been a member of the advisory committee on isotope and radiation development of the Atomic Energy Commission.

ergy Commission.

Graham left Lockheed in December 1961 to become the first president of Spindletop Research Inc., which was set up as an independent, non-profit research facility by the state of Kentucky. It takes its name from a Kentucky horse farm which had taken its name from the Texas oil field that was the source of the horse breeder's wealth.

Several other firms are now offering systems science services to government and industry. They include Graham's former outfit, Stanford Research Institute; Arthur D. Little, of Cambridge, Mass.; Booz-Allen Applied Research, Planning Research Corp., Los Angeles, and Peat, Marwick, Caywood & Schiller, Chicago.

How does systems science differ from the well-established services of management consultants who have been operating for many years? As an official of Spindletop explained it: "A management consultant is primarily concerned with the way a company is organized and functioning internally. Systems science is primarily concerned with the whole environment in which a company operates and with the external problems and opportunities it's likely to encounter."



In only 15 years the number of television stations in this country has increased from 107 to more than 700, the number of television homes from fewer than 10 million to more than 52 million and the number of the public's hours spent watching television from an inconsequential figure to one of a magnitude exceeded only by that of time spent at work or in sleep. Television has become so pervasive a force that nobody can be neutral about it.

Some people won't live with it; others can't live without it. There is even evidence that among susceptible viewers television has a narcotic effect: When TV is withdrawn, through receiver malfunction, for instance, the addicted become irritable if not downright violent, as any TV repairman can testify.

The television audience also displays curious extremes of reaction: distaste and fascination, guilt and satisfaction. To a psychiatrist this condition would probably suggest schizophrenia. Perhaps the next study of the surgeon general's advisory committee should be directed to television and health.

The state of the television viewer may not be much more disorganized than the state of the television industry. At this point of the industry's evolution television management is confronted by forces it neither fully understands nor can dependably control. There are commercial networks and their affiliated stations engaged in both a partnership and a state of competition. There are independent stations that have recently achieved economic viability only to be faced now by a proliferation of new stations. There are educational stations that are beginning to account for measurable amounts of viewing time. There is community antenna television which up to now has been largely an amplifier of the broadcast audience but which may be turning into a new medium that can command an audience of its own. Still in foetal state, but kicking, is pay TV which could come by wire or air or both. And there is the prospect of new technology that could make everything obsolete: satellite transmission to the home and video tape instruments for the home, to name but two.

Considering the profusion of new systems that threaten the status quo and the lack of knowledge about all of them, it is understandable that incumbent management is ridden by fears of the future and a determination to resort to every political means to keep things as they are. The comments filed to date in CATV and pay TV proceedings before the FCC reflect the uncertainties afflicting broadcasters. After



all, emotion and knowledge appear in inverse proportion; the less a person knows the louder he shouts to feign authority.

Yet if the broadcasters would but will it, the future could be planned. And once planned, it could be managed. There is available to broadcasting the same sophisticated tool that other businesses and governments have used for years to analyze present circumstances and to marshal facts, instead of suppositions, on which to chart their future course. The tool, and we pause here for a commercial, is systems science, the business that my company and perhaps a dozen others happen to be in.

Systems science has emerged from the operations research techniques that have been developed at a cost of hundreds of millions of dollars in the weapons and the space race. Without systems science, America would land a man on the moon some time after the Russians had colonized it. Without systems science, American television is almost certain to flounder into a future that somebody else creates. The existing TV industry deserves a better fate.

Systems science had its inception in the 30's when military armament was a basic concern of many nations and the desire for more formidable and efficient weapons was being translated into action. Physicists, chemists, and engineers took theories out of the laboratory and translated them into finished weapons for the field. Weapons so developed, however, were likely to have minor imperfections; it became common for one or more of the developing scientists to accompany the equipment and instruct military personnel in the proper sequence of button pushing and knob turning, while making design improvements.

So it was that British scientists accompanied the newly developed radar into the field. Radar's inherent complexity and the sophisticated military potential that it offered soon led the scientists into a function that was conceptually quite different from their initial mission. They found themselves suggesting the placement of the radar installations in relationship to air defense aircraft and guns, to the direction of anticipated air raids, and to the location of probable targets. They began helping to work out procedures for communications throughout the air defense network, assisting in developing techniques to control and guide defending aircraft in the interception of incoming raids, promoting coordination between aircraft defenses and gun defenses, and generally cooperating with military personnel in developing methods, techniques and procedures that

would bring the greatest possible amount of military usefulness out of the potential that was inherent in the radar they had developed. In short, they went from the laboratories into operations.

Perhaps the next recognizable step in the development of systems science took place in the U.S. Air Force in 1942. The growing Air Force was at that time largely staffed by newly commissioned officers, hardly distinguishable from the civilians they had so recently been. One colonel, who was a lawyer by training (Col. W. Barton Leach, now a professor of law at Harvard), felt that scientists and science could in some way be of service to an organization that was not yet an efficient fighting team. The backgrounds of the men that he eventually assembled and called "operations analysts" (an accurate title even though no one knew what they would do or how they would go about it) were dictated by circumstances and included architects, civil engineers, geologists, mathematicians, biologists, statisticians, economists and several lawyers. The absence of representatives of the more classical disciplines such as chemistry and physics was probably due to more urgent requirements for the direct development of military equipment.

The manner in which the colonel posed his first problem was, by either luck or rare insight, perfectly balanced between restriction to the topic and freedom of investigation. His complete instructions were: "Gentlemen, I have only one problem—to put more of my bombs on the target." After a period of rapid self-education, the analysts recommended new and modified procedures which, along with improved equipment, raised the bombing accuracy by some 2,000%. Throughout World War II, the value of operations research and systems science continued to prove its worth on such far-ranging problems as how to search for submarines, finding the best convoy makeup for getting the largest number of transports across the Atlantic, and improving the marksmanship of gunners in large bombers.

Compared with the problems of the present day, those that the early operations analysts faced were relatively simple. There were fixed objectives that had to be achieved with a known number of men and amount of materials. The analysts were not, as they are today, required to estimate and quantify the results of the next 10 or 20 years of research and development, analyze the possible moves of an enemy or a business competitor, or determine the effects of possible future national and international legislation. The advances in both the scope and the application of operations

WHAT THE STARS SAY ABOUT TV EXECUTIVES

By Dehorah Haber

You've lost your biggest account. You can't sell the pilot that's cost a fortune. Your show's not getting a 30 share and is close to being cancelled. The client didn't like the presentation. You think you must be doing something wrong.

But before blaming yourself, try blaming the stars. That's the "out" that astrology offers, and has since earliest times. In India no home is complete without a resident astrologer and in show business it's almost the same. The Zodiac is in.

Television Magazine believes in arming its readers with every available clue to understanding the TV business and the men who run it. If hocus-pocus can help, so be it. Herewith, then, a TV-oriented reading of the 12 sun signs which, so they say, govern basic character. Here, too, a random collection of name TV executives who fall under each. He who connects the two does so at his peril.



Tom Dillon
Newman McEvoy
Dick Pinkham
Ward Quaal
Walter Weir
Edward Weiss
Chris Witting

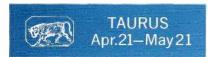
In a situation when the tendency is to not make waves, it's nice to have the Arietan around. Aries is the sign of the pioneer. The Aries-born doesn't hesitate, plunges right into the situation. Action is his key word. In fact, action is at once his greatest attribute and his greatest fault; he may act first and think later.

A shy Aries is as rare as a first-place Nielsen. He has a marked preference for leadership and likes work that will give him an opportunity to lead the rest of the pack. He takes the initiative, shows a desire for progress and is enthusiastic about new ideas. He has more than the normal share of self-confidence and, doubly fortuitous in the broadcasting-advertising game, a happy knack for forgetting failure.

The Aries man enjoys overcoming obstacles and, rather than running from opposition, will challenge it at every turn. Broadcasting is then a happy home for those born under the sign, providing them with plenty of opposition to overcome.

Aries is a trailblazer, courageous, with plenty of dash and originality. Bright and lively, he's refreshing to meet at a party. But if you are the kind of person who measures every single word slowly and carefully before speaking, beware. The Aries man of action is not patient as

a rule. If there's a weakness in this sign, it's the feeling that nobody can do anything but himself. Of course, he may be right.



Ralph Carson Julian Goodman Jim Hagerty Marion Harper Jack Paar Ollie Treyz Mort Werner

At the conference table when all around are losing their heads, the Taurus can usually be counted on to keep his. Or at least, to give the appearance of doing so, which in television is almost the same thing. Taurus is the sign of the producer, of strong stability of purpose and of character.

Well-suited for the business that requires endurance, the Taurus native with that quality in abundance fits very well. He is steadfast, persistent and systematic. Rather than run from the regular and routine, the Taurean believes in method and order. In an industry not notorious for the steadfast, Taurus stands out as the voice of reason and practicality. He also is extremely materialistic, preferring the tangible and the concrete to the unproven and the untried.

Taureans usually place a high value on money, property and position. They usually succeed in business because they will work diligently until the job is done. Their determination is colossal and their ability to absorb an insult just as great.

The weakness in this sign is that the steadfast nature and bull-like persistence can degenerate into obstinance and stubbornness, two qualities that may or may not be seriously detrimental to the television executive.



Max Banzhaf Roger Bolin Rex Budd George Comte Bill Craig Quinn Martin Bill Self Sam Thurm

If you want your pitch to go over with the Gemini-born make it to the point, clever and off the beaten track. This is the sign of the inventor. He is restless, versatile and impatient with repetition.

Gemini has two personality traits that probably make him better behind the desk than in front of it. One is an extremely low tolerance of bores. The other, an extremely high love of an argument, gives him an opportunity to stretch his intellect, of which he has plenty. You can argue back; he will either admire your brains or fire you.

The Gemini is a good man to bring a problem to, as he'll think it through rationally rather than emotionally. Usually well-informed, he thinks quickly and speaks fluently, stretching a little superficial knowledge a long way. The latter stands him in good stead at a cocktail party or a television meeting.

He usually has an interest in mathematics, and the machinations of finance come readily to his nimble mind. He often shows a good deal of manual dexterity—if the career in television doesn't work out there's always the stock market or the garage.



Bud Barry Edward Bond Pete Cash Joe Culligan Maxwell Dane Al Haverstadt Rollo Hunter Sigurd Larmon George Lois Earle Ludgin David Ogilvy George Polk Leonard Reinsch Robert Sarnoff Danny Seymour Hathaway Watson

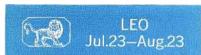
It's said that more millionaires are born under the sign of Cancer than any other. There may be paupers born under the sign, but it's pleasant to take the brighter view.

This is the sign of the teacher. The Cancer's outstanding characteristic is his unrelenting tenacity. While others at the first whisper of the executive shake-up start cleaning out their desks, Cancer stays behind his. He will pursue the prospective client relentlessly, and his persistence often pays off. Usually a man of infinite patience, he is the last to be worn down. The symbol for this sign is the Crab and like a Crab, once Cancer seizes something he wants, he doesn't let go.

While it's sound advice not to make too many enemies in the television fra-

ternity, it's especially true of Cancer. He usually has an extremely retentive memory. Cancer may forgive you but he will never forget.

He's generally conservative, acquisitive, with a strong sense of history and close family ties. In a business where the mighty mouth is used as frequently as the mighty brain, Cancer stands out by his quietness. He speaks softly and usually only when he's given the subject careful consideration. His seeming shyness works for him in business. He accomplishes his objectives in a quiet, undercover way. Many is the executive chair that was taken over by that nice, quiet, shy Cancer who was at the top before many around him were aware he was moving.



Burke Dowling Adams
Peter Allport
Ted Ashley
Bill Bernbach
John Blair
John Burgard
Draper Daniels
Ernest Dichter
Archibald Foster
Merle Jones
C. J. LaRoche
Emil Mogul

If his office is large and lavish, if he sends expensive Christmas gifts in very good taste, if he meets you for lunch at the best restaurant in town and then insists on picking up the tab, chances are he's either selling a show or he's a Leo.

The symbol of this sign is the lion, king of the jungle, and the Leo native likes to be king whether it's in the African veldt or Madison Avenue. He loves to command, is proud and authoritative, and makes a good boss. He is rarely petty, usually has an inborn instinct for the theatrical. This acting ability contributes to making Leo one of the most skillful players in the TV game.

In a business where faint heart never won fair time period, Leo is also aided by his healthy amount of courage. He is usually extremely magnanimous. If he's the sponsor who wants to cancel your show, throw yourself on his mercy. It probably won't work, but it's worth a try. He also is often the possessor of an active ego and likes to be praised. Tell him that he's the smartest guy you've ever met. That probably won't work either but five will get you ten he thinks you're a person of great taste and no little judgment.



Ted Bates
Roger Clipp
Mike Dann
Jim Fish
Paul Henning
Bob Kintner
John Kluge
Don McGannon
Tom Moore
A. C. Nielsen

Virgo is the sign of the craftsman or the critic, the most exacting, methodical and industrious worker of the Zodiac. Here is the perfectionist, painstaking in his attention to detail, laboring over his tasks until they are finished no matter how long it takes.

They are high-tension people in a high-tension business, impatient with those who don't measure up to their exacting standards. The Virgo native is rational rather than emotional, enjoys giving service and excels at it. His is the cool, self-centered intellect and the highly developed critical sense. He is rarely susceptible to praise and even less fond of criticism, unless it is helpful and very discriminating—he has a strong mind but a thin skin. Virgo is usually prudent in money matters. His clear vision makes him a skilled manager.

Often there is some concern with health. Virgos frequently are physical fitness bugs, gym enthusiasts, careful of their diets in some way or pill takers. This is not true in every case of course, but if you have a cold don't take the seat in the conference room next to the Virgo.

There are an unusually high number of men born under the sign of Virgo in the television business, perhaps because the Virgo native strives above all for perfection. He has in the broadcasting-advertising business an almost unlimited horizon.

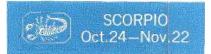


Gene Autry
Leo Burnett
Don Durgin
Ed Ebel
George Laboda
Norman B. Norman
Bill Paley
Ed Scherick
Adolph Toigo

In the high-tension world of television, advertising, et al, it's nice to have the Libra native around. This is the sign of the statesman or the diplomat, well-balanced and usually to be counted on to do the right thing at the right time. The Libra takes pleasure in keeping peace. In the midst of the most heated debate Libra smoothes the ruffled feathers, helps make the decision that will be fair to all sides.

He is usually possessed of a good deal of personal charm, is aesthetic and extremely tactful. In addition to knowing the station line-ups and the cost-perthousand, Libra also is likely to be right on top of the vintage of the wine that's being served at lunch or the perfume that the client's wife is wearing. The Libra native is generally alert, social-minded, artistic and sympathetic. He pays a good deal of attention to clothes and likes to be surrounded by beautiful things.

Libra abhors tension or anything that smacks of the sordid or ugly. He may be furious at losing an account but will rarely fall apart about it in public—in private, maybe. He dislikes exaggeration and all feelings that are morbid and depressing, hysterical or strained. He hates scenes. Libra will never fire you. He'll get someone who works for him to do that.



Warren Bahr Charlie Brower Jack Dille Neil McElroy Gail Smith George Storer Sr. Norman Strouse

The Scorpio-born seems well-equipped for the television business. He knows no half-way measures, is energetic, determined and has a will of iron. He also has endurance to match, one quality that a TV executive can't have too much of.

He is likely to plot the most successful of campaigns: schemes and strategy are a part of his nature. And, rarity of rarities, once he's made his plot, he will keep it a secret. Secretiveness, too, is in him.

Scorpio is emotional and stimulated by the very difficulties that make other people give up in despair. The Scorpio native is uncompromising, determined and has strong likes and dislikes. He may therefore be happier as a sponsor than an account executive.

The Scorpio-born might also make a great programer. They are extremely perceptive and some of them are thought to be almost psychic. Imagine the smug network chief who while his competition is thrilling to what it hopes will be a great new schedule, thinks, "Ah, yes, but I've got a Scorpio."



Jim Aubrey
Walt Disney
Leonard Goldenson
Wes Pullen
Lee Rich
Jack Schneider
Vince Wasilewski
Pat Weaver

Never ask a Sagittarian for an opinion unless you want a truthful allower. He is born under the symbol of the Archer and can usually be counted on to be an absolutely straight shooter.

He is direct and candid, and if his frankness is one of his great attributes, it can also be one of his weaknesses. The producer doesn't always want to hear that his show is a bomb, the network programer that his schedule doesn't have a chance or the station owner that the FCC doesn't think he's doing enough in the way of public affairs.

Make your pitch to the Sagittarius short and precise, for he's restless and impatient. But he's also generous and tolerant of a great many things, not, however, including stupidity.

Those born under this sign can be great salesmen. They are optimistic and generally athletic. The Sagittarius can follow his prospect from the office to the golf course or the tennis court. He probably is capable of beating him but smart enough not to.



Newton Minow Rod Serling Danny Thomas

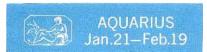
The Capricorn has vast ambitions and the ability to make them come true. He is persevering and reserved and ultimately gets what he's after by his own hard work rather than by lucky chance.

He succeeds in the television business by really trying. He is exceedingly industrious and will knock himself out over the project he's working on. The symbol of this sign is the goat climbing a mountain and like that goat Capricorn steadfastly follows the upward path, coveting success like the salesman an SRO schedule.

He is stable, orderly and has a fine sense of history and scholarship. Something of a rarity as an executive, he will generally not put off till tomorrow something that can put him ahead today. He will probably answer your memo promptly and lucidly. His thoughts are clear and uncluttered, his desk often in the same condition.

The Capricorn is generally adaptable to his environment. He will be satisfied to take the office that is not "a corner with a view" but he will make sure that he gets moved out of it and up as soon as possible.

He usually, too, has a fine sense of tact and diplomacy—when he fires you it will probably be done very neatly.



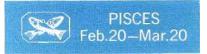
Julie Barnathan Bart Cummings Tom Dawson Jack Gould Wrede Petersmeyer Norton Simon Frank Smith

It would probably be better not to play the astrology game with the Aquarian. Those born under the sign of the Truth-Seeker or Scientist are generally not superstitious. The Aquarius will look for truth in fact, not in theory. He is honest and probing and possessed of much level-headed vision.

Be sure that you approach him with the truth, as he is no dupe for consmanship and will question you until he gets enough information to satisfy his highly developed natural curiosity. He is unprejudiced, takes a comprehensive view of the problem, forms his opinions only after he has marshalled all the facts. If he makes a mistake, he will admit it.

The Aquarian usually has great humanitarian instincts. He is charitable and can be counted on to lend his support to humane causes. This may extend to his business dealings but don't count on it.

What may sound like a far-fetched idea will get an impartial hearing from the Aquarian. When you tell him that you have an idea for a show about a talking pat of butter he will not laugh you out of the office. He will listen to the idea first, then he will laugh you out of the office.



David Adams
Walter Annenberg
Fax Cone
John Crichton
E. William Henry
Sheldon Leonard
David Sarnoff
Walter Scott
Simon Siegel
Frank Stanton
Lew Wasserman

Pisces is the last sign of the Zodiac and as such is made up of a good many of the characteristics of the preceding 11 signs. It is the symbol of twin fishes, going in either direction, showing a dual nature composed of many contradictions.

Generally speaking the Pisces man is sensitive, gentle and a perfectionist. He should be treated with kid gloves. Quiet and meticulous, he will not tolerate a sloppy office or a sloppy presentation. The Pisces man is poetic and precise and possessed of a highly developed imagination.

He is a born actor, has a great sense of timing, two qualities that bode well for a career in television. Pisces natives also are strongly intuitive, frequently playing the hunches that their instincts tell them are right.

They are generally extremely sociable. If you don't choose to have one in your firm, don't fail to invite him to your party. They're great dancers.

There are, of course, sloppy Virgos, argumentative Libras, slothful Capricorns, deceitful Sagittarians, unfair Aquarians, dull Scorpios, shy Leos, aggressive Cancers, unsystematic Taureans, Aries that like to follow, Gemini who aren't bright and Pisces who don't know how to dance. Astrologers explain away the contradictions by saying that the real you can only be found by doing an individual horoscope, complete with ascendent (the sign that was rising at the moment of your birth), where the moon was at your birth, etc. People who are born at the "cusp"-the very beginning or the very end of a sign-must decide which sign has the greater impact on their character.

Whether a person fits into the description of his birth sign or not, it's still fun to play the astrology game. Even with the greatest cynic, there is some possibility of success. Ask him when his birthday is. Whatever the month, say, "Ah, the sign of the natural born leader."

Odds are he doesn't give you an argument.

END



Many men on many occasions, have addressed themselves to an explanation, or a defense, of advertising. None, in the view of the editors of Television. has achieved more success in this endeavor than the advertising professional whose exposition is reproduced herewith. John Hobson is chairman and managing director of Hobson, Bates & Partners, London. His text, delivered initially in a series of three lectures to the Royal Society of Arts, is titled "The Influence and Techniques of Modern Advertising." The first of the three. subtitled "The Social and Economic Context of Advertising.' appears here. Lectures two and three, on "The Techniques of Modern Advertising" and "The Influence of Advertising on Mass Media of Communication," will appear in upcoming issues of Television.

FIRST OF THREE PARTS

THE CASE

am delighted that the Royal Society of Arts have thought fit to make advertising the subject of these three Cantor Lec-tures. Not only is advertising one of the most notable areas where the arts, industry and commerce meet, it is also the outward and visible sign of one of the most important social phenomena of the mid-twentieth century in this counthe mid-twentieth century in this country—backstreet abundance, the percolation to the mass level of a substantial purchasing power. Certainly advertising would not exist without that mass purchasing power; but I venture to assert, too, that backstreet abundance would not exist without advertising.

I am the chairman of an advertising agency, so you will not expect me to be other than biased in favour of my occupation. I am fascinated by its creativity; its techniques; its vast range of human social and industrial interest. But I can see that it is open to some question and even some criticism, and I shall try to put a fair and honest appraisal of the subject in front of you. I am going to confine my remarks largely to mass consumer goods advertising. The £225 million of mass consumer advertising is the area in which discussion is most reach discussion is most needed and most chal-

Lastly by way of preamble, I must remind you that inevitably I am speaking in the context of the society and the economics that exist today in Britain; where an individual is rightly accorded a measure of free will and choice, some opportunity to be right or wrong in his own decision; where there is free competition and a drive for profits. If you prefer an authoritarian society and economy, in which some authority decides for everyone what his tastes should be, what is best for him, what profits he should make and what the limits of his objectives should be, then you alter the terms of reference and you would not necessarily want advertising in exactly its present shape; you might not even want it at all, though I rather doubt the latter

Before I launch into my main topics, I need to clear away two common con-fusions about advertising. First, advertising is not (as some people seem to imagine) something in its own right, some separate estate of the realm, like civil administration, or the services, or law. Advertising is an integral and essential part of industry—its projection into the vital department of selling. This misconception is so widespread that, at the conception is so widespread that, at the Labour Party Conference last autumn, one delegate could talk of 'curtailing the power of the advertising industry." He should rather have said; "curtailing the power of industry to sell its products."

There are indeed advertising special-

ists serving industry fust as there are

engineers serving ships. But their sailing orders come from the bridge, and on the bridge are the captains of industry. Advertising reflects industry's intentions and will, its strengths and w aknesses. Indeed, it does more than reflect them it projects them on the biggest screen possible. For the most part British in-dustry's intentions are honest, honourable and fair. Most manufacturers believe implicitly that they have succeeded in making products that are better than competitive ones it properties, performance or value. They may sometimes be mistaken, but their belief is honest. This confidence they translate into their advertising, and their advertising technicians are advocates of that confidence. When, however, competition drives or sheer survival demands, industry will signal from the bridge to the engine room to increase the power, quicken the pace, or change the direction, and advertising is in no position to refuse

The second misconception I want to clear away is about the true function of advertising. Advertising is selling. Nicholas Kaldor in an important article in the Journal of Economic Studies some years ago attempted an interesting appraisal of advertising; but since he started with the wrong premise that the function of advertising is to inform, he produced some notably erroneous conclusions. The object of advertising is not basically to inform, but to inform for the purpose of selling. The information given will be that which is calculated to help the proposition. No one is going to pay large sums of money to give information which hinders his proposition. Often the amount of information is valid; sometimes it is minimal because there is no new information to give. Advertising neither is nor can be a disinterested service of consumer information. It is salesmanship on a mass scale and it is well to start this discussion with all the cards upwards on the table.

PROOF OF THE PUDDING

That advertising is a vital part of modern economics is proved by the fact that it exists and thrives in every country where the economics of abundance apply. You cannot have production without consumption. It is absurd to have a National Productivity Year and various official targets of production increase, without the means of stimulating consumption. Or are we to be forever bedevilled by that typical British fetish that production is "good" but consumption is "bad"? We live in a society in which the mass of the people already have more than a sufficiency of necessities, and where the extra consumption must take the form of optional benefits

FOR ADVERTISING

BY JOHN HOBSON

ranging from necessary extras to sheer luxuries. The old models of the classical economists are out of date: the models which assume a certain level of demand for bushels of wheat or tons of coal, and play around with supply and price variables. In the context of consumer buying, such cosy, arithmetical factors as price elasticity in a market are of far less importance than the elusive subjective factors of intensity of want. This always baffles and irritates the old-fashioned economists. An automatic demand does not exist for the types of extra production now coming forward; it has to be created.

Professor Galbraith in *The Affluent Society* pointed out that the economic objectives of the last century have been the increase of production. He believes they should be changed, but for the moment they are so; and while they are so, production has got to find a complementary consumption. We *must* create an acquisitive society if this extra production is not to pile up in the warehouses.

In a recent speech Lord Robens referred to the official target of a 4 percent increase in production. After eliminating the increase correlated with growth of population and of exports, he pointed out that we shall need each year a 2.8 percent increase of domestic consumer production—compared with a 2.1 percent growth in recent years. This represents an annual increase of £500 million in domestic consumption and it is an accepted government target. He added that it cannot be achieved without the power of advertising to stimulate consumption. "Industry," he said, "must not have one hand tied behind its back."

There may be other ways of disposing of increased production, such as giving it to backward countries, but the present state of public opinion and domestic politics admits only of marginal disposals in this way. The rest must be consumed by the home consumer, and the consumer must like consuming it. It is the job of advertising and salesmanship on behalf of industry to make the consumer want to consume more. Or is this necessary consumption to be a frigid, joyless process without preliminary wooing?

ess without preliminary wooing?

This brings me to the service which advertising performs for the industry which pays for it. Let us be clear that industry does not spend £225 million each year on advertising in order to see its name in the papers. It does so because advertising performs an indispensable service for it. It assures to the manufacturer the mass consumption necessary to match his mass production. That mass production involves high initial and investment risks, and much of this risk

could never be undertaken without the assurance of mass consumption.

However, the process does not merely assure a total demand; advertising can help to stabilize demand. It helps to assure the stability and rhythm of the type of mass distribution needed. It can do much to even out seasonal fluctuations of demand. It can smooth out the turmoil of events which result from dynamic competitive innovations. It can offer the opportunity to exploit new inventions and improvements. It can result in a quicker build-up of demand which reduces the pay-off period of new machinery, new buildings, research investment. The assurance of steady demand justifies longer-term contracts for raw materials, and this increases stability and reduces costs all down the line right to the raw material producers.

VOLUME UP, COSTS DOWN

The growth of quantity production, through constantly improving production techniques, and assisted by the confidence in demand created by advertising, is now in its turn the true cause of backstreet abundance, as I have called it. Mass production reduces the real cost of goods and makes them more and more widely available. The price which has to be paid for mass production is some degree of standardization of products, but it is a small price to suffer for a process which brings more and more utilities, pleasures and recreations within the purchasing power of the mass of the population. The rise in the mass standard of living, the competitiveness of industry which results in better and better products coming forward each year, and the stabilization of full employment, these are the fruits of mass production assisted by mass salesmanship, which is advertising. Poverty, maybe, still exists here and there, but it is a relative word. Sufficiency and abundance are seen everywhere.

In this context may I touch on the cost of advertising? Advertising is one of the selling costs of a product, like packaging or running a sales force or paying a retail margin. In this sense the public pays for the advertising, as indeed it pays for the costs of ingredients, or the production costs, or the other costs of selling comprised in the ultimate buying price.

But in a much more real sense adver-

But in a much more real sense advertising helps to lower prices: because mass production assuredly lowers unit costs and advertising is indispensable, in a free economy, to mass production. Like the installation of a wonderful new very efficient production machine (which no one would query in principle), advertising pays for itself, and more, out of the savings in the unit cost through quantity production. If advertising ceased to exist,

most consumer goods would in the long run, or most likely the short run, go up in price.

The main criticism of advertising in its economic aspects, I think, is that there is more of it than is needed to fulfill the economic and industrial function required of it. Much has been made of an old, old saying of Lord Leverhulme about "half my advertising is wasted but I do not know which half." There is thought to be wasteful competition. There is a general imputation of slap-dash spending of very large sums of money. This leads to suggestions of restriction and even of tayetion

The figures show that, expressed as a percentage of the Gross National Product, expenditure on advertising is at just about the same level now as it was in 1938. Of course, just after the war the percentage was lower, but at that time the need to stimulate consumption was not so great. The stability of this percentage in pre-war and recent post-war years suggests that as far as the British market is concerned the process has found its level and is unlikely to increase or decrease much.

Modern methods of assessing results from advertising are far more efficient than those of the pre-war or early postwar period. They are not yet perfect but they are improving every year; Lord Leverhulme's saying is no longer true in any major degree. The industrialists who spend large sums on advertising are no fools.

The idea that competitive advertising of brands in the same market is wasteful. is not true in practice. Although it might seem to an outsider that they are merely spending to take business away from each other, this is not in fact what happens. What happens is that their joint spending widens the total market for the product group and both advertisers are well repaid for their efforts. I have seen it happen over and over again.

Of course, there are times when new products are launched ill-advisedly, or extra spending is put into existing products unsuccessfully. There are the occasions when excessive or stubborn optimism overrules good judgement and when, to put it plainly, the manufacturers make a mistake. But unless one envisages a government bureau to decide what shall be sold, and who shall be allowed to progress, and what new initiatives may be undertaken, such misjudgements are unavoidable. They are a normal price of progress.

A restriction or tax on advertising must be a restriction or tax on initiative and on development. If we need more consumption then we must not inhibit the initiatives or the investment in securing

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Does the cloud ahead conceal a mountain? Systems science tells before you get there

research have been great, and the list of users now includes department stores, food store chains, publishers, railroads, public utilities, and manufacturers of such diverse products as clocks, electric refrigerators, aircraft, missiles, automobile tires and nuclear bombs.

The uses of systems science are limited only by the imagination of those who apply it. One imaginative use that comes to mind is a mathematical model developed to help farmers decide what crops to plant and what fertilizers to use. We can now employ computers to tell the farmer about how much money he can expect to make if he plants suchand-such a crop in such-and-such a field under such-and-such conditions.

The basic model contains a mass of organized information on agricultural yields obtained from various soil conditions and fertilizers. When the computer matches that model with the individual tests of soil in the specific fields the farmer intends to plant, it can tell him exactly what his own requirements are. Beyond that, the computer can forecast the price a crop is likely to command at harvest time and calculate the costs of production. What comes out of the machine is a budget for each yield of each crop on each field.

But that isn't all. The computer programing is being expanded. It will eventually take into consideration all the limitations that affect a farm's output—amount of storage, space, labor availability, risk aversion—plus the management ability of the farmer himself. In time it will be mathematically possible for the farmer to know, before he puts the first seed in the ground, exactly how big a crop will be harvested, how much he will sell it for and how much profit he will make.

If systems science can forecast a corn crop and the price it will bring, it can do as much for television—not, let it be hastily said, because of similarities in product. The principles of systems science can be applied to any undertaking.

In performing any operations research study, the first task is defining the system which must be considered. Any organization will have fairly well established objectives, such as creating and placing advertising, manufacturing cars, winning races or producing television shows. All the operational functions that are necessary to accomplish this end, whatever it may be, constitute a system. An advertising agency, for example, may be viewed as a system for the creation and placement of advertising in newspapers, magazines, television and so on. To accomplish the objectives of the system, the agency maintains such operations as media research, an art department, production and copy writing.

Obviously, systems may be defined at any level. Instead of considering the advertising agency as the system, it might be more practical in some cases to consider media research as a system and then define the operations that are necessary to achieve the desired results and communicate them in a form that is understandable and usable. This freedom of definition is based upon one of the most important characteristics of any successful systems analysis, that of practicability. What the systems scientists contribute is practical results of immediate usefulness. The problems they attack are real problems, defined in terms of the real world, and requiring real solutions in the immediate future. The systems scientist knows there can be no ivory-tower solutions for the concreteand-steel problems of today's industry. Their results are well defined recommendations for action supplied in a form suitable for direct executive application. No study, however sophisticated and elegant, can be called systems science unless it satisfies the criteria of reality and applicability.

A STUDY IN GRAPHICS

The language aspect of systems science is graphically illustrated by an example of research done for the Air Force on the best angle for a pilot to use as he approaches the target to release his bombs. Studies showed that the pilot had the best chance of accurately delivering his bomb, escaping the target area before the bomb detonated, and not being shot down by antiaircraft fire if he approached the target at an angle of 45 degrees. The problem then was how to instruct the pilot in such a way that he would use the 45-degree dive angle. After several attempts, pilots were finally told to dive at an angle of 60 degrees, and since they all overestimated, the desired 45-degree dive was achieved.

The first step in performing an operations research study is to define clearly the end result or the output of the system under consideration. Determining the output of an organization is not always simple, since monetary profits must often be balanced against such hard-to-measure quantities as good will among customers, employes or the public.

Once the output of the system has been determined, the next step is to go over the operation of the system and discover what things influence this output. These influencing factors are termed inputs, a typical input being the amount of advertising that a company places. Generally, there are two classes of inputs, those that can be controlled, and all

others. An organization can control its advertising, the media it uses and the money it spends. It cannot control such things as the actions of its competitors or the weather conditions. The total inputs then, determine the output, although this causal relationship is often more in the sense of probability than in an exact way. The primary task of the operations analyst is to consider those inputs that can be manipulated and to determine the proper combination of inputs that will result in the maximum output. There are three distinct steps in this function.

The first step is to observe the system and gather all possible data and information. There are many inputs to any system, and it often takes time and effort to insure that all of the important ones have been discovered. By the same token, the operations analyst is responsible for seeing that nonessential functions that have accumulated because of custom and profits are cut from the analysis and not listed as inputs.

Once the inputs have been determined and classified, a law that represents the system is devised. This is usually a mathematical model expressing the relationship between the output and various inputs. The model is checked over again and again to see that it bears the test of reality and practicability. With this model, the operations analyst is then ready for the third step, which is maximizing the output by controlling and manipulating the inputs. Once the output has been maximized, the results are then translated into a language and a form that can be put into use by management.

The results achieved through the application of systems science are not in the least magical, and they cannot be attained simply by detailing one or two men to tackle a problem. The conditions under which the analyst must work are well known, and the closer these conditions are duplicated, the more assurance there is that significant answers will be reached.

What management must pay for the analyst is freedom, and freedom in this case has recognizable aspects. First, the analyst must be put in as close contact as possible with the actual operation that he is studying. No custom or regulation can stand in the way of his obtaining intimate familiarity with the operational facts with which he must deal. Moreover, the analyst will take every opportunity to insure that his information adequately represents reality.

Second, the analyst is only as free to receive information from an organization as he is free to openly contact any member of that organization. Bureau-

cratic channels must be ignored, and rank and title have only as much meaning as the information that their holder offers.

Third, the analyst can have no routine responsibilities. The problems that are presented to the analyst are unique and, hopefully, do not recur. The great problem is that, as the analyst becomes familiar with and solves a problem, he can quite easily turn into another executive and carry "his baby" into maturity and productivity. His value as an executive may be considerable, but, as an executive, he is no longer an analyst.

The fourth required working condition of the analyst can be responsible for his greatest contribution. Although most of the problems with which he works are handed to him by management, he must at the same time be relatively free to attack problems that he has observed in the course of his work. His intimate familiarity with the operations of an organization in a problem solving capacity give him an objective insight denied to almost everyone else. This is enhanced by his free circulation and dearth of routine.

There are many other conditions conducive to successful results. These include the attachment of the analysis group near the chief executive, the physical location of the analysts at the site of the operations, and frequent personal contact, almost hourly, with people from all levels of the organization. There are real problems of communication between the analyst and the operations people. Economy of effort dictates that the scientist learn the operating language rather than have the operators learn the scientist's. The analyst carries out his investigations in the language of science and mathematics, but to comply with the principle of practicability, the results must be presented in usable form, which in turn means the language of the operator.

Systems science has proved its worth wherever it has been applied. Its application to the television industry should be just as worthwhile, and in some cases, spectacular, simply because it has not really been used in this area. Now that the relatively simple research problems have been resolved, in many fields results of systems research are becoming less sensational. However, as in the early applications in military and industrial systems, research in the comparatively new field of television industry could produce results that could quite properly be termed startling.

The present situation of the television industry is reminiscent of the stages through which all systems of knowledge pass as new knowledge is gained. From time to time, it seems that all is well understood and that a body of laws is available for predicting future behavior. Then, inevitably, new data bursts upon

the scene, fragmenting the old system. A rationalization of the apparently diverse yet intersecting new facts then develops and a new plateau of apparent understanding of the system is reached, which in turn is disrupted by new data.

Take, for example, the community antenna business. Nobody in television paid much attention to CATV until it began moving into markets that already have some direct television service. Now CATV is the subject of considerable alarm and demands for federal restriction. What are the economic potentials of CATV, assuming it is allowed to develop with reasonable freedom from government restraint? Does anybody know?

What about pay TV? Is it to come by wire, by air, by both or by neither? No one really knows whether pay TV would be viable, what kinds of systems would work best or even what the programing sources would be.

What is the function of educational television? What is its relationship to commercial broadcasting?

What will happen when an audiovisual record for the home can be sold at a price affordable by large numbers of consumers? Will it enlarge or decrease the broadcast audience? Will it create a new business of supplying video recordings direct to the user?

How can satellite relays be worked into the television system? ABC has asked the FCC for permission to launch its own satellite to distribute its network programs to affiliated stations, an arangement that is already technologically feasible. Television broadcasts direct from a satellite to home antennas will be technologically feasible within a few years. Will it be in the public interest to create stations in the sky to serve the whole nation? Does the government know the answer to that question?

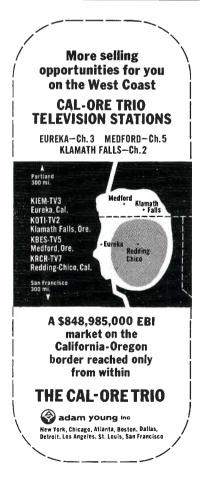
What kind of a medium is television now-and is television to be? An examination of the main commercial structure of networks and their affiliated stations would probably lead to the conclusion that television is a selling medium, supported by manufacturers and suppliers of consumer goods and services for the primary purpose of selling what they have to sell. An examination of ETV would probably lead to an equally valid conclusion that television is a cultural medium, intended to teach or at least to inform. Pay TV, on the limited evidence available to date, would seem to be an entertainment medium requiring viewers to become involved to the extent of preselecting programs for which they are willing to pay. And there are probably a good many people around who would insist that TV is, or could be, or should be, a journalistic medium primarily operated to disseminate current intelligence.

Perhaps television is all of those things

and more. Considering the complicated montage that television presents right now, it becomes obvious that there is a lack of definition of both purposes and goals at a time when such a definition is sorely needed for the guidance of this rapidly expanding medium.

Is television to drift from one crisis to another? Is television management to continue to fly blind in the vague hope that the cloud ahead does not conceal a mountain? Or perhaps worse, are research and planning for television's future to be done by government agencies instead of by the industry whose survival is at stake? The National Aeronautics and Space Agency has asked for bids on a study to determine the feasibility of using satellites for voice broadcasting. The Telecommunications Management Office of the White House has been assigned to study the future shape of the entire U.S. communications establishment. Almost surely the systems scientists will be enlisted in those and other government works.

Will this 20th century marvel of communications call upon other 20th century techniques to assist it in its determination of the future? The systems scientists are waiting for the call.



Hobson says, "By its nature advertising deals in partial truths, not in whole truths"

it. The industrialists may surely be left to decide for themselves what initiatives and what volume of activity are compatible with running a sound business.

To return to my main theme. Increased production presupposes increased con-But increased consumption sumption. cannot be achieved merely by making an increase of goods available. It can only be achieved by making the products wanted. This raises the question of salesmanship, which, on a mass scale, is what advertising is. Incidentally, advertising is accused of creating wants. This is not a true picture: Advertising evokes and activates latent wants, which people never realized they had the means of satisfying. The failures of marketing almost always reside in the failure to assess rightly whether a true want exists. You cannot create a want which does not exist.

The economic phenomenon of abundance at mass level has a natural complement in what historians will, I think, recognize as one of the social phenomena of the century—the rise in importance of salesmanship. In the eyes of a limited intellectual and upper class minoritybut I suspect this audience will include such people in a substantial majoritysalesmanship is not quite respectable. In the eyes of the great majority of the

public it presents very little problem. On the whole, you know, people enjoy being sold things.

In "salesmanship" I comprise two separate elements. First, the whole complex of activities by which a cornucopia of goods and services and pleasures is spilled out in front of the mass consumer; by which his every next want is assessed and provided for; and of which advertising is the most obvious and ubiquitous outward and visible sign. The consumer is king; his wants are law; and a whole host of specialists is studying how best to cater to them. The impetus of the development derives from two forces that cannot be resisted: the new mass spending power and the democratic expectation of being allowed to exercise choice and free will.

Second, the techniques of salesmanship. These are of course the more tangible of the two elements, and they are, therefore, used as the main target.

A powerful new force such as salesmanship naturally meets fierce resistance from those elements in society whose existing power it is diminishing. We have seen the same resistance to "trade" as an occupation as late as at the turn of the century. But the clock cannot be turned back and there is ample evidence that the new generations in the establishment, in industry and in commerce are recognizing and accepting the new force.

However, the rearguard of conservative social forces have one relatively easy target. Advertising magnifies each day onto a huge projection the difference between the accepted ethics of everyday life and the true philosophical or religious ethics to which each of us in our best moments aspires. For example, by its nature advertising deals in partial truths, not in whole truths. It claims the favourable aspects of the truth about the product it sells, and is silent about the less favourable. It is content if what it says is true for some people on some occasions, even if it cannot be universally true. In short it behaves as ordinary people behave, and I think you would have to be very self-righteous to blame it for that.

The law in its ancient wisdom has accepted that this is permissible in selling, and it is recognized as common practice and common sense. Indeed, the simple words and images comprehensible to the mass market could not possibly comprise the universal truth. Moreover, selling is accepted behaviour in a vast range of other contexts: selling political or social ideas; selling projects across a committee table; selling one's own personality in every phase of personal relations, and so on. Selling is as old as human relations and it has been accepted as common practice. The advocacy of ideas, it seems, is applauded; but the selling of goods is rejected. Yet good goods are as valuable as good ideas; and, assuredly, bad ideas are far more dangerous than bad goods.

The real problem is that what is accepted common practice in private, or on a small scale, can easily be subjected to criticism when shown up in the limelight of mass proportions.

What is vital, therefore, is that the beneficial power of this new force of mass salesmanship should neither attract fair criticism nor overstep acceptable limits by being allowed to become misleading or irresponsible. In its earlier phases advertising was often irresponsible and occasionally it still is. The best safeguard lies in the attitude of the industry that sponsors it and the people who practice it. The licence of salesmanship must not be allowed to develop into licentiousness.

What then are the reasonable safeguards that the community must have to channel this dynamic into its most beneficial direction? There is a strong movement nowadays in the name of "consumer protection." This movement says, "If the powerful voice of advertising is merely representing the favourable aspects of its products, should not the public have the right to full and precise information on the pros and cons of these products alongside the advertising claims?" The theory is fine; the practice is virtually unworkable. The average public would far rather invest a few shillings to find out whether a product lives up to its claim than read some elaborate objective evaluation. Nor do people really trust the rounded-off "best buy" pronouncement of some remote, unseen authority. Their own experiences, or the say-so of friends or relations, are far more convincing. The great majority of consumers would not use this kind of protection if it were provided.

In my judgement and experience there are three great safeguards of the buver in relation to salesmanship through advertising.

The first is that (unlike the salesman at the door, for example) the advertiser depends on repeat selling, not on a single sale. If his propositions are extravagant or misleading, and his product on its first purchase fails to live up to the promises in its advertising, he will suffer a serious

The second is that people who see and hear advertisements are well aware that they are being sold something, and they discount a large measure of what is said. Talk to them and they will say "I never believe what the adverts tell me." By this they mean they mentally prefix to the reading of each advertisement the thought "the advertiser says...." They distill out of it instinctively as much as they can believe might be true for them personally. Some people worry that children may be over-credulous on exposure to good advertising. This is possible. It is a worry best met, as one of my colleagues said in a speech recently, by teaching children to put that mental prefix to each advertisement, "the advertiser says. . . .

The third safeguard lies in all that has been done during the last sixty years to prevent misleading claims from irresponsible advertisers. Not only have industry and its advertising technicians adopted higher standards, but there has been



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legislation like the Merchandise Marks Act. However, legislation itself is not the right answer-it can never be watertight. Recently the sections of industry and commerce concerned with advertising have consolidated into a single code, "The British Code of Advertising Practice,' the various existing rules governing advertising claims, and have adopted-with the agreement of the principal mediathe sanction that advertisements which offend these standards are debarred from publication. The governing body is called the Advertising Standards Authority, formed half from advertising and half from nonadvertising interests, with an independent chairman. The executive body is called the Code of Advertising Practice Committee, which sets up the codes and deals with the cases arising under them. Then there is the Advertisement Investigation Department of the Advertising Association which investigates the validity of claims, and there are experts available on most subjects to advise on the facts. It is a system which is as watertight as it can be. It may not prevent some fly-by-night advertiser from offering spurious wares in some obscure local medium but it will go a long way to preventing serious abuses. Let me only add that, although this new and elaborate machinery has only recently been established, the responsible media have for years done their utmost to check on advertisement claims, especially on television, which is a special case because of the provisions of the Television Act. For the most part those checks have been successful in eliminating false claims; but the system will now be tighter.

My own appraisal, therefore, of this

whole issue is that the balance of strength between the drive of the seller for more sales, and the natural caution and resistance of the buyer (which is in fact the current balance, and which has grown up in a free society over many centuries), is still the best system, and cannot be replaced by externally imposed limitations on either the buyer or the seller. In this balance of strength, salesmanship and advertising, which is mass salesmanship, play their part on behalf of the seller; and caution, inertia and habit as well as judgement, play their part for the buyer. No one should ever underrate the capacity of the British public to divine and assess the true values of what is offered. It is erroneous as well as patronizing to think it can easily be fooled. The public is very adult and can be treated as such. This is not to say that within this pattern there is not a case for every reasonable limitation on unfair selling and every possible protection for incautious or ignorant buying-and these precautions are being more and more devised by all concerned in the business. But we know this pattern works; all the alternatives are untried.

There are other arguments brought against advertising in its social context: that the whole overwhelming pressure of expert communication to sell things is tending to create a materialistic outlook and an "acquisitive society;" and secondly, that it debases taste.

To the first of these propositions I

must reply "Yes, the effect of advertising volume is to concentrate people's minds on the pleasures of acquiring, owning, enjoying materialistic benefits."

We are dealing with a subject which is very much a matter of point of view. Our politics, our economics, our whole basic drive, whether from industry or the trade unions, from the city or from the Labour Party, has been to raise the material wellbeing of the masses of the population. Who is to say that it is right to ensure that people have a sufficiency of bread and meat, but wrong that they have a variety of attractive foods to choose from? That it is right for women to be released from drudgery, but wrong for the process to go as far as offering them

washing machines, mixers, frozen peas or gay curtain material? That we should all have holidays with pay but not to be tempted to take those holidays abroad? And so on.

Let us remember all the time that all the needs of production-oriented economics, all the maintenance of full employment, all the progressive discoveries of modern science, and all the drives of past history, have tended to focus on material betterment for people and nations.

The ascetic, the puritan, the idealist may have other views, but I suspect that very often they are essentially egotistic views proceeding from a personal dislike of possessions. They positively dislike and fear abundance, particularly backstreet

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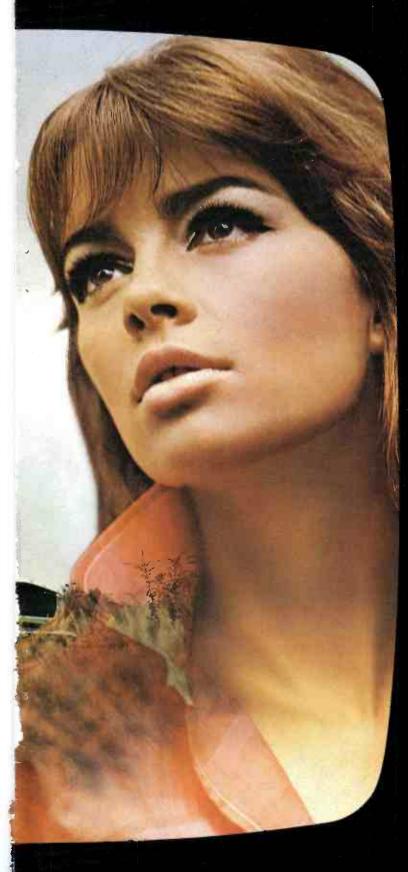
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Hollywood: 6677 Santa Monica Boulevard 213-464-6131 abundance. I respect these as personal attitudes. But I do not think that they are compatible with the daily activities of 99 percent of our population who, in the backstreets or the suburbs, are involved in a struggle for material livelihoods and comforts.

Moreover, the achievement of a better materialistic standard of living, the struggle out of the slum outlook, in which the drive for self-betterment fostered by advertising plays so great a part, can be the finest foundation for further nonmaterialistic aspirations. In any case we cannot put the economic clock back, to satisfy the ascetics. Modern economics are the economics of abundance, in which the demand for, and the acquisition and consumption of, goods are an indispensable counterpart of more and more efficient and plentiful production.

The second proposition, that advertising lowers literary usage and standards of taste, and produces debased images and motivations, is to my mind an absurd generalization (though there may be a few cases which can be truly cited). It is of course a view heard from a limited minority, and it proceeds from an intellectual and social snobbery resulting from a complete lack of contact between those people and the vast majority of their fellow countrymen. An eminent leader of public opinion, highly regarded in government circles, and the chairman of a number of Royal and other commissions, said to me recently that he approved of the advertising found in The Times, but totally disapproved on literary grounds of certain popular advertising found in

the Daily Mirror and elsewhere. Now what kind of human understanding does that remark reveal? The job of advertising is to communicate with the potential market. If we talk to Times readers we talk in Times language; but if we want to talk to the Daily Mirror readers we might almost as well talk in Russian as talk in Times language. To communicate with the people we have to accept and to use their vocabulary, their motives and interests, their ideas of fun, their standard of visual images, just as their favourite newspapers do, or their favourite television programmes.

We hear criticisms that the trivialities of advertising smother the means of important communication. It is true that advertising deals mainly with trivialities—the choice between two beers or two toothpastes must rest on trivialities. But if those who thought they had something important to say to the people would only come down off their pontifical high horses and their classical educations, and use the idioms and images of the people—like negro spirituals or Churchill's speeches—they would, I feel sure, find that they were getting the attention they expect.

In its language and its visual images, in the motives or the aspirations it evidences, advertising reflects without flattery the values of the society we live in. Advertising that hypocritically assumed that tastes and motives were higher than they are, would simply fail to do its primary job. Nor is it the province of advertising to educate or uplift; that is for the educators and the preachers. Advertising is the mirror of our society and

if the face we see in the mirror is, on occasion, more ugly or illiterate than we hoped, it is no good solving the problem by breaking the mirror.

Now I do not mean to disparage fine ideals and high standards; and I certainly do not underrate the basic problem which lies in the fact that a great and powerful system of communication, with all its capacity for social good or evil, is motivated and governed by industry seeking its own economic ends. This is indeed a paradox which needs deep reflection. But society must expect, and on the whole does find, that its industrialists have a sense of the responsibility this power entails. Society must build up countervailing forces to promote the interests of non-materialistic well-being, because we all of us know that there are vital factors of well-being that lie outside the materialistic areas. But I say that advertising itself cannot be expected to be schizophrenic; it has its job to do, and it must do it, and it is a job of great value to the community.

I recall one incident which seems to me to crystallize the whole essence of the problem of advertising's social context. A well-known and highly respected | Quaker industrialist once said to me, as he approved his vast advertising budgets, "advertising is a necessary evil." To him as an industrialist advertising was essential; to him as a Quaker it was an evil. Which is the greater good: the prosperity of an industry which ensures the livelihood of thousands of families and meets the legitimate needs of millions—or the very real and honourable convictions of Quaker asceticism?

These words crystallize the paradox of modern advertising. On the one hand we have a system which is indispensable to the health of our consumer industries, to the abundance of our people's standard of living, to the life-or-death struggle for exports in a competitive world. On the other hand we have the creation of a materialistic society, the question of the partial truth of salesmanship, the risks involved in putting a vast social power into the hands of industry seeking its

economic salvation. The solution to a paradox must, I think, be compromise. Salesmanship, and in particular public salesmanship in the form of advertising, must be allowed pressures. But we must demand responsible salesmanship, highly self-critical, conscious exactly of the line of truth and good manners that it must not overstep. This is not a problem for the law or the government; such matters cannot be handled by written law. It is the job of industry that pays for advertising and governs it, of the technicians who practise it, and of the pressure of public opinion, to exercise the necessary restraint. The minority view of asceticism, the Puritan strain in our make-up, the eyebrow-raising of the out-of-touch intellectual, must not overpower and outweigh the majority needs of a better living standard, but neither must they be ignored. We need salesmanship in our society, but it must be responsible salesmanship, and this I believe is what modern industry and modern advertising are striving to give us.



"It seems your rating is just below the 6 a.m. test pattern's."

P&G accounts for 11.5% of the Top 50's expenditures and 6.9% of the all-advertiser total

62.5% budget boost, a move from 33 to 25; Carnation Co., budget up 55.5%, 47th slot to 34th; Pepsi-Cola, budget up 52.9%, rank advancing from 29 to 22.

Also gaining ground last year: Stanley Warner Corp.'s International Latex division, 36th ranked in 1963's Top 50, fell down to 60th place in 1964. Last year, with a budget increase of 41.9%, it went into 44th position. Johnson & Johnson, 46 in 1963, 70 in 1964, climbed back as the Top 50's 50th TV advertiser last year with a budget increase of 40.9%. And Falstaff Brewing, installed in the new 49th position, came up from 62nd place in 1964 with a spending boost of 30.4%.

Among the big position losers in 1965's Top 50, Pillsbury dropped down 10 pegs; Campbell Soup, Menley & James Laboratories (a Smith, Klein & French subsidiary) and Jos. Schlitz were all off six places. Of those off the list, Beech-Nut ranked 43rd in 1964, Noxzema ranked 48th and Sears Roebuck was 50th.

At the top, among the very biggest TV spenders, there was a realignment. Seen as the number two man after P&G is Bristol-Myers, up from third place in 1964. General Foods, 1964's number two advertiser, was back to third spot. Colgate-Palmolive, fifth in 1964, is now ranked fourth. Lever Bros. is up from sixth to fifth. And American Home Products, down \$4.3 million in TV spending, went from fourth to sixth position.

Behind the ups and downs of individual advertiser investments, the Top 50 as a group continues to put up over half of all the dollars spent on spot and network television. Of the nearly \$1.1 billion estimated to be spot TV's 1965 grand total, the Top 50 will contribute about 50%. And of the more than \$1.2 billion estimated to be the network TV take, the Top 50 will have supplied almost 68%.

Network TV remains the favored medium for the Top 50. They put an estimated \$287,591,000 more in network than in spot last year. This was 60.3% of their combined TV budget for network vs. 39.7% for spot.

Analysis of the 1965 estimates yields these further highlights:

- Procter & Gamble, which alone accounts for 11.5% of the Top 50's aggregate expenditures and 6.9% of the all-advertiser total, boosted its TV spending \$12,172,000 (8.2%) to \$160.9 million. Its network expenditure totaled nearly \$89.8 million, its spot ran to almost \$71.2 million. Eleven advertising agencies spread around the billings on over 50 P&G brands.
- 48 of the Top 50 advertisers are over \$10 million in yearly TV spending, compared with 41 in 1964, 32 in

1963, 30 in 1962 and 29 in 1961. And 18 of 1965's Top 50 had TV budgets over \$25 million.

- The Top 10 advertisers had a volatile year. Six of them bettered their position over 1964, two (Gillette and Philip Morris), were new to the Top 10 ranking. They replaced General Mills and General Motors, who fell to 11th and 12th place respectively. The combined spending of this year's Top 10 amounted to \$650,569,300. In 1964 this group spent \$615,106,600. The 1965 increase was 5.8%.
- Overall the Top 50 advertisers used a total of 64 different national advertising agencies.
- Among those missing from 1965's Top 50 list, Beech-Nut-ranked 43rd in 1964-reduced its TV spending an estimated \$3.5 million; Noxzenna-was 48th-actually raised its spending by \$824,200 but just missed inclusion. Sears Roebuck, 50th ranked in 1964, is estimated to have cut back \$4.8 million on TV.

On an industry spending level, two of the three major automotive companies cut back on TV, this despite an all-time record auto sales year. General Motors and its dealers, ranked 8th in 1964, tumbled four places to 12th last year on a TV cutback of \$6.1 million (15.4%). Ford plus its dealer TV was down \$4.9 million (16.5%) and the auto giant fell from 16th place to 20th. Only Chrysler/dealers showed a TV increase. It was up \$2 million (6.6%) and moved from 14 to 13 in the 1965 Top 50. As a group, the auto men spent \$91.5 million, nearly \$9 million less than in 1964.

Despite the smoking and health controversy that raged in 1964 and into 1965, the tobacco advertisers as a group, benefit of record 1965 sales, are continuing to spend more on TV. The combined spending of the six tobacco advertisers ranked in the Top 50 hit nearly \$187.3 million, up 1.3% from 1964. Individual tobacco company spending, however, was disappointing. Four companies cut back but hefty increases by Philip Morris and Brown & Williamson were enough to offset the cuts.

Philip Morris is estimated to have upped its TV billing \$6.5 million (20.9%), largely with increased spot activity, and rose from 13th to 9th position in the Top 50. Brown & Williamson, moving from 19th to 18th place, was up \$2.6 million (10.4%). On the down side: R. J. Reynolds ranked as the top cigarette advertiser with a \$44.2 million expenditure, held 7th place but was off in spending \$1.2 million (2.7%). American Tobacco, down a notch into 10th place, was off \$1.1 million (2.8%). P. Lorillard, in the 23rd slot, down from 20, had a cutback of \$2.6 million

(10.6%), and Liggett & Myers, with a decrease of \$1.9 million (8.9%), went from 23 to 27.

Bristol-Myers, 1965's second biggest TV spender and top company among the dollar gainers over the preceding year (its budget was up \$15.2 million or 24.7%), has been among the steadiest of the Top 50 position gainers. It ranked 7th in 1961, 6th in 1962, 4th in 1963, 3rd in 1964, and last year it deposed General Foods from the number two spot. An estimated \$14 million increase in network TV carried the company to a spot \$84 million behind P&G in TV spending.

While it seems hard to imagine anyone challenging P&G as spending champ, the number two perch has proven tough enough to hold on to. General Foods had it in 1964 but has fallen back to 3rd place. Colgate-Palmolive was 2nd in 1962 and 1963, is now 4th. Lever Bros. was 2nd from 1959 through 1961, is now ranked 5th. Bristol-Myers will have to keep spending heavily to stay entrenched.

One additional big competitive spending race is reflected in the 1965 Top 50 estimates—the battle of the soft drink giants, Coca-Cola and Pepsi-Cola, the latter a fast-rising challenger, the former a well-entrenched leader. Pepsi's 1964 TV spending was up a solid 41.8% over its 1963 showing; its 1965 TV outlay soared 52.8%. This was good enough to swing Pepsi from 32nd place in 1963 to a 22nd showing last year, only eight positions behind Coke. Five years ago the gap between the two rivals was 28 places.

Coke is outspending Pepsi on TV by an estimated \$9.4 million (\$31.8 million to \$22.4 million) but Coke's dollar increase last year was only 4.2% vs. its 45.2% boost in 1964. The race between the two companies is becoming more intense as both introduce new soft drink brands and diversify into other industries.

The Top 50's 1965 TV spending story is much the same as it has been over the past several years. A robust national economy plus record corporate profits are combining to keep advertising expenditures at a high level—and for the major advertisers, spot and network television continue as favored media.

The Top 50's percent of spending increase (an estimated 7.7% last year) is not as high, of course, as it once was. But the actual dollar heights are now so formidable for the group, large percentage leaps cannot be expected. The fact remains that 1965 brought another alltime TV billings high.

The year's activity of the Top 50 TV advertisers is capsuled in its essentials below:

No. I Procter & Gamble. Rank remains

Newcomers to the Top 50 list were Falstaff, Johnson & Johnson and International Latex

the same. Expenditures increased an estimated \$12.2 million (8.2%).

No. 2 Bristol-Myers. Up from third. Expenditures increased an estimated \$15.2 million (24.7%).

No. 3 General Foods. Down from second. Expenditures increased an estimated \$894,000 (1.3%).

No. 4 Colgate-Palmolive. Up from fifth. Expenditures increased an estimated \$12.1 million (20.5%).

No. 5 Lever Brothers. Up from sixth. Expenditures decreased an estimated \$208,000 (minus .4%).

No. 6 American Home Products. Down from fourth. Expenditures decreased an estimated \$4.3 million (minus 7.2%).

No. 7 R. J. Reynolds. Rank remains the same. Expenditures decreased an estimated \$1.2 million (minus $2.7\%_0$).

No. 8 Gillette. Up from 12th. Expenditures increased an estimated \$5 million (14.9%).

No. 9 Philip Morris. Up from 13th. Expenditures increased an estimated \$6.5 million (20.9%).

No. 10 American Tobacco. Down from ninth. Expenditures decreased an estimated \$1.1 million (minus 2.8%).

No. 11 General Mills. Down from 10th. Expenditures increased an estimated \$1.5 million (4.5%).

No. 12 General Motors/Dealers. Down from eighth. Expenditures decreased an estimated \$6.1 million (minus 15.4%).

No. 13 Chrysler/Dealers. Up from 14th. Expenditures increased an estimated \$2.0 million (6.6%).

No. 14 Coca-Cola/Bottlers. Up from 15th. Expenditures increased an estimated \$1.3 million (4.2%).

No. 15 Alberto-Culver. Down from 11th. Expenditures decreased an estimated \$2.6 million (minus 7.6%).

No. 16 Kellogg. Up from 17th. Expenditures increased an estimated \$2.6 million (9.7%).

No. 17 Warner-Lambert. Up from 18th. Expenditures increased an estimated \$3.6 million (14.0%).

No. 18 Brown & Williamson Tobacco. Up from 19th. Expenditures increased an estimated \$2.6 million (10.4%).

No. 19 Miles Laboratories. Up from 22nd. Expenditures increased an estimated \$5.3 million (24.0%).

No. 20 Ford Motor/Dealers. Down from 16th. Expenditures decreased an estimated \$4.9 million (minus 16.5%).

No. 21 Sterling Drug. Up from 24th. Expenditures increased an estimated \$2.6 million (12.5%).

No. 22 Pepsi-Cola/Bottlers. Up from 29th. Expeditures increased an estimated \$7.7 million (52.9%).

No. 23 P. Lorillard. Down from 20th. Expenditures decreased an estimated \$2.6 million (minus 10.6%).

No. 24 William Wrigley Jr. Down from 21st. Expenditures decreased an estimated \$1.2 million (minus 5.4%).

No. 25 S. C. Johnson & Son. Up from 33rd. Expenditures increased an estimated \$7.7 million (62.5%).

No. 26 Quaker Oats. Up from 35th. Expenditures increased an estimated \$8.4 million (72.3%).

No. 27 Liggett & Myers Tobacco Co. Down from 23rd. Expenditures decreased an estimated \$1.9 million (minus 8.9%).

No. 28 Ralston Purina. Down from

27th. Expenditures increased an estimated \$3.9 million (25.0%).

No. 29 National Biscuit. Down from 26th. Expenditures increased an estimated \$3.0 million (18.5%).

No. 30 National Dairy Products. Down from 28th. Expenditures increased an estimated \$2.9 million (19.3%).

No. 31 Campbell Soup. Down from 25th. Expenditures decreased an estimated \$2.7 million (minus 14.7%).

No. 32 J. B. Williams. Rank remains the same. Expenditures increased an estimated \$2.8 million (22.1%).

No. 33 Block Drug. Down from 30th. Expenditures decreased an estimated \$384,000 (minus 2.7%).

No. 34 Carnation. Up from 47th. Expenditures increased an estimated \$4.9 million (55.5%).

No. 35 Continental Baking. Up from 40th. Expenditures increased an estimated \$3.4 million (33.8%).

No. 36 Corn Products. Up from 38th. Expenditures increased an estimated \$1.7 million (15.4%).

No. 37 AT&T/Subsidiaries. Down from 34th. Expenditures decreased an estimated \$78,000 (minus .7%).

No. 38 Standard Brands. Down from 36th. Expenditures increased an estimated \$290,000 (2.5%).

No. 39 Nestle. Up from 42nd. Expenditures increased an estimated \$1.9 million (19.1%)

No. 40 Shell Oil. Up from 46th. Expenditures increased an estimated \$2.8 million (31.7%).

No. 41 Pillsbury. Down from 31st. Expenditures decreased an estimated \$2.9 million (minus 20.8%).

No. 42 Jos. Schlitz Brewing. Down from 37th. Expenditures decreased an estimated \$562,000 (minus 5.0%).

No. 43 Consolidated Cigar. Down from 39th. Expenditures increased an estimated \$267,000 (2.6%).

No. 44 Stanley Warner. Up from 60th. Expenditures increased an estimated \$3.1 million (41.9%).

No. 45 Carter Products. Rank remains the same. Expenditures increased an estimated \$1.4 million (15.0%).

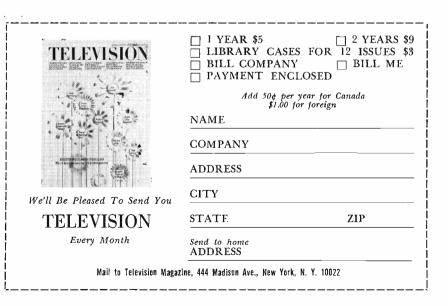
No. 46 Smith, Kline & French. Down from 41st. Expenditures increased an estimated \$255,000 (2.5%).

No. 47 Mars. Up from 49th. Expenditures increased an estimated \$1.8 million (21.1%).

No. 48 Chesebrough-Pond's. Down from 44th. Expenditures increased an estimated \$858,000 (9.3%).

No. 49 Falstaff Brewing. Up from 62nd. Expenditures increased an estimated \$2.2 million (30.4%).

No. 50 Johnson & Johnson. Up from 70th. Expenditures increased an estimated \$2.7 million (40.9%).



JWT. largest agency in the world and leader in broadcast billings, ranks fourth in growth

\$22.2; 1962, \$39; 1963, \$42; 1964, \$50; 1965, \$76.8.

FOOTE, CONE & BELDING is one of the handful of agencies to have made both the top 10 list in dollar increase and in percentage growth. Its television billings have jumped from \$41 million in 1960 to \$94 million in 1965, a difference of \$53 million which puts it in third place in dollar increment. This is a 129.3% hike, winning it the fifth place in percentage growth.

Edmund C. Bunker, VP and national director of broadcast at the agency's New York office, says one of the principal reasons for this above average upswing "is the volatility of a couple of our accounts, chiefly Clairol." He says this client "almost single-handedly was responsible for creating the present-day hair color industry and overcoming the opprobrium that used to be attached to it. In 1956 Clairol was spending under a million in television and now it's a multi-million TV account. Television was just a natural. It exploded at the same chronological time as Clairol."

Another account, Menley & James, which cast its lot with Foote, Cone & Belding in 1960, underwent a similar dramatic upsurge with its continuous-action cold remedy Contac, introduced in the fall of '61 with a \$5 million campaign. Other clients that jumped their television spending substantially during this decade were TWA and General Foods' Koolaid.

The list of clients that have given business to FC&B for the first time in the 60's is impressive. It includes such sizeable TV advertisers as B. F. Goodrich and Sunbeam, which came aboard the same year as Menley & James; Ovaltine and Kitchens of Sara Lee, both picked up in 1963, and Gallo Wines and Ralston Purina, new this year.

Foote, Cone & Belding doesn't follow the usual pattern of having a head office with several branch offices. Instead each office is a separate entity. New York and Chicago are particularly evenly matched and guard their prerogatives zealously. At the Chicago office, Homer Heck, VP and director of broadcast, attributed part of the growth in television billings to the agency's taking into the medium clients that had not used it before. Zenith is a case in point. It had used TV only spasmodically until FC&B became convinced that a participation plan in network television "could work for them economically." This is the typical pattern of FC&B television buying: a network package participation plan. A notable exception is Hallmark, which buys network specials to advance its quality image.

Heck says the agency is just as much concerned in the program side of television nowadays with its participations as it was when it was buying all of Red Skelton for S. C. Johnson. "They can't give us approval of script as such when we are one of six advertisers," Heck says, "but we are in a position to discontinue the buy. We read myriad scripts in advance in order to make as sure as we can we won't be embarrassed."

The agency's total domestic billings this year are estimated at \$170 million, compared with \$99.6 million in 1960. This 70.7% increase is not as steep as the rise in television billings, indicating that the proportion of total billings going into television also has been mounting. The 1965 TV expenditure was split \$68.4 million network, \$25.6 million spot. The network accounts include Clairol, Menley & James, General Foods, Papermate, Purex, Sunbeam, Ralston Purina, Kraft, Sara Lee, B.F. Goodrich, S. C. Johnson, Kimberly-Clark and Armour. All these also are in spot, plus TWA, Sunkist Growers, Gallo and Ovaltine

The climb in TV billings from 1960 was fairly steady, taking these yearly steps (in millions of dollars): 1960, \$41; 1961, \$46.5; 1962, \$51.6; 1963, \$65.7; 1964, \$78.8; 1965, \$94.

As for the future, in Heck's opinion not enough precise knowledge has been available about television's audience. He says new and more accurate research is being done in the field that will "refine the agency's thinking about the medium." It is his feeling that the research will tend to "downgrade" television, along the lines of recent reports that this season there has been some falling off in the medium's magnetism.

Bunker is more upbeat. When asked about the possibility that the spread of UHF, CATV and other developments may fractionate the television audience, he said, "I think the ability to demonstrate to a relatively few people is better than not being able to demonstrate to anybody at all."

■ J. Walter Thompson has made the top 10 list in television billings increase since 1960, but to learn this may bring a "so what?" reaction, since the agency is the largest in the world and the leader in broadcast billings. But growth is where the action is, even if growth occurs in an organization that already was pretty big in the first place. Some of the biggest agencies didn't make the list, making JWT's achievement even more worth looking into.

Since the decade began, TV billings at the agency have increased from \$113 million to \$158.4 million, a 45.2% in-

crease. By comparison, total domestic billings during this period increased from \$250 million in 1960 to \$296.7 million estimated for 1965, a hike of 18.7%. Thus, with this agency as with the others, the proportion of television to total billings has risen.

William H. Hylan, vice president and director of JWT's broadcasting department, says, "So much success in television is a matter of having information and being able to apply that information. A company like Thompson has access to the greatest amount of information and we seek to apply that information in a professional manner."

Hylan says another feature that draws television-minded clients to Thompson is that the agency has a "true broadcast department" responsible for the selection and purchase of programs and time periods in both network and spot TV, as well as radio. (With programing and broadcast media buying under one roof at IWT, the agency's media department per se is concerned solely with print.) This centralized broadcast department, according to Hylan, also helps in the efficient use of the information gathered by JWT, since a discovery about one market, for example, may have more than one broadcast application. The department handles everything from the purchase of a single-shot local program to a network

I. Walter Thompson won business from several sizable television advertisers in the 60's. Liggett & Myers, whose television budget is currently 27th in rank, came aboard in 1961. Warner-Lambert (now 17th in TV spending) brought its Listerine business to JWT the next year. American Home Products placed its Whitehall Laboratories products (Dristan, Bisodol and other remedies) with the agency this year. Another account new in 1965 was Chun King. Additional television revenues came from clients that had been out of the medium for awhile and came back in. Such was the case of Aluminium Ltd. of Canada, which had been absent from TV since it stopped advertising on the old Omnibus programs, but returned last year via Profiles in Courage.

Robert (Buck) Buchanan, vice president and manager of the agency's broadcasting department in New York, says one out of every 10 minutes sold in prime network time this year was purchased by a JWT client. Overall, the agency bills \$110.4 million in network and \$48 million in spot TV. Its network clients include Scott Paper Co., Eastman Kodak, Ford Motor Co., Kraft Foods, Standard Brands, RCA, Institute of Life Insurance, Warner-Lambert, Lever Brothers, Libby, McNeill & Libby and Liggett & Myers.

DDB achieved the largest percentage increase of the 25 agencies, up 332.8% from 1960

All these also are active in spot TV, plus American Bakeries, Chesebrough-Pond's, R. T. French, Institute of Life Insurance, Oscar Mayer, Phillips Petroleum, Seven-Up, Brillo and W. F. Young.

Shows for the 1965-66 season in which Thompson clients have purchased an alternate weekly minute or more are: FBI, Sunday Night Movies, Walt Disney, Wackiest Ship, Kildare I, Andy Williams, F Troop, Red Skelton, Please Don't Eat the Daisies, Kildare II, Tuesday Night Movies, Amos Burke, Shindig I, Crackerby, Bewitched, Streets of Laredo, Trials of O'Brien, Jeannie and Get Smart

The most momentous television happening in the 60's thus far has been the color explosion, and according to Hylan the Thompson company and its clients played a major role in this color build-up. When Disney ended his contract with ABC and went over to NBC, JWT accounts RCA and Kodak bought Disney's Wonderful World of Color. Kraft with its appetite-appeal color commercials is another Thompson account that has written color history. By last May, Buchanan says, the agency had produced 5,000 color commercials.

As for the future and the possibility that technical advances may fractionate the television audience, Hylan says, "If it happens it will be just a matter of adjusting to circumstances to see that the networks or whomever we're dealing with adjust their prices accordingly."

The year-to-year pattern of changes in Thompson's TV billings was (in millions of dollars): 1960, \$113; 1961, \$115; 1962, \$123; 1963, \$145; 1964, \$131; 1965, \$158.4.

■ DOYLE DANE BERNBACH, as even the most casual observer of the advertising scene knows, has done spectacularly well in the last few years. And although it achieved its initial reputation with the excellence of its print ads, it was not slow to translate its know-how into television terms as soon as it began attracting the bigger, more TV-minded accounts or encouraged its already existing clients to move up to TV. In so doing, it achieved the largest percentage increase of any of the 25 agencies, a gain of 332.8% from 1960, when its clients spent \$12.5 million in the medium, to 1965, when they have spent an estimated \$54.1 million. The difference of \$41.6 million places Doyle Dane fifth in actual dollar increase since the decade began.

Robert Liddel, agency VP and TV-radio programing director, says DDB currently has some 22 accounts in television. Avis Rent-A-Car illustrates most graphically how a Doyle Dane client moves into the medium. When Avis came aboard in 1962 its initial campaign was

exclusively in print. In fact not long ago it boasted, to the consternation of some, that since it was number two in the renta-car business it couldn't afford such luxuries as television commercials. However, its "we try harder" campaign has been so successful that it has now reached the size, according to Liddel, where it will mount a spot TV campaign.

The number of advertisers added by Doyle Dane in the 60's is remarkable. A partial list, including those likely to use television, is: 1960, Rainier beer and ale and Warner Bros. girdles and bras; 1961, American Airlines, Crown Zellerbach Consumer Paper Products, International Silver Co., Laura Scudder's Potato Chips; 1962, Avis Rent-A-Car, Cracker Jack; 1963, Burlington Hosiery, H. J. Heinz, Jamaica Tourist Board, James Lees & Sons (carpets and rugs), Sony Corp. and U.S. Tire; 1964, Bulova Watch Co., International Latex (Isodettes), Leslie Salt, Quaker Oats, Lever Bros. and Rheingold Breweries, and 1965, American Home Products' Ekco Housewares division; Charles Pfizer's Leeming/Pacquin divisions, Wallace & Tierman's WTS-Pharmacraft division; Socony Mobil Oil, Ocean Spray Cranberries and Gillette.

Liddel also says Doyle Dane Bernbach's TV billings growth came from clients like Polaroid, which already were in television when the agency got their business, but which increased their spending in the medium since then. "Color television came along about the same time Polaroid got its color camera," Liddel says, "and here is an account that exploded. As a matter of fact, we used so much TV for Polaroid we can't really use any more. We're reaching everybody we wanted to reach. There's a point of no return in television for a single product."

A recent development at Doyle Dane is the addition of a number of shared accounts. Liddel says the agency used to avoid them, but no major package goods advertiser has all his accounts at one agency, so DDB adjusted to the situation. Several of these multi-goods clients of Doyle Dane's, like Quaker Oats, Lever Bros. and Clairol, are all heavily in television. Lever is fifth in TV spending rank and Quaker Oats is 26th.

Liddel says DDB used to be known as a print agency and he credits Robert Gage ["Focus on People," TvM December 1965], senior VP and chief art director, with adapting the technique of the agency's print ads to television. He also credits Don Trevor, VP and TV-radio commercial production director, with "putting a distinctiveness into our commercials. They almost have a look about them, just as they used to say our print ads have a look about them. But they're not formula commercials. Each is

developed for a specific account based on what the specific account needs. Don Trevor's approach is really terribly simple. He believes that if you're going to do a commercial about Jamaica you do it in Jamaica, or about an Italian casserol you do it in Italy or about a Wall Street account you do it on Wall Street.

"Our agency doesn't have a slogan," Liddel says, "but in a way I think it does. It's honesty in advertising. If we're going to sell a car we show the car in the commercial, not waves washing over it as it emerges from a seashell."

Liddell says the agency's television buying covers all possible variations. "We have a reputation for buying specials, which without a doubt is the toughest thing to do since your variables are multiple, but we do it fairly successfully."

Liddel says a client who has never used television before "is always very leery of this medium since there is nothing tangible about it. Overcoming these fears is one of the jobs we've been successful at. Our clients know that if we didn't think this is right to do we wouldn't ask them to do it. We can do things with our advertisers that other agencies couldn't do because our clients are willing to go along with us." He gives as an example the pre-Christmas network TV buy of International Silver, an unusual advertiser for network television.

DDB's major network clients are Chemstrand, H. J. Heinz, Lever, Polaroid, Quaker Oats, U.S. Rubber and Volkswagen. Leading spot purchasers are Colombia coffee, American Airlines, Heinz, Clairol, Lever, Thom McAn, Rheingold and Cracker Jack. The TV billings are \$25.8 million in network and \$28.3 million in spot.

As for the future, Liddel says the only limit to DDB's growth is staff—"there may be a limit on finding people who want to work as hard as we want to work." He says if the television medium becomes fractionated it will help the smaller advertisers but may make it less attractive for the larger. "Fractionalism means specialization," Liddel says, "and a specialized medium is more attractive to us in our attempts to do just the right thing for a particular account."

The pattern of Doyle Dane Bernbach's year-to-year television billings looks like this (in millions of dollars): 1960, \$12.5; 1961, \$9.6; 1962, \$13.3; 1963, \$18.2; 1964, \$27.3, and 1965, \$54.1.

DANCER-FITZGERALD-SAMPLE, increased its television billings almost exactly as much as Doyle Dane Bernbach (within \$400,000 of DDB's \$41.6 million hike). But its story, unlike that of Doyle Dane, is hardly known. This is due, in part, to D-F-S's acknowledged reticence.

Dancer-Fitzgerald-Sample also differs from Doyle Dane in having a relatively short client list, currently 15 all told. In 1960 the list had two less. Effective this month, the agency is merging with Guild, Bascom & Bonfigli, San Francisco, bringing new broadcast clients into the Dancer fold.

D-F-S tied for sixth place in dollar growth of TV billings with Young & Rubicam. The Dancer billings in the medium were \$53.8 million in 1960, rising by 76.6% to \$95 million in 1965—a \$41.2 million gain. Fred T. Leighty, administrative vice president of the agency, estimates that about 55% of the increase comes from clients that already were with D-F-S in 1960 and about 45% from new clients.

"We have concentrated on clients in highly competitive fields where they tend to use television," Leighty says. "Just about every account we have is in the medium." He also says the proportion of total billings going into TV has risen since 1960. Television's share now stands at 75%.

Clients added by Dancer since 1960 include DeLuxe Reading, Simonir, Frito-Lay, American Cyanamid and Cudahy-plus Noxzema, which was just resigned. Accounts that appeared on the 1960 list but not on 1965's are L & M Cigarettes, American Chicle, McKesson and U.S. Army.

As the result of the merger, Dancer will get new television business from such accounts as Ralston Purina, Van Camp Sea Food, Foremost Dairies and Best Foods' Skippy Peanut Butter and Bosco. Guild, Bascom & Bonfigli's Carling Brewing account had to be resigned because it conflicts with D-F-S's Falstaff Brewing business.

Many of television's top 50 advertisers have placed business with Dancer, including Procter & Gamble, number one; General Mills, 11th; Sterling Drug, 21st; Best Foods (Corn Products), 36th, and Falstaff, which was 49th on the list in 1965 but wasn't among the top 50 in 1960.

The agency's television billings are split \$50 million in network and \$45 million in spot. Primary network TV accounts are Procter & Gamble in Hazel, Gunsmoke and Dick Van Dyke; Sterling Drug in Dr. Kildare and Perry Mason, and General Mills in Patty Duke and daytime programs. Package buyers in network are Peter Paul, Frigidaire and Simoniz. Its major spot clients are P&G, Frigidaire, Corn Products, Sterling Drug, Falstaff Brewing, Peter Paul, General Mills and Simoniz.

Leighty says there has been a trend at the agency for a higher proportion of television billings to go to spot. "Network television has values that spot has not," Leighty says, "but the efficiency factor has tended more and more to favor spot."

He also remarked, "There's no Gun-

smoke in 1965," and explained he meant that "you don't have as large a standard share of audience in network as you used to." As for the future, Leighty says total advertising expenditure is going to continue to rise but television's share of the total may not grow as fast in the next six years as it has in the last six.

Television billings mounted each year at Dancer-Fitzgerald-Sample this way (in millions of dollars): 1960, \$53.8; 1961, \$62.5; 1962, \$67; 1963, \$75; 1964, \$88, and 1965, \$95.

Dancer wrote an important chapter in its own history in 1962 when it closed its Chicago office. D-F-S originally had headquarters in Chicago and shifted to New York in 1948. The agency said the shut-down decision was based on the trend of advertisers to demand headquarters treatment from their agencies and the fact that such treatment has been made possible by the jet planes that narrow travel time between cities.

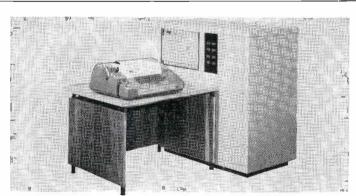
■ YOUNG & RUBICAM television billings also increased \$41.2 million from 1960 to 1965, putting it into a sixth-place tie with Dancer-Fitzgerald-Sample in actual dollar growth. However, Y&R's percentage rise was not so steep, since it started with a higher base figure, \$96 million in

1960, rising to \$137.2 million in 1965, a 42.9% increase.

A great deal of Y&R's growth has come from new clients, and in this regard 1965 was a good year indeed with these potential or actual television accounts acquired: P. Ballantine, Bulova Watch, International Salt, Union Carbide Corp., United Biscuit, all in the New York office: Pullman in Chicago, Simca in Detroit and Ralston-Purina's Van Camp division in the Los Angeles office. Among other new accounts at Y&R in the 60's were: 1961, Armour & Co. at the Chicago office; 1962, Chrysler Corp and International Latex, New York office, and Allied Van Lines in Chicago; 1963, American Cyanamid's John H. Breck division and Frito-Lay Pepsi, and 1964, Eastern Airlines, all three New York office.

The biggest single boost to Y&R's television billings came when Chrysler shifted its \$10 million corporate advertising account to the agency from Leo Burnett in 1962, the same year Y&R almost lost, but neatly recovered, another big client, the \$11 million Goodyear account. Goodyear, which had been with Y&R since 1943, had started interviewing other agencies but was persuaded to stick around. It is currently a substantial advertiser on *The Man from U.N.C.L.E.*,

Advertisement



New computer for Traffic-Avails-Scheduling

Traffic, availabilities, and scheduling problems—which account for a tremendous expense in time and dollars for most TV stations—may be a thing of the past

of the past.

Sarkes Tarzian, Inc., Bloomington, Indiana, has developed a special purpose digital computer, Tascom, which uses high speed data processing techniques to organize and control the enormously complex information relating to traffic-availabilities-and scheduling.

Operating with exceptional speed and accuracy, TASCOM determines long and short term avails at once . . . verifies time sales . . . schedules all elements of the broadcast day . . . provides library data on location of tapes, slides or films . . . prints the program log . . . etc.

For the average station, Tascom would probably return its investment in 18-24 months. Major market outlets may do it in 12 or less.

According to VP Pinkham, Bates' TV share of total billings has declined since 1960

while Chrysler is one of the few advertisers these days that can boast a show carrying its own name, Bob Hope Presents The Chrysler Theater.

"We are network program oriented," Charles (Bud) Barry, executive VP and director of Y&R's television-radio department, says. "We believe in it and, since like attracts like, we get those clients who want to use network."

The agency split its television billings in 1965 between \$93.8 million in network and \$43.4 million in spot. (Spot TV took a sharp jump in 1965, rising more than \$15 million above the previous year.) The agency began the fall season with eight network prime-time shows for which Y&R was the agency of record: Farmer's Daughter, I've Got a Secret, Green Acres, Chrysler Theater, O.K. Crackerby, Long Hot Summer, My Three Sons and Hogan's Heroes. There were six other nighttime network shows that represented a Y&R buy although it was not the agency of record: Ed Sullivan, To Tell the Truth, Andy Griffith, Red Skelton, Gomer Pyle and Gunsmoke. The agency's clients had fixed participations in 20 other nighttime programs and scatter minutes in 27 more. Thus the evenings are pretty well blanketed with Y&R network accounts.

Barry says there are "a dozen active television spenders, such as General Foods, Bristol-Myers, Johnson & Johnson, that are as active or more active in 1965 than they were in 1960. Much of this has come from new products." Growth also has come from imaginative buys for clients. Eastern Airlines is an example of this. It was encouraged to go national in its first television effort via the inauguration of President Johnson despite the fact that Eastern is, by its name, a regional advertiser. Eastern also bought the entire three-and-a-half hours of NBC's White Paper on U.S. foreign policy. Y&R's thinking was that the airline public is a moving public and Eastern's customers may come from any part of the United States. Also, a "national image" is worth having, even by a regional airline. And the White Paper was successful in reaching the kind of better-educated, higher-income professional and white collar people Eastern was interested in getting its message to. Gulf Oil is another Y&R client that has bought time imaginatively with its Gulf Instant News which has brought the story of America's space efforts to the public.

Barry says Eastern Airlines, plus two other new Y&R clients, Union Carbide and Bulova, have been talking substantial investments in specials for 1966. He sums up his department's philosophy this way: "We think as though we had

all the money in the world. We don't. But we try to cut and sew our programs to fit the dollars we do control. But there's no limit to how we think."

Among the agency's major network advertisers are American Home Products, General Foods, Bristol-Myers, General Electric, Hunt Foods, Chrysler, Johnson & Johnson and Goodyear. All these, except General Electric and Goodyear, also are in spot, plus Ballantine, Borden, Drake Bakeries, Eastern Air Lines, Frito-Lay, General Cigar, Gulf and Procter & Gamble.

From year to year, Y&R's TV billings in the 60's were (in millions of dollars): 1960, \$96; 1961, \$86.5; 1962, \$88.1; 1963, \$119.8; 1964, \$119.7; 1965, \$137.2.

■ WILLIAM ESTY is another agency with a relatively short but active (certainly as far as television is concerned) list of clients, currently nine in all. It is also that rarity, an agency whose accounts still are heavily involved in program sponsorship. Esty's place on the top 10 list was won by a \$37 million increase in TV billings. They rose 82.2% from \$45 million in 1960 to \$82 million in 1965.

According to Charles Mortimer, VP and programing director, the agency was television-oriented even before 1960, but the proportion of total billings going to television has increased further during the six-year period. Some 73% of 1965's overall billings were in TV.

Mortimer says the main reason for Esty's billings increase is "probably the growth of our clients." For example, Chesebrough-Pond's, the agency's second largest advertiser, has substantially increased its business at Esty in the 60's. The company went national via Esty in 1965 with another new product, Groom and Clean. Esty's biggest account, R. J. Reynolds, has hiked its spending in network television since 1960. It is a prominent sports advertiser, with buys in the American Sportsman, American Football League and the NCAA. Other Esty clients besides Reynolds using sports programs are Sun Oil, Noxzema and Groom and Clean.

Mortimer says Esty is deeply involved in program development and is one of the few agencies left that still takes an interest in this area. "We don't just buy a TV show and throw a commercial on it," he says. He gives as examples Mc-Hale's Navy and Beverly Hillbillies, both of which Esty was involved with during the early development stages. In fact, it was the agency's idea, according to Mortimer, to make a situation comedy out of McHale's Navy. It had first appeared as a segment of a dramatic anthology. For this season, the agency worked closely with 20th Century-Fox on Jesse James to

make certain it would turn out to be a product Esty could sell, since an outlaw is by nature a difficult central character for a series.

Esty's TV billings in 1965 went \$56 million into network, \$26 million into spot. R. J. Reynolds alone has program buys in 11 prime-time shows in network television. Among the other clients in network are American Home Products, Chesebrough-Pond's and Union Carbide. These also are in spot, as well as Sun Oil, Colgate-Palmolive and Kimberly Clark. New accounts in 1965 included Noxzema's shave cream and complexion lotion and National Biscuit Co.'s Welch candy division and cereals. The agency lost the Ballantine account in '65.

Asked about television's next few years, Mortimer says, "I think the medium has arrived at a certain leveling-off process. I'm not equipped to talk about the numbers, but I do feel there is a lack of interest this year in the product television is turning out. People are turning it on, but they are not very excited. I have no lack of faith in television. I think it's the greatest thing since the invention of the wheel. But we have a big responsibility—all of us, including the advertiser and the agency—to make it better."

The decade's growth pattern of Esty's TV billing thus far (in millions of dollars): 1960; \$45: 1961, \$46: 1962, \$60; 1963, \$62; 1964, \$68.2; 1965, \$82.

■ Ted Bates & Co. is the only one of the top 10 in TV billings increase whose share of television to total billings hasn't risen since 1960. In fact, according to Richard A. R. Pinkham, senior VP in charge of media and programs, the TV share has declined. In 1960 the agency was putting somewhat over 80% into the medium and in 1965 the TV proportion was slightly under 80%. Of course, as Pinkham points out, Bates guided its clients into television right from the start, so that the slight tapering off since 1960 still leaves Bates at the top as a TV-minded agency.

"Television is the most effective medium there is for most of our clients," Pinkham says. "Some people have lost sight of the fact that even if magazines were able to equal the number of people reached by television, you still can't compare the impact of the printed page with the impact of a sight and sound demonstration."

Pinkham says there are two characteristics of Bates use of television. "One, we have an expertise in producing TV commercials involving a unique selling proposition and, two, we have a conviction that given a strong selling commercial we want to reach as many people as possible. We'd rather reach everybody once

than somebody twice. Of course, if you have a weak commercial you want frequency. But if it's strong you want unduplicated reach."

The TV billings were divided \$76.1 million in network, \$60.5 million in spot in 1965, with network's share moving up. Pinkham says more money is going into network largely because it is more flexible than it used to be.

Bates' reputation in the 50's was "hard sell," and according to Pinkham this usually brought forth images of stomach gastric juices. "To us the definition of hard sell has changed," Pinkham says. "The public is getting more sophisticated. For example, the hit shows of 1955 probably wouldn't be hits today. But our hard sell is still, by God, hard sell. Anyone who doesn't have hard sell isn't getting the maximum out of his television investment.

"You've got to equate selling on TV with selling door-to-door," he added. "And a salesman certainly wouldn't get anywhere if he said 'Isn't it a lovely day? You wouldn't want my product, would you?' He won't get sales unless he asks for the order."

One of the biggest clients that cast its lot with Bates in the 60's was Mobil Oil, representing some \$12 million in total billings. This account was won in 1961 after Mobil's advertising manager was impressed by agency chairman Rosser Reeves' book, "Reality in Advertising." Other new clients in the decade thus far are Waterman-Bic Pen Corp., 1961; Cunard Steamship Co., 1963; Wilkinson Sword, 1964, and Howard Johnson, 1965. The Wilkinson blade is a good example of a product that came out of nowhere to win a sizeable market share in the U.S. through television alone.

Bates' principal network clients are American Chicle, American Home Products, Brown & Williamson and Colgate-Palmolive, all with scatter plan packages. These plus Continental Baking, Mars and Standard Brands are also in spot.

The agency has been active since '60 in new product introductions. The most recent case in point is Colgate-Palmolive's 007 line of men's toiletries.

Pinkham believes that UHF and other developments probably will lead to a proliferation of networks and a resulting decline in what audience share represents "success." This of course will make the search for unduplicated reach more difficult. "It will be like buying radio," Pinkham says. "You have to buy every station in town."

Here's how Bates' TV billings moved from year-to-year in millions of dollars: 1960, \$102; 1961, \$112.3; 1962, \$110.5; 1963, \$108.2; 1964, \$120.2; 1965, \$136.6.

■ SULLIVAN, STAUFFER, COLWELL & BAY-LES, although it just makes the top 10 list in the dollar increase of its television billings, is number six in percentage growth. The TV billings were \$26.5 million in 1960, climbing to \$60.4 million in 1965—a \$33.9 million gain. This represents a 127.9% hike, slightly less than that registered by Foote, Cone & Belding.

According to Lloyd R. Harris, vice president and media director, SSC&B's total billings also have more than doubled in the six-year span. He attributes the growth not to an increase in clients or a change in media strategy but largely to an expansion of the clients' business. The agency's 15 accounts are mainly in package goods or related products. In many cases where SSC&B handled one or two products for a client, Harris says, it is now handling five or six.

The division in SSC&B's TV billings is \$41.5 million in network, \$18.9 million in spot. American Tobacco is the agency's major network client, with buys on 13 network shows. Lever Brothers and Lipton each participate in *Please Don't Eat the Daisies, Mr. Roberts, Get Smart, Ed Sullivan* and the *Lucy Show*. Block Drug is on 10 prime-time programs and Carter-Wallace participates in three prime-time shows, on four college bowl games and in NBC and ABC daytime programs. Nozzema is in five

prime-time programs on ABC and NBC and in ABC's daytime schedule. Johnson & Johnson participates in ABC's Farmer's Daughter and in daytime programs on all three networks. Spot clients include all the above except Block Drug, plus Ballantine Ale, Beacon Wax, Best Foods, Geigy Chemical, Sperry & Hutchinson and Northeast Airlines. Ballantine Ale was a new account last year, the same year that Bulova Watch departed.

Looking ahead, Harris says, "Changes that will develop in television over the next five years will dwarf the changes that have taken place in the past five years. It is anyone's guess as to the actual shape of things to come. But we can assume that the changes will be immense, with possible developments in such areas as a fourth network, growth of UHF stations, CATV, transmission of regular television by satellite and so on. While we can't control these developments, as an agency we will make it our responsibility to stay on top of the developments and seize every opportunity possible to gain further advantages for our clients."

The pattern of SSC&B's television billings from 1960 is (in millions of dollars): 1960, \$26.5; 1961, \$35.4; 1962, \$42; 1963, \$54.6; 1964, \$61.5; 1965, \$60.4.

what's best in TV?



1. Get 40% more TV homes...



3. on WCYB-TV. 41,600 more, using 50% net weekly cut-off figures*



that includes personal calls, mailings, surveys, displays, etc.



2. in the Tenn.-Va. Tri-Cities...



4. All this, <u>plus</u> a 7-Step Sales Development Service...



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reading

Recommended THERE are many advantages attendant to being associated with the advertising business, but listening to speeches extolling its virtues and defending its shortcomings isn't one of them. While we subscribe in general with what they say, we must admit in candor that the subject bores us to tears. Worse than that, they'd long since begun to sound as though someone doth protest too much.

Then we stumbled across a slender pamphlet containing three lectures that John Hobson, who heads the British affiliate of the Ted Bates advertising agency, had given to the Royal Society of Arts in that country. Imagine our surprise at being caught up in his thesis. Perhaps it was because he brought such a dispassionate air to it. Or perhaps because his exposition was so eminently sensible. For whatever reason, we began at the first and stayed to the last. Our readers now have the same opportunity, beginning on page 52 of this issue, and we commend them to it. If this is the last word one's to hear on the subject, we think it's a good place to stop.

By his words IT's always a toss-up to see whether the you know him readers or the editors get more out of an issue of TELEVISION. The Hobson text is a case in point. A speech made by Willard Walbridge, general manager of KTRK-TV Houston, and excerpted on page 25, is another. The Walbridge speech shares with Hobson's lectures the attribute of being a classic exposition of a point of view. Both have a way of cutting through the flim-flam and getting down to cases.

Bill Walbridge dislikes CATV. He thinks it could devour the free enterprise system of television as it's developed in this country. He thinks, moreover, that the basic CATV concept, which is to take the signals of conventional broadcast stations and retransmit them, for a fee and without so much as a by your leave, is immoral. He says so in no uncertain terms.

We agree with Walbridge that CATV is capable of occasioning monumental upheavals in the television business. We don't happen to think the situation is as clear-cut as he sees it (broadcasters, for example, have generally been delighted with CATV's which extend their signals into broader areas, have generally turned blue when CATV's bring other signals into their own backyards). Nor do we agree that CATV should necessarily be relegated to the role of a subsidiary broadcast service. We think it should find its own level, as we have confidence it will. We do, however, say this of the Walbridge stand: If you're looking for a side to take he hoists a banner that can be seen for miles.

The old Nor do those two items exhaust the food order changeth for thought in this issue. Take page 30, where appears our "Focus on People"

department, and in it a profile of Jack Gould, by all odds the nation's most influential critic of television. We quote Gould as saying, about holding out hope for the medium, that "After all, we're still in the first generation of network presidents.

A week after Gould made that statement Bob Kintner was out as president of NBC. It was impossible not to ask ourselves whether the generations were changing. The answer, we think, is that the networks aren't changing, but everything else is. The context of the television business at the beginning of 1966 is more than just 10 years away from where it was at the beginning of 1956. The men who sit in the executive chairs at 30 Rock and 51W52 and 1330 Sixth Avenue are going to be making different decisions than the men who preceded them not because they're a different generation but because they're acting in a different set of circumstances. CATV is changing the rules. Satellite TV is going to change them. New corporate ownerships-the ITT's who get in and the Norton Simons who try-are going to change things. UHF will. The proliferation of tiny TV will, as will home video tape. We're entering a new generation of television. It will find its own men, or make them.

It occurs to us that much of what's been Lest said on this page so far has had to do with plumbing. Little has been said about programing. Readers will know that that subject is never far from our minds, however, and that while we render unto plumbing its due, our ultimate concern is with what the pipes will carry. The cartoon below speaks to that subject.

we forget



"The sponsor is putting up all this money and the network is putting up all this equipment, so we feel the producer should be putting up more than him!"

BONANZA



THE TOP RATED SHOW IN THE MINNEAPOLIS-ST. PAUL MARKET IS KSTP-TV'S NEWS, THURSDAY, 10:00 TO 10:15 P.M.

Locally produced in full color, this news show reached 211,900 homes, 4,250 more homes than the second rated show—KSTP-TV's "Bonanza."*

With the Wednesday 10 - 10:15 p.m. news placing as the fourth show in the ratings, the Northwest's total color station delivers three of the top five shows in the market.

The news dominance is not unusual in the Northwest where KSTP-TV's news gathering facilities and personnel have never been matched. Now, with every news, weather and sports show presented in color, KSTP-TV has opened another area of leadership over its competitors.

Your nearest Petry office or a KSTP-TV representative will give you the details.

*Source: Sept./Oct. 1965 ARB Audience data based on estimates provided by the rating services indicated and are subject to the qualifications issued by these services.

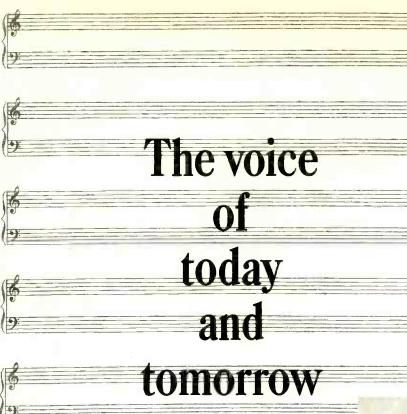
Represented Nationally by Edward Petry & Co.

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HUBBARD BROADCASTING INC./KSTP AM-TV · KOB AM-TV · W-GTO AM





Those who can, do. Those who can, teach. A contradiction? Not in the case of Lehman Engel. For Mr. Engel, be he conducting an overture or conducting a class, is the guiding force behind a whole new musical generation. At the BMI Musical Theater Workshop, Mr. Engel unselfishly devotes his time to developing new talent for Broadway. Here beginners can learn from the experience of this extraordinary conductor-composer-arranger. BMI is proud of Lehman Engel for sharing his insight to help shape the music of tomorrow. It is with deep pleasure that we license his compositions for public performance.

Among Mr. Engel's works are the operas "The Soldier" and "Malady of Love"; Symphonies No. 1 and No. 2; music for the original productions of many plays including "Middle of the Night", "A Streetcar Named Desire", "The Time of Your Life", "The Wisteria Trees". He has conducted more than one hundred Broadway musical productions.

ALL THE WORLDS OF MUSIC FOR ALL OF TODAY'S AUDIENCE.



