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TV FACTBOOK AN INDUSTRY BAROMETER: This week, all subscribers to the full services of TELEVISION DIGEST & FM REPORTS are being sent our TV Directory No. 7: Television Rates & Factbook. It's the second quarterly edition this year, and its 64 pages encompass some significant changes since Jan. 1 edition -- changes which, in effect, gauge the growth of the industry. For example:

There are at present (as of April 4) exactly 61 commercial stations in operation, 59 CPs outstanding, 320 applications pending (but frozen by FCC). This compares with 51, 73 and 310, respectively, just 3 months ago. Also, 33 experimental stations are authorized, nearly all for uhf, as against 27 last Jan. 1. Included in Factbook are detailed rate cards and data of all commercially operating stations and the networks. Most represent considerable changes since last edition; viz., New York's 3 network keys, now quoting basic night rate of \$1,500 vs. previous \$1,000.

The directory lists 116 manufacturers reported making TV receivers, or preparing to produce them -- plus 7 kitmakers, 8 private brands, 8 firms engaged in special installations. Last edition listed 91 in all, 265 models. New list includes detailed information from 81 firms, with specifications, prices, etc. on 346 sets. Also included in April 1 Factbook is a Directory of TV Program Sources, listing 376 firms syndicating films and programs to stations (vs. 328 in preceding edition).

Note: Extra copies of TV Directory No. 7 are available to subscribers at \$2.50 each; to non-subscribers, \$5.

'WEDDING' OF MOVIE-TV TECHNICIANS: Even more than their employers, the movie technicians realize the intimate affinity of TV and motion pictures -- attested by election this week of CBS engineering v.p. Bill Lodge to board of Society of Motion Picture Engineers, whose 4-day convention in New York's Hotel Statler begins April 4, highlighted by TV papers and demonstrations. Quite significantly, in announcing selection of first TV engineer for his board, SMPE president Earl Sponable (20th Century-Fox) referred to "the equivalence of motion pictures and television," and "the advancement of motion pictures in television as a scientific and art form."

While SMPE has long been plumping for more movie industry activity in TV and succeeding apparently in interesting only a few of the tycoons (even Johnston office has never done anything about TV), there are signs of intensifying interest in TV for theater use. When 20th Century last week invited Hollywood brass to N.Y. demonstration of latest in big screen TV, among those attending besides TV-enthusiast Spyros Skouras were J. Arthur Rank, Maj. Albert Warner, Frank Folsom. Remarkable progress since last showing was evident: (1) Live pickups from adjoining room via 8 mc coaxial were excellent -- as good as regular movie definition. (2) Film transmissions were fair to good. (3) Off-the-air beamed via microwave from WNBT had about 50% definition and brightness of regular movie film projection.

Note: It's obvious film interests can't ignore TV too long, not merely as threat to box office but as potential adjunct to their business. "If you can't lick 'em, join 'em," was what newspapers found out when they first scorned, then tried to buck radio not so many years ago. Most movie technicians, notably sound technicians, are products of same electronics schools and labs that built and man the

radio-TV industries -- so movies have ample technical brains. Big developers like RCA have freely thrown open their resources to movies, e.g., large-screen projection, microwave relays, etc. Since producers are being forced by Govt. to divest selves of theater holdings, problem may largely devolve on theater owners. Hence live-wire Theater Owners of America is probing problem more closely than others; it meets jointly April 8 with SMPE's TV committee on theater-TV frequencies (Vol. 5:13).

UHF, OBSOLESCENCE, COLOR, ET CETERA: Whatever else he may have accomplished with his recent uhf whoop-de-do, Zenith's Comdr. Gene McDonald obviously feels he's done everyone a service -- Govt., industry, public -- by spurring competitive uhf activity (Vol. 5:13). If you ignore damage done, you'll have to grant him and Senator Johnson some credit for intensifying attention upon uhf, albeit confusedly.

FCC has had indifferent luck with its mild urgings of last 4 years, has itself been slow to push hard for uhf development. Indeed, even yet, FCC hasn't hastened to grant the one application for a "guinea pig" experimental uhf satellite station, in Bridgeport, which RCA-NBC has offered to install and test by year's end (Vol. 5:13). More uhf experimentation is in prospect, with applications this week from Steinman stations in Harrisburg, Easton, Reading. Sparked by consultant Jim McNary, who's also working on uhf in Scranton and Pawtucket (Vol. 5:7), they plan to use 511-519 mc, 50 kw pulsed radar transmissions.

From where we sit, regardless of Zenith's adjurations, it doesn't look like any substantial uhf transmissions will be available short of 2 years, maybe longer. Meanwhile, if you want to juggle the word "obsolescence," you'll have a steady flow of material to play with, including reasons other than the possible change for which Zenith prematurely announced it alone was prepared. For example, there's FM for TV picture transmission (Vol. 5:3,5,11) and color.

FCC engineers at Laurel (Md.) experimental station have improved their FM video receiver, tested longer-delayed ghosts (displaced 1-1½-in.), say FM definitely outperforms AM. Industry still isn't enthusiastic about idea, but FCC engineers are pursuing it doggedly with their limited money, personnel and facilities, intent on exhausting possibilities. Couple of interesting questions: Can present sets be converted to receive uhf using FM? Will system handle color? FCC men say "probably" to first. They also say it should carry color, probably easier with sequential system; simultaneous would require a lot of transmitters to produce single signal.

The color question has been shoved into background during recent uhf controversy, with almost everyone, except Sen. Johnson, rather studiously avoiding it. Apparently everyone, including Zenith, would now just as lief avoid passing their own uncertainties about FCC's future actions on to the public. The Senator's stated objectives are that he wants unlimited competition in monochrome, color, or what have you, with public deciding what it wants. Dr. DuMont brought subject up at March 30 American Marketing Assn luncheon, but only to say we may have to go to microwaves, wait 10-20 years, since monochrome would probably take all uhf for adequate competition. He still believes uhf should go to smaller towns.

Meanwhile, RCA Victor's J. G. Wilson presented company's uhf and anti-Zenith stand in 9-page statement to company's dealers this week. His main points: (1) When FCC tells industry what uhf TV standards will be, RCA will produce properly designed new receivers, plus "suitable converter" to extend usefulness of present sets. (2) Converters will probably cost less than adaptation of present sets, such as those with turret tuners which are asserted to be easily adapted for uhf. (3) Converter will probably do better job, receive whole uhf band rather than part. (4) People are paying extra now for sets claimed to be easily adapted to uhf, with no assurance they will do complete job when uhf comes. (5) People should be told that all existing sets will probably need new antennas and transmission lines for uhf, meaning more expense. Wilson promised, "RCA can and will provide its customers with conversion service as efficient and as economical as can be obtained."

Recommended reading: Remarkably able reporting job and intelligent appraisal of problems of uhf, high definition, color -- in laymen's language -- by Joseph M. Guilfoyle in April 1 Wall Street Journal.

Plans for a Telecasting Center, just 12 minutes away from New York City on new superhighway being opened in June, are being drawn up tentatively for DuMont. Conversations have been held with NBC and CBS, too, about utilizing 53-acre tract which DuMont owns at Clifton, N. J., just across Hudson. ABC has own Television Center on W. 66th St., which it bought this week in lieu of previous 21-year lease; it's said to represent investment of more than \$2,500,000.

Fabulous Milton Berle has scheduled an amazing TV marathon for Damon Runyon Memorial Cancer Fund: Starting Saturday noon, April 9, he'll be on entire NBC-TV network continuously until "wee hours" of Sunday morning, poking his nose into every NBC show, meanwhile receiving phone calls from contributors. New York donors will be able to watch him on their sets while they talk to him. He'll have flock of celebrities as guests, conduct an auction, present full floor shows of Latin Quarter, Copacabana, Riviera—and whatever else he can think of.

Canadian Broadcasting Corp.'s "interim plan" for introducing TV in Dominion calls for \$4,000,000 loan now being sought from Parliament to set up stations and studios of own in Toronto and Montreal. It also allows one private station per city in those and other cities. It remains now to be seen what private organizations can and will give "adequate assurance of financial means and of service"—the requirement laid down.

First 19 days of daytime-only operation of KFI-TV (Vol. 5:9) revealed, according to telephone coincidental survey made March 18 by Facts Consolidated; 7% of Southern California's estimated 110,000 TV homes are looking in during average quarter hour; 64.4% watch sometime, with average of 2.3 viewers per set; 45.1% watch 3 days a week or more; 26.1% watch 5 days or more.

Top 10 TV shows in New York during March, as rated by the Pulse Inc.: *Texaco Star Theatre*, WNBT, 75.3; *Godfrey's Talent Scouts*, WCBS-TV, 56; *The Goldbergs*, WCBS-TV, 54; *Broadway Revue*, WABD-WNBT, 52.7; *Godfrey & His Friends*, WCBS-TV, 48.7; *Toast of the Town*, WCBS-TV, 45.3; *Kraft TV Theatre*, WNBT, 42; *Phil Silvers Show*, WNBT, 37.3; *Amateur Hour*, WABD, 36.7; *Lamb's Gambol*, WNBT, 32. In Philadelphia, *Texaco* also leads (71) but in Chicago *Godfrey and His Friends* is in first place (65), *Texaco* second (55).

Building a TV but still putting its chips on AM, New York's WOR plans to spend \$250,000 if FCC will permit it to increase tower height from 385 to 638 ft. (unapproved by CAA), change from quarter to half-wave, thus greatly increase ERP and range. Consolidated hearing of 710 kc occupants has been ordered.

NAB's featured speakers at April 6-13 convention in Chicago's Hotel Stevens will be FCC Chairman Wayne Coy at April 11 luncheon, Attorney General Tom Clark at April 12 luncheon. RMA's name speaker at its May 16-19 convention, also in Chicago's Stevens Hotel, will be Senator Capehart (R-Ind.), onetime radio manufacturer.

NAB's session on TV April 13 at Chicago convention will have Fort Industry's George Storer presiding, with panel including Kudner Agency's Myron P. Kirk, CBS's Henry Grossman, Fort Industry's Elaine Phillips, E. Y. Flanigan, WSPD-TV; Stanley Hubbard, KSTP-TV.

Change in our *Directory of Consulting Engineers* (Supp. No. 12-C): Jay E. Tapp and Raymond B. Torian, T & T Radio Measurements Co., have moved to 1228 E. Compton Blvd., Compton, Cal.: phone Nevada 63-170.

TBA has elected Frank M. (Scoop) Russell, NBC Washington v.p., as director, succeeding Noran Kersta.

Figuring the American family's leisure time for entertainment at 30 hours per week, Paramount v.p. Paul Raibourn forecasts 15 hours spent viewing TV, opines this may mean greater impact on auto sales and apparel business than on movies, newspapers and magazines. Worse hit will be night-time network radio and chief impact on movies, he told Investment Bankers Assn. in Chicago March 23, will be to drive "B" pictures out of local movie houses. Here's how the average family now spends some of its leisure time and money, as this engineer-financial movie executive tells it: 7-8 hours per week listening to radio, cost \$42 per year; 1½ hours at movies, cost \$35; 1½ hours newspaper reading, cost \$40; 45 minutes magazine reading, cost \$20; 3-6 hours auto usage, cost \$400.

Admiral Corp's proxy statement for April 14 stockholders' meeting in Chicago proposes to increase capital stock from 1,000,000 to 1,200,000 shares, though there are no definite plans for use of these shares—rapid expansion being given as reason for having them handy to be used in exchange for assets or stock of other companies, to be sold, or to be voted as stock dividend, as board sees fit. Statement also discloses 1948 remuneration of officers as follows: Ross D. Siragusa, president, \$82,665; Juan B. Huarisa, executive v.p., \$55,332; Lee H. D. Baker, v.p., \$20,000; Richard A. Graver, v.p., \$20,000; Lynn C. Park, treas., \$16,666. These added sums were listed as 1948 bonuses and profit-sharing: Mr. Huarisa, \$19,173; Mr. Baker, \$12,782; Mr. Graver, \$12,782; Mr. Park, \$10,651.

"Let 'em see it on TV before putting it in the can," may be the best way to describe Paramount's new "closed circuit, pre-filming" service which got first commercial workout last week for unnamed TV sponsor, may cut TV film production costs to one-tenth regular "shooting" methods in judgment of Paramount TV commercial director George T. Shupert. System permits agency and sponsor to see commercial or show on TV monitor, make changes, etc., have closed circuit telecast film-recorded, viewed in matter of seconds, using Paramount's 35mm off-tube recording method. Shupert emphasized movie company supplies only its facilities (including new TV studio in Paramount Bldg., New York City); is not staging productions. Service is now available at KTLA, Los Angeles, soon will be at WBKB, Chicago.

One home movie projector manufacturer evincing concern over TV's impact on sales is Victor Animatograph Corp., Davenport, Ia. (division of Curtiss-Wright) whose ad in April *National Geographic* is captioned "Select Your own Sound Movies—What You Want—When You Want Them." Copy continues, "When you're in the mood for a sparkling comedy or a beautiful travel film, you don't want to watch a wrestling match. Victor 16mm projectors offer the ultimate in home entertainment and education . . . no eyestrain, no picture fading, no distortion and no interruptions for commercial announcements . . ."

Personal notes: Everybody seems agreed, though nothing official about it yet, that Edgar Kobak will shortly leave MBS presidency; board meets in Chicago April 8 to pick successor . . . Dr. Leon Levy stays on as manager, Isaac D. Levy as v.p. and general counsel of WCAU Inc. until successors are named, though resignations were effective April 1; WCAU board also elected 3 to v.p. rank: Alex Rosenman, sales; John Leitch, engineering; Joseph Connolly, programs . . . Louis Stumer, ex-DuMont, named CBS-TV program coordinator.

Hazeltine Corp.'s 1948 sales totaled \$2,376,795 and net income \$700,728 vs. 1947 sales of \$3,572,701 and profit of \$1,412,265.

Mightily irked by CBS's joyful claims of top-rated shows, lowest cost-per-thousand, greatest wattage, etc. (Vol. 5:10), NBC's Niles Trammell countered March 15 with 5-page letter to agencies, advertisers, etc., picking claims apart. Sample CBS assertions and Trammell comments: CBS—"billings for the first quarter of 1949 are running 8% ahead of a year ago." Trammell—"This is more in the nature of a recovery . . . CBS first quarter billings have now caught up to their level of 1945." CBS—"lowest cost-per-thousand families for the third consecutive year." Trammell—"CBS will undoubtedly find that the adoption of Jack Benny, Amos 'n' Andy, Bing Crosby et al., will rule them out of any low cost claims based on 1949 results." CBS—"has authorized nighttime power of 1,555,000 watts, leading all other networks." Trammell—"NBC lays no claim for its 1,517,000 watts, as such. Only when power is considered in relation to frequency and ground conductivity is there a proper basis for comparing signal strength. And only when these factors are related to population is there a measure of power where it counts."

ABC's TV v.p. Charles C. Barry, in April *Atlantic Monthly*, takes more realistic attitude toward TV's future than did carping pundit Gilbert Seldes in March issue (Vol. 5:10), titles his article "Tyrants of Television—an Inside View." Barry dilates on the "countless petty tyrannies" which confront the [TV] broadcaster at every turn: mechanical obstinacy of equipment, delicate idiosyncracies of camera tube, always cramped studios, long, grinding hours of rehearsal, astronomic man hours of engineers, directors, cameramen, floor managers, stagehands, light crews, prop men, performers. Yet, he concludes, "I think they can be counted on to evolve a picture . . . that is as broad, as dramatic and as challenging as America itself."

CBS 1948 top executive salaries disclosed in notice of annual stockholders' meeting April 20: Wm. S. Paley, chairman, \$71,730; Frank Stanton, president, \$70,096; Joseph H. Ream, executive v.p., \$44,999; Edward Wallerstein, chairman, Columbia Records, \$53,333; Frank K. White, president, Columbia Records, \$44,481. Bonuses and profit-shares included: Mr. Stanton, \$39,702; Mr. Ream, \$13,687; Mr. Wallerstein, \$9,972; Mr. White, \$8,177.

Novel airborne TV antenna to pick stray signals out of the air has been developed by Ralph Carr Powell, Gloucester, Mass. He uses helium-filled "Kytoon," made by Dewey & Almy Chemical Co., Cambridge, widely employed for air-sea rescue work during war. Kytoon lifts antenna 100-200 ft., holds 40 cu. ft. of gas, costs about 50¢ a day to keep filled, must be replaced after month's use at cost of \$6. Carr realizes he may run into co-channel interference but says adjustment in height helps.

Stanley Rubin, Grant-Realm's producer of Lucky Strike's *Your Show Time* films (NBC, Friday nights), thinks he's found the answer to film costs for TV. He leases completed pictures to American Tobacco Co. for TV showings, retains all other rights, hopes to garner profits from other-than-TV showings (production costs equal American Tobacco fee). If tobacco company should drop option, firm would recapture TV rights also. Rubin's story, which tells his thinking on TV film making, is in March 19 issue of *Billboard Magazine*.

New FCC attorneys: TV, Herbert Schulkind, from New York firm of Phillips, Nizer, Benjamin & Krim; AM, Earl Stanley, just out of George Washington U; Common Carrier, Willis Ryza, recent graduate of Northwestern U.

"Televised Sports Today" heads daily box on p. 1 of sports section of *New York Herald Tribune*, listing names, lineups and numbers of all contestants in each day's local televised sports—a circulation natural.

TV network sponsorships: Canada Dry Inc. used ABC-TV closed circuit March 30, 4:30-5 p.m., for 8-city personnel meeting to see and hear promotion-sales plan for *Super Circus*, which it's sponsoring on 8 ABC stations Sun. 5-5:30 p.m., starting April 3; second half-hour remains to be sold . . . Old Gold signed by ABC-TV to sponsor second half-hour of *Stop the Music*, Thu. 8-9 p.m., starting May 5 . . . International Cellucotton (Kleenex) sometime in June starts weekly 30-min. show on ABC-TV from Chicago, program to be decided . . . Ford Dealers of America April 18 start *Through the Crystal Ball* with Jimmy Savo on CBS-TV, Mon. 9-9:30 p.m. . . . *Philco Television Playhouse* leaves NBC-TV after April 10 show, may be replaced Sun. 9-10 p.m. by *NBC Playhouse* . . . Chesebrough Mfg. Co. (Vaseline) sponsoring *Greatest Fights of the Century*, 5-min. film highlights of big bouts, preceding Fri. night boxing on NBC-TV . . . Colgate-Palmolive-Peet (Colgate toothpaste) takes *Howdy Doody*, Tue. & Thu. 6-6:15 p.m., on NBC-TV, starting April 4.

TV station sponsorships: *Billboard*, which usually is on top of commercial side of TV, reports American Banking Assn., N. Y. State Banking Assn., Federal Reserve Bank running co-surveys contemplating possible \$1,500,000 cooperative campaign with 20-min. institutional films to be placed on TV stations . . . Union Oil Co. using Los Angeles KTSN 8-8:30 p.m., April 12, for "annual report to stockholders" . . . Sun-Nap-Pak (tissues) April 7 taking sponsorships of *Jack Eigen* show on WABD, New York, Thu. 7:45-8 p.m. . . . D. P. Harris Hardware Mfg. Corp. buys 5-min. film *Thrills on Wheels*, trick bicycling and roller skating, on New York WNBT, Mon. and Thu. 6:55 p.m.; also on WNBT, Lehn & Fink (Lysol) takes 1-min. ann. on *Easy Does It* Tue. and Thu. . . . Jacob Ruppert Brewery takes 5-min. Ziv sports films narrated by Bill Slater on WPIX, New York, preceding 77 Giant home games sponsored by Chesterfield; also on WPIX, R & H Brewing Co. sponsoring Mon. Eastern Parkway Arena boxing . . . Gunther Beer first participating sponsor on daily *Sports Room*, Mon. thru Sat. 4-6 p.m., on WAAM, Baltimore.

TV is already as big a business as atomic fission, will surpass it in 1949, reports March *Fortune Magazine*, which also finds small, "but nevertheless striking sign" in reduced radio listening among half those interviewed who own both radio and TV sets (3% of total).

"The Television Tube Story," 12-page RCA booklet tells how company has spent \$12,000,000 for expansion of tube-making facilities, produced 60% of industry's output in 1946, 65% in 1947, about 50% in 1948, expects to produce about 40% this year.

NBC report on Washington's 1,300,000 population: 97.6% have radios, 86% telephones, 8.5% TVs. TV homes include 110,500 people, 7 out of 10 of whom viewed TV 2 hours, 42 minutes day of survey. Even among those who didn't have TV at home, 7% saw TV for 1½ hours day of survey.

Results of premium advertising on TV has been nothing short of sensational, box-top experts attending National Premium Buyers Exposition in Chicago last week reported. Total premium business boom is expected to reach to \$1 billion volume this year.

NAB's proposed recording and reproducing standards, up for adoption at April 9 session of Chicago convention, are available in booklet form from Engineering Dept., NAB, 1771 N St., N.W., Washington, D. C.

Drop in moviegoing of 25% was found by Los Angeles' Picfair Theater (Nicholson) in survey of 100 TV homes.

KCBS is new call of San Francisco's KQW, now fully owned by CBS.

CINCINNATI'S WKRC-TV & OTHER STARTERS: Cincinnati's second TV station, WKRC-TV, goes on commercial schedule April 4 (Vol. 5:12), will operate daily except Tuesdays and Saturdays 5:30 to about 10 p.m. on Channel No. 11. Taft family's associated Times-Star is publishing special edition that day, and Cincinnati Gas & Electric Co., to boost interest and set sales, has proclaimed "Television Month." New station is expected to give usual competitive stimulus to local set sales, reported at 2,300 during March with only WLWT on air. City's third outlet, Scripps-Howard's WCPO-TV, reports it definitely expects to make June 14 opening date.

With Crosley's WLWC, Columbus, which got STA for March 30 start, but also fixed April 4 for formal debut (Vol. 5:13), there are now 61 stations in commercial operation. WLWC, incidently, reports total business booked through November now \$64,250 -- with no studios yet.

Next starter probably will be WKY-TV, Oklahoma City, aiming to get test pattern on air by April 15 from 966-ft. tower which is believed to be tallest radio, let alone TV, tower in the world. Formal opening date has been set for May 15; with possibility of delay until June...Latest dope on WOR-TV, New York, is June 1 start ...Steinmans' WGAL-TV, Lancaster, Pa., has indicated to set distributors it's aiming for scheduled operation by June 1...Rochester's WHTM, aiming for June 1 start, may get break by being linked up with Buffalo's WBEN-TV (and hence with networks) via AT&T microwave relay tower at Attica, N.Y., which may be completed by Oct. 1; in interim, Stromberg engineers are contemplating pickups of Buffalo (67 mi.) via own relay at Attica, and sponsors are already being approached for dual stations.

TV Addenda 7-A won't be published until next week, inasmuch as we're issuing TV Directory No. 7 this week. Anyhow, there's only one new application to report -- for Oak Hill, W. Va. (pop. 3,213), 15 mi. north of Beckley, from Robert R. Thomas, operating daytime AM station WOAY there, asking for Channel No. 6 (assigned to Beckley, pre-freeze), proposing to spend \$77,277 on construction, \$25,000 on operation.

* * * *

Latest "laggard" hearing involved extension of CP of WRTV, New Orleans (Vol. 5:6), lasting only 2 hours Monday, it brought forth statement from Maison Blanche dept. store president Morton Schwartz that he would have gone ahead if equipment could have been secured soon after January 1947 grant; but that situation has changed, company isn't sure now, fears "obsolescence." CP is now up for decision, along with the ones awaited on WRTB, Waltham (Vol. 5:6,7) and WHAS-TV, Louisville (Vol. 5:9). Hearing dates remain to be set on recently cited WTVN, Columbus (Vol. 5:7); WMBR-TV, Jacksonville (Vol. 5:11); WSAZ-TV, Huntington, W. Va. (Vol. 5:13).

THE THINKING AND PLANNING OF CBS: CBS's annual report to stockholders is the official tip-off to the master-minding that has impelled it to do what it's done in recent months -- particularly its thinking and planning for TV -- hence is worth close scrutiny. "Undisputed leadership" theme is stressed and much-publicized claims to program, talent and facilities preeminence repeated. But, most significantly, the report accepts TV as a basic factor in radio's economy, doesn't minimize its impact:

"The past year brought into sharp focus the single greatest technological change in our history: the development of television...1948 saw the definite beginning of a transition period in which the audience-patterns and advertising-patterns of radio, as we have known them in past decades, are almost certain to change.

"We do not believe they will change precipitously or in disorganized fashion ...the rise of a strong new medium does not tend to displace any of the others. No mass medium, once developed, has ever disappeared. The contrary has happened. Despite the increase in number of mass media in our time -- from books and newspapers and magazines to motion pictures, phonograph records and radio -- each of them has grown enormously as the nation itself has grown."

Radio in 38,000,000 homes (95% of all) is at highest level of acceptance in its history, says the report. "Nevertheless, we know that important changes in the patterns of radio are on the horizon. TV must now be accommodated into the American family's way of life, and American industry's way of selling goods. Exactly what this may mean to radio -- and when -- no one can predict. But of this we can be

sure: the stronger your company's position is, relative to the rest of the broadcasting industry, the better prepared it will be to cope with any change ahead.

"As the media strategies of the nation's advertisers shift and accommodate to the rise of TV, it is important that they regard and accept CBS as the acknowledged leader among networks. Only this can insure our being 'first choice' of the major advertisers who continue in radio, as well as those who come into TV -- assuring for CBS optimum schedules of sponsorship in both media through the coming years."

Not a word about color TV, which CBS has shelved in favor of electronic monochrome -- but some imposing chapters are included on CBS-TV accomplishments up to end of 1948. And, to this expanded TV activity, and reduced earnings of Columbia Records Inc., are attributed drop in net income from \$5,920,104 (\$3.45 per share) in 1947 to \$5,041,682 (\$2.94 per share) in 1948. Gross dropped from \$101,045,647 in 1947 (53 weeks) to \$98,377,258 in 1948 (52 weeks).

Note: Less detailed, in form of one-sheet folder, ABC's 1948 annual report shows gross income of \$37,110,726 compared with \$35,955,004 in 1947; net \$468,676 (28¢ a share) in 1948 vs. \$1,520,756 (90¢) in 1947. "Decrease in earnings in 1948," Chairman Edward J. Noble states, "was due to the impact of television which in the post-war era has moved so rapidly that current costs of operations run well ahead of income. Increased appropriations for TV advertising, as millions of new receivers are installed, as advertisers seek preferred time positions and program structures are extended and improved, should close the gap between income and outgo. The date of that accomplishment cannot be forecast but one may hope it will come next year."

KLEE-TV's NOT-SO-STARTLING PROFIT: That much-publicized "profit operation" of Houston's KLEE-TV turns out to be not quite so imposing as reports had it. Nevertheless, it's the first station claiming any appreciable profit in such short time (it started Jan. 1, 1949). On inquiry, we learn from manager Sid Balkin that January receipts ran slightly above \$20,000, over-all expenditures \$13,700 -- staff entirely separate from AM. But the reported "\$5,000 profit" does not include depreciation, says Balkin; actually, he indicates prudent bookkeeping would probably show about \$1,000 net after all charges, including depreciation. Boomtown Houston's only TV (base rate: \$200) got off to excellent start with Southern Select Beer paying more than \$100,000 for baseball-boxing (station paying \$20,000 for baseball rights), big Joske's store paying some \$40,000 for daily INS Telenews. Total billings to date: about \$300,000.

Note: Nobody takes profit claims of telecasters very seriously, for there are as yet just about as many ways of keeping books as there are stations. Usual advice of TV station operators to others proposing to take the plunge: Figure on half million dollars invested in plant and deficit operation first year, have at least that much more available in case of need.

FM AND ITS SALES PROSPECTS PROBED: Though it's obviously the proverbial better mousetrap, though it's being built into most larger radio and TV models and an increasing number of table models, though its coverage and clarity are vastly superior -- FM is still going begging for commercial support. That was the tenor of talk at FMA Sales Clinic in New York Friday (125 attendees), highlighted by...

(1) MBS president Edgar Kobak emphasized that FM is a better, but not different, medium; that engineering phase is over and it's time for business men to take over, treating FM as part of broadcasting.

(2) Everett Dillard showed beyond a doubt that FM signals are there, waiting for receivers: 721 stations making excellent signals available to 100,000,000.

(3) J. Walter Thompson's chief timebuyer Linnea Nelson reiterated the agencies' lament about FMers: They rave about superior signals, but don't present facts about who's actually receiving them.

(4) Maj. Armstrong again put his finger on a principal FM sore spot: Lack of good, inexpensive receivers. Other speakers saw many manufacturers turning to FM set production to offset drastic drop in non-TV receiver sales.

(5) Transit Radio's William Ensign projected transit FM's growth: Operation in 25-30 cities by fall, 40-50 by winter, truly national by end of 1950.

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SUMMER OR FALL BEFORE 'FREEZE' ENDS: No one save Chairman Coy really thought FCC could end vhf freeze and get going on new allocations and grants by oft-promised June 1 date (Vol. 5:5,13). Now, even he has his doubts -- and a better guess would be well into summer or early fall.

Nor is there any disposition to hurry uhf along and get it started same time vhf freeze ends. There are still many in industry and FCC dubious about effectiveness (and political wisdom) of thawing vhf without doing anything about uhf, but instructions still are to get former out of the way first.

Looks now like oft-delayed Ad Hoc Committee report won't be in before April 18. Then it must be worked on by FCC staff for standards' revisions, new allocations; and then proposed by Commission -- with possible hearings, oral arguments and all the usual attendant delays, before being finally promulgated.

It's now definite, too, that Chairman Coy will head U.S. delegation to May 19 International Telecommunications Conference in Paris -- he sails on Queen Elizabeth May 13 with big staff. With Coy gone, it will devolve on Comr. Sterling to supervise TV thaw; he's due back from Mexico City International High Frequency Conference next week and must reacquaint himself with all the factors before taking hold.

It all adds up to summer or fall before wheels of vhf TV actually begin to roll again. Meanwhile, one manufacturer says he has \$2,000,000 worth of TV transmitters in inventory, ready to deliver immediately. RCA is proceeding with factory construction of "guinea pig" uhf transmitter for Bridgeport (Vol. 5:8,13), though FCC still hasn't approved application for this first proposed satellite operation.

WILL TV CUT INTO RADIO BROADCASTING? Time was when announcements like these would cause the broadcasting industry to swell with pride: Radio 1948 time sales, \$398,-560,000 (NAB year-end estimate). Daily newspaper 1948 national advertising, \$389,-261,000 (ANPA report April 4). General magazine 1948 total display advertising, \$425,709,354 (Printers Ink April 1).

In not much more than 25 years, radio achieves a volume exceeding the national business of 908 daily newspapers circulating some 50,000,000 copies in 664 cities! And pushes the gross of all the long-established magazines, including the slick and expensive media that circulate into the tens of millions!

But today the broadcasting industry is not quite so cocky, is somewhat puzzled, uncertain, inclined to take stock of itself. The basic reason:

What's this radio-born upstart TV going to do to the broadcasting business?

NAB's annual foregathering of the clan offers good opportunity to ponder and debate questions which we merely pose here -- leaving the answers to time and the industry's better minds and best informed opinion:

What will be the impact of TV on the business of broadcasting as a whole, already overcrowded with stations (1,924 AM, 702 FM), already suffering an access of competition in many areas, already feeling audience and some dollar inroads?

Can broadcasters play both ends against the middle, continue to make AM pay the TV piper while working toward the day TV can stand on its own fiscal legs let alone turn a profit -- indeed, even nursing the hope they can eat their AM cake and

have it too? Facts: 50 of the 61 operating TV stations are AM-associated, supported by AM money; 49 of the 59 pending CPs for TV; 205 of the 320 pending TV applicants.

Will sponsors continue to pay present AM time rates as TV audiences grow and TV time rates soar? If it's true that most TV homes are lost to AM, how can AM maintain present rate structures in an area like New York, for example, after 1,000,000 out of its 3,500,000 homes are TV-equipped (probably by this year's end)?

Can the national networks, pillars of AM, accounting for fully one-third its total dollar volume, maintain their extensive and expensive structures if profitable (and relatively inexpensive) AM shrinks and still unprofitable (and very expensive) TV expands? Net earnings of CBS and ABC are already down considerably (Vol. 5:14), and it's an open secret that reduced billings are partly behind the exodus of Ed Kobak from MBS.

And if TV does cut into radio's "circulation," if sponsorships decline due to unwillingness to foot AM's time-talent bills and higher cost-per-listener, can the networks and major stations maintain balance sheets, let alone reserves, which could be thrown askew by the loss of only a few big accounts?

Can AM's big-name talent, some of it stratospheric in cost, boosted still higher by recent inter-network raids, continue to pay off for radio? On its own part, can this talent expect to go into TV and stay on AM, too? Working without scripts, their repertoires limited, will their faces and figures outwear their welcome on the TV screens? Can Berle, for example, and Godfrey last?

Must the TV star cycle (and rate card) shift to 13-times-a-year?

As stated, we merely pose the questions -- without essaying to answer them ...though the unfolding of the answers during the next few years will be our main task as observers of basic trends and developments in the radio arts and industries.

STATUS OF KGO-TV & OTHER NEWCOMERS: ABC's KGO-TV, San Francisco's second outlet, testing since Feb. 21, is now definitely slated for May 5 commercial inaugural, which should stimulate lagging TV set sales in that area. It will be No. 62 on the station roster, unless one of the other previously scheduled April-May starters (Vol. 5:9) pushes ahead -- extremely unlikely. KGO-TV starts with Philco distributor Thompson & Holmes Ltd. signed for 29 Oakland Oaks home baseball games (KPIX carrying San Francisco Seals) and will operate Tuesday thru Saturday. It occupies famed Sutro Mansion, Twin Peaks landmark, which houses both studios and Channel 7 transmitter, 600 ft. tower rising 1,362 ft. above the bay. ABC still hasn't decided on opening date for its KECA-TV, Los Angeles, now also testing.

New application filed this week by Scranton (Pa.) Times (WQAN) asks for Channel 11, makes it 4 for 3 in Scranton-Wilkes-Barre area. One application was dropped this week when St. Louis Globe-Democrat bought into KWK, also announced surrender of its FM station KWGD. KWK has TV application pending, also FM operating. Details of deal won't be made public until FCC application is filed, but it's understood newspaper has bought 15% or 20% interest in Convey properties for \$125,000-\$150,000, has agreed to buy more stock if KWK is granted TV and needs more funds. That leaves 5 seeking St. Louis' 4 remaining pre-freeze channels.

Scrutiny of CP laggards continues at FCC -- latest to be cited being E. F. Peffer's KGDM, Stockton, Cal., holding CP since Jan. 9, 1947; it must go to hearing to show cause for delays, fourth such citation pending (Vol. 5:14).

WGAL-TV, Lancaster, Pa., is now running daily test patterns 10-12 noon and 2-5 p.m., promises commercial start "no later than June 1"...Rochester's WHTM should get tests going by May 15, is now fairly certain to have network connection for June 11 inaugural (Vol. 5:14)...Latest from Omaha's WOW-TV is Sept. 1 target...WOR-TV, New York, start on June 1 is reasonably sure now with signing of Schaefer Beer to sponsor 13 Dodger games (also carried on WATV).

Chicago's WENR-TV (ABC) has acquired additional 4,000 ft. of studio space in Civic Opera Bldg., now has 3 studios, accounts for \$300,000 in station business. This is aside from ABC-TV's Midwest network bookings of \$400,000, according to v.p. John Norton Jr. "It is my opinion," he adds, "that ABC-TV in Chicago will go well past the million mark before the end of 1949."

Frank K. White, ex-CBS treasurer, latterly president of Columbia Records Inc., is MBS's new president, succeeding Edgar Kobak who is going into business consulting practice with Mutual as first client. White takes over May 1, gets salary of \$85,000 plus bonus (his 1948 CBS income, \$53,000; Kobak's from MBS, \$100,000). He is given full autonomy over selection of new personnel. WOR's Ted Streibert becomes MBS board chairman, succeeding Don Lee's Lewis Allen Weiss; Yankee's Bill O'Neill is new vice chairman. At Columbia Records, Chairman Edward Wallerstein reassumes presidency.

Article by Merlin H. Aylesworth, ex-NBC president in forthcoming April 26 *Look Magazine* is captioned, "Radio Is Doomed . . . But Its Stars Will Be Tops in Television." This is "Deke" Aylesworth's prediction: ". . . that within 3 years the broadcasting of sound, or ear radio, over giant networks will be wiped out. Powerful network TV will take its place, completely overshadowing the few weather reports and recorded programs left to the single, independent ear radio stations. And stars who are now big in ear radio will be the best in television."

Personal Notes: Edward W. Butler, ex-gen. mgr. of Sylvania electronics division, on April 25 becomes director of Federal's radio division, duties including supervision of Farnsworth if IT&T deal goes through . . . James J. Sutherland, Sylvania controller, promoted to gen. mgr. of electronics division . . . Walter E. Benoit resumes Westinghouse Radio Stations v.p. duties, in Philadelphia, after period as treasurer of Industria Electra de Mexico in Mexico City . . . Tony Kraber promoted from program mgr. of WABD to mgr. of program presentations for DuMont Network . . . Wayne Osborne, ex-major league ball player, named sports director of WLWD, Dayton.

Steady increase in TV's advertisers and dollar volume is shown in latest *Rorabaugh Reports*, showing 1,027 advertisers using TV at end of March. January TV billings were \$1,351,576, February \$1,803,345, March \$2,085,744. Of total \$5,240,665 spent during first 1949 quarter, \$1,732,594 is attributed to network, \$2,077,511 to selective (national and regional spot), \$1,430,560 to local and regional accounts.

RCA-NBC raids CBS: Herbert Bayard Swope, noted Pulitzer Prize winning newsman and onetime editor of old *New York World*, has resigned from CBS board and executive committee (on which he has served since 1932) to become "advisor and consultant" to RCA-NBC.

Voluminous package containing FCC's reply to Senator Johnson's request for its data on patent monopoly and anti-trust studies (Vol. 5:11) went to Capitol Hill this week, much of it marked confidential. Neither FCC nor Senate Interstate Committee intends to make information public for present.

Added note to continuing rumors that Wayne Coy will soon leave FCC chairmanship (unlikely until he finishes TV job and certainly not before Paris mission is over—that is, unless the President drafts him for another post): Drew Pearson's column April 9 says George L. Killion, president of American President Steamship Lines, has been offered FCC chairmanship.

Reeves Soundcraft Corp., New York, (H. E. Reeves), has acquired control of Tele-Video Corp., Upper Darby, Pa., and Bace Television Corp., Hackensack, N. J., both TV set makers (*TV Directory No. 7*); Reeves has also acquired Airdesign Inc., electronics, and Light Metals Corp., aluminum stampings.

Healthy state of NAB's finances, and all-embracing character of its present membership, are reflected in treasurer's report for fiscal year April 1, 1948-Feb. 28, 1949. Income for that period amounted to \$761,331, almost all from dues. Expenses were \$654,491, leaving balance of \$106,839. Out of 1,903 licensed AM stations, report shows 1,181 (62%) are NAB members—including 783 network affiliates (71% of all affiliates) and 444 non-affiliates (43% of all). NAB also embraces 600 FMs, or 63% of all; 122 TV license and CP holders. Total membership of 1,904 also includes 73 associates.

Index to upsurging TV market: 1948 sales of cathode ray receiving tubes totaled 1,265,472 units valued at \$31,985,461 vs. 274,008 valued at \$7,756,203 in 1947, according to RMA. Of these, 1,179,444 units were TV receiver-type picture tubes valued at \$29,804,018 sold to set makers, plus 84,230 tubes worth \$2,140,682 sold to users and distributors—remainder being Govt. and export sales. Fourth quarter CR tube sales indicated rising rate of output, totaling 475,728 units valued at \$12,816,631 vs. 99,911 worth \$2,773,318 during same 1947 quarter. Total electron tube sales (all types) aggregated 4,820,435 units valued at \$60,513,248 in 1948 vs. 3,259,626 valued at \$31,379,861 in 1947.

TV on the labor front: AFM rates for TV have been set at 90% of standard broadcasting fees, increase of 15%. Contract runs until March 31, 1950, applies to networks and their owned and operated stations, figures out to \$16.20 for half-hour, \$20.70 for hour on network show \$12 and \$18.40 for local originations. Not included are rates for use of musicians on film or package shows. On performers' front, idea of "one-big-union" (Vol. 4:44) has been dropped due to inter-union opposition. Now a planing is Television Authority comprising representatives of all performer unions, with power to settle jurisdictional disputes in TV. AFRA, leader in TV union fight, still hopes to persuade other unions to make Television Authority full-fledged union after year's operation.

Somewhat belated but interesting nevertheless, inasmuch as total volume and possibly profit are on upgrade thanks to TV, are figures SEC released this week showing combined sales of 25 leading radio manufacturers were \$1,144,473,000 in 1947 as against \$839,079,000 in 1946. Profits in 1947 were \$49,090,000 vs. \$20,738,000 the preceding year. Companies included (no breakdowns given): Admiral, Aircraft Radio, Collins, DuMont, Emerson, Farnsworth, Hallicrafters, Hoffman, Hytron, International Detrola, Lear, Magnavox, Majestic, Motorola, Philco, RCA, Raytheon, Reeves-Ely, Sentinel, Sonotone, Sparks-Withington, Stromberg-Carlson, Sylvania, Wells-Gardner, Zenith.

Radio lineage, mainly from manufacturers but partially from broadcasters, amounted to \$14,401,000 out of the \$389,261,000 worth of national advertising space purchased in 908 daily newspapers representing 88.3% of the total weekday circulation in U. S., according to an American Newspaper Publishers Assn. survey released this week. Radio thus was No. 10 among national advertisers, being led by grocers, automotive, alcoholic beverages, toilet requisites, housing supplies, transportation, medical, tobacco, publications.

Life Magazine watched Jack Benny's recent TV debut on Los Angeles' KTTV, and proclaimed him "a hit," saying his violin gag as leader of "Spike Benny and His Sons of the Golden West" stopped the show. Whether CBS's biggest talent investment will go on TV regularly, will come East for TV, or can be syndicated via kine-films, are still unanswered questions.

TV sponsorships: Time Inc. has bought Gen Eisenhower's *Crusade in Europe*, 26-part film, to start April 21 or May 5 on all ABC-TV outlets, Thu., 9-9:30 p.m.; it will be placed on non-ABC affiliates also, so that every TV city is covered . . . Admiral rumored buying *Stop the Music* on ABC-TV for 8 p.m. half hour preceding Eisenhower film, second half hour being sold already to Old Gold . . . Westinghouse reported buying CBS-TV's *Studio One*, and RCA taking on NBC-TV 8-9 p.m. period Wed. opposite Godfrey—but neither verified . . . Pabst definitely will sponsor Eddie Cantor in *School for Show Business* on NBC-TV starting in October, twice monthly . . . Gillette will sponsor *Kentucky Derby* on WAVE-TV May 7, but CBS-TV will syndicate films for release within 24 hours . . . Bell and Howell (movie equipment) on April 24 starts *Action Autograph* on 4 ABC-TV stations from Chicago, Sun., 10-10:15 p.m. . . . General Mills has contracted to pay \$10,000 apiece for 52 half-hour TV films of *Lone Ranger* to be produced by Jack Chertok's Apex Pictures, placed on 20 or more ABC-TV stations starting mid-Sept. . . . Goodall Co. spotting 13 five-min. films *How to Improve Your Golf* on 19 stations . . . Meister Brau Beer has bought half of home games of Chicago Cubs and White Sox on WGN-TV, which has non-exclusive contract with Cubs, exclusive with White Sox . . . Pall Mall and United Air Lines buying spots on Paramount's WBKB and KTLA; Celanese Corp. of America also buys spots on KTLA . . . Taylor-Reed Co. (Cocoa Marsh syrup) April 10 starts *Puppet Varieties* on WNBT, New York, Sun., 11:45-11:50 a.m.

Leading advertisers in 1948, listed separately for 4 basic media, are tabulated with 1,351 companies' expenditures in April 1 *Printers Ink*, based on Publishers Information Bureau figures. By industries, biggest expenditures on networks were \$47,208,282 for food and home products, \$32,145,225 toiletries, \$22,566,488 drugs and remedies, \$20,767,870 soaps and cleansers, \$20,323,300 smoking materials. Total display is placed at \$425,709,354 in general magazines, \$198,995,742 network radio, \$46,709,683 magazine sections, \$28,684,523 farm magazines.

No gainsaying fact FM will receive added boost from inclusion of band in TV sets. FMA survey shows that of 246 sets (37 manufacturers), 112 have FM and 19 of them have FM-only. Our own listing of 346 sets in *TV Directory No. 7* shows 143 sets with FM facilities. Only drawback to this showing is that volume production is heavier in table models than in larger sets, and most of these don't include FM—only 16 out of 116 table models in *TV Directory No. 7* are listed with FM.

"Television Muscles Into Everything" is illustrative title of article in April *Kiplinger Magazine*, which quotes recent surveys on effect of TV on radio listening, movie-going, reading—also notes what affected industries are doing to combat TV competition. Same issue has short piece headed "Is FM a Flop?" and finding principal trouble "too many voices and not enough ears."

"Community type" TV equipment, including its new 500-watt transmitter, super-turnstile antenna, control units, cameras, etc., will be featured at next TV Technical Training Course to be conducted by RCA at Camden, May 9-13. This is seventh in series of TV clinics thus far attended by 400 engineers.

"A new and greater concentration of the mass media of communications" is feared by ex-FCC economics chief Dallas Smythe, writing in *Current Economic Comment* of U. of Illinois. Now an economics professor there, Smythe notes that until now ownership interests in broadcasting, movies and newspapers have been substantially distinct—but each of these is becoming heavily involved in TV.

National Better Business Bureau is pretty well convinced TV set buyers don't have to fear obsolescence. In statement issued April 5, Kenneth B. Wilson, operating manager, declared "the public can be assured that aside from the possible additional use of the uhf band at some future date, telecasting on the channels currently used will continue indefinitely . . . There is no indication of obsolescence of vhf television in the foreseeable future." He bolstered his conclusion by quoting replies from FCC chairman Coy, saying much what he did in Baltimore 2 weeks ago (Vol. 5:13); also from ABC's Mark Woods, CBS's Frank Stanton, DuMont's Allen B. DuMont, NBC's Gustav Margraf—all saying they would continue network TV on vhf, irrespective of addition of uhf.

Paul Whiteman drew \$21,333 as ABC v.p., plus \$145,650 as director of his orchestra and for performances, during 1948, according to salary list published in connection with call for stockholders meeting April 12. Other executive salaries: Mark Woods, president, \$75,000; Robert E. Kintner, executive v.p., \$49,999; C. Nicholas Priaulx, v.p.-treas., \$26,249. Officers-director stockholdings as of March 1: Edward J. Noble, chairman, 901,667 shares, or 53.38% of 1,689,017 outstanding; Earl E. Anderson, v.p., 15,000; Mr. Kintner, 14,600; Mr. Woods, 6,500; Franklin S. Wood, attorney, 6,000; Mr. Priaulx, 1,000; Owen D. Young, director, 10,000.

National Union Radio Corp's 1948 operations resulted in net loss of \$40,600 after including as income \$225,000 from RCA under patent license agreement; this compared with 1947 loss of \$43,113. President Kenneth Meinken stated TV picture tube business should give company better year in 1949, notably its Skiatron. Company's sales were \$5,497,391 in 1948. National Union owns 17.2% of Tung-Sol, and all of National Union's preferred stock (250,000 shares) is owned by C. Russell Feldman, chairman.

Raytheon has become party to TV industry-AT&T dispute on rates and interconnection ban (Vol. 5:10); has filed petition opposing phone company prohibition on interconnecting with other than Bell system facilities, taking much same position as Philco. Raytheon also manufactures relay equipment it hopes to sell to individual telecasters. FCC decision is expected soon.

FM radiated powers of 2,000 kw are possible with 100 kw transmitter and Pylon antenna, reports RCA's O. O. Fiet in February *Broadcast News*. Issue is devoted largely to super-power FM, including descriptions of Milwaukee's WTMJ-FM (349 kw) and Birmingham's WBRC-FM (546 kw). Former is reported serving well out to 105 mi.; latter's 225 mi. signals adequate for rebroadcast.

Paris reports insist French TV is "world's best" because it uses 819 lines (vs. U. S. 525, British 405); nationalized system is being expanded into Lyon and Lille, new stations there to be connected via microwave to now building new Eiffel Tower transmitter.

Only thing certain about NBC executive shakeup, subject of much conjecture in trade press, is that AM and TV operations will be separated under different heads; otherwise, nothing decided at RCA-NBC top level.

Add courageous enterprisers: Consulting Engineer Fred O. Grimwood, of St. Louis, announcing new AM network, called Century Network, to be keyed from his own 250-w WTOM, Bloomington, Ind.

April 1 TV set census by Washington committee shows increase from March 1 of 3,350 to 40,750 total. Milwaukee's WTMJ-TV reports increase of 2,574 to 21,589. St. Louis' KSD-TV reports increase of 3,000 to 25,500.

Columbus' WELD plans multiplexed facsimile operation by July 1.

WHAT THE ENGINEERS SAW AND SAID: About 350 broadcast engineers boned up on latest technicalities, particularly of TV, at NAB's engineering conference this week -- digesting material for their bosses, due in for next week's management sessions. Technical papers, exhibits and corridor talk were heavily TV, running about 50% all the way through, and few thought this disproportionate despite fact that TV operators and grantees were minority.

There was little startlingly new to report in TV, but a great deal in way of refinements and "how to do it." As one engineer put it, "I'm glad to see these transmitters are less frightening. You don't have to be an MIT prof to operate one." To the old-line TV transmitter producers -- DuMont, GE, RCA -- relative newcomer Raytheon has added its wares and Federal (Vol. 5:8) exhibited its brand-new line.

Consoles, kinescope recordings, projection systems, mobile and portable equipment, relays, transmission lines, lighting -- all have a lot of bugs eliminated. But TBA president Jack Poeppel has project that seems to make sense: He's pushing for greater interchangeability of different manufacturers' equipment. He maintains that with much TV gear "you're stuck with one manufacturer regardless what improvement another makes."

Vhf freeze and uhf, of course, were on everybody's mind. But FCC representatives still could offer no dates or allocation certainties.

As for uhf, 5 kw tubes in middle of 475-890 mc band should be available by year's end, said Machlett's Dr. Howard Doolittle. "You'll get them," he said, "about whenever you're ready to pay for them." He believes "cluster" of small tubes probably most economical way of getting such power right now. Machlett announced it has tube for TV or FM good for 50 kw up to 110 mc.

DuMont's Dr. T. T. Goldsmith reported his W10XKT in New York will soon be upped from 40 watts to about 5 kw (ERP) on 614 mc, ventured opinion 500 kw would cover almost any metropolitan area. Meanwhile, he said, 50 kw will do the job for most cities. He also predicted uhf transmitters will cost \$25,000 to \$50,000 more than vhf initially, but will run about same price as vhf for comparable power once demand stimulates sizeable production.

There was little to report technically on FM -- engineering-wise, it's a going concern. But some engineers feel a little sad about it, like the parents of a brilliant child dogged by poor health. Radio Invention Inc.'s Jack Hogan maintained multiplex facsimile (Vol. 4:39) will give FM shot in the arm through ads in recorders in public places. Stewart-Warner's recorder looks like just the thing for the job, if the economics of fax are licked.

'FIGHT TELEVISION WITH TELEVISION!' Pattern of long-talked-about motion picture moves into TV seemed to take shape this week, with these apparent goals: (1) Privately operated TV facilities for exclusively large-screen theater showings. (2) Pickups of telecasts for theater showings. (3) TV station ownership.

That was indicated in speech by Paramount's TV commercial operations director George Shupert at Colorado theater owners meeting this week in Denver.

It was fundamental at meeting of Theater Owners of America with Society of Motion Picture Engineers in New York Friday.

It was compulsion behind SMPE's change of name to Society of Motion Picture & Television Engineers at this week's New York convention, week after it elected CBS's Bill Lodge to board (Vol. 5:14).

It was stimulated by RCA's new \$25,000 theater TV unit, the cynosure of theater management-packed demonstration at SMPE convention.

Because they're first specific remarks by a moviemanager on where his company is going in TV, Shupert's words are worth quoting. After referring to "job" TV can do to stimulate movie attendance -- noting that only 15,000,000 of the country's 148,000,000 populace sees average A picture -- Shupert gets down to cases:

"An old proverb tells us to fight fire with fire. At Paramount we have a modern version. It reads: Fight Television with Television! And our strategy is not limited to the use of TV as an advertising medium for our pictures. [It] in-

cludes turning TV to the theatre's advantage through telecasting of stage shows and audience participation shows...full-screen TV presentations of important events as they happen as regular entertainment features. And we hope to include linking of theatres in a vast network to offer specially arranged, exclusive non-telecast events such as championship bouts, first nights of Broadway shows, all-star variety bills, perhaps a World Series, Kentucky Derby or Bowl football game."

Thus far, Paramount is only major movie producer to indicate publicly where it's going -- although Paramount TV chief Paul Raibourn hinted as much last year at first New York Paramount Theatre big-screen showing (Vol. 4:16) and it's no secret 20th Century and Warner Bros. are working along same lines.

Theatre Owners of America joint meeting with SMPE (Vol. 5:14) explored welding of both groups' technical and economic efforts in establishing TV for theaters. Meeting was run by TOA's Walter Reade Jr. and SMPE's Don Hyndman, discussed FCC policies, regulations on exclusive theater-TV frequencies, station ownership, decided to meet again soon on specifics. TOA even became sustaining member of SMPE -- another indication of its heightened interest in TV.

Demonstration of RCA's new and more compact large-screen instantaneous projection TV equipment (50 lb. vs. earlier model's 500 lb.) was main event of SMPE meeting. It was much the same as 20th Century's week before, with similar results (Vol. 5:14). Most observers judged closed-circuit picture of sufficient quality to be acceptable to theater audiences -- it actually was, as we saw it on 11x15 ft. screen, "equivalent of 35mm motion picture film picture." Off-air pickups left much to be desired, but imminent improvements are expected to make picture satisfactory for theater showing. RCA's Barton Kreuzer, theater equipment manager, said pilot run of commercial models would begin end of year.

SMPE conferees also heard: (1) Zenith's John R. Howland discuss his company's plans for commercial Phonevision test in unnamed western city later this year, promise to equip 300 receivers for "pay-as-you-see" TV; he said Zenith expects no problem getting FCC and AT&T cooperation. (2) TV consultant Ralph Austrian estimate 10% movie attendance drop in next 5 years, equal to \$126,360,000 cut in admissions. Austrian also quoted recent Hofstra College survey showing that TV set owners of less than year's ownership go to movies 36% less often; those who had set more than year, 23% less.

INROADS ON RADIO'S EVENING AUDIENCE: Pregnant with meaning for broadcasters, proving oft-heard assertion that most TV homes are lost to AM listening, is first comparative study on what kind of radio programs stand up against TV -- and how well. It was done by Mutual's New York flagship WOR, which took Pulse Inc. New York area ratings for January 1949 for radio as a whole and compared them with Pulse's radio ratings for TV homes. Findings:

From 8-10:30 p.m., radio listening is down 75.6% in TV homes. By categories, WOR found sports suffered least, down 60%; classical and semi-classical music, down 65%; news commentators, down 68.7%; quiz and audience participations, down 73.4%; situation comedy, down 74.7%. The foregoing stood up best against TV; other categories such as drama, variety comedy, human interest, mystery were hit even harder. Mystery, for example, fell 80% -- in other words, lost 4 out of 5 listeners to TV!

Between 6-8 p.m., radio's showing is somewhat better. Listening in TV homes is down 66.7% -- big-name comedy shows (Jack Benny, Alice Faye-Phil Harris, et al) suffering "mere" 62% decline.

Survey is first in semi-annual series by WOR research director Robert Hoffman, who cautions that it's too early to take the figures too literally yet but states: "Ultimately, if AM radio is to exist in the evening, sound broadcasting will be faced with the problem of programming for those people who are not interested in watching TV." And with New York presently having more than 500,000 TV homes (14½% of its wired homes), TV consultant Ralph Austrian forecast at SMPE meeting in New York this week that 90-100% "saturation" will be reached in 5 years. Then, said he, national TV networks will supersede radio hookups, leaving sound broadcasting as local and regional operations.

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PROPHECIES OF A CHANGING ORDER? Along with this Newsletter, we send you what we regard as the most significant sizeup of current economics of AM and impact of TV yet forthcoming from any major public official. FCC Chairman Wayne Coy's estimates of the metamorphosis occurring in radio at this moment evoked no happy thoughts in the minds of most of his listeners. Some were quite angry afterward, some even sneeringly recalled the urgent advice and dire forebodings regarding FM, coming from previous chairmen. But you could hear a pin drop while Mr. Coy spoke.

Even the statistics, newly divulged from FCC files, didn't bore this audience of broadcasters. The articulate Mr. Coy wrote this speech, as he says, "from the heart" -- felt he had to let the chips fall where they may. The opinions and conclusions are his own, of course, but remember that he himself was a practical broadcaster and certainly is in a position to know whereof he speaks. We urge you to read the salient portions of the speech in Special Report herewith -- whether you're a telecaster, prospective telecaster, manufacturer, distributor, engineer, lawyer, adman or in any other way identified with TV.

BROADCASTERS AT THE TV CROSSROAD: A house divided, a family no longer facing common foes, hence inclined to vent its fears and hates on one another -- that's the spectacle of the broadcasting industry today. Very little doubt about it: The cleavages in the NAB clan are widening. Only time will tell whether the divergent elements can be kept under one parental roof.

One reason is the uncertain income picture, aggravated by excessive competition, higher costs and softening markets. Another is the (to some) unwelcome Stranger in the House -- Television.

There you have the main impressions carried away from NAB's Chicago management convention this week. NAB itself is obviously now dominated by the numerically superior independents and small market stations, many of them postwar licensees. Despite the efforts of president Justin Miller (reelected for another 5 years) to keep NAB one big family, many of the big fellows and the old-timers are straying from the fold -- some openly dissatisfied. Their absence was very noticeable.

Facing a serious dip in business, the broadcasting industry may well be on verge of what Judge Miller himself simply styled "the normal bankruptcy curve." This, in an industry hitherto singularly free of bankruptcies, is hard to take. To help them get new business, a group of members demanded, and got, a substantial appropriation, \$220,000, some 29% of NAB's income, for the promotion of new business. Variety put it quite aptly in a characteristic headline, "Bucks for Business: NAB Credo." Voted to begin June 1, possibly in New York, was a Broadcast Advertising Bureau, to replace NAB's Advertising Dept., "to produce sales promotion material for national advertisers, agencies, networks, spot advertisers and retail advertisers."

The one thing clear is that, with most of the broadcast family, TV is the unwanted child, the feared and hated prodigy, whom they would make a scapegoat if he weren't so live and lusty. This will be denied, of course, and lip service rendered to TV -- but it's the simple fact, as we see it. Yet it's also clear that the broadcaster and his spokesman still claim control over the child, for when FCC Chairman

Coy finished his provocative NAB address Judge Miller ended the taut session thus:

"So long as the profits of AM are needed to finance TV, so long will TV not supersede AM." You can read all kinds of meaning into that remark.

* * * *

In appraising the broadcasters' attitudes toward TV, the old established operators as well as the newcomers, you could discern 3 casts of mind at Chicago:

(1) The lads who muttered, "Love that freeze" -- frankly saying they wish TV had never happened, praying something will happen to halt what they regard as an ominous threat. The slower TV goes, the longer the freeze, the better they like it. Indeed, they'd do something to discourage TV, if they could. But like the calamity-shouting newspapers of 20 years ago, they're faced with an irresistible force.

(2) Those who say they'll get into TV "when the time comes": "So TV is everything they say it is," said one very successful operator. "But why should I risk my money pioneering? I'll wait, and let the other fellow be the hero. Maybe there will be a channel for me, maybe not. Maybe he'll go broke and I'll buy. Somehow, I'll get in when the time comes -- but not now, when I'd lose my shirt."

(3) Those actually in TV already or seriously planning for it -- the "true believers" -- deeply impressed by the new medium's potential and outspokenly enthusiastic about it. Curiously enough, they want company, are welcoming competition. First of all, the limitation of channels insures against excessive competition. Secondly, it's an axiom that TV sets don't move into homes very fast until competition and network service enters. Without "circulation", TV is an advertising non-entity. Here's a business that, now at least, actually begs for competition.

TV TALK AT THE NAB CONVENTION: Notes and comment from the NAB convention, with particular emphasis on its TV aspects:

FCC Chairman Coy's exhortation to smaller broadcasters that they, too, should get into TV was somewhat along lines of ex-Chairman Denny's 1947 Atlantic City speech setting forth the satellite station idea (Vol. 3:38)...NAB president Miller told press conference he thinks whole radio-TV picture will "shake down" in about 10 years, indicating "union of TBA with NAB is still in the cards"...NAB is casting about for TV director who would sit with top echelon (Vol. 5:8); being eyed for job, it's reported, are Nick Kersta, Phil Merryman, Jack Hartley, Gene Thomas, Jack Poppele, Jimmy James -- though most of these are known to be unavailable.

"Deac" Aylesworth's 3-year prediction for demise of AM in Look Magazine (Vol. 5:15) was much talked about but not taken very seriously for simple reason that, as chairman Coy noted, TV can't muster enough national "circulation" (receivers) in that time...Yet Biow's Terry Cline, who timebuys for Bulova, told TV session that advertisers now see diminishing returns from 7-11 p.m. radio: "If a home has a TV set, we are marking it off, almost entirely, for night radio listenership," said he. He called TV "the greatest advertising medium we've ever known" and urged "all you who can do it to go into TV"...Danger to AM from TV is not so much that radio's budget will be cut for TV but that radio will lose to all media, said AAAA's Fred Gamble, who reported ad agencies are already asking questions about TV impact on radio listening -- heralding adjustments in rates, program costs, etc. But he didn't think TV would be radio's equal for at least 5 years.

George Storer, operator of 3 TV stations and 7 AMs, said he's spending no sleepless nights fearing TV's effect on radio; but he saw no way to make money out of TV yet...Stanley Hubbard, KSTP-TV, St. Paul, said his AM hasn't lost a dime's worth of business to TV" and urged from panel: "Get into TV or someone else will come in." But he also cautioned new enterprisers to be prepared to spend \$1,000,000 to get TV going in any major market...Ed Flanigan, WSPD-TV, Toledo, said: "TV has what it takes and it's going to take what we have if we're not careful. It has everything the others have got, but all of it -- pictures, sound, demonstration of product, etc." Business salvation for TV, Flanigan added, lies not in networks but in local business...Don Stewart, WDTV, Pittsburgh, reported profit operation, thanks to his crossroads position on East-West coaxial, 10 hours of local sold, low-cost operation without studio and with staff of only 13.

FCC TAKES AWAY CP, WARNERS DROP: FCC cracked down hard on 2 TV grantees this week:

(1) Took away CP from WJHP-TV, Jacksonville (Perry newspapers) when it asked for extension and said it would surrender CP if it didn't get more time. (2) Denied extension of WTPS-TV, New Orleans (Times-Picayune) and gave it 20 days to ask for hearing or have CP deleted. Both indicated economics of TV required more study, new financial approach, but FCC made clear it wasn't concerned with their indecision.

That leaves only 58 CPs on the books (see TV Directory No. 7, Addenda 7-A and 7-B). And Warner Bros. withdrew application for Chicago, cutting total to 319, leaving CBS, WIND (News), WJJD (Sun-Times) and Zenith as applicants for city's 3 available channels. Jacksonville action opens up one channel there, with WMBR-TV also on carpet (Vol. 5:11). If WTPS-TV chooses to drop, New Orleans will have only 2 for 4. (All pre-freeze allocations, of course, are subject to reallocation.)

Richmond's WTVR was denied change of classification to rural on grounds it couldn't be rural with metropolitan facilities (12 kw, 430-ft. antenna). And showing that freeze is deep even in wide open spaces, FCC relegated to pending file request of now-building WKY-TV, Oklahoma City, for power boost. In Canada, CBC again stymied applications of 4 private broadcasters seeking TV -- CFRB and CKEY, Toronto; Al Leary, and Famous Players Canadian (Paramount) -- and Chairman Dunton asserted Canada doesn't want to be dominated by TV from U.S.; so it looks like delay until (and if) CBC gets \$4,000,000 it seeks to build own Toronto and Montreal TVs first.

NEWS NOTES OF TV AND RELATED TRADES: Wall Street Journal says Philco first quarter is below same 1948 period when sales ran \$58,661,000, earnings \$1,598,747. Actual figures should be out soon, but decline isn't surprising in view of downtrend in radio sales (Vol. 5:11), heavy price cutting to clear radio inventories (Vol. 5:11) and week's shutdown in February to build up TV tube stockpile (Vol. 5:7).

TV began in January to account for more than half of radio manufacturers' income, said RMA president Max Balcom (Sylvania) at Chicago technicians Town Meeting April 13. But he cautioned servicemen against assuming non-TV radio is a gone goose. Actually, he noted, TV won't kill off radio any more than radio liquidated the phonograph business. In fact, radio output this year will outnumber TVs 4 or 5 to one.

GE's 8½-in. metal-coned picture tube (Vol. 5:4) isn't in production yet, won't be ready to ship until last quarter of this year -- that's latest word from Electronics Dept...Still more picture tube price cuts: National Union's 12½-in. to manufacturers now \$38.50, to distributors \$48, dealers \$60, consumers \$75. DuMont's 12½-in. now \$38.35, \$40.25, \$47.50, \$57.60, respectively; Sylvania's now \$38.65, \$42.40, \$53.50, \$66.50, respectively. DuMont's new 12-in. prices: \$36.50, \$38.50, \$45.25, \$54.75. Zetka's 12½-in. to manufacturers is \$38.50. Reductions thus range from \$4.75 to \$8.50 per item.

Zenith has indeed quit using word "obsolescence" in its advertising (Vol. 5: 11-15), but it had its fellow Chicago manufacturers and distributors in dither again this week when it began new series of 2-col. x 3-in. white-on-black ads reading: "Zenith Television Gives You Built-In Insurance for the Future...No 'Converter' Needed for the Proposed New Frequencies" (Tribune, April 11). And, "Zenith Television Is 'Future-Proof' Against Proposed Wavelength Changes on the Present Standards" (Sun-Times, April 12)...To counter Zenith campaign, Motorola is sending some 5,000 store displays blowing up FCC Chairman Coy's assurances that present vhf bands won't be abandoned and sets won't be obsoleted by uhf (Vol. 5:13); also has printed 100,000 circulars for dealers to hand out or mail to TV prospects.

Juke-box trade is reported shot, suffering inroads of the visual appeal. Now even the 16mm film folk are eyeing taverns as outlets for projectors and rental films. Cynosure of trade is 'Apollo sound projector at \$129.50 (made by Apollo Div., Excel Movie Products Inc., Chicago); also pitching for tavern field are the several combination jukebox-TV assemblers listed in our TV Directory No. 7...Stromberg-Carlson has cut 12½-in. Rochester table model \$20 to \$435, having month ago cut Lanchester console and Manchester consolette, also 12½-in. (Vol. 5:10)...Crosley's 10-in. consolette with FM has been priced at \$329.50...International Television has new Protelgram club unit at \$590; for another \$140 each, purchaser can add bar wings.

Lots of stockholder opposition developing to proposed sale of Farnsworth to IT&T (Vol. 5:7,8,13) and April 14 stockholders meeting has been deferred to April 19 . . . Admiral stockholders at April 14 meeting approved plan to sell 200,000 additional stock (Vol. 5:14), elected Francis Uriell, partner in Chicago law firm of Pope & Ballard, to board . . . Avco tells April 14 stockholders meeting that quarter ended Feb. 28 resulted in net income of \$1,078,787 (14¢ per share), that Crosley TV output is 55% ahead of same quarter last year, and that Crosley hopes to attain 20,000 TVs per month production by June; Avco also elected Dr. Robert L. Johnson, president of Temple U, Philadelphia, to board.

Sightmaster's Michael Kaplan engaging in caustic exchanges with Zenith's Gene McDonald in outpouring of press releases growing out of Zenith's statements reported in March 28 *Broadcasting*. They're in litigation over Zenith's alleged "slander of merchandise" (Vol. 5:13), which Kaplan says he will definitely press for trial. Meanwhile Kaplan-sparked new Television Manufacturers Assn., comprising smaller set makers, meets April 18 at Toots Shor's, New York, to adopt constitution and bylaws, prepare for election of officers, plan New York showroom where all TV sets can be exhibited. Paid secretary probably will be publicity man A. E. Kessler.

First quarter sales of Hoffman Radio Corp., Los Angeles, were \$1,198,000 vs. \$533,000 for same period in 1948—up 124%. Earnings figures for period aren't available yet. Hoffman annual report for 1948 discloses total 1948 sales at \$4,480,894, compared to \$3,451,943 in 1947, net profit \$208,036 or 81¢ per share on the 255,051 shares outstanding. TV production started in third quarter, hiked sales in fourth quarter to company's highest and president H. L. Hoffman says "there is every indication that this volume will be maintained in 1949."

Milton Berle's 16-hour Cancer Fund marathon on NBC-TV (Vol. 5:14) paid off to tune of \$1,100,000 in pledges—a happy wedding of humanitarianism and TV promotion. It cost NBC a reported \$80,000 in coaxial time and operating expenses of 12 stations carrying show. Baltimore's WBAL-TV claims highest percentage response (\$57,351 pledged), and its affiliated *Baltimore News-Post* on April 11 printed 6 pages of contributors' names.

Horserace fans will be glad to know TV may be answer to age-old problem of keeping "sport of kings" clean. RCA is furnishing Jamaica (N. Y.) race track with battery of TV cameras around course, all cable-fed into judges' stand to enable stewards to see closeup of all action on track during race. In addition, races will be kine-recorded; during present experiments, pickups will be microwaved to WNBT for off-tube filming and processing.

A true "televisionary" was nipped by New York attorney general's office when it was discovered that a Norman N. Rankow had talked 35 people out of \$35,000 towards building of a \$75,000,000 "World Television Studios" project in Queens and a 72-story "Vidco City" supposed to go up near Times Square.

Crosley's Telesports Inc. (Vol. 5:9) and Cincinnati's Seraph Club, which stages amateur boxing, have entered contract calling for Telesports to guarantee certain operating expenses which if not met by admissions will be met by Telesports. Any profits, however, remain with club.

Whole square block bounded by 67th and 68th Sts., Broadway and Columbus Aves., Manhattan, has been purchased by WOR for future construction for offices and studios of its WOR-TV. Currently, WOR-TV is building 2 studios in ABC's big TV center on nearby 66th St.

Personal notes: Alger B. Chapman, New York lawyer, elected to ABC board, all 8 other directors reelected . . . James M. Connors now CBS-TV business manager, promoted from personal relations dept. . . . Chet Thomas, KXOK-FM, St. Louis, elected president of Transit Radio Inc., Hulbert Taft moving to board chairman; Richard C. Crisler is executive v.p., Frank Pellegrin sales v.p. . . . Miss Lynn Cleary new DuMont Network continuity mgr. . . . Ward L. Quaal named director of Clear Channel Broadcasting Service . . . Robert W. Cox, from Budget Bureau, now FCC budget officer, vice David O Cooper, assigned to Kansas City engineering . . . John H. Midlen has left George O. Sutton and opened own Washington radio law office in Munsey Bldg. . . . Federal's new gen. sales mgr. is Raymond S. Perry, ex-president of Eicor Corp. Chicago, graduate of MIT . . . Howard W. Vesey has retired to become a gentleman farmer and his Washington law firm has changed name to Prince, Clineburg & Nunn, Bowen Bldg. . . . Charles Batson, editor of NAB reports on TV, named asst. director of BAB under Maurice Mitchell.

TV network sponsorships: It's definite now that Admiral sponsors Thu. 8-8:30 segment of *Stop the Music* on ABC-TV other half being taken by Old Gold, starting May 5 . . . Derby Foods Inc. (Peter Pan Peanut Butter) using 10 ABC-TV stations for *Super Circus* Sun. 5:30-6 p.m., starting May 1, 5-5:30 being taken by Canada Dry . . . DuMont Dealers using DuMont Network plus tele-films (18 stations) for *Ted Steele Show* Tue., 9-9:30 p. m., starting April 19, and for *Morey Amsterdam Show* (formerly on CBS-TV) Thu. 9-9:30 p.m., starting April 21 . . . Bonafide Mills assumes sponsorship April 29 of *Benny Rubin Show* on NBC-TV, Fri. 9-9:30 p.m.

TV station sponsorships: Opening of baseball season has TV outlets in all big league cities telecasting home games, beer sponsorships dominating; in some minor league cities, too, viz., Miller Beer taking half of Milwaukee Brewers games on WTMJ-TV, Wooden Shoe Brewing Co. all Dayton Indians games on WLWD . . . Even New York's Easter Parade cued interesting sponsorships—9 textile and dress firms clients of Cal Reimers Adv. Agency cooperatively sponsoring Fifth Avenue pickups on WPIX (others carrying event sustaining) . . . Lord & Taylor dept. store on April 27 starts *Fashions on Parade* on WJZ-TV, New York, Wed. 9-9:30 p.m. . . Hanscom Baking Corp. on April 19 starts *Hanscom Showcase*, clay sculpturing, on WNBT, New York, Tue. 6:45-7 p.m.; WNBT also carrying Gold Medal Candy Co.'s new series *More Magic*, tricks for children, Sun. 11:30-11:45 a.m.

INS's "Projectall" got serious attention from TV operators at NAB convention. Opaque projection unit, at \$1,600, is being made by Tressel Studio, 6322 S. Kedvale Ave., Chicago, features multitude of uses—operator can use it for time signals with clock, card signs (singly or on reel), test pattern, can use miniatures of actual objects to obtain 3-dimensional effect. Machine can be leased for \$100 per month (\$150 installation charge).

Lowest priced TV radiator yet is Andrew Corp's. "Multi-TV" antenna for \$2,550 for low band, \$2,750 for high band (most TV antennas cost \$12,00-\$14,000). Antenna has "cat's whiskers" radiating elements mounted on one side of steel H beam, with radiation pattern triangular in shape. Since elements are on side, antenna actually could be mounted on tower, thus eliminate need for its own supporting structure.

Los Angeles' KTLA maintained 29-hour vigil during attempted rescue of little Kathy Fiscus in San Marino. It was on air continuously, microwaving signals directly to Mt. Wilson transmitter, got over 3,000 phone calls.

ADMIRAL'S PLACE IN THE BUSINESS SUN: Some astonishing facts are unfolding about the phenomenal rise of Admiral and its 42-year-old, rags-to-riches president Ross Siragusa -- and Fortune Magazine for June, out in about a month, will disclose many more of them for the first time. It's a fabulous story of keen enterprise and brilliant direction, currently adorned by a balance sheet that would seem to bear out Siragusa's predicted volume of \$100,000,000 this year.

Admiral's sales are currently running at about \$9,000,000 per month rate. During first quarter of this year, its official statement shows sales \$23,513,097, up 96% over \$12,004,168 for same period in 1948. Net was \$1,536,217 (\$1.54 per share), up 190% over same 1947 period's \$530,410 (53¢). This is usually a slowdown period in radio (there's little precedent yet for TV), so 1949 first quarter still isn't quite up to \$24,249,757 sales and \$1,745,039 earnings for last 1948 quarter.

But Siragusa is confident he'll achieve 1949 target of more than 400,000 TV sets, says Admiral is already making more than 50% of all console TVs (its \$399.50 matching combination leading all others), is confident his 3-speed player is simple answer to otherwise confused phonograph market (Vol. 5:13). He's a bearcat for producing for mass pocketbook, believes in heavy advertising which he supervises himself. He's so sold on TV advertising that he has even decided to put Hopalong Cassidy westerns in Friday NBC-TV 8-9 time segment devoted to Admiral Broadway Revue in order to hang onto franchise while show rests for summer; also has taken ABC-TV's Stop the Music, Thursdays 8-8:30, for 52 weeks starting May 5.

Fortune article, among other things, will relate tale of Siragusa's "turret tuner" squabble with Zenith's E. F. McDonald Jr., bitter rival, Fortune having conducted own tests of relative merits of Zenith's much-publicized unit and the unpublicized one Admiral also has in its sets (but doesn't regard as ready for uhf exploitation as yet). And claim may be made that Admiral, for certain periods at least, has achieved No. 1 position in TV dollar volume. TV is dominant item, appliances (refrigerators, stoves) running about \$25,000,000 and all console radio production having been discontinued.

STATUS REPORT ON AD HOC'S WORK: Plodding toward TV freeze's end, FCC-Industry Ad Hoc Committee cleaned up most of its work Thursday. It has two more facets to polish, should complete total job at next Thursday's meeting. Report then goes to public and to JTAC for scrutiny by IRE's Wave Propagation Committee under Cornell U's Dr. Burrows. After that, it's in hands of FCC. And it's still our guess that it will be late summer or fall before FCC resumes action on applications (Vol. 5:15).

A big reason for continuous deferring of Ad Hoc's final report is fact that adequate vhf measurements are so scarce that Committee snatches up new data as it comes along, incorporates it in deliberations. So far, Committee has agreed pretty well on terrain effect figures and ground-wave coverage. In latter, for example, it has families of curves showing what percentages of receiving locations can be expected to get adequate service for various percentages of time. When report is complete, FCC staff will prepare sample allocations for various qualities of service and protection.

Still to be agreed on are: (a) nature of curves connecting ground-wave and far-out troposphere curves; (b) effect of transmitter height on tropo signals.

Once Commission has all Ad Hoc's findings, it faces job of deciding just what constitutes service area of stations. On top of that, it must determine just what use to make of directionals, synchronization and related palliatives. One observer ventures FCC won't try to include latter techniques in an over-all allocation plan, but will allow them upon proper showing by applicant. Committee's findings on troposphere indicate that if FCC wants to protect stations to 500 uv/m, it will have to separate co-channel stations less than the 350-odd miles Paul deMars' early curves would dictate and somewhat more than the 200-odd miles FCC's curves of last fall would indicate. Of course, that's without synchronization, etc.

In its hunt for interference-reducers, RCA is currently experimenting with separating co-channel stations by half of line frequency (about 8 kc). It has no conclusions yet, may have some in a few weeks. If system works well, it would have

some advantages over synchronization in that no intermediate station or phone line would be needed.

In uhf, there are merely peeps out of the laboratories. Collins, which has been working on resnatrons for transmitters, may have something to announce soon.

FM TRENDS TO SPECIAL SERVICES: Trend of FM seems more and more in direction of special services -- transistcasting, storecasting, facsimile, voice de-emphasis, etc. -- to enable FM broadcasters to keep heads above water until day FM becomes more accepted mode of aural broadcasting. That, essentially, was significance of NAB session on FM, which saw loyal band of 200 or so FMers in there pitching. Outspoken was FMA president William Ware, KFMX, Council Bluffs, who admitted "we've had the bejzus beaten out of us" trying to compete with established AM broadcasters. So, he urged, FMers must concentrate on revenue-producing special services.

Four FM stations reported profitable 1948 operation, Chairman Coy said in his speech. Of 700 on air last year, 586 reported no separate time sales since they were affiliated with AM and obviously duplicating. Revenue for 72 stations on air during full 1948 year totaled \$1,000,000, expenses \$3,400,000.

Radio Inventions Inc.'s multiplex facsimile operation elicited unusual attention, as did Stewart-Warner's attractive new recorder. Facsimile's prime promoter John V. L. Hogan (WQXR-FM) itemized cost of FX at \$20,000 for equipment, \$1,000 per week operation. Charging \$10 per page for display advertising, Hogan figured that a 4-page edition, 5 times per day should bring in \$1,200 a week. Hogan also suggested that TV operators could multiplex FX with FM sound without deterioration of video or sound signal, hopes to demonstrate TV-FX soon.

Hollywood producer Hal Roach and others are moving fast in TV field first broken by Jerry Fairbanks. Roach previewed some of his proposed syndicate offerings to select group of TV managers at Chicago NAB convention, who acclaimed comedies as first-rate; he said he can turn out 27-min. films in 48 hours at cost of \$28,000 each. Jerry Fairbanks announced release to 35 stations, via NBC, of 26 musicals made at low cost in Mexico City. Procter & Gamble made deal with General Television Enterprises (Gordon Levoy) for series of 13 adventure stories, each 26½-min. film to cost \$8,000 to \$12,00. Stanley Rubin, of Grant-Realm, which produced Lucky Strike *Your Show Time* series, is in East with new samples.

Reports persist Warner Bros. is calling off Thackrey deal, also dropping out of large-screen TV experimentation. Rumors can't be verified, but here's status of Warners' TV at moment: (1) It's withdrawing application for Chicago; see story on page 3. (2) Contract with Mrs. Thackrey for purchase of KLAC-TV and other radio properties expires May 1, but extension until Aug. 1 is indicated. (3) Final argument in Govt. anti-trust suit against remaining movie defendants (Warner is one, hence FCC delay in TV deal) is set for April 21 in U. S. court in New York, final judgment expected to follow generally the divestiture proceedings already consented to by RKO and Paramount (Vol. 5:7).

Independent AM stations seem to have kept up their share of audience in TV homes. Pulse Inc.'s Sydney Roslow, at independents' NAB meeting, showed that independent stations maintained a fairly level audience among TV-owning listeners—from 3.1 in April 1948 to high of 5.0 in January 1949, down to 4.4 for March 1949. Roslow thought that since TV sets are owned mostly by upper income families, there are additional radio sets in use by members of family not desiring to view TV.

April 1 TV set census by Baltimore committee shows increase from March 1 of 6,117 to 51,476 total. Boston committee reports increase of 15,000 to 68,373, estimates additional Providence total as 7,830.

Raise from \$10,000 to \$12,000 for FCC commissioners is specified in H. R. 4177, reported out this week by House Appropriations Committee. Bill would give FCC \$6,525,000 for fiscal year ending June 30, 1950—\$108,000 less than FCC estimated it needs. In Report 425 accompanying bill, Committee says Legal and Administrative Divisions are overstaffed, requests FCC report on cleanup of application backlog by Jan. 1. Committee wants some of FCC's field men brought into Washington to do job.

Senate passed resolution to investigate communications this week (Vol. 5:7). Subcommittee named to conduct study: McFarland (D-Ariz.), chairman; Johnson (D-Colo.); Kefauver (D-Tenn.); Tobey (R-N. H.); Capehart (R-Ind.). There's no indication when or if public hearings will be held. Sen. Johnson hasn't had much time to study FCC's response to his request for patent and monopoly information (Vol. 5:15), being up to his ears in airline hearings.

Slice one or more TV channels out of FM, Carl J. Meyers, engineering director of Chicago's WGN, WGNB and WGN-TV, told meeting of Mutual affiliates in Chicago April 10. He said FM has more space than it will use. Uhf, he said, is still "not entirely a sugar coated pill," since standards and transmitters are yet to be developed and receiving antennas will cause plenty of headaches. Color, he added, is still 5-7 years off and must be electronic: "I didn't think the Columbia system of mechanical color television should ever be allowed to escape from the laboratory. Fortunately, it wasn't."

Appearing as guest on Arthur Godfrey's Chesterfield show on CBS-TV April 13, M. H. Aylesworth talked about his *Look* article (Vol. 5:15), again forecast TV's dominance in 3 years, listened to Godfrey say some unkind things about NBC as operated since Aylesworth left helm.

WBKB, Chicago, has signed exclusive affiliation with CBS-TV and *Chicago Tribune's* WGN-TV now has DuMont solely. NBC owns WNBQ, ABC owns WENR-TV.

Zenith has been conferring with Illinois Bell officials on Phonevision test promised later this year (Vol. 5:15).

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PICTURE TUBE OUTLOOK BRIGHTENS: "Plenty of tubes now," is word from main suppliers -- so, now, that bottleneck to TV set production appears to be broken. And glass-blowers Corning and Kimble (Owens-Illinois) say they can deliver far more bulbs than are being ordered. They even added another fillip to the lower-price trend by reducing their blank prices to tube-makers as follows, effective May 1: 10-in., from \$7 to \$6.30; 12-in., from \$12.35 to \$10.75; 16-in., from \$20 to \$15.80. Prices of 7-in. blanks (\$2.25) and 20-in. (\$75) remain unchanged.

Cut of 25% in 16-in. (80¢ is for packaging) is glass makers' reply to RCA's metal-coned foray. Eventually, say both president W. C. Decker of Corning and gen. mgr. Stanley McGiveran of Kimble, they have no doubts "glass will lick metal tubes in price competition." McGiveran even went further and predicted 16-in. glass bulbs priced at \$8 in quantity some day. Curiously, though, neither seems particularly impressed by enthusiastic claims made for 16-in. receivers. Both told us, separately, the 12½-in. is today's fastest growing unit.

Joining other tube-makers who announced price cuts (Vol. 5:16), GE reduced price to manufacturers of its 12-in. "aluminized" tube to \$41.25, added new 12-in. non-aluminized to line at \$38.65...No comment from RCA yet about new tube prices, most changes having been made in 12, 12½, 15-in. whereas RCA makes mainly 7, 10, 16-in...Reported to be in TV tube production now is Tung-Sol Lamp Works, Newark; no details available, but company should be added to list on p. 59 of our TV Directory No. 7...Kimble has ready, though not on delivery yet, rectangular-faced bulb (Vol. 5:1,11) framing 1½x1¼-in. image; 60-degree deflection angle, like that in its 16-in. bulb, makes tube about 1½-in. shorter than RCA's metal-coned...That shorter and stubbier tube we mentioned in early January (Vol. 5:3) is likely to appear first as 20-in. job...Full-scale tube production starts at GE's Syracuse plant Aug. 1, first with 8½-in. tubes (Vol. 5:4), then 10, 12½, 16-in. GE's Buffalo tube operation continues at capacity, Syracuse expansion adding 174,000 sq. ft. factory space.

* * * * *

Despite enthusiasm for projections in many quarters, fact still remains projection sets aren't cutting much ice in over-all production picture. Only 2,513 were produced in March, or 1.38% of all units that month; 1,275 in February (1.07%); 723 in January (.59%). In 1948, RMA shows 19,521 projections (2.25%); in 1947, 12,527 (7%); 1946, 61 (.94%).

MARCH TV RECORD, 485,000 IN QUARTER: March production of 182,361 TV sets was highest ever, comparing with February's 118,938 (Vol. 5:12) and January's 121,238 (Vol. 5:8) -- and well ahead of previous record of 161,179 in December, 1948. It covered 5 weeks of RMA figures, brought first quarter to 422,537. Judging from accelerating rate of weekly production, it points to minimum of predicted 2,000,000 this year.

Actually, in view of commanding position taken by non-RMA Admiral as TV producer (Vol. 5:16), and to account for kit-makers and lesser TV manufacturers who also are not RMA members, you can add at least 15% to RMA's first quarter total. This would indicate true production more nearly 485,000 thus far this year. (We use 15% arbitrarily, for we're told by Admiral our old 10% accretion was much too low.)

RMA's total postwar TVs thus add up to 1,474,416, which you can assume is an

irreducible minimum of sets now in homes and public places (for this is an RMA-only figure and it is as of March 31). March breakdown: table models, 112,537; TV-only consoles, 53,328 (2,400 projection); TV-radio consoles, 16,496 (113 projection).

Total radios produced in March, including the TVs, ran 861,147 vs. 716,538 in February, 830,871 in January, 14,132,625 in all 1948. FM receivers nose-dived to 71,216 in March vs. 98,969 in February, 147,733 in January. March FM breakdown: AM-FM table models, 27,806 (87 with phono); AM-FM consoles, 39,542 (42 without phono); FM-only and converters, 3,868.

NEWS ABOUT UPCOMING NEW STATIONS: Unusual STA request from WAFM-TV, Birmingham, Ala. (WAPI) asks for permission to operate with 500-watt transmitter as long as necessary until enough sets, network service, competition are available -- at which time it would build to authorized 26 kw on Channel 13. CP holder makes point that it could well serve Birmingham with low power, indeed has actually placed contingent RCA order for smaller unit which could be put on air within 30 days. But aside from freeze, FCC has shied away from this type of operation since its experience with interim grants to FMs which went on with lower powers, never went up.

Oklahoma City's WKY-TV began tests Thursday, by Friday got reception reports up to 220 mi. away in Texas and Arkansas which, says manager P. A. Sugg, "justify our confidence in our 968-ft. antenna." WKY-TV is still aiming for May 15 start... New Orleans Times-Picayune board decides next week what to do about FCC's denial of CP extension for WTPS-TV (Vol. 5:16)... James Gleeson, whose Channel 1 CP for Riverside, Cal. was deleted (Vol. 5:13), now tells FCC he'll apply for Channel 6 there.

WFBM-TV, Indianapolis, now plans May 30 debut with telecast of Indianapolis Speedway Classic... WTCN-TV, Minneapolis, having run sporadic tests last 3 months, reports it expects to start commercially in July... WSYR-TV, Syracuse, aiming for Sept. 1, has broken ground for transmitter building, ordered GE transmitter... Omaha is assured TV by early fall, with KMA-TV racing to equal or beat WOW-TV's projected time -- one or other should make it by Sept. 1... Tacoma TV application of KTBI in association with now defunct Tacoma Times (Scripps) won't be dropped because Times is out of business, says KTBI's Tubby Quilliam.

WHY MARY PICKFORD SEEKS TVs: Mary Pickford (Mrs. Buddy Rogers) has filed for TV stations in Durham and Winston-Salem, N.C., asking for Channels 4 and 6 respectively. Applications are first for either city, each assigned 2 channels pre-freeze. It's purely a business venture, says her counsel Ike Lambert, ex-RCA general counsel, and grows out of her conviction TV is natural ally of movies. Secondary markets were selected because Miss Pickford's advisors, studying field, saw little prospect of getting into bigger cities. Applications state her net worth as \$2,500,000, indicate she'd spend more than \$200,000 to build and \$50,000 per year to operate each station (see TV Addenda 7-C herewith). Currently, Miss Pickford is reported selling her interest in United Artists to Nasser theater chain principals. Except for Bob Hope's bid for Louisville's WHAS-TV, later withdrawn (Vol. 5:8), she's second big Hollywood name to apply. Bing Crosby is still applicant for his hometown Spokane and also for Tacoma and Yakima, Wash.

MORE NETWORK CIRCUITS WESTWARD: Opening of 2 more coaxial circuits between New York and Chicago May 1 eases cramped operation of networks, enables them to sell more full networks for live shows and not rely so much on split networks, kine-recordings, other compromises. With total of 3 westbound, one eastbound, networks now have all circuits they wanted -- except NBC, which missed out on expansion of 2 commercials (Gulf Road Show, Thu. 9 p.m. and Gillette boxing, Mon. 10 p.m.), also 2 non-commercial periods (Mon.-Fri. 7:30 p.m., and Sun. 7 p.m.). New allocation of East-Midwest circuits runs to Aug. 1, was accomplished quite amicably by comparison with January splitup (Vol. 5:1). Some trading had to be done -- for example, NBC gave up New York-Washington circuit time to get better East-Midwest allocations (it has own radio relay between New York and Washington, so really won't lose out).

Ad Hoc Committee finally agreed Friday on all phases of its long-pondered vhf TV propagation report (Vol. 5:16). But group has scheduled still another meeting, week after next, to give final stamp of approval to manner of presentation, wording, etc. It will then go to JTAC for comment. After that, it's in laps of FCC. Just how much will be done during absence of Chairman Coy and Vice Chairman Walker is anyone's guess, though it's fortunate Commission's two engineer-members Sterling and Webster will be on hand. Designed to assist in ending freeze, RCA's new experiment looking towards reduction of co-channel interference, that of separating stations by half of line frequency (Vol. 5:16), has been tried out with New York's WNBT and Washington's WNBW, but no results given yet.

These are feverish days at FCC, what with Chairman Coy leaving May 13 on *Queen Elizabeth* for International Telephone & Telegraph Conference in Paris; speaking May 5 at Ohio State U radio education conference; spend-all this week (with asst. gen. counsel Harry Plotkin) in Puerto Rico on problem involving Navy and 4 AM stations. No regular FCC meeting is scheduled for next week, when Comr. Sterling is expected back full time. Accompanying Chairman Coy and Comr. Walker to Paris conference, due to run May 19-July 15, are attorneys Cottone, Cohen, Werner; engineers Woodward, Russ, Clinkscales; accountants Norfleet, Stromberg, Lambert, Havens.

Three trustees to take over active control from G. A. (Dick) Richards, who would retire—that's proposal laid this week before FCC to settle his long-pending news-slanting case (Vol. 5:1, et seq.). They would be Dr. John A. Hannah, president of Michigan State College; L. P. Fisher, ex-gen. mgr. of Cadillac and a director of General Motors; Henry J. Klinger, General Motors v.p. and gen. mgr. of Pontiac. Thus, if FCC approves, neither management nor Richards as majority stockholder would vote his controlling interests in WJR, Detroit, 62.39%; WGAR, Cleveland, 71.64%; KMPC, Los Angeles, 64.8%.

CBS first quarter gross income of \$27,018,288 was up slightly from \$26,252,456 for same period in 1948, but net dropped about 45%—to \$855,764 (50¢ per share) from \$1,553,686 (90¢) year ago. "The company," chairman Wm. S. Paley told April 20 annual meeting, "won't make as much money in 1949 as it did in 1948" (Vol. 5:14). Profit shrinkage was attributed to increased TV costs and "adverse earnings picture of Columbia Records Inc." TV losses may start to shrink next year, Paley said, but he indicated TV loss period might run 5 years.

Radox system of radio-TV audience measurements, being tested in Philadelphia by Albert E. Sindlinger & Co. (Vol. 4:49), is being financed by group of Chicago businessmen including Henry P. Isham, president of Clearing Industrial District of Chicago; Ralph A. Bard, ex-Under-Secretary of the Navy; John I. Shaw, Shaw-Isham & Co.; R. Douglas Stewart, director of First National Bank. National expansion (in competition with Hooper, Pulse, etc.) is planned.

Drop in sales billed for AM and FM transmitting equipment, from \$18,711,299 in 1947 to \$14,175,381 in 1948, is reported by RMA. TV sales figures for only 3 quarters of 1948 are available (\$5,256,465 billed), but it's apparent that 1948 TV total will more than compensate for AM-FM decline.

April 1 TV set figure for Los Angeles increased 10,612 to 112,612, according to Southern California Radio & Electrical Appliance Assn. New York's set total increased 35,000 to 535,000, says NBC research, which next week will itemize 1,447,000 sets by cities as of April 1.

Motorola reports \$15,212,622 sales volume for 13 weeks ended April 2, compared to \$12,437,347 for equivalent period last year—increase of 22% reflecting largely TV sales which now "account for the greater bulk of our sales." Profit figures aren't ready yet, but are expected to exceed 90¢ per share of last year's period. Proxy statement for May 2 meeting of stockholders discloses following salaries of highest paid officers and directors: Paul V. Galvin, president, \$60,000; and vice-presidents Daniel E. Noble, \$40,000; Elmer H. Wavering, \$36,200; Walter H. Stellner, \$35,600; George R. MacDonald, \$35,300; Frank J. O'Brien, \$35,000; Robert W. Galvin, \$25,000. Paul Galvin is listed as owner of 47,972 shares (and trustee for 99,006 shares in estate of Lillian A. Galvin, deceased) and his son Robert Galvin, owner of 61,144 shares of the 800,000 common outstanding.

IT&T drove hard bargain but wasn't unscrupulous in its deal to acquire Farnsworth (Vol. 5:7, 8, 13), subject to stockholders' approval at meeting now rescheduled for April 27. So said N. Y. Supreme Court Justice Bernard Botein April 19 in dismissing 2 stockholders' suits to prevent deal, both alleging conspiracy. Said court: "The truth of the matter is that Farnsworth entered the conference room stripped of its most potent trading asset, a competing alternative to selling out to IT&T . . . Business men are not sentimentalists and deals are made under such circumstances daily in the business world . . . it was not an unscrupulous bargain." Nor was there any hint of personal profit to Farnsworth officers and directors, the court added.

The giants report: GE consolidated net sales for first quarter of 1949 totaled \$411,615,528, or 12% ahead of \$365,957,990 billed same period last year; earnings were \$26,702,978 (93¢ per share) vs. \$25,389,149 (88¢) last year. Westinghouse first quarter sales were \$226,658,722, compared with \$236,071,263 in first 1948 quarter; net income was \$10,866,921 (79¢ per share) vs. \$13,135,789 (97¢) year ago. IT&T consolidated net income for 1948 was \$2,197,877 vs. \$1,371,697 in 1947 (manufacturing sales in 1948, \$184,790,961 vs. \$142,631,754 in 1947; telephone-radio revenues \$24,683,824 in 1948 vs. \$24,200,461 in 1947). IT&T's domestic manufacturing subsidiary, Federal, reported \$33,892,286 in 1948 sales but net loss of \$3,801,238.

Sylvania's sales for quarter ended March 31 were \$27,108,895, compared with \$24,547,529 for same 1948 period. Earnings, however, were \$1,176,815, or 88¢ per share on 1,228,772 shares outstanding, vs. \$1,162,737 (\$1.06) on 1,006,550 shares outstanding March 31, 1948.

Though Admiral stockholders have approved plan to increase authorized stock from 1,000,000 to 1,200,000 shares, Admiral has no intention of selling any part of these additional shares, says statement from company correcting our report last week (Vol. 5:16).

Hallicrafters reports sales for 7 mo. ended March 31 were \$10,314,966 compared with \$6,487,198 for same period previous year, largely due to TV. Net was \$409,927 (61¢ per share) vs. \$231,921 (34¢) for same 1947-48 period.

Olympic Radio & Television Inc. reports \$79,270 profit for first 3 mo. of 1949, compared with net loss of \$30,990 for same 1948 quarter and losses of \$46,771 for all 1948 and \$137,499 for 1947.

Raytheon's sales for 9 mo. ended Feb. 28, 1949 were \$42,431,471 compared with \$38,280,016 for same period year before; net profit was \$1,099,714 vs. \$190,740.

NBC's Niles Trammell represents TV, CBS's Bill Gittinger AM-FM at April 27 session on competitive media of American Newspaper Publishers Assn. in New York.

Edward R. Murrow, veteran CBS newscaster, elected to board this week to replace Frank White, who becomes MBS president May 1 . . . Frank Stanton, CBS president, off for European vacation immediately after CBS board meeting April 20 . . . Joseph L. Merkle, ex-NBC station relations, new station relations chief of DuMont Network . . . John Pratt, manager of WGAR, Cleveland, staying there after declining offer to manage *Philadelphia Bulletin's* WCAU, WCAU-TV. . . . Orville Sather promoted to asst. mgr. of CBS-TV technical operations . . . Charles Lee Kelly, ex-WTTG, new program director of WMAL and WMAL-TV, Washington, replacing Fred Shawn, back with NBC. . . . S. M. Fassler appointed manager of advertising and sales promotion for the GE Receiver Division.

Splendid roundup on Hollywood small producers' approach to TV as market for films is authored by Joseph W. Taylor in April 20 *Wall Street Journal*. Main point is that producers, spending \$8,000 to \$15,000 per TV short (peanuts by comparison with Hollywood's minimum \$750,000 on average 90-min. feature), can't yet recoup from TV so are retaining re-run rights (theaters, 16mm, foreign, TV repeats). Helpful, they told writer, has been attitude of talent, unions, writers, et al., who accept low pay, double in brass, etc., during these inceptive days. *Note:* Those Hal Roach films for TV we mentioned last week (Vol. 5:16) are costing only \$12,000 per 27-min. episode, not the erroneous figure published.

Techniques of good TV commercials are analyzed in April 15 *Printers' Ink* by Clark Agnew, art director of Lennen & Mitchell's TV dept. His complaint: "Today, most TV commercials consist of a radio commercial *with pictures added* or a picture sequence *with sound effects*." Other excerpts: "As a potential creator of consumer resentment, TV has it all over radio . . . Here's hoping the rage for film commercials will die out. Live presentation is infinitely superior." And he's particularly irate about commercials with long, repetitious audio spiels.

A Television Film Clearance Bureau is goal of National Television Film Council, 300 W. 23rd St., New York (Melvin L. Gold, president), and United Artists attorney Wm. L. Roach has been named chairman of special committee. Independent Television Producers Assn. met in New York April 21, heard Mel Boyd, president of similar organization in Hollywood, urge national code to establish rates for live shows, films, kine-recordings, etc., for directors, producers, et al.

American Television Society committee has nominated following new officers, election set for May 26: David Hale Halpern, Owen & Chappell, president; Donald D. Hyndman, Eastman, v.p.; Reynold R. Kraft, NBC, secy; Douglas Day, Buchanan, treas. Directors: Charles Durban, U. S. Rubber; Ralph Austrian; Warren Caro, Theatre Guild; Emerson Yorke; Charles Alicoate, *Film Daily*; Jerry Danzig, CBS; Maurice Strieby, AT&T; E. P. H. James, MBS.

Television Assn. of Philadelphia has nominated following officers, election next month: Al Bernsohn, RCA, president; Hal Lamb, Geare-Marston Agency, v.p.; James Taber, Foley Advertising Agency, secy; Billie Ferren, TV time-buyer, treas. Directors: Ken Stowman, WFIL-TV, chairman; Ned Rogers, Gray & Rogers; Col. Edward A. Davies, Dick Strome Television Productions; Martin Katz, WCAU-TV; James D. McLean, Philco; R. J. Bowley, WPTZ; M. H. Orondenker, *Billboard*.

Avco's Crosley Division accounted for \$7,834,943 sales in March, 56% ahead of the \$5,005,509 for March, 1948; gen. mgr. John W. Craig reports TV-radio sales for December-thru-March running 42% ahead of same period year ago.

TV station sponsorships: Ironite Ironer Co. (automatic ironers) starts 5-min. *Petticoat Parade* films May 2 on 9 stations, more later . . . New York Central starts 6 spots weekly, featuring vacation guide, on New York's WCBS-TV, WJZ-TV, WABD, WPIX . . . American Stores, Newark, sponsoring floor shows from Goldman Hotel, Pleasantdale, N. J., Sun. 10-11 p.m. on WATV, Newark . . . Gimbel's Philadelphia, sponsored 30-min. daily *Sleep Through the Ages* on WCAU-TV April 18-22 . . . Kelvinator and Pall Mall co-sponsoring 36 British feature films on WPIX . . . Mutual Life Insurance Co. takes 2-min. films on Los Angeles' KTLA, KTSL, KTTV . . . Sealy Mattress Co. began 15-min. *Fun With Flowers* April 19 on KNBH, Los Angeles . . . National Co. (radios) sponsored Boston A. A. Marathon April 19 on WNAC-TV . . . O. P. Skaggs System (food stores) sponsored TV-AM-FM simulcast of high school musical *Trial by Fury* on KDYL, Salt Lake City . . . Zausner Food Products (cheeses) using 20-sec. and 1-min. spots on WABD . . . More baseball sold to local Philco distributors include Chicago Cubs on WBKB (shared with Pabst), Dallas and Fort Worth Texas League games on WBAP-TV, Atlanta games on WSB-TV . . . Dutchland Dairy Stores and Ennis Motors alternating *Dugout Doings* before 65 Milwaukee Brewers games on WTMJ-TV.

TV network sponsorships: Buick starts *Olsen & Johnson* on NBC-TV June 28, Tue. 8-9 p.m., time now occupied by Milton Berle's *Texaco Star Theater* which vacations after June 14; when Berle returns, Buick show may move to Thu. 8-9 . . . Mohawk Carpet Mills on May 2 starts Morton Downey and Roberta Quinlan, appearing alternate days in *Mohawk Showroom* on NBC-TV East Coast, Mon. thru Fri. 7:30-7:45 p.m. . . . Pal Razor Blade Co. May 5 starts *Story of the Week*, 5-min. Fox Movie-tone film covering highlight news, on 24 ABC-TV stations, Thu. 9:25-9:30 p.m. . . . ABC-TV's cooperative wrestling Thu. 9:35 to closing, is now sponsored by American Shops Inc. on WJZ-TV, New York; Buckeye Garment Rental Co. on WEWS, Cleveland; Courtesy Motors on WENR-TV, Chicago.

Eager to show-case its "last word" receivers in offices and homes of broadcasters, RCA Consumer Custom Products Division (Harriett Higginson) exhibited and offered these special discount prices at NAB convention: *Breakfront* model, with projection TV, 40% off list, price including excise tax \$2,471.70; *Regency*, with projection TV, 40% off, net price \$1,985.97; *Contemporary*, non-TV, 41% off, net price \$1,372.14; *Modern*, non-TV, 38%, net price \$1,437.48; *Secretary*, non-TV, 38% off, net price \$1,568.16. Berkshire components are also available to broadcasters for own built-in jobs. Miss Higginson reported several orders placed during convention.

WNEW's Bernice Judis, who master minds that big New York independent's \$3,000,000 business, is subject of sketch in April 18 *Time Magazine*, which notes: Television? Trudie Judis sees no immediate threat. "Right now, all TV performers' eyes look crossed," she explains with a that's-that air. But eventually, "specialization will be needed. And the networks will have to get their ideas from somewhere. It will be up to the independents to supply them." As for networks: Trudie regards [them] as slow-witted pachyderms. "They can't create—they can only buy," she says.

Longest TV microwave remote yet is claim of Washington's WMAL-TV for 55-mi. jump from 2,400 ft. Signal Mt., near Winchester, Va., to be used for April 29 Apple Blossom Festival.

Among biggest post-war Signal Corps contracts awarded was recent one to Federal, for \$11,783,087 worth of vehicular FM equipment (AN/GRC-3 through 8 series).

LOWER PRICES AND MASS MARKETS: To the hottest items in the current TV trade reported in these pages recently (Vol. 5:15) you can add GE's plastic-cabineted 10-in. number at \$239.95 (Model 805). Heavily advertised, it's moving fast -- and it underlines what appears to be an accelerating drive down into the mass market, meaning lower prices. Such a trend is natural, of course, and it's been going on moderately for some time. But only recently has it become a persistent note in trade talk.

Though the big producers say they're selling their sets as fast as they can turn them out, the signs nevertheless point to a buyers' market in TV. The authoritative Retailing Daily, rounding up Wall Street analyses April 19, says exhaustion of middle and upper income market isn't far distant, adds that if the industry wants to maintain its present rate of expansion and utilize its facilities most profitably, it must widen its consumer base.

Analysts assert, as did Sylvania's researcher Frank Mansfield (Vol. 5:14), that "producers will be compelled to adopt more and more aggressive merchandising policies as the competition for this mass market is intensified." Conclusions aduced: "Prognosis is...greater and greater sales volume, with prices descending as each new stratum of the consumer market is attacked...A lower profit per unit, however, will have the same financial effects as in other industries. It means only that the most efficient producers will be able to remain [as] going gets tougher."

Retailing publishes chart of estimated 1949 set output of 11 companies, adding up to 2,670,000 units as against earlier RMA estimate of 2,000,000. Companies' own figures are given. DuMont, Zenith, Hallicrafters and Bendix aren't included, nor are scores of smaller manufacturers (see our TV Directory No. 7). If estimates of every company were available, newspaper says, total would undoubtedly exceed 3,000,000. These are the figures:

RCA Victor, 495,000; Philco, 400,000; Admiral, 400,000; Motorola, 250,000; Emerson, 200,000; GE, 200,000; Westinghouse, 200,000; Crosley, 175,000; Magnavox, 150,000; Teletone, 150,000; Olympic, 50,000. These figures may not be far out of line, for fact is tube situation has eased considerably (see story p. 1).

FAIR GAME FOR FORENSIC PITCHES: Lumbering Ed Johnson of Colorado got up on the Senate floor Wednesday and, playing to a small house, cut loose with a long and severe lambasting of FCC and the big guns in the radio industry. His words got lots of headlines because he's chairman of the all-important Senate Interstate Commerce Committee in charge of radio. But they shouldn't cause TV enterprisers any lost sleep, nor should they deter TV set sales, as did his "obsolescence" outbursts (Vol. 5:9-14).

For the baseball-loving Senator (he's president of Western League) delivered a lot of wild pitches, bean-balls and a few strikes with obvious intent of forcing (a) clear channel decision limiting broadcasting stations to 50 kw and permitting channel duplication, and (b) immediate adoption of uhf and color TV. Latter plainly isn't something that can be forced by either Senatorial or FCC fiat for they're problems of technician, laboratory and industry -- beyond the ken of legislation.

Sen. Johnson has stated these objectives before, but from his speech and an interview with him afterwards, we've winnowed these major points:

1. "Staff and industry run Commission." He believes that commissioners, despite individual competence and integrity, are poorly organized, waste too much time making speeches and attending international conferences, leave to staff members too much policy-making. He wants a "thorough-going" staff shakeup. And he alleges the broadcasting industry, which it must regulate, in fact controls Commission.

2. No legislation intended. He believes simple Congressional pressure, such as he's exerting, single-handed, will bring about FCC action. His investigating subcommittee (Vol. 5:16) hasn't scheduled any hearings yet -- probably won't, if FCC makes the "right" clear channel and uhf decisions.

3. Emphasis on color TV. He looks on color TV as salvation of small town operator, advancing this novel idea: "Color television will help the little fellow because he could sell local advertising which he cannot sell with black and white." That's tipoff to his misinformation, for fact is that black-and-white isn't cheap

enough yet for most big as well as small town broadcasters, and it's consensus that color equipment (when developed) is bound to be even more expensive. Intra-FCC memoranda from technical staff, he said, indicate color will work.

4. Vhf and uhf. Unfreeze vhf and allocate uhf simultaneously, he demands, to "give everyone an equal start [and] get rid of this feverish, uneconomic haste to get into TV to secure a scarce channel." He doesn't think more uhf information is needed for an allocation now. "Open it up. Let the scientists develop it. The standards for AM broadcasting have changed through the years, haven't they?"

As for Ad Hoc Committee, he regards its activity as mere patchwork: "Perhaps committee...hesitates to write a report which will make it clear that the present TV allocation scheme just will not work...Such a finding would buttress with engineering documentation the frequently repeated charge that the original allocation was and is a monopoly device. Also such a finding would make obvious the need for a quick shift into color and the uhf, so that a non-monopolistic and truly nationwide TV service might become available."

And so on, for more than an hour. Time and again, he knocked down FCC, its staff, industry's big boys -- picked them up and gently dusted them off with mildly favorable comments -- then clipped them again. "I hated to make such a rough speech," he said later, "but it's the only way to do the job."

Worth noting are the things he didn't say: He didn't repeat his TV receiver "obsolescence" theme, didn't even use the word, though he claimed industry's monopolists (viz., RCA) want to skim cream from vhf before coming out with something new, such as color. He didn't mention Stratovision, said he didn't because it seems to have died down, except for relaying purposes -- and he's all for that use. FM doesn't trouble him much; he feels it will come along gradually, blames poor sets.

On House side, there's no disposition to probe into radio matters. Both Chairman Crosser (D-O.) of Interstate Commerce Committee and Chairman Sadowski (D-Mich.) of subcommittee feel nothing is to be gained by rehashing last year's FM hearing. And, for present, they're content to see what comes of Sen. Johnson's clear channel and TV activity. However, Rep. Ramsay (D-W.Va.) has introduced a clear channel bill (H. R. 4004) along same lines as Sen. Johnson's, and Rep. Walter (D-Pa.) excoriated FCC, NAB, BMB and "big interests in AM" for throttling FM.

MERCHANDISING & OTHER TRADE NOTES: Heavy merchandising is order of day in TV, to say nothing of radio: Davega chain in New York offers free installation and 10-day trial of RCA table model sets...Lacy's in Washington has corps of door-to-door TV set salesmen offering free demonstrations in prospect's home; Lacy's, also, advertises \$349.95 Garod AM-FM-phonograph console (non-TV) at \$99.95...In Denver, GE dealer offers trade-in allowance of \$255.55 toward a TV set to any purchaser of radio-phonograph console if TV should come to Denver within 12 months (altogether unlikely, inasmuch as no CPs for stations have been issued there and competitive hearing after end of freeze means long delay before grants and construction)...And GE slashes its radios \$30 to \$90 per set, following trend started by Philco (Vol. 5:11).

Other news notes of the TV trade: Federal Television Corp., 137 Duane St., New York (no connection with IT&T subsidiary) showed line this week featuring 3-knob tuning, all sets with FM. Table models include 12½-in. at \$425, same with expanded picture \$459, same in Chinese cabinet \$595, 15-in. at \$525. Four console combinations have 12½ or 15-in. tubes, include 3-speed changers, range from \$499 to \$830. Top of line is 15-in. breakfront with bar, AM-FM, 3-speed changer, \$1,795...Brunswick's Canton and Consort models have been cut \$100 to \$695, Tibet cut \$100 to \$1,195, Cathay remaining \$895 (see TV Directory No. 7)...New Mattison Television & Radio Corp., 30 Rockefeller Plaza, New York, has 15-in. table model, 30 tubes, \$489; 12½-in. commercial model with sealed-on lens, \$550; president is Richard Mattison, ex-Televista and Minerva...Sylvania is still considering putting out TV set under own brand name (Vol. 5:7,9) by end of this year, president Don Mitchell told stockholders meeting April 20...Boston's big Jordan Marsh dept. store (member of Allied Stores group) advertised 16-in. private brand console at \$389.50, apparently same as Hallicrafters' \$395 unit. Hallicrafters also makes 16-in. Artone (Vol. 5:13,14).

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TBA-NAB TO GO SEPARATE TV WAYS: Television Broadcasters Assn., small but cohesive alliance of telecasters and major TV manufacturers, decided Friday to go it alone -- its board solidly opposed to joining up with NAB, stating they're unimpressed with any NAB offers to date. Coincidentally, NAB president Justin Miller was circularizing his board this week to ask their opinion of plan to detail executive v.p. Jess Willard to head up a TV Dept. within NAB. And NAB's newly formed Broadcast Advertising Bureau (Vol. 5:16) was setting in motion plans to service TV industry with data on rate cards, contracts, case histories, etc.

So the lines are clearly drawn between the 2 trade associations -- TBA to be expanded, its budget increased, a paid president engaged to front for telecasters and TV manufacturers jointly. It's an open secret the job will be offered to FCC Chairman Wayne Coy, presumably to consider after he gets back from his European mission in July.

TBA's ace is fact that, though telecasters are generally losing lots of money, several dozen TV manufacturers (the TV "circulation department") are doing well indeed, are eager to help build up telecasting -- just as radio manufacturers were in the early days when they largely carried NAB. A trade association devoted to TV alone, uninhibited by AM, will obviously have more appeal to them than one in which TV, like FM, is merely a "department". Though NAB claims some 300 of its members are in TV (as licensees, CP holders or applicants), its dominance by AM members, particularly the independents now in the saddle (Vol. 5:16) and none too happy about TV's encroachments, leaves little doubt "one big tent" idea is still far away.

Too, the ill-concealed disaffection of the well-heeled networks (and some big broadcasters) toward NAB lately undoubtedly impelled them to get behind TBA's expansion project. All the networks, several dozen telecasters and about a dozen manufacturers presently comprise TBA, plus a few ad agencies, reps, schools, etc.

SAN FRANCISCO'S NEW TV & OTHERS: TV station No. 62 takes air next Thursday, May 5 -- ABC's KGO-TV, San Francisco, going on regular schedule after testing for several months. It's city's second outlet, will be managed by KGO manager Gayle V. Grubb. No date set yet for inaugural of ABC's KECA-TV, Los Angeles, also testing, and it looks now like only one more new station in May: WFBM-TV, Indianapolis, due May 30. Thereafter, the still definitely-promised June starters are WGAL-TV, Lancaster, Pa., now testing 5 hours daily preparatory to June 1 start on 7-day, 5-10:30 p.m. schedule (with coaxial service from all 4 networks); WKY-TV, Oklahoma City, whose inaugural is now officially set for June 6; WHTM, Rochester, June 11; WCPO-TV, Cincinnati, June 14 -- plus a few probables (Vol. 5:9).

Applications for 3 more in Texas were filed this week: Texas Telenet System seeks Channel No. 10 in Fort Worth, making it 2 for 3 there (Television Enterprises, with some of same principals, having withdrawn); and No. 3 in Waco, making it 2 for 4. Texas Telenet is already applicant for Austin, Corpus Christi and San Antonio, includes among stockholders Gov. Beauford Jester (Vol. 4:36). Third application is for No. 5 in Longview, filed by A. James Henry, appliance dealer, who asks that pre-freeze channel be moved from Tyler, 35 mi. away. [For full details about applications, see TV Addenda 7-D herewith.]

Notes on projected new stations: Dallas' KBTU (Tom Potter) got tower under way this week, reports lawyer Ross Bohannon, and contract for new building is being let; DuMont, he said, has assured test pattern by June 15...WDEL-TV, Wilmington, Del., has tower up, antenna mounted, building ready, RCA transmitter due for May 6 delivery, should be on test shortly thereafter...Atlanta Constitution's WCON-TV filed for CP modification to ask FCC to okay 1,000-ft. guyed tower, which with antenna would rise 1,113 above ground -- highest proposed since KRNT's plans for 1,530 ft. near Des Moines, now abandoned. Super-height is designed for rural coverage; antenna system alone would cost \$157,380.

Second to seek authority for 500-watt transmitter, pending network, more sets, competition (Vol. 5:17), is WMBR-TV, Jacksonville; it asks FCC to reconsider February action citing it for lack of diligence (Vol. 5:11)...Lewis M. Tarnapol, New England Television Co., Fall River, Mass., applicant for TVs there and in Boston, Kansas City, St. Louis, Buffalo, Worcester, Springfield, Mass. (TV Directory No. 7), wires in response to inquiry that his company "will pursue its present applications and will file others if necessary until it has at least one metropolitan station."

MOVIES & TV, STRAWS IN THE WIND: Motion Picture Assn. (Eric Johnston), representing biggest motion picture producers and some 95% of the industry's volume, at last is facing up to fact that TV is a burgeoning competitor, has set up big-name committee to study, evaluate, report on TV medium. Plan is for new TV Dept., headed by Johnston aide Edward Cheyfitz, to maintain continuing study of TV's progress, recommend ways and means of using it to benefit movie business. Committee's chairman is Jack Cohn, Columbia, and members are: Earl Sponable, 20th Century-Fox; Paul Raibourn, Paramount; John Whitaker, RKO; Ted Black, Republic; Louis Blumberg, Universal; Leopold Friedman, Loew's (MGM); Sam Schneider, Warner Bros.; Edward Morey, Allied Artists (Monogram).

MPA move comes 2 years after Society of Motion Picture (and Television) Engineers first recommended such an industry committee (Vol. 3:17) and 6 months after Theatre Owners of America got hot about TV (Vol. 4:41). Movie majors frankly admit potential impact on boxoffice, though say it isn't very evident yet, and see 4 basic TV outlets for their own capacities: (1) Making film for TV -- small potatoes now but promising mighty market someday. (2) Showing old and new or specially made features on TV, perhaps sponsored -- impracticable now because TV can't pay enough and exhibitors have warned of reprisals. In this connection Phonevision is being watched, but no MPA member has yet offered to go along with it, even for Zenith's promised experiments. (3) Using TV to promote boxoffice -- buying time for trailers, etc., which may create new movie fans. (4) Theater TV -- piping own material into theaters, even competing against telecasters for exclusive rights to special events, such as sports, showing these perhaps at hiked admission rates.

Noteworthy is fact none besides Paramount and 20th Century (and Warner in Los Angeles) seems particularly anxious to get into TV swim by acquiring stations.

In any event, the big producers, hard hit by curtailed foreign markets and divestment of profitable theater properties, aren't sitting back complacently any more, are now placing little stock in the smug observation by one of their old-time leaders: "When the time comes, we'll buy." Indeed, current straws in the wind already have a lot of people thinking hard.

* * * *

If asked, NBC will produce TV programs for any theater or group of theaters for exclusive TV showings (via radio or wire lines from central source into theater). So NBC executive v.p. Charles Denny has told TOA executive director Gael Sullivan. It's still an "iffy" question, for theater people have yet to specify what they intend to do, but NBC sees no competition between telecasting and special services, feels it has facilities and know-how, says there's no reason why it should not "earn an honest dollar" servicing theaters as well as telecasters. But, Denny warns, NBC would continue to forbid use of its telecasts by theater owners and others charging admission unless special arrangements are made. Last year, it got court

(Continued on Inside Back Page)

It still looks like fall—September's a good guess—before TV freeze ends (Vol. 5:15). Commissioners, including Chairman Coy, say there's no intention of holding up action while Coy and Walker are gone for May 19-July 15 Paris conference. Actually, mechanics of FCC procedure—apparently an unavoidable sort of legalistic square dance—render question rather academic, since they almost certainly eliminate possibility of major final decisions on freeze or uhf before the two return. Since everything awaits Ad Hoc Committee's report (Vol. 5:16), industry's eager beavers keep wondering what can be keeping it so long. One important reason, sometimes overlooked, is fact FCC technical information chief Ed Allen leaned over backwards in picking committeemen with strongly varying ideas. But once report is out, opposition to it should be just about nil, and speed should be limited only by FCC procedure. That assumes no entanglement with uhf problems—still a big "if."

ABC gross network billings reached new high of \$12,133,005 during first quarter of 1949, compared with previous peak of \$11,857,464 same period in 1948. First quarter was marked by signing of \$570,402 in new network business, plus \$784,685 on ABC-TV. Profit figure wasn't made public, but slight increase in gross parallels that of CBS (Vol. 5:17) whose first quarter gross (including depressed recording business) was \$27,018,288 vs. \$26,252,456 for same 1948 period. Note: CBS continued talent raids this week, taking Groucho Marx show away from ABC, Wed., 9-9:30 p.m., effective Sept. 28, Elgin-American continuing as sponsor (billing about \$500,000).

Group of TV applicants in cities where 20th Century-Fox has applied (Boston, San Francisco, Seattle, Kansas City) has asked FCC to dismiss motion picture company's request for declaratory ruling on anti-trust question (Vol. 5:11) on ground each case should be considered separately. They suggest motion picture companies be required to limit their TV activities to production and distribution of program material (films), leaving business of operating stations to independent ownership in line with Supreme Court ruling on theater holdings.

Flurry over CBS's color TV work started April 25 when *Radio Daily* reported network was about to revive color broadcasts, using new transmitter, improved cameras and receivers. CBS whipped out a quick denial, said it had no such plans, figured misunderstanding must have grown out of fact it had changed frequency of experimental station W2XCS from 480-496 mc to 560-580 mc. Said one spokesman: "We don't intend to start any color agitation."

Small Town Television: "Erie, Pa. likes its lively, brand-new low-cost station," says May 2 *Life*, carrying 7-page pictorial story of WICU—latest in series of features about TV that make it apparent *Life* is fascinated with TV. Same issue also carries double-spread advertising *Time-Life* sponsorship of *Crusade in Europe* "in more cities than any program in television history." May 2 *Time* also carried same ad.

Dropping of FM grants, 17 this week [see FM Addenda 2-EE herewith] and 81 since Jan. 1, while undeniably serious, isn't quite as bad as it appears. Quite a few have been cancelled recently by FCC for "failure to prosecute." This amounts to a long-delayed "file cleaning" at FCC. Eight of the 81 had been on the air. Only 4 new applications have been filed thus far this year. Week also saw 6 AM grants relinquished [see AM Addenda 3-Q herewith].

Lost in IRE's vast non-broadcast membership, broadcasting engineers within IRE have formed own sub-group, henceforth joins NAB's annual Engineering Conferences.

Unique "battle of TV merchandisers" shaping up in Greenwich, Conn., according to April 22 *Printers Ink*. Seems George Dibert, J. Walter Thompson Co., v.p. on RCA accounts, has opened Telecenter Inc. in plush New York suburb where he has home. It's an investment, also enables him to try out own merchandising ideas. He stocks RCA sets exclusively, has 25-seat TV theater for patrons, keeps late hours. Competing with Telecenter Inc. is Greenwich Home Appliance Co., which sells all TV makes as well as appliances, and is owned by H. W. Newell, executive v.p. of Geyer, Newell & Ganger ad agency. Newell has filed suit against Dibert, alleging Telecenter Inc. is too similar to his store's slogan, "Television Center of Greenwich."

Radio makers did right well in sales during fourth quarter of 1948, SEC report shows. Net sales of 12 major manufacturers listed were \$318,703,000, compared with \$247,300,000 for third quarter of 1948 and \$278,370,000 for fourth quarter of 1947. Only Zenith, Farnsworth and Sparks-Withington showed drop in sales. Rank during 1948 fourth quarter: RCA, \$100,535,000; Philco, \$81,758,000; Sylvania, \$27,500,000; Admiral, \$24,250,000; Zenith, \$19,193,000; Motorola, \$18,730,000; Raytheon, \$16,329,000; Emerson, \$9,725,000; Magnavox, \$9,395,000; Sparks-Withington, \$5,434,000; Farnsworth, \$3,630,000; Sentinel, \$2,224,000.

Hotelevision Inc., equipping hotel rooms with TV receivers fed from master control, is offering 480,000 shares of class A stock at \$1 (25¢ par) to finance expansion. This is amendment of offering last November (Vol. 4:46) of 160,000 shares at \$3 (\$1 par). Company, tied up with Olympic, has completed or begun installations in New York's Roosevelt, New Yorker, Essex House, New Weston, Roosevelt Hospital, Delmonico and Sutton, Brooklyn's Granada, Chicago's Sherman, Cleveland's Hotel Cleveland. Handling offering is Cantor, Fitzgerald & Co., New York.

Sir Ernest Fisk, president of Britain's big Electric & Musical Industries Ltd., England, takes exception to our report (Vol. 5:9) that new DuMont plant at Paterson, N. J., with its 500,000 sq. ft., is believed to be largest single radio factory in world. He writes us that the EMI factory at Hayes, Middlesex, occupies 1,900,000 sq. ft.—300,000 devoted to gramophone records, 1,600,000 to radio. We should have qualified the DuMont item by stating it claims it's probably the biggest single television factory.

WJZ-TV, New York, raises base rate to \$1,500 per hour June 1, thus joins other 3 TV network flagships on time charges. New York's WPIX remains at \$800; Newark's WATV, \$450. Only other rate card change since our April 1 *TV Directory No. 7: Television Rates & Factbook* is WBAP-TV, Fort Worth, which on May 1 goes to \$200.

When you're asked by students and others for "material" about TV, refer them to Sunday April 24 special 22-page section of *New York Times*—best editorial job we've yet seen for historical perspective and excellently balanced treatment of industrial, technical, program aspects of TV.

Fourth chapter in NAB's TV study, edited by Charles Batson, went to members this week. Entitled *Building*, it's one of the few compilations that show relationship between scope of operations and space requirements, suggests methods of planning for future expansion.

Texaco has moved entire radio account to Kudner Agency Inc., which has been handling its *Texaco Star Theatre* (Milton Berle).

Chicago's Electric Assn. has set Sept. 30-Oct. 9 as time and Chicago Coliseum as place of second annual National Television & Electrical Living Show.

Personal notes: Changes at CBS include I. S. Becker, director of program operations, taking over handling of TV talent deals, talent unions, AM-TV package programs; Henry Grossman, now director of plant and construction; Wm. H. Fineshriber Jr., now director of operations; Gerald P. Maulsby, now mgr. of broadcasts . . . Willard Walbridge promoted to sales mgr. of WWJ and WWJ-TV, Detroit, succeeding Harry Betteridge resigning to become partner in ad agency of Denman & Betteridge.; Don DeGroot new WWJ, WWJ-TV program mgr. and Stanley Swales night mgr. . . . John Vrba, ex-Abbott Kimball Co., new promotion mgr. of KTTV, Los Angeles . . . Independent Television Producers Assn. elects Martin A. Gosch, president; Henry White, v.p.; Nathan Rudich, secy; Irvin Sulds, treas. . . . Charles C. Bevis Jr. named director of NBC's 5 owned-and-managed TV stations, moving to New York from station manager of its WNBK, Cleveland.

United Nations General Assembly sessions from May 2 will be covered by CBS-TV daily from 10:30 a.m. to noon and 3 to 5:30 p.m. (when not carrying baseball). NBC-TV is also installing permanent pickup facilities to switch in on debate of special interest. UN itself is making kine-recordings of major speeches and will ship films throughout the world.

Unusual medical use of closed circuit TV—for training student psychiatrists — was among suggested uses of "Utiliscope" system described by Madison Cawein and J. A. Good, of Diamond Power Specialty Corp., 37 W. 43rd St., New York, at April 26 RMA-IRE Philadelphia meeting. Idea is that students can observe examination of patients without disturbing latter with their presence. Equipment is made for either 200-line or 300-line resolution, was developed by Farnsworth and Diamond.

Culling Shakespeare with TV in mind, Irving Genn found some remarkably apropos quotes for special TV section of April 24 *New York Times*. For example: "A station like the herald Mercury, New-lighted on a heaven-kissing hill"—*Hamlet*. "The image of it gives me content already; and I trust it will grow to a most prosperous perfection"—*Measure for Measure*. "Shall we see this wrestling, cousin?"—*As You Like It*.

To correct TV reception ills of various sorts, Crystal Devices Co., 50 Mill Rd. Freeport, N. Y., makes "Telantune" (\$15) to eliminate mismatches, "Teletrap" (\$8.50) to strain out FM or amateur signals, "Tenastub" (50¢) to remove standing wave ghosts. Company is headed by Norman L. Chalfin, formerly of *Radio & Television News*.

Details of terms aren't available, but RCA and Philadelphia Radio Servicemen's Assn. settled anti-trust complaint brought by servicemen last year (Vol. 4: 34) out of court. Servicemen had charged RCA TV service policies were in restraint of trade.

Still cagey about results, RCA has tried reducing co-channel interference between Detroit's WWJ-TV and Cleveland's WNBK, using new frequency separation technique (Vol. 5:16,17). We've heard it works as well as synchronization, if not better.

Consistent reception in 220-mi. distant Reno, Nev. of San Francisco's KGO-TV Channel 7 test pattern is reported by ABC. If reception is indeed consistent, it's indeed "virtually unprecedented," as press release claims.

Importance of government orders to radio manufacturers is shown in RMA's 1948 sales figures: Govt. orders for transmitting equipment amounted to \$181,885,651; sales billed, \$113,083,721.

Exactly 10 years ago this day, April 30, 1939, NBC's experimental TV station W2XBS (now WNBT) began official operation with telecast of President Roosevelt's speech at opening of New York World's Fair.

Network TV sponsorships: ABC-TV pitching for Thursday night dominance, with this lineup starting May 5: 7:30 p.m., *Blind Date*, with Arlene Francis, sustaining; 8:00, *Stop the Music*, Old Gold and Admiral sponsoring half hour each; 9:00, *Crusade in Europe*, film based on Eisenhower memoirs, Time-Life sponsoring; 9:25, *Pal Headliners*, film highlights of week, Pal Razor Co. sponsoring; 9:30, *Actor's Studio*, sustaining . . . Joe Lowe Corp. (Pop-sicles) on May 2 sponsors *Lucky Pup* on 28 CBS-TV stations, Mon., mainly via kine-recordings; Phillips Packing Co. on May 11 takes Wed. *Lucky Pup*, so that now it's sponsored across board—Ipana Tue. and Thu. and U. S. Rubber Fri.—though on varying numbers of stations . . . CBS-TV's prize-winning *Studio One* will be sponsored by Westinghouse starting May 11, Wed., 10-11 p.m. . . . General Foods dropping Sun. night *Lambs Gambol* and *Author Meets Critic* after July 3 . . . Toni Co. has signed on CBS-TV for comedy serial *That Wonderful Man*, Thu. 9-9:30 p.m., starting June 2 . . . William Morris Agency preparing Ed Wynn for return via TV, but no sponsor or network yet arranged.

TV station sponsorships: National Brewing Co. believed largest single-market TV buyer, taking 8½ hours weekly on WMAR-TV, Baltimore, including daily afternoon *Sports Parade*, weekly wrestling, weekly amateur show from downtown theater . . . Leisy Brewing Co. sponsoring half of home games of Cleveland Indians on WEWS; TV rights sold for \$75,000 . . . Jacob Hornung Brewing Co. sponsoring Garden City race meet on WFIL-TV, Philadelphia, half hour daily . . . Gunther Beer sharing with Atlantic Refining simulcasts of Baltimore Orioles on WMAR-TV and WITH . . . WNBT, New York sells two 5-min. films weekly to Jacob Ruppert Co., spots on *Easy Does It* to American Cigarette & Cigar Co., station breaks to Cameo Curtains Inc. and Pabst . . . Ohio Oil Co. sponsoring INS-Telenews on WHIO-TV, Dayton . . . Motor Parts Co. (Zenith TVs) takes film spots on WCAU-TV, Philadelphia, whose new accounts also include Simmons Mattresses, Ranger Joe Cereal, Reed & Barton silversmiths, Warner Bros. trailers for film *The Set-Up* . . . Among 31 new accounts on WTTG, Washington: Chesterfield, all home games of Senators; Valley Forge, National and Gunther beers, Garfinckel's dept. store, Safeway Stores . . . Ford Dealers of So. Calif. take 5 weekly 7:30-7:40 p.m. local-regional newsreels on KNBH, Los Angeles . . . Vernor Ginger Ale signs Hal Newhouser, Tigers pitcher, for weekly baseball highlights on WJBK-TV, Detroit . . . D. P. Harris Hardware & Mfg. Co (Rollfast bicycles and roller skates) placing films titled *Rollfast Thrillers on Wheels* in most TV markets . . . Westinghouse's KYW (AM) takes sign-off ann. on Philco's WPTZ, Philadelphia, featuring pictures of radio personalities, urging listening in morning and late at night.

Giving his barber a TV set for his shop, one Samuel Bernstein, Brooklyn, will be repaid with haircuts, shampoos and massages for about 8 years. Said barber Abe Chayet, as reported by *New York Herald Tribune* in front page story April 14: "I didn't even want the set. I couldn't afford it. But Mr. Bernstein, just a regular customer, insisted. Just like that. He said it would give me good will. He's a nice guy who just wanted to do a nice thing. Now the place is packed and business is good."

First TV citations in annual George Foster Peabody Radio Awards, announced April 21, went to ABC-TV's *Actors Studio* for "outstanding contribution to the art of television" and to NBC-TV's *Howdy Doody* as "outstanding children's program."

Fame and fortune await inventors and producers of (1) TV set with effectual built-in aerial, and (2) battery-operated TV portable. Soon or late, we're bound to get them.

injunction against such use of its Louis-Wolcott telecast (Vol. 4:26).

NBC's parent RCA has been plugging theater-TV last few years, showed latest in big-screen projectors at SMPE convention in early April (Vol. 5:15), aroused considerable interest when it offered new and simpler theater unit for about \$25,000 each. Film Daily reports from Hollywood this week that Charles Skouras' National Theaters Corp., big theater chain, will set up 5 or 10 of them in Los Angeles area in next year to study costs, audience reactions, etc.

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Comeback of vaudeville, attributed to TV, has New York's famed Palace Theater reopening two-a-day May 19, with 8 acts drawn from TV, radio and night clubs as well as old timers, change of programs Thursdays; these, added to feature film, may signal hand-in-glove cooperation of theaters and new media to advantage of both, a la newspapers-and-radio...William Morris Agency, retained by Hal Roach to syndicate his 30, 20, 10-min. films produced specially for TV (Vol. 5:17), is getting ready to quote package rates to TV stations...Control of acts suitable for TV bookings, keenly competitive as between William Morris Agency and Music Corp. of America, reported to be reason why MCA's chairman Jules Stein is moving headquarters to New York while president Lew Wasserman prepares to spend 6 months per year in New York...Fact that New York is TV network (and therefore talent) center, that trans-continental circuits are 3 years or more away, obviously has Hollywood worried, for Los Angeles and Hollywood chambers of commerce have joined with Academy of Television Arts and Sciences to put over idea that Hollywood is the "Television Capital of the World"...Rudy Vallee signs radio-TV rights to Chicago Tribune's Dick Tracy comic strip to be produced by his Vallee Video, is reported dickering with NBC for 15-min. weekly film and 30-min. weekly AM show...Joint TV committee of TOA-SMPTE meets again May 4-5 in New York to explore related activities in TV (Vol. 5:15).

NOVELTY WEARS OFF BUT IMPACT STAYS: Recommending you observe customary caution in weighing surveys, we offer some highlights from recent study by Northwestern U marketing students under Dr. George R. Terry. "Novelty" factor is explored in this second TV survey by Dr. Terry. Half of the 883 Chicago and suburban families interviewed had their sets more than 6 months, half less. Survey was made before East-Midwest coaxial hookup. These findings stand out:

(1) There is an initial enormous novelty aspect, and it does fade considerably with time. But here's what is remarkable: It fades without diminishing in any degree its powerful impact on other major mass entertainment media, particularly radio and movies. For example, in families owning sets less than 6 months, children preferred TV 47 to 1 over radio, teen-agers 14 to 1, adults 9 to 1. In "6 months or longer" families, respective figures dropped to 14 to 1, 6 to 1, 5 to 1. Yet both groups termed TV "more enjoyable" by a ratio of 8 to 1 -- this in spite of fact that both groups gave radio a slight edge (1.1 to 1) in "better programs."

(2) Radio is hardest hit of all media in new (under 6 months) TV families -- 81% listening less, 17% same, 2% more. It's even harder hit in older TV families -- 83% listening less, 16% same, 1% more.

(3) Movies are next in line of fire, TV's impact remaining constant for both groups -- 70% go less often, 29% same, 1% more. Unfortunately, survey doesn't attempt to show just how much less radio listening and movie-going is done by those who do less.

(4) Listening to phonograph suffers to extent that 44% of newer TV families and 46% of older families say they listen less.

(5) Other types of recreation -- reading, sports attendance, dining out, etc. -- are definitely affected, but tend to recover slightly in older TV group.

(6) TV commercials were enjoyed by 46%; 32% didn't like them. Principal reasons for dislike: (a) too long, 31%; (b) too much repetition, 12%; (c) too many, 8%; (d) badly timed, 5%; (e) silly, 5%.

Note: Copy of survey may be obtained on request by sending stamped, self-addressed envelope to Dr. Terry, School of Commerce, Northwestern U, Chicago.

ENGINEERS TRADE UHF RECEIVER NOTES: The week developed some new wrinkles in uhf receivers and converters, nothing new in transmitters. Reflecting quickened pace of uhf experimentation (Vol. 5:13), Cincinnati IRE meeting April 23 was devoted almost entirely to uhf. DuMont's R. F. Wakeman described company's much-talked-about continuous uhf tuner (Vol. 4:38 et seq). Nucleus of unit is two concentric slotted metal cylinders, one turning within the other. It tunes whole 475-890 mc band. Engineers thought it a good effort, but expect it to be somewhat troubled by drift and radiation. RCA's Robert Romero went into theory of uhf reception, discussed various means of achieving it, told of a promising "pencil triode" tube now being made for military. Crosley's John D. Reid had a suggestion which sounded eminently worthwhile: Let receiver manufacturers adopt a standard intermediate frequency for uhf receivers now, then uhf stations can be so allocated that uhf receivers won't interfere with each other -- as they have, more or less, in vhf. Chances are JTAC will adopt the idea, recommend it to industry. Some of the above uhf papers are scheduled for publication soon in Electronics Magazine.

That uhf converter of Stanford Research Institute (Vol. 5:13) turns out to be one made for John H. Poole, wealthy oilman, miner, realtor and ex-ham, whose Pacific Video Pioneers has CP for experimental W6XOR in Pasadena. It comes in 3 types: fixed-tuned at 530 mc, tunable over 475-675 mc, tunable over 475-890 mc (last in bread-board stage only). Characteristics, described by Institute's chairman of electrical engineering T. H. Morrin, sound pretty good, we're told.

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First full-scale uhf satellite experiment -- NBC's proposal for Bridgeport, Conn. (Vol. 5:7-8) -- is due for FCC consideration and probable approval next week. NBC's answers to FCC's apprehensive questions (Vol. 5:13) made it clear that station would rebroadcast full schedule of WNBT, New York (including commercials), but that advertisers wouldn't be charged for additional coverage. NBC also said uhf receivers or converters will be distributed, but not sold, to observers. Of course, there's nothing to stop other manufacturers, such as Zenith, from selling or showing off their uhf wares in Bridgeport if they want to.

'OPERATION BLACK' IN ST. LOUIS: Here's a report from the keenest optimist we've yet encountered among major TV station operators, George M. Burbach, directing the St. Louis Post-Dispatch's KSD and KSD-TV:

During April 19-26 week, KSD-TV turned a profit of exactly \$864.18 on a gross of \$6,483. It operates an average of 45 hours per week, usually 3-10 p.m. daily, carries Cardinals daytime home games sponsored by Dodge Dealers and Griesedieck Brewery (at \$530 per game), is about to add Browns daytime home games with spot sponsorships. It gets the cream of all the networks and substantial amount of kines-recordings. Its base rate is \$300 per hour (see TV Rates & Factbook No. 7). It's St. Louis' only TV outlet as yet.

This profit week is not the only one KSD-TV has enjoyed, says Mr. Burbach, but it's the biggest -- and the rate of sales is upward. The \$864.18 profit was left after charging off \$1,500 for depreciation and amortization, allocating proper share of overlapping AM-TV employes, pro rating rent, heat, light, etc. In fact, it's the tightest bookkeeping of any business operation this veteran newspaper-radio executive (he quit advertising managership of Post-Dispatch to devote all time to radio) says he has ever kept.

On the air 2 years as of last Feb. 7, KSD-TV had then registered cumulative loss of \$250,000 -- about \$130,000 of it last year. This year's operation should be "slightly out of the red." Next year should be fairly profitable. And far from detracting from AM revenues, KSD-TV hasn't affected KSD's business at all; indeed, KSD's gross is now at all-time high.

There you have another possible straw in the wind -- to match the profitable operations previously claimed for KLEE-TV, Houston (Vol. 5:14), WHNC-TV, New Haven, and WDTV, Pittsburgh (Vol. 5:7). And there's word, with no figures yet to back it up, that KSTP-TV, St. Paul, and WICU, Erie, Pa., are both slightly in the black -- latter after only 2 full months of operation!

FAIRER WEATHER AND CALMER SEAS: RCA's Gen. Sarnoff tells White House reporters Wednesday, after conferring with President Truman about his recent trip to Europe, that present TV sets won't be obsolete for "many years." Dr. Allen DuMont tells American Marketing Assn. color TV is 10-to-20 years away. And Zenith's much-controverted "obsolescence" ads (Vol. 5:11), making delayed-deadline appearances in this week's Saturday Evening Post and last week's Colliers and Time, arouse very little of the trade furor they did when carried in the newspapers a few weeks earlier.

So now, maybe, it's a normal and tranquil TV industry that plunges into renewed competitive effort in ever-widening and wide-open TV markets. Maybe...

Zenith's Comdr. McDonald isn't retracting anything, though it doesn't look like he'll continue the same sort of advertising. But he's unpredictable. Right now, his publicity pitch seems to be for his pet project, Phonevision. He's quoted in March 29 Film Daily as promising Chicago tests this fall (though no arrangements have yet been made with phone company nor has any big-time film producer indicated willingness to release his features) and predicting: "Phonevision will become a billion dollar industry by 1955...Grass will grow 10 years from now where 75% of the movie theaters now stand."

Don't discount fealty of Zenith distributors in recent Zenith vs. industry affair. It's known that many Zenith dealers, among others, were incensed over the ads. But we also have the word of one of the East's biggest Zenith distributors that not a peep was raised at Zenith's recent Chicago convention when Comdr. McDonald explained his position, not a question asked when he invited questioning. This distributor said half his dealers were on Zenith's side, recalled other lone battles McDonald has fought and won, opined this time he was again leading the good fight.

A powerful personality, yet astute business man, this ex-Navy man knows how to trim sail when necessary, as evidenced by fact that he finally plumped full force for TV after holding out against it for several years. It's even possible (he told us once) he will become a radio and/or TV advertiser, like so many of his successful competitors -- this despite his oft-expressed aversion toward broadcast commercials.

Note: RMA president Max Balcom finally named his "public relations committee" (Vol. 5:12) this week, though immediate need has been largely negated by FCC Chairman Coy's statement (Vol. 5:13) and the relative calm now prevailing. When it will meet, what it will do, is undecided. Chairman Paul Galvin, Motorola, is back in Florida. Other members: Ben Abrams, Emerson; W. R. G. Baker, GE; H. C. Bonfig, Zenith; James Carmine, Philco; John Craig, Crosley; Allen DuMont; Joe Elliott, RCA; William Halligan, Hallicrafters.

CAN THEY STAND COMPETITIVE GAFF? Some are crying the blues, others (mainly big fellows) say their TV business is holding steady or even going forward despite adverse influences of recent weeks (Vol. 5:10-13). So it's pretty hard to assess the merchandising picture very clearly at this writing.

But it looks like March should push TV production forward, for first-week's estimated RMA output figure is around 35,000, which is close to the best. March will be 5-week audit month, so may hit record 175,000 or more units. Best previous month was December's 161,179 (Vol. 5:4), slumping in January to 121,238 (Vol. 5:8), in February to 118,938 (Vol. 5:12). Remember, too, that RMA figures don't include non-member but big producer Admiral, to say nothing of several dozen small set makers. Full month's figures won't be available for several weeks.

Talk in industry is one of frank surprise that so many small manufacturers have lasted even this long. Early days of radio are recalled, with its high mortality, many with substantial brand names. It's freely predicted that many of the 116 firms reportedly making TV sets, or saying they will (TV Directory No. 7), can't

possibly stand the competitive gaff. How can they get materials, particularly picture tubes, to compete with mass producers? How can they afford test equipment alone on factory lines that require so much more precision than radios? How can they guarantee the service that has now become a concomitant of most TV set purchases?

Nevertheless, it's interesting to note that only 8 names (all obscure ones) have disappeared from list we published last Jan. 1, which has been revised for our TV Directory No. 7 of April 1. Some 15 new firm names appear, none yet very well known, including: Automatic, Bell, Hollywood Electronics, Midwest, National Polytronics, Philips Industries, Pioneer, Royal, Snaider, Speedway Products, Tel-A-See, Telindustries, AMI, Aireon, Brite-Ray.

NEWS NOTES ABOUT THE TV TRADE: An interesting disclosure in our new compilation of TV manufacturers and receivers (TV Directory No. 7): 21 set makers report they're producing "expanded pictures," 5 of them circular. They are: Andrea, Ansley, Bace, Brunswick, Emerson, National Polytronics, Nielsen, Olympic, Packard-Bell, Philco, Regal, Scott, Starrett, Telindustries, U.S. Television, Video Corp. With circular images: Belmont, Garod, Hallicrafters, Tele-tone, Zenith.

Admiral has very hush new TV set ready for May debut, but won't tell anything about it yet save to say it's "sensational." Meanwhile, Admiral sales chiefs, ending tour of main distribution centers with New York showing of new sets this week, report their distributors throughout country have less than 4-day inventory. New sets shown were 3 with 12½-in. picture tubes, all with AM-FM and 3-speed, single tone-arm phono. Model 4H145 is counterpart of Admiral's \$399.50 console, lists at \$475; 4H155 is same in credenza, \$550; 4H165 is same as 4H18 in plain console, \$550.

"Mad Man" Muntz, Los Angeles used car dealer turned TV merchant, for whose private brand Howard Radio is making chassis, told Chicago reporter for Radio & Television Weekly that his set will sell for \$229, has 65 sq. in. picture (10-in. tube, expanded), soon should be produced at rate of 6,000 per month...Regal at New York showing of its TV line (TV Directory No. 7) tells Retailing it hopes to produce 10,000 sets this year, Trav-Ler at Chicago showing of new TVs says it expects to reach 200 units per day by end of May...Magnavox has new 16-in. console in corner cabinet called "Brittany", lists it at \$595...Macy's new 16-in. Artone (Vol. 5:13), advertised and promised for April 4 delivery, has been put back to May 15-June 1.

North American Philips' new Protelgram projection unit, which ordinarily gives 192 sq. in. from 2½-in. tube, has been geared to project up to 3x4 ft. images on home movie screen, or on inside projection TV sets. It uses 25 kv input, is designed mainly for public places. Only other change from basic unit is larger optical system. Shown this week in Chicago, it will be demonstrated in New York next week, in Los Angeles April 14 week...RCA has new 15x20-in. projection set with remote control unit; it lists at \$795, replaces 8PCS41 which was same without remote.

Mortality among radio-TV set manufacturers is significant point of Dept. of Commerce report on *Trends and Prospects in Radio and Television Receivers* issued this week. Of 58 set-makers in 1941, only 49 were still in business in 1948—total having shot up to 132 in 1946 and down to 107 last year. Only 37 of 80 newcomers who went into business between 1941 and 1946 were still operating in 1948, but 21 additional newcomers came in between 1946 and 1948. In TV, only one set maker was making commercial models in 1941, 40 in 1946 and 76 in 1948 (18 TV-only manufacturers). Twelve of the 40 in TV set manufacture in 1946 had bowed out by 1948. Sources of figures, say Commerce analysts Charles P. Redick and James P. Forman, were trade directories.

Philco annual report confirms estimated sales and earnings (Vol. 5:11), reveals 1948 total sales of \$275,424,340 and earnings of \$10,531,914, equal after preferred dividends to \$6.32 per share; sales are up 21% from 1947's \$226,507,592 and earnings of \$9,630,699 (\$6.18 a share). TV, radio, phonograph accounted for 46% of 1948 business.

"Overproduction in the radio industry and the growth in consumer preference for TV receivers caused a substantial unbalance," states Stewart-Warner president James S. Knowlton in reporting 1948 sales at \$72,534,085 vs. \$76,930,304 in 1947. Net profit in 1948, however, amounted to \$3,154,316 (\$2.44 per share), up 29% from \$2,436,634 (\$1.88) in 1947.

New Television Manufacturers Assn. (Vol. 5:13) was incorporated April 2 in Albany, N. Y., according to president Michael L. Kaplan (Sightmaster) will function "to acquaint the public with accurate and scientifically tested TV information."

Current emphasis on TV is further reflected in RMA February report showing sales of radio receiving tubes dropped to 12,643,788 in February compared with 17,097,461 in February, 1948, and 13,508,906 in January, 1949.

Sales of \$3.9 billion in 1949 for electronics industry as a whole are estimated by *Radio & Television News*. Breakdown of estimate is part of elaborate market analysis based on questionnaire of magazine's readers.

SCANNING THE TV MARKET POTENTIAL: Forecasts and advices from the TV sales fronts:

Sylvania's research chief Frank Mansfield, in survey on "Attitudes of Non-Owners of Television," comes up with "indication" that 2,170,000 families may buy sets in 1949 but that 1,580,000 must be considered this year's probable volume "under present conditions of salesmanship, promotion, programming and confusion regarding pricing, frequencies and screen sizes." Sampling non-TV families in 8 TV areas (only 11% saying they had never seen TV), he projects market potential to calculate 16,600,000 homes can be considered eventual TV prospects. Most of 1949 prospects (850,000) are found in \$3,000-\$5,000 income class, with 550,000 in \$5,000-and-up class, 180,000 in under-\$2,000 class.

Avco's John W. Craig, Crosley gen. mgr., told National Retail Furniture Assn. April 5 that the 1,500,000 TV sets sold to date represent only 3% of saturation of the national market, predicted that over next 10 years TV more than any other product will bolster retail furniture, dept. store and appliance trades...Young & Rubicam research chief Peter Langhoff, speaking April 6 before American Assn. of Advertising Agencies in White Sulphur Springs, calculated today's TV sets at 1,400,000, foresaw tenfold increase within 5 years...FCC chairman Wayne Coy, speaking to New York Rotary Club April 7, stated that in 3 years (by end of 1952) there will be TVs in 17,000,000 homes, about half the homes in U.S.

TV's BEST SELLERS & OTHER ITEMS: Hottest items in the current TV receiver trade, responsible sources report, apparently are Admiral's 10-in. \$399.95 combination console (4H15), Motorola's 7-in. \$199.95 table model portable with attached indoor aerial (VT73), RCA's 10-in. \$325 Bystander and 16-in. \$495 table (8T270). They're reported to be the fastest selling items.

That isn't to say others are lagging -- at least, the heavily advertised brands. Philco, still unloading radio inventories with deep price cuts (Vol. 5:11), is very much a factor, though its TV production plans have been cut back (Vol. 5:13). DuMont, Emerson and GE, among the other mass producers, report they're doing well -- and a sleeper in the trade seems to be Sentinel's 7-in. portable at \$199.95.

But the upsurge of Admiral is one of the industry's phenomena. It's even been reported in No. 1 position, but this is unlikely, though it's certainly one of top 3. All we can learn officially from Admiral, on inquiry, is that it's currently producing at rate of 100,000 sets per quarter.

Other news notes from the TV set makers: That "under \$300" RCA set (Vol. 5:13) will be 10-in. table at \$299.95, according to unofficial but reliable sources...RCA's new installation and service policy permits indoor antenna installations, if within 2 Mv contour of a station, at \$45 instead of regular \$65...Raytheon's new "Belmont" 10-in. console with 70 sq. in. circular picture (Vol. 5:9) includes AM-FM and 45rpm, sells for \$399.95...John Meck Industries has 10-in. table model (65 sq. in.) for \$279...Fada has cut its 10-in. table by \$50, now \$325; its projection console \$150, now \$699.50. New Fada line, for April 25 delivery, includes 12½, 15 and 16-in. TV-only table models at \$399.50, \$524.50 and \$499.50, respectively; also 12½-in. console with AM-FM-LP, \$849.50...First RCA TV with new 45rpm changer is 10-in. console with AM-FM and 78rpm phono, "Madame X" changer being in separate compartment; it lists at \$595, or \$625 blonde...U.S. Television Mfg. Co. cuts price of 15-in. table models by \$200; list now is \$495, same as RCA 16-in.

Both Sylvania and DuMont cut prices of 12 and 12½-in. picture tubes to manufacturers and consumers, trend begun when glass makers cut bulb prices and DuMont reduced 15-in. all-glass tube prices (Vol. 5:8)...Brunswick, maker of period furniture TVs, is going in for custom installations, according to trade ad, using Protelgram projection as well as large-tube direct-view with AM-FM-3 speed phono...North American Philips v.p. L. J. Chatten, in introducing Protelgram units that throw

3x4-ft. images (Vol. 5:14), predicted projection sets priced down to \$300 by 1952, revealed Protelgram unit sells for "under \$100" to manufacturers, reduction of more than \$20. Big picture job should be on market in 60-90 days, should retail for \$500-\$600, it's said. About 5,400 Protelgrams were included in TV sets in 1948, and it's predicted 1949 should see 100,000 made.

Note: Current Radio & Television Retailing (Caldwell-Clements) notes "trend toward projection TV," devotes 27 pages to projections, mainly Protelgrams.

'WE NO LONGER WILL USE IT'—ZENITH: Ever provocative, never one to run away from a good fight, Zenith's president Eugene F. McDonald Jr. doesn't retract his claims for uhf TV (Vol. 5:11-14). But he's obviously concerned about the overwhelming industry resentment he recently stirred up with his "obsolescence" advertising, for he addressed an April 1 letter "to all television manufacturers" which is quite placatory. It invites them to get behind uhf and make 2-band TV receivers. Not released to the press, it's Comdr. McDonald's first formal statement since the rumpus stirred up by his ads. He writes (underlinings and capital letters his):

"Some manufacturers have protested the statement in our advertising that only Zenith has built-in provision for accommodating the ultra highs. That statement was true when made -- but we no longer will use it because we now know of other manufacturers who may soon be on the market with two-band sets. We welcome this growth of competition and look for the day when every manufacturer can make the statement that they also have two-band receivers.

"I realize that in establishing the ultra highs as a commercial service we have problems to solve in building transmitters with sufficient power and coverage BUT THIS IS NO EXCUSE FOR DELAY ON THE PART OF MANUFACTURERS. We were told by many manufacturers that the industry could not effectively use the 100 megacycle band for FM; then we were forced to it and made it work. The sooner we manufacturers get going with UHF receivers, the sooner these problems will be solved and the sooner FCC will be able to establish full nationwide television service.

"No industry can be built by misleading the public or by keeping them in the dark on future developments with the hope of making two sales instead of one. Let us, as an industry, build that which will serve the public best. We can supply two-band receivers at a lower cost to purchasers than they would have to pay to purchase one of the present one-band receivers and then a converter, which may or may not work. Let us as an industry, move PROMPTLY to build public confidence and help the FCC make television a truly great, national industry."

Enclosed with letter is Zenith v.p. Henry Bonfig's statement to recent RMA board meeting (Vol. 5:12), and repeated are arguments for more TV channels and the need for uhf. "It is ridiculous to assume," is one point, "that there will be separate markets for vhf and uhf. If many satellite cities like Waukegan, Ill., near Chicago, or Camden, N.J., near Philadelphia, are assigned stations in the new uhf only, it does not mean that they will provide a market for single band uhf receivers. People in these cities will insist on reception from vhf in their areas and will demand two-band receivers."

TV PRICE-CUTTING AND TRADE-INS: Price-cutting still dominates merchandising of TV receivers, impelling the authoritative Retailing Daily to remark April 5: "With business on the down trend and competition tougher every day, discounting has squeezed so close to cost in some stores that TV may achieve the distinction of becoming the least profitable item on the sales floor."

In New York, it notes, some independent outlets are cutting 22 to 25% off list, commission salesmen sometimes getting as little as \$2.50 on sale of a \$500 unit. "The consumer no longer has to go out of his neighborhood to get the bottom price..."

Bendix is first manufacturer fixing trade-in prices, so far as we know; in lieu of price cuts, its dealers are accepting radios as well as TVs in trade. Bendix sells direct to dealers, who can take in old radio and allow \$50 off the \$349.95 TV model, \$60 off \$359.95 blonde version, \$130 off \$629.50 AM-FM-LP console.

Wayne Coy Analyzes

Trends in Broadcasting and Impact of Television

Salient Excerpts from FCC Chairman Coy's Address Before National Association of Broadcasters
Chicago, April 11, 1949

... Just before leaving Washington Friday afternoon I received a letter from Felix Jager of *Look Magazine* to which was attached an article entitled "Radio Is Doomed." This article is written by Merlin H. "Deac" Aylesworth, first president of the National Broadcasting Company. The article is to appear in the [April 26] issue of *Look* . . .

The thesis of Mr. Aylesworth's article is that radio as we know it today will be wiped out within three years. "Powerful network television will take its place," he continues, "completely overshadowing the few weather reports and recorded programs left to remaining single, independent (ear) radio stations."

Now there is a challenging bit of thinking . . . Even in his absence I think it important to explore the questions raised by his provocative statement that "Radio Is Doomed."

At this point a few statistics may provide useful background.

Networks Up 7.3%, Stations 7%

Total broadcast revenues in 1948 for 7 networks (4 nationwide and 3 regional) and almost 1,900 standard broadcast stations are estimated to be approximately \$408,000,000. This represents an increase in aggregate industry revenues over 1947 of about 12%.

A large part of the increase in aggregate revenues in 1948 was due to the operation of about 340 newly licensed stations in that year. Thus, while aggregate revenues increased by \$44,000,000, it is estimated that \$18,000,000 is accounted for by the newly licensed stations in 1948. The remaining part of the increase, \$26,000,000 was registered by the networks and the pre-1948 stations. The increase in revenues achieved by the networks and their key stations (\$7,000,000) was approximately 7.3% while the remaining stations increased their aggregate revenues by \$19,000,000, or 7%.

Aggregate 1948 industry expenses are estimated at \$342,000,000, or an overall increase of 14.5%. Eliminating the new 1948 stations, which accounted for \$21,000,000 of the aggregate expenses, network and station expenses increased by approximately 10% in 1948.

Thus, although aggregate broadcast income (before Federal income tax) decreased by 8.3% for the industry as a whole, *eliminating the new 1948 stations*, aggregate income (before Federal income tax) for the pre-1948 stations and networks decreased by 4.2%.

One Out of 4 AMs Are Losers

Financial reports for 1948 covering 1,448 of 1,830 standard broadcast stations show that more than one out of four stations incurred losses in that year. The greater number of these "losing stations"—stations whose total broadcast expense exceeded their broadcast revenues—started operations in either 1947 or 1948. 58% of the stations started in 1948 lost money that year. 34.2% of the

stations started in 1947 lost money in 1948. 15.1% of stations started in 1946 or earlier lost money in 1948.

A quick comparison of the 1948 financial experience can be made with the immediate pre-war period. In 1939, 32.6% of the stations in operation lost money; in 1940, it dropped to 24.7%; and in 1941, still further to 21.9%. The pre-war years, however, are not strictly comparable with the post-war years due to the fact that the composition of the industry before the war contained a relatively small proportion of new stations (8% in 1940 and 6.4% in 1941) as compared to 1948 when 19% of the total stations were new that year. In addition, almost half (44%) of the total stations in 1948 were in operation only two years or less.

With respect to the 58% of the new 1948 stations which lost money in 1948, it should be noted that during the period 1939 through 1945, an average of 50% of the new stations during that period lost money in the first year of operation. The highest proportion during this period was in 1939 when 65.2% of the new stations in that year reported losses. After a steady decline in this percentage during the war years, the proportion of new stations losing in their first year of operation jumped to 62% in 1945 and 63% in 1947.

Classifying the Losers

In examining losing stations with regard to network affiliation, we find that although 15.1% of the total stations licensed in 1946 or prior years lost money, only 11% of network affiliated stations reported losses, while 32% of the non-network stations reported a loss.

Of the 700 FM stations on the air in 1948, approximately 586 were operated in conjunction with AM stations with no separate time sales of the FM outlet.

Of the remaining 114 FM stations, revenue data for 1948 were reported by 72 stations. The aggregate revenues of these 72 stations is estimated at \$1,000,000. A projected estimate for all 114 stations amounts to \$1,600,000 revenues during 1948.

For the 72 reporting, aggregate expenses of \$3,400,000 are estimated. Thus, an estimated loss of \$2,400,000 has been incurred.

Of the 72 reporting, four reported profitable operations during 1948. In each case, the station was on the air for the full 12 months.

TV Lost \$15,000,000 Last Year

During 1948, the four TV networks and 50 stations (total on the air during the year) reported aggregate revenues of approximately \$8,700,000, aggregate expenses of \$23,600,000 and losses of almost \$15,000,000. All networks and stations reported a loss from operations during the year.

No comparisons with 1947 are possible since during that year fewer than 20 stations were on the air and commercial operation was negligible.

Of the \$8,700,000 industry revenues, approximately \$2,500,000 were derived from network programs with the remaining \$6,200,000 sold directly by the stations.

The distribution of total revenues, expenses and losses as between networks and stations was as follows:

	Revenues (In millions)	Expenses (In millions)	Loss (In millions)
4 networks (including 10 owned and operated stations)	\$4.8 (55%)	\$11.2	\$6.4
40 other stations	3.9 (45%)	12.4	8.6
Industry Total	\$8.7 (100%)	\$23.6	\$15.0

In evaluating the above, it should be noted that no network was in commercial operation during the entire year and that only 17 of the 50 stations operated during the entire year. Exactly half of the stations operated only six months or less. Average *monthly* station revenues ranged from \$20,000 in the case of the "full year" stations to \$5,000 for stations in operation only two months or less.

TV Operating Expenses and Revenues

With respect to total operating costs of TV stations, the following data are based on 14 of the 17 stations in operation during the whole of 1948 (The 3 stations excluded are "key" stations of the networks whose expenses are not completely segregated from the network expenses):

Aggregate Annual Operating Costs of 14 stations	\$7,532,000
Average per station	538,000
Average per month per station (divided by 12)	45,000
Highest Annual Operating Expense	814,000
Lowest Annual Operating Expense	59,000

In connection with the above, it is, of course, to be noted that the number of hours of station operation per week varied from as little as 10 hours to as much as 50 or more hours.

Perhaps an even more pertinent set of figures is a compilation showing for 1948 the proportionate share of total revenues going to television stations in seven major metropolitan markets. The table follows:

Metropolitan District	1948 Total		1948 Total		Total Revenues (AM plus TV) (\$ mill.)	Percent of TV is of Total
	No. of Stations	Broadcast Revenues of AM Stations (\$ mill.)	No. of Stations	Revenues of TV Stations (\$ mill.)		
New York, N. Y.	26	\$24.5	6	\$2.2	\$26.7	8.2%
Chicago, Ill.	18	15.9	4	0.7	16.6	4.2
Los Angeles, Calif.	23	10.5	3*	0.5	11.0	4.5
Philadelphia, Pa.	13	6.7	3	0.7	7.4	9.5
Washington, D. C.	14	4.8	3	0.4	5.2	7.7
Baltimore, Md.	8	3.7	3	0.3	4.0	7.5
Milwaukee, Wis.	7	2.8	1	0.2	3.0	6.7
Total	109	\$68.9	23	\$5.1	\$74.0	6.9%

* A fourth station, which went on the air December 31, 1948, reported no revenues.

What the Statistics Prove

Just what conclusions are to be drawn from these statistics? That probably depends upon the point one is trying to prove. Personally, *I don't think these figures support Mr. Aylesworth's prophecy of no sound radio within three years.* Nor do I think that the figures refute his essential argument which is built upon his belief in television becoming the greatest of our media of communications. *The essential difference between Mr. Aylesworth and me is one of time—or really the question*

of how soon television can become a nationwide competitive system and with "circulation" in most of the homes of America.

That there will be a transition period is a certainty. Mr. Aylesworth's three years seem much too short to me in terms of the radio manufacturing industry's ability to build the receivers necessary for circulation. And that is not the only problem. Decision by the FCC with respect to the VHF "freeze" and the problems involved in determining the utilization of the UHF also affect the timing.

The statistics I have cited seem to point to certain supportable conclusions:

1. There is grave financial risk in starting a new aural radio station. More than half of all the new stations started last year lost money that year. I hear rumblings all about me in this convention about the number of grants made by the Commission. The Commission cannot give consideration to the question of economic support for a station under the prevailing interpretation of the Sanders case.

2. There seems to be a definite relationship between the number of "losing stations" and the excess profits tax. In fact, there seems to be a definite relationship between profits in the broadcasting business and the excess profits tax purely on the basis of broadcast profits during the war years.

3. I am sure that there is a definite relationship between the proportion that television is taking from the total advertising dollar—as we saw in the table I presented on seven major metropolitan areas—and the television circulation in those areas. I do not have at hand the receiver distribution figures to bolster this conclusion but I am sure of the point. In other words, I think it is a sound assumption that television will, in the future, take an increasing share of the advertising dollar in direct proportion to its increase in circulation in any area.

Competitive Trend Is Toward TV

Will all of those dollars come from radio? I don't think so. Some of them will. Some will come from other media. Some will be new advertising dollars. The danger, from radio's point of view, is that it will lose dollars to all media, including television, as a result of loss of audience to television.

There is no doubt that television and sound radio are entering into a *period of intensive competition.* It is, first of all, *competition for audience.* Television is seeking audience (circulation) and radio is fighting to hold it. It is also a *fight for the advertiser's dollars.* The trend is toward television—if I can understand the implication of the statistics.

I do not see anything on the horizon which indicates that this trend will be reversed. The tendency is to emphasize economy programming. In a few instances this tendency is resulting in stations ignoring local program needs. Does such a trend, minor though it may be at the moment, support radio in competition for audience?

Broadcasters, generally, have failed to see the potential increase in audience to be gained by using their FM facilities. I am not cognizant of any widespread promotion of FM in areas where FM can make network and other program services available and areas which the AM facility, under the same ownership, does not serve adequately. A few broadcasters are doing this successfully. As a matter of fact too few AM broadcasters are duplicating their full program schedule over FM, thus depriving many listeners of service, and many thousands of others improved service. I have to conclude that many broadcasters are not using their FM facilities in the public interest.

"Television as the Dominant Medium"

Make no mistake about it—television is here and here to stay. If there be those in this audience today who think they can lick it, who think they

can stall the development of television in this country or in their community, I urge them to give heed because they know not what they see before them.

I see television as the dominant medium of broadcasting in the future. It is a new force unloosed in the land. I believe it is an irresistible force. It is a technological discovery that the people want and demand. It is not something that you have to high-pressure the people into buying.

In the metropolitan areas where it has already started, television has met with sensational acceptance.

But don't think that the people outside the metropolitan areas are going to be content to grow old gracefully while television passes them by. The day of the hinterland, the provinces, the backwoods, the sticks has passed in America. Radio itself helped to hurry that process. The wartime prosperity and the dispersion of our industrial plants took us further along the road toward greater equality of opportunity.

Can You Afford Television?

Many of you have pointed out to me that your city cannot afford to support an investment in a television transmission station of half a million dollars or more. In addition, you have cited the annual-operating costs approximating the initial investment. I can't disagree with that argument on those assumptions. I just cannot accept the assumptions as valid. I know that contrary thinking flies in the face of my own figures taken from the experience of 14 of the 17 stations operating all of 1948.

The need is for simplification and reduction in cost both as to plant and operating expenses.

I see very little thinking in this direction. There is still entirely too much emphasis on glamorous buildings and too little on sound plans to get television service to everyone in America.

Each large metropolitan area can support one or more major stations with studios, field pickup equipment, management, operating and sales staffs. These major cities will be interconnected with coaxial cables or radio relay circuits and form the core of television programming. Talent, shows, exhibitions, etc., which make up the regular program service, are available in these cities. There are of course, possibilities of other shows or events originating outside of these points but, for the time being because of cost of irregular operation, these should be considered unavailable.

The Satellite Idea Again

The service of each major station is definitely limited by the transmission characteristics of the frequencies used. This can be fairly accurately calculated. For purposes of illustration, the service area can be assumed to be a circular area with a radius of 40-50 miles. This service area usually includes the uniformly dense population, but at the edge the population is in general concentrated around secondary cities and towns. These cities and towns can each be served by a simple "secondary station" with location and power properly selected to serve the area. The number, location and radiated power of such "secondary stations" is determined by the population distribution. Thus cities like Chicago, New York, Philadelphia, might have three to five "secondary stations" surrounding them.

These "secondary stations" must be simple in construction and operation to give minimum investment and operating cost. The stations must be, as nearly as possible, automatic in operation, thus requiring minimum staff. The program service must be supplied directly from the central program source and such "secondary stations" should not be expected to provide program material. These stations should not require studios, management, sales or programming staff. In all respects this type of "secondary station" should simply be a repeater for the program

source in order to extend the coverage for the program, thus dividing it among a larger number of audience units.

The second step is to serve the cities and towns along the connecting lines. The same type of "secondary station" transmitter can be used. Taps on the connecting circuit can be made along the line at any point of amplification. The company operating the connecting lines (AT&T) should develop simple terminal equipment to be connected at any convenient point of the circuit to give service to a local station.

The third step is service off the connecting line. From each of the stations on the line "secondary stations" can pick up and repeat the program. The quality of the picture may permit a second repeat but with simple apparatus it is improbable that acceptable service beyond this can be obtained. Simple radio relay spurs of one or several hops can be provided, and technical improvements will make it possible to extend these spurs and maintain quality. If costs can be supported, more elaborate relay lines or coaxial lines may fan out from points on the main line.

Thus one can build up a network very similar to the network of a railroad system—major terminals, intermediate stations, short side spurs and secondary lines. The analogy differs in that in the television service every station can have the same service to it, but no service can be provided in the reverse direction without large capital and operating expenditures.

This network can be justified and expanded only if the costs are geared to the audience added. Competition can be provided by parallel networks. The only limits to the number of competing networks are economics and availability of frequency bands. It is probable that, in most of the U. S., the former will be more limiting than the latter.

Local Programs, Too

A "secondary station" such as I have described, and particularly those not satellite stations on the edge of large metropolitan areas, can provide local programs as well as network programs. The transmitter can be designed so that "field equipment" can be connected into it directly or by a simple radio circuit. Thus local sports events, local speakers, local forums, local dramatic productions, etc., can be added to the service. This same "field equipment" can be used to pick up local shows or add local advertisers. This added service should grow with the audience as returns justify it for each addition requires additional equipment and management and operating personnel.

I would like to see all these possibilities explored. I do not think television need stay in the millionaire class. If it does millions of people in this country will never have the opportunity to enjoy it regularly.

There has been some thinking that all broadcasters ought to have first call on a television frequency for their community. I cannot accept any thesis setting up a preferred class of applications. But I certainly would like to see developments in television which would make it possible for all qualified broadcasters to get into television. I hope that in these ideas I have advanced there may be some such possibilities.

The people on Main Street know about television, are excited about television and if they don't see signs of getting it in a reasonable time, they are going to start asking questions. They will start asking embarrassing questions of you—their local broadcaster.

And they are going to look inquiringly to the government agency charged with making communications available "to all the people of the United States."

Before Many Months . . . UHF Allocation

I think you all know that the Commission has in recent months been intensifying its study of methods of making more channels available.

I am certain that before many months we can establish our Ultra High Frequency allocation and thus open up

this new frontier of the spectrum so that it may be possible, given imaginative leadership rather than Maginot Line leadership, to take television service to all of America.

In the face of more competitive, more realistic economics in broadcasting, you gentlemen will have to make numerous readjustments. You will want to practice economies and fight harder for business.

In this period of readjustment from the lush days of the war, you will be faced with the temptation to go down the primrose path of commercial excesses, to reduce the quality of your programming, to cut corners on your public service programming.

In that hour of temptation it will be well to remember not only the long-range health of your own operation but the security of the whole structure of broadcasting. It will be well for everyone to get out the Communications Act and study the obligations for public interest, convenience and necessity.

"National Earache" and "National Eyesore"

The public interest, I can assure you, is not expendable.

A concerted lowering of standards would be calamitous to the whole field of broadcasting, could lead to sound broadcasting becoming the national earache and television the national eyesore.

In fact, I suggest that one of the first measures you take to strengthen the position of your individual station and the whole industry for the more competitive future is to begin building a better program structure. Ask yourselves if you are serving your community as well as you can.

In this connection I would like to read a portion of a letter that I received recently from a friend of mine who formerly headed one of the more important federal agencies. He is by no means a starry-eyed dreamer nor a

long-haired esthete, nor a professional needler of radio—just a good, sound substantial citizen. He has been ill of late and has spent a good deal of his time at home. And he has been listening to the radio. Here is what he says:

"During the last year, since I ceased being a government bureaucrat, I have had more opportunity to follow the radio programs than ever before; and I must confess a great disappointment that so much which is put over the radio today is such cheap stuff. Unless radical changes are made and a higher standard is established I am convinced that radio in this country will ultimately pay a high price for the shortsightedness of management.

"Around this part of the country, by the way, I have been surprised at the large number of stations which have come into operation in recent years, and the drab character of the programs they put out. These stations impress one as being operated purely for advertising purposes and with little sense of public responsibility."

To those who are quick on the draw with the First Amendment, I would refer the caution of Dr. Zechariah Chafee, Jr., professor of law at Harvard University in his book, *Government and Mass Communications*:

"The First Amendment was not adopted to protect vehicles of advertising and entertainment. They are legitimate and beneficial activities but so are stock-broking and circuses which receive no constitutional immunity."

With that mighty instrument of mass communication, the motion picture, given over to escapist entertainment, and the newspaper field presenting the anomaly of an almost exclusively one-party press in a two-party nation, the media of broadcasting has a unique opportunity to serve as our greatest forum and thereby win a more secure place in the hearts of the American people.

LOOKING AHEAD WITH THE SOOTHSAYERS: This week brought more nervous assaying of TV's place in the advertising sun, favorite topic of the advertising industry's soothsayers. Obviously replying to FCC Chairman Coy's provocative NAB address (Vol. 5:16), managing director T. F. Flanagan of National Assn. of Radio Station Representatives, was stung into telling Boston Radio Executives Club that station owners at NAB convention "were lectured at, called down, bawled out, berated, disinflated, threatened, their early demise predicted if they ran AM stations, and their bankruptcy predicted if they ran TV stations." Flanagan went on:

"Regardless of the bright future of TV, and it is bright, AM is way out ahead for many years, and your best bet is that it will keep on growing in annual time sales for the foreseeable future, no matter what other advertising media may do."

Newspapers should not underestimate TV's potentialities, was warning from Harold Manzer, president of Newspaper Advertising Executives Assn., business manager of Worcester Telegram & Gazette, speaking Thursday at New York convention of National Newspaper Promotion Assn. He said: "Newspapers may feel [TV's] effects less than other media, but all will suffer inroads as many appropriations are diverted, sometimes to the disadvantage of newspapers." But he opined newspapers should fare better than radio because they deal primarily in news, not entertainment. Going along with Manzer, veteran adman Roy S. Durstine told National Editorial Assn. meeting in New York Friday: "No matter how big TV grows, how important it becomes, the American people are still going to want their newspapers. And advertisers are still going to want to advertise in them."

And CBS continues its campaign to maintain radio-TV balance, set off by sales v.p. Bill Gittinger at last January's TV Clinic (Vol. 5:4) in talk titled "Seems Radio Is Here to Stay." CBS's TV v.p. Jack Van Volkenburg told Minneapolis Ad Club Wednesday: "TV is beating every estimate that has been set up for it...In size of audience and in volume of advertising [TV] is already where we expected it to take another year to get." Then CBS sales manager John Karol came across with: "Just as radio has taken its place as a great advertising medium without detriment to the healthy units of older media, so we may look upon TV as a supplement rather than destroying other media."

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Let's look at what some other crystal gazers see in TV's economic and artistic future, as recently reported:

Printers Ink: Opines in April 1 issue that early estimates of 1949 TV sales are "too low." Most optimistic estimate thus far is \$30,000,000, Rorabaugh Reports showing 1,027 advertisers using TV in March (vs. 917 in February and 727 in January) and expenditures for TV time during first quarter of 1949 totaling \$5,240,665. Says Printers Ink: "Gross time sales for the year are certain to exceed \$30,000,000. Add the bills for talent, rehearsal time, film and other items, and 1949 may well witness an advertiser investment in TV of \$100,000,000."

Broadcasting Magazine: AM business seems to be leveling off its historical rising curve, for time being at least. Recent report (March 21) cited survey showing that for nation as whole only 5% of AM operators call TV "competition" while 46.4% cited newspapers, 35.6% other AM stations. But in all TV markets, TV was listed as one of top 3 competitive media. Wherefore, Broadcasting sees more "intramural competition" for the advertisers' dollar, bearing out "the oft-heard contention that telecasting is creating new advertising dollars rather than euchring them away from radio budgets. It appeals to many of the big newspaper space buyers who previously contributed only a small part of their budgets to aural radio."

BBD&O president Ben Duffy: TV will overtake and pass radio by end of 1954, according to majority of radio, manufacturing, advertising and sales promotion exec-

utives surveyed by BBD&O. But Mr. Duffy also told recent New York City College radio-TV conference that 89% of those surveyed feel TV won't kill off radio, as talkies did silent pictures. He didn't think radio and TV are necessarily competitive, saw new money going into TV sponsorships because it will "perhaps increase sales tenfold, rather than twofold." He also observed: "Radio helped to pull us out of the big depression, and maybe TV will prevent the recession, or something worse, that some people are talking about."

Note: Sponsor Magazine's "New Advertising Dollars for TV" (March 28) goes specifically into subject: "Because TV is for the most part controlled by executives who have been in broadcasting for years, it has not been too well sold to non-radio advertisers...Firms like Cannon Mills (towels), Van Raalte (women's hosiery and underwear), and Standard Sanitary (American Radiator) have had...inadequate solicitation [and] are amazed by the fact that they have not been contacted by leading TV networks and stations...TV need not draw upon radio budgets just as long as it's viewed as a selling rather than an advertising medium. That, of course, will require a new approach...That may be difficult, but it isn't insurmountable."

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Radio columnist John Crosby: Quite dubious about "notion that radio and TV will happily cohabit the same planet." Says, "Given any measure of equality in programming, few people are going to listen to the radio if they own a TV set." Then quotes CBS president Bill Paley as seeing TV future for all his new talent (Jack Benny, Bing Crosby, Edgar Bergen, et al), Paley also saying: "I don't think people will tire of personalities any faster in TV than they do in radio...people won't get sick of a face per se. The best TV will be live TV."

Comedian Fred Allen: "All I know is what we do now on the air is no good for TV -- that most of our best and oldest stuff won't go...the video audience just won't buy it. Maybe future generations won't be so passionately interested in Benny's toupee or his parrot or his clanking car. We've been operating for years with pure sound gags as our stock in trade, and suddenly they're no good any more. God only knows what Bill Paley will do with all those comics he's bought...there's no guarantee TV will need 'em." -- Quoted by Scripps-Howard columnist Robert Ruark.

Comedian Eddie Cantor: "Sure, TV is coming and the so-called big names will be at the station when it arrives -- but I don't think that will be for several years...The big comics are a little bit too old and tired to memorize and rehearse a full half hour of entertainment each week. This means that people in control of TV will be forced to get some new faces whether they like it or not. When TV gets around to me I promise you that I shall not do more than 20 shows in a year." -- Quoted in March 30 Variety.

REPORT ON TV'S ONLY DAYTIME-ONLY: It's still too early to draw any definite conclusions about daytime TV operation, but some interesting points are reported from TV's sole daytime-only station KFI-TV, Los Angeles, by general manager Bill Ryan:

Frankly finding night competition with Los Angeles' other TVs too stiff, KFI-TV on March 1 went over entirely to daytime-only operation (noon to 6 p.m., 7 days weekly). It puts on some 20 shows daily, most 10-15 min., one 35-min., signs off with bid to viewers to tune NBC's KNBH in evening -- KNBH reciprocating by urging its viewers to tune KFI-TV at noon next day.

Operation is nowhere near profitable yet, though billings are increasing and "there has not been a single day we have not written new business -- sometimes as much as \$4,000 in one day." Practically all advertising is local, some never having used radio before (one even selling coat hangers at 6 for \$1). Reason big advertisers aren't interested yet, Ryan believes, is that billings aren't big enough to attract their agencies, but he counts on superior impact of TV to sell it to advertisers. KFI-TV is running in direct competition with top AM independents, its rates being commensurate (from \$20 for spot to \$150 for hour). According to recent survey (Vol. 5:14), KFI-TV delivers same number of TV sets as an AM independents' average afternoon hour (about 7,000); at time of survey Los Angeles had 105,000 TV sets.

NOTES ON THE MAJOR TV SUPPLIERS: You can't sell Philco short in the competitive TV picture, simply because it has been so quiet lately -- cutting national advertising to bone, dropping Bing Crosby on AM, Philco Playhouse on TV. Distributors are being told it will be out with something "very hot" soon, possibly by time of annual distributors' convention, date not yet set but usually held in Atlantic City in June (unless it's postponed by strike -- see Note below). Meanwhile, New York dealers are scheduled for Havana cruise May 27, Detroit dealers for Great Lakes cruise same day.

Aside from deep-dyed secrecy about its new product, Philco is promising only that deliveries of its expanded-image 7-in. line (Vol. 5:13) will be made in quantity between now and May 15. Its 10-in. consolette, the \$349.50 Model 1150, is being closed out. Good bet is that any new 10-in. table model will be priced to compete with GE's sensational \$239.95 job (Vol. 5:17), which is also the prospect for RCA's long-rumored "under \$300" set (Vol. 5:13,15).

Other sleeper in the trade seems to be Admiral's also very hush-hush "sensation," about which not a whisper yet (Vol. 5:14) -- Admiral meanwhile pushing to utmost its highly successful \$399.95 TV-AM-FM-phono (3-speed) console which it claims is currently outselling all other consoles combined (Vol. 5:16). Admiral will show new item to its distributors at New York's Waldorf-Astoria May 5, Chicago's Drake May 10, San Francisco's St. Francis May 12 -- breaking big ad campaign May 15.

Because so many customers want much-publicized "larger" pictures, RCA is supplying its distributors with new set masks giving 10-in. sets 57 sq. in. image instead of normal 52. Camden plans to ship some 15,000. Dealers are expected to change front of set to permit increased picture size, though RCA officially calls attention to 4% loss of picture information. On combinations, new masks permit 61 sq. in. They cost dealers \$1, and may be passed on to customer without charge.

Note: At press time Friday night, CIO union representing 4,500 employees of Philco was to hold mass meeting to discuss breakdown of negotiations for wage increase, hospitalization benefits, insurance-pension plan (adding 4½% to company's payroll) and paid holidays on Washington's Birthday and Good Friday (making 8 days in all). Since contract expires May 1 and union claims management turned down extension until Aug. 1 for further negotiations, it looked very much like strike -- and shutdown of plant Monday. Frank Blackenger, president of Local 101 of United Electrical, Radio & Machine Workers, said Philco plant employed 7,500 workers last fall but about 3,000 have been laid off since Dec. 25.

MORE TUBE CUTS & OTHER TRADE NEWS: Now the 10-in. picture tubes are dropping in price -- both RCA and Sylvania this week announcing reductions to manufacturers from \$24.95 to \$22.50 per unit, to distributors from \$27.20 to \$24.90, to dealers from \$34 to \$31.13, to consumers from \$44.50 to \$41.50. Next week, Sylvania will further reduce 12½-in. prices (Vol. 5:16) by about 10%. No changes are contemplated in 7 and 16-in. Nor has GE announced any further changes, though it's reasonable to assume its 10-in. tubes will soon be quoted lower, too.

Easing tube situation, with its competitive pricing, is biggest current news of the TV trade, but there are other significant items:

Motorola is out with 3 new sets, all with expanded pictures, apparently as replacements for its VT-107, VK-106, VT-121. New 10-in. table model is \$279.95, down \$20 from previous counterpart; new 10-in. consolette is \$299.95, down \$50; new 12-in. table, \$369.95... Belmont has cut price of 7-in. table model by \$20, now \$169.95; 7-in. portable by \$10, now \$179.95; 10-in. table by \$20, now \$279.95; 10-in. console by \$20, now \$329.95. All save 7-in. table have circular pictures... Ansley has reduced prices on 9 of its 11 models (TV Directory No. 7) from \$10 to

\$150; prices of 15-in. combinations alone unchanged...Westinghouse's new 10-in. console has been priced at \$369.95, 12-in. at \$449.95.

DuMont is now selecting distributors in key areas, departing from former policy of handling mainly through franchised dealers...Belmont strike of CIO workers ended April 21 when NLRB certified IBEW-AFL union as bargaining agent for Chicago plant...Zetka announces production of first 16-in. all-glass tube, flat-faced, claims it's 1-in. shorter than glass 15-in., 2-in. shorter than metal 16-in...New 16-in. TVs due soon from Crosley (to be shown at May 4 dealer meeting in New York's Hotel Plaza); Pilot, Ansley, Olympic, Air King and RCA -- latter's a console (8TK320) with AM-FM and priced at \$675...Stromberg-Carlson has new 12½-in. console (Weymouth) with its first expanded (92 sq. in.) picture and AM-FM, \$565.

Regulation W was further relaxed April 27 when down payments on appliances became 10%, with 24 months to pay, articles under \$100 exempted; last month's reduction (Vol. 5:10) called for 15% down, 21 months to pay...Air King showed new line this week, comprising 10-in. table at \$239.95 and console \$299.95; 12½-in. table at \$299.95 and console \$349.95...Federal Video Corp., Richmond Hills, N.Y. (not the IT&T subsidiary and not associated with Federal Television Corp.; Vol. 5:17) announces 15-in. line comprising table model at \$595, console \$650, console in Chinese motif \$795, console with AM-FM-LP \$1,495.

First "used TV" dealer on big scale seems to be New York appliance chain Monarch-Saphin Inc., planning to allow trade-ins on new sets, to recondition old sets, replace tubes, sell as second-hand with one-year warranty at \$125 to \$150. First used-TV store will be in Brooklyn. Company feels 7 and 10-in. owners will go heavily for trade-ins on larger units.

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Phono notes: Sleeper in phono trade, which RCA says is already dominated by its new 45rpm players, is mail-order record business which may soon be subject of buildup; small, unbreakable disks lend themselves ideally to mailing...Zenith has phono adapter at \$8.95 which permits playing both 33 1/3 and 45rpm records on conventional turntable; mechanism has speed levers and separate tone arms...New RCA table model radio-45rpm phono at \$79.95 has storage compartment for up to 30 small size records...Motorola's new \$59.95 portable radio-45rpm phono, also with storage facilities, is said to be lightest ever, 12 lb...John Meck Industries has 3-speed player for \$24.95, usable with radio audio system, \$19.95...Krenco Mfg. Co., 231 S. La Salle St., Chicago, has turntable for all table top and console TV sets called "Tele-Turn"; it plugs into TV set sound system...Carbonneau Industries, Grand Rapids, has "Plays-All," 3-speed adapter (Vol.5:13), priced at \$12.50...Webster-Chicago has new automatic record changer called "Duo Seven" playing 7-in. 33 1/3 and 45rpm.

Count of TV Sets-in-Use by Cities

NBC Research counts 1,447,000 TV sets in use as of April 1, according to its monthly 'census' report estimating sets installed and no. of families within 40-mi. service area (.5 Mv). Detailed listing of TV towns to date:

Area	No. Stations	No. Families	No. Sets
<i>Eastern Interconnected Cities</i>			
New York	6	3,597,000	535,000
Baltimore	3	732,000	51,500
Boston	2	1,175,000	68,400
Philadelphia	3	1,184,000	140,000
Richmond	1	130,000	9,000
Schenectady	1	258,000	20,000
Washington	4	691,000	40,800
New Haven	1	557,000	24,100
<i>Midwest Interconnected Cities</i>			
Buffalo	1	323,000	18,300
Chicago	4	1,438,000	125,000
Cleveland	2	695,000	38,700
Detroit	3	839,000	50,500
Milwaukee	1	327,000	21,600
Pittsburgh	1	742,000	10,300
St. Louis	1	474,000	25,500
Toledo	1	241,000	10,000

Non-Interconnected Cities

Albuquerque	1	22,000	700
Atlanta	2	233,000	7,300
Cincinnati	2	384,000	20,000
Dayton	2	291,000	4,700
Erie	1	112,000	2,700
Fort Worth-	1	269,000	3,900
Dallas (a)	—	277,000	4,600
Houston	1	217,000	3,500
Los Angeles	6	1,372,000	112,600
Louisville	1	188,000	6,100
Memphis	1	177,000	4,400
Miami	1	117,000	3,100
Minneapolis-St. Paul	1	333,000	12,600
New Orleans	1	225,000	4,200
Salt Lake City	1	93,000	3,900
San Francisco	1	825,000	5,400
Seattle	1	307,000	5,100
Syracuse	1	199,000	2,400

Stations Not Yet Operating

Columbus	(b)	225,000	1,300
Indianapolis	(c)	281,000	900
Oklahoma City	(d)	138,000	1,300
Providence	—	1,011,000	6,000
Rochester	(e)	208,000	600
Wilmington	—	183,000	3,400
Others	—	—	37,600
TOTAL			1,447,000

(a) Included in coverage of Fort Worth station (WBAP-TV). (b) WLW-C started April 4. (c) WFBM-TV starts May 30. (d) WKY-TV starts June 6. (e) WHTM starts June 11. Note: Lancaster, Pa. not included, but claims 2,000 sets; its WGAL-TV, testing, starts June 1.