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Television Digest

WITH AM FM REPORTS

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LOOKS LIKE \$2 BILLION RETAIL YEAR: On basis of information at hand, it's pretty good guess that TV receivers alone will account for \$1 billion factory value this year, and that concomitant business will swell TV and related trades beyond \$2 billion. Let's have a look -- repeating, in some details, our earlier report (Vol. 6:9) that "1950 Could Be \$2 Billion Year":

Then, most optimistic guess was 5,000,000 TVs to be sold this year. Now, it looks like 6,000,000 really will be achieved -- actual figure for first 4 months of 1950 being well over 2,000,000 (Vol. 6:21).

Generally accepted retail average is \$250 per set, so figure would be \$1.5 billion for actual receiver sales. To this, 10% would be conservative addition to account for servicing, antennas, parts, etc. Total thus rises to \$1,650,000,000.

Assuming radio-phono sales will run about same as last year (average \$37.50 retail on 10,000,000 units), we can add another \$375,000,000 -- so that TV-radio-phono retail trade should aggregate \$2,025,000,000.

That's the home receiver trade alone. It doesn't take into account government, military, amateur, export and other electronic equipment that come out of the same factories. Nor does it include the probable \$75,000,000 or more TV time sales of the networks and stations this year (Vol. 6:21), to say nothing of the more than \$425,000,000 AM-FM broadcasting volume (1949).

* * * *

From most authentic industry sources, we now have best available factory figures for first quarter of this year:

1,448,755 TVs were sold for \$249,209,162 factory price. Average per set at factory was \$166 in January, \$176 February, \$175 March -- vs. \$190 for 1949 as whole.

2,572,666 radios were sold for \$63,237,662 at factory.

157,818 phonographs and players were sold for \$2,713,806 at factory.

[Note: These figures fail to include output of several major producers, so can be accepted as quite conservative -- certainly an irreducible minimum.]

On basis of these figures of continuing good second quarter, of expected huge fourth quarter, estimate of 6,000,000 TVs for year at \$1.5 billion retail doesn't seem out of line -- even accepting inevitable third quarter seasonal slump.

HIATUS IN SUMMER SHOWS CUTS DEEP: Bad news for summer televiewers -- and for the TV trade -- is fact that most top network shows will vacation for 8 to 13 weeks this summer. This is in the radio tradition, affording performers time to rest while giving production folk chance to try out new ideas, personalities, formats. But it's doubtful whether these can maintain heightening popular interest of last 9 months or so -- to tune of purchases rising beyond 500,000 receivers per month.

Fall-winter look more promising than ever, with most big-time commercial shows returning and many more signed or about to be. Even this summer TV won't hit qualitative or quantitative doldrums it suffered last summer (Vol. 5:25), for reasons that (a) telecasters have more know-how and will strive harder to hold audiences with new or continuing shows, and (b) sets-in-use now total well over 6,000,000 (Vol. 6:21) whereas there were only about 2,000,000 at end of June last year.

Checking with networks, which really set TV's program pace, we find rela-

tively few top commercial shows (full or half hours) staying on without pause:

On CBS, continuing through summer, are Alan Young Show (Esso), Candid Camera (Philip Morris), Twin Time (Toni), What's My Line? (Stoppette), Ilka Chase (Ayer). Off for vacation periods go such headliners as both Godfrey shows, Fred Waring, The Goldbergs, Studio One, Ed Wynn, Suspense, Ford Theatre, Ken Murray. Uncertain as yet are Toast of Town, People's Platform.

On NBC, continuing are Amateur Hour (Old Gold), Kraft TV Theatre, Break the Bank (Bristol-Myers), We The People (Gulf), Big Story (U.S. Tobacco), The Clock (Emerson). Off go such shows as Philco Playhouse (may get replacement), Perry Como, Garroway, Kukla, Fran & Ollie, Milton Berle, Fireside Theatre, Kay Kyser, Private Eye, Gillette Cavalcade (replaced by sport films), Lights Out, Saturday Night Revue.

On ABC, continuing are Stop the Music (Admiral & Old Gold), Paul Whiteman's Teen Club (as sustaining), Singing Lady (Kellogg), Lone Ranger (General Mills). Off go Goodyear Review, Super-Circus, Holiday Hotel, 20 Questions, Auction-aire.

New summer sponsorships of half or full hours are relatively few thus far: On DuMont, Tidewater's Headline Clues, Wed. 10-10:30; Consolidated Cigar's The Plainclothesman, Wed. 9:30-10. On CBS, Embassy Cigarettes' The Web, Tue. 9:30-10; Wrigley's Gene Autry (films), Sun. 7-7:30. On NBC, Armstrong Cork's Circle Theatre, Tue. 9:30-10; Manhattan Soap's One Man's Family, Sat. 7:30-8; Anchor-Hocking's variety show, Mon. thru Fri. 11-midnight.

FCC ROLLS UP SLEEVES ON COLOR-FREEZE: Powerful drive to dispose of color issue, go immediately into unfreezing, is in full force at FCC. Commissioners now seem inclined to regard Labor Day as desirable and attainable target date for starting general allocations hearing. Best guess as to color procedure from here on is this:

Upon receipt of parties' briefs (deadline; July 10), Commission could plunge directly into continuous sessions, hammer out basic color policy within few weeks if not days. All commissioners would be on deck for sessions, foregoing vacations until afterward.

But it's hard to see how actual writing and documentation of decision, which will be done at top staff levels, can be done in less than 4-6 weeks. That would mean formal decision by early September, and there's no disposition on anyone's part now to delay allocations hearings thereafter.

Still confusing color timetable, to some degree, is import of Chairman Coy's biting remarks at end of hearing last week (Vol. 6:21), in which he took industry to task for lack of diligence in gathering color interference data. But it's believed now that, though Commission would like exact figures, it feels reasonably safe in going ahead with what it has.

Data available on co-channel and adjacent-channel interference actually shows color isn't greatly different from monochrome. FCC is extremely reluctant to start, virtually from scratch, on entirely new allocation plan unless color is obviously much more critical -- which it apparently isn't.

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Progress of actual freeze hearing, when it comes, is probably up to industry itself, in large part. So far, there's no serious challenge to Ad Hoc Committee's basic vhf findings -- though it's conceded some modifications for various parts of country may be indicated. Uhf propagation considerations could prove delaying factor, because more data has been gathered since FCC issued its proposed allocation. Some of it departs from Commission's expectations, but taken as a whole, it presents no striking disparity.

JTAC's adjacent-channel report (Vol. 6:7), submitted to FCC this week, indicates FCC was quite safe in that aspect of its proposed allocation. Based on study of cross-section of receivers representing 2-3,000,000 sets, report shows lower adjacent-channel interference about same as FCC and Ad Hoc Committee calculated, but that upper channel situation is far better than provided for. Curiously, price of set seems to have no bearing on adjacent-channel characteristics.

When hearing gets down to arguments over individual cities, it's anyone's guess as to how long that will take. There are 471 appearances on tap (Supplements

Station Accounts: 42 Products Ltd. (King's Men toiletries) has purchased 2 one-minute color film spots on WNBW, Washington, during daily 3-4 p.m. color test period, thru McNeill & McCleery, Hollywood; film is seen in monochrome on all but few experimental receivers in city—but purchase gives sponsor probable claim to first color film commercial . . . Goebel's Beer sponsoring Wed. 9:30-10 p.m. harness racing from Northville Downs for 9 weeks on WWJ-TV, Detroit; Falstaff Beer sponsoring telecasts of Ak-Sar-Ben races on WOW-TV, Omaha . . . *What Am I Bid?* titles studio auction show with Hal Tunis on WOR-TV, New York, starting June 8, Thu. 7:30-8, sponsored by Universal Food Markets . . . Among sponsors reported using or planning TV [all agencies N. Y. unless otherwise stated]: Hollywood Candy Co., thru Ruthrauff & Ryan; Cudahy Packing Co. (Old Dutch Cleanser), thru Grant Adv., Chicago; Carlay Co. (Aids reducer), thru H. W. Kastor & Sons, Chicago; Chicago Western Corp. (Pinafore Chicken) and Flavour Candy Co., thru Phil Gordon Agency, Chicago; La-Z-Boy Chair Co., thru Marvin Hahn Adv., Detroit; Taylor-Reed Corp. (Cocoa Marsh syrup), thru Tracy, Kent & Co.; Schlitz Brewing Co., thru Young & Rubicam; Santa Clara Packing Co. (Glorietta tomato aspic), thru Glasser-Gailey, Los Angeles.

Network Accounts: Wm. Wrigley Jr. Co. July 23 starts *Gene Autry* films on CBS-TV, Sun. 7-7:30 . . . Kellogg Co. (breakfast foods) buys Tue. & Thu. segments of *Howdy Doodly* on NBC-TV, 5:30-5:45, starting June 6 . . . Stokely-Van Camp (canned foods) takes 7:30-7:45 time for its Tue. & Thu. NBC-TV musical-variety show starting June 27 (Vol. 6:20) . . . Walter H. Johnson Co. (Powerhouse candy bars) June 6 increases sponsorships of *Capt. Video* on DuMont Network to Tue. & Thu. 7-7:30, adds 4 more stations for total of 11 . . . NBC-TV 2½-hour *Saturday Night Revue* will originate entirely from New York, instead of sharing Chicago origination, when it returns Sept. 9 (Vol. 6:21).

NBC raises TV network rates July 1, points out receiver circulation has increased 113.2% since Nov. 1, 1949 when rates were last changed, but that cost-per-thousand viewers has decreased 36.4%. Estimating 6,400,000 sets by July 1 (8,600,000 by Jan. 1, 1951), NBC jumps flagship WNBW, New York, from \$2000 to \$2200, other owned & operated stations as follows: WNBW, Washington, from \$500 to \$575; WNBK, Cleveland, from \$600 to \$775; WNBQ, Chicago, from \$1000 to \$1200; KNBH, Los Angeles, remains at \$900. Some affiliate increases: WTMJ-TV, Milwaukee, from \$350 to \$600; WLWT, Cincinnati, from \$350 to \$550; KSD-TV, St. Louis, from \$425 to \$650; WBAP-TV, Fort Worth, from \$250 to \$375.

April's 3340 TV advertisers were 17.5% more than March's, 172.6% more than April 1949, says *Rorabaugh Report*. In new section, *Rorabaugh* lists WBEN-TV, Buffalo, as top station in total number of accounts, 171; WGN-TV, Chicago, in spot accounts, 57; WNHC-TV, New Haven, in network accounts, 68; KFI-TV, Los Angeles, in local accounts, 87.

Hearing on Bell Labs' request for 470-500 mc, for common carrier use, gets under way June 5; en banc FCC has set aside 2 solid weeks for it, but hopes are one week will suffice. Principal opposition from number of TV people (notably DuMont) is that they need whole 470-890 mc band for proper uhf allocation.

Electricity for average TV set in New York area costs about \$6 a year, Consolidated Edison informs stockholders. This is in line with average of \$5.40 estimated in 10-city survey by Edison Electric Institute (Vol. 6:18).

ABC's resignation from NAB—on heels of CBS's withdrawal (Vol. 6:20)—makes another deep dent in NAB's revenues, which were \$764,000 in 1949, were estimated about same this year. Exact figures aren't available, but it's estimated ABC and CBS with their stations accounted for about 8%, meaning loss of \$60,000-\$65,000. NAB budget for 1950-51 was set at \$798,000 by board. ABC president Robert Kintner, in network letter of resignation, questioned value of continued membership for network and its 5 AM and 5 TV stations. Meanwhile NAB president Justin Miller has written to board members asking them to start thinking of establishing BAB as autonomous organization. Although move couldn't be effected for year or more, it would result in \$200,000 saving to NAB—the sum allocated for Maurice Mitchell operation. It's no secret, however, that many members feel BAB is most valuable service they receive from NAB, might resign NAB membership in order to continue getting BAB services.

TBA has launched all-out membership drive, headed by George B. Storer (Fort Industry) and F. M. Russell (NBC), seeking to get every TV station to join up; has issued 10-point platform, promising among other things to work for end of freeze, lower coaxial costs, fair ASCAP and musicians rates, end of servicing abuses. TBA now embraces about one-third of telecasting stations and includes all 4 TV networks (CBS & ABC have pulled out of NAB). President is Jack Poppele, WOR-TV & WOIC, and directors besides Messrs. Storer and Russell are Dr. Allen B. DuMont; Lawrence W. Lowman, CBS; Joseph McDonald, ABC; Richard Borel, WBNS-TV; Ernest Loveman, WPTZ; Paul Raibourn, Paramount.

Separate use of TV sound without integrated picture seems certain to be prohibited, if FCC sentiment at oral argument June 2 on proposed rule revision (Vol. 6:2, 13) is any indication. Telecasters' main argument was that music is needed with test pattern or still picture during non-program, daytime hours for set demonstration and installation (Vol. 6:19); also for mood music, bridge between programs, news ticker, etc. FCC chairman Coy asked if telecasters would accept liberalization of test pattern-music prohibition if rule specified such use must be non-commercial. Telecasters' attorneys ducked direct answer. Only concurrence with FCC proposals was by NAB—which also argued other side for its TV members!

TV films with music may become an aboveboard reality shortly after American Federation of Musicians convention in Houston June 5-11. Industry committee (headed by NBC's Ernest de la Ossa and film producer Hal Roach Jr.) will submit offer to Petrillo after convention. Petrillo had suggested scale for musicians in TV films last fall, starting at \$27 for 15-minute program with 1 hour rehearsal (Vol. 5:41,44). Meanwhile, AFM has made individual deals with such TV film producers as Gene Autry, Jerry Fairbanks (for Easter telecast of *The Triumphant Hour*), newly formed Snader Telescriptions Corp., Los Angeles (Louis Snader, president). Deals involve payment of regular motion picture scales (\$39.90 for 3 hours of work) and, except for Fairbanks' production, also include 5% royalty payments.

Considerable uhf tropospheric data should be forthcoming from study of NBC-RCA's Bridgeport station signals (Vol. 6:14), if number of industry plans are consummated. GE, Philco, RCA, Westinghouse, U of Connecticut are all reported with programs under way. Edward Allen, FCC's technical information chief, says he'd be delighted to hear from more prepared to do same. Contact him or Raymond Guy, NBC New York.

TV means much more to low income families (\$40 per week or less) than it does to high income families (\$100 per week or more). That's evident from Chicago survey made for John Meck Industries. To question, has TV ownership had beneficial effect on family life, 57.4% of low income and 50% of high income families answered yes—naming among other things benefits to children, keeping family together, good entertainment, savings on entertainment. Here's how they answered query on why they bought TV sets: keeps adults home, 50% of low income and 26.8% of high income; keeps children home, 47.6% & 30.8%; more wholesome leisure time, 68.5% & 46.4%; keeps children occupied and gives mothers more time, 50% & 38.5%. To question whether less time is spent in taverns and cocktail lounges, 24.1% of low income and 12.5% of high income answered yes. Harmful effects of TV ownership are mainly mealtime difficulties, homework problems, etc.—mentioned by only 2% of low income, by 6-12% of high income families. There's no correlation between picture size and income level. Survey showed following relations: 7-8½-in., low income 3.8%, high income 3.5%; 10-in., 27.7% & 38.1%; 12½-in., 46.3% & 36.8%; 16-in., 18.5% & 24.5%; 19-in., None & 5.3%. Owners of TV-radio-phono combinations: low income 11.1%, high income 8.8%; TV-only consoles, 50% & 54.4%; more than one TV, None & 2%.

Habits of one-year TV set owners, as shown in third Woodbury College survey—500 students having interviewed 3000 set owners in Los Angeles, San Diego, San Bernardino: In Los Angeles, 19% said they watched TV more than year ago, 28% said less, 50% same; 2% said they went to movies more, 34% said less, 39% same. Other results, without regard to length of ownership: (1) 67% said they spent more time at home. (2) 65% said TV isn't creating child problems. (3) 68% wouldn't pay to see large-screen theatre TV. (4) 59% would pay \$1 to see first-run movies at home—a fillip to Phonevision. Full report is available from Dr. Hal Evry, Woodbury College, 1027 Wilshire Blvd., Los Angeles.

Nation's dept. stores are going to get complete briefing on use of TV as sales medium at Sept. 28-29 TV clinic of National Retail Dry Goods Assn. in New York's Hotel Statler. Walt Dennis, Allied Stores Corp. radio-TV director, is program chairman. Indicative of dept. store interest in TV was attendance at this week's radio-TV session of NDRGA Los Angeles convention, described as "best attended" of meeting. Some idea of dept. store thinking about TV was revealed last week by J. S. Stolzoff, radio-TV v.p. of Cramer-Krasselt Co., Milwaukee agency, who told Milwaukee newspaper executives February survey of 33 TV-using dept. stores showed: (1) Average store spent 7.3% of total advertising-promotion-selling budget on TV (\$43,000 a year). (2) New money was used by 63.5% of stores for TV; of remaining third, 9% took funds from newspaper budget, 18% from radio budget. (3) As TV grows, 70% intend to supplement appropriations for TV.

First all out move to make TV trailers for exhibitor showings over local stations had been made by 20th Century-Fox for *The Big Lift*. Company had National Screen Service Corp., trailer specialist, make up \$35 package of three 20-sec. and one 60-sec. trailers, using clips from film—but without music. Success of 20th Century-Fox project may put NSS into TV trailer-making for keeps; up to now it hasn't evinced much interest.

June 1 sets-in-use, reported since NBC Research "census" of May 1 (Vol. 6:20): Los Angeles 565,000, up 71,000 in month; Washington 136,600, up 8600; Memphis 38,528, up 3828; Charlotte 15,500, up 900; Huntington 12,500, up 4000; Dallas 31,074, up 2174; Fort Worth 25,396, up 1796; Utica 15,000, up 1800.

Greatest promotion yet for RCA Victor records and players was Toscanini tour, which wound up May 28 when 11-car special train carrying the maestro, NBC orchestra and entourage pulled into New York City after giving 21 performances in 20 cities. The maestro played to sellout audiences in every city, his records selling commensurately, with huge newspaper-radio promotion everywhere—that phase being directed with superb effect by RCA v.p. John K. West. It's tentatively estimated tour cost RCA about \$350,000, not including Toscanini's fee, which is part of his 10-year recording contract. RCA regains some \$287,000 from boxoffice of about \$410,000.

Most elaborate vhf-uhf propagation study to date is scheduled by Bureau of Standards. Plan is to transmit in easterly direction from 2 points on Colorado's Cheyenne Mountain, 9200 and 7500 ft. above mean sea level, on 88.5, 19.5, 200, 212, 412, 1000 and 1600 mc. Directional antennas will radiate some 50 kw from 3-5 kw transmitters. Transmitter stability will be extremely great—5-6 cycle variations at 1000 mc. Narrow bandwidths will be employed—500 cycles for recording channel—giving results obtainable otherwise only with much greater powers. Both fixed and mobile measurements will be made, going from 70 miles to 400 or more; primary interest is in tropospheric signals. Hope is to start measurements in August, continue for at least 2 years. Bureau will move most of its radio work, now centered in Washington, to new \$4,475,000 center at Boulder, Colo., by summer 1952.

RCA Victor was awarded development contract to determine how to install 5 TV, 3 FM antennas (plus 2 emergency TV units) on Empire State Bldg. (Vol. 6:12). Camden engineers, with Wayne Masters of Ohio State U as chief consultant, will seek best solutions for handling WABD, WCBS-TV & FM, WJZ-TV & FM, WNBC-FM, WNBT, WPIX plus other possible vhf & uhf additions.

First court test on transit FM brought defeat to "anti" forces. Dismissing 3 suits against Washington's WWDC-FM, Federal District Court Judge Edward A. Tamm said "basically there is no legal right of the petitioners that has been invaded, threatened or violated." CIO also got into fight this week, petitioning FCC for hearing, asserting: "If transit radio's sordid exploitation of a captive audience for commercial gain is permitted, it is but a step to forced listening to political propaganda."

TV stations practically swept field in *Variety's* Showmanagement awards, disclosed May 24; WCPO-TV, Cincinnati, and WWJ & WWJ-TV, Detroit for outstanding management; WBAL-TV, Baltimore, education by TV; WMAR-TV, Baltimore, responsibility to community; WCAU-TV, Philadelphia, and WHDH, Boston, outstanding promotion. Showmanager citations: John J. Gillin Jr., WOW & WOW-TV, Omaha, and Clair R. McCollough, WGAL & WGAL-TV, Lancaster (latter reported "comfortably in the black") and other Steinman stations. Special citations: *Saturday Night Revue*, NBC-TV; *Ford TV Theatre*, CBS-TV; Groucho Marx, CBS. Other awards: WMGM, New York, new program development; KIST, Santa Barbara, and WDET, Detroit, postwar station showmanship; CHUM, Toronto, news coverage.

Licensing of TV servicemen, proposed in bill introduced in N. Y. City Council and heard by its General Welfare Committee May 17, is being watched carefully by industry as possible precursor of trend. Bill would require: (1) \$500 license, (2) \$5000-\$10,000 contractor's liability insurance, (3) minimum test equipment and personnel. Among those favoring enactment were Associated Television Service Companies of N. Y. and Authorized Manufacturers Service Co. Opposing were Associated Radio & Television Servicemen of N. Y. and Bruno-New York. Hearings followed *Radio Daily* expose (Vol. 6:19).

67-67G), and engineers and lawyers have had a long, long time to prepare cases.

Commission is sticking to its freeze policy, even in face of political pressures. This week it denied Chicago City Council's petition (Vol. 6:21) to grant 3 remaining channels, saying, in effect: "Chicago isn't an island to itself. If we unfreeze you now, we virtually decide allocations hearing before it starts. Furthermore, what are you crying about? You have 4 stations; only New York and Los Angeles have more. If your prospective telecasters hadn't sat on their hands, they'd have received their grants before the freeze."

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Commission will probably have Condon Committee's color report to ponder soon, if Dr. Condon's hopes materialize. Now that he can get all of committee together (Donald Fink is back from Europe), he thinks report may be wrapped up in 3-4 weeks -- barring any serious dissension.

Petition to get Lawrence tri-color tube into record (Vol. 6:20-21) was denied, but not roughly. Commission noted that tube is admittedly in early stage of development, said it didn't want to delay proceedings at this late date. However, it indicated it would welcome chance to see tube when it's ready. Though FCC didn't say so, if tube proves all it's cracked up to be, record is quite likely to be re-opened for evidence on it. Petitioners (Chromatic Television Labs and Paramount) were granted request to file proposed findings and conclusions in hearing, same as participants. But Commission made it clear they'd have to cover virtually entire hearing in their briefs -- a staggering job.

Color in the home is still no snap-of-the-finger proposition, in spite of all of the huffing and puffing, as far as much of industry is concerned. Emerson president Ben Abrams, whose record of calling the turns is highly respected, told stockholders this week: "I am still of the opinion that color TV will not become a commercial reality for at least 2 or 3 years. In the event a system should be decided upon by the FCC, it is possible that a few color receivers may be built next year for use in those very few areas where color broadcasting may be expected initially. The first production of color receivers will probably be 2 or 3 times as high in price as black-and-white, and other than arousing some curiosity, it is not expected that color receivers will be in great demand because of the high price."

WHAT DO THE TELECASTERS THINK? Forgotten man in FCC color proceedings is rank-and-file telecaster. That doesn't mean CBS, DuMont, GE, NBC or Philco, who between them own 11½ stations (out of nation's 105). They're either proponents or manufacturers, or both -- thus their attitudes aren't necessarily representative.

What's surprising is that FCC never asked for opinions of telecasters out in field, and that none has volunteered anything to Commission. Even ABC, with 5 stations, hasn't uttered a peep. As for NAB and TBA, it's understandable they would shy from a "family squabble," even though it involves basic principles.

What made this silence so remarkable, however, is fact that telecasters, their pocketbooks and their hard-won audiences are tremendously concerned. Maybe it's fear of FCC, or fear of appearing "unprogressive," or simple confidence FCC will "do right" by them -- or just plain lack of leadership. No independent telecaster has spoken up publicly, yet privately many are seething.

They expressed their concern with considerable vehemence in answer to our February questionnaire (Vol. 6:7). Of 37 replies from 98 then-operating stations, all except CBS and 2 others were opposed to incompatible system. And only CBS was willing to telecast it.

Since then, we've received 12 more responses, making total of 49 -- exactly half of the 98. The score, as it stands now:

(1) Only CBS and 2 others feel any color is ready now.
(2) Only CBS and one other are willing to telecast incompatible system now. Three more appeared willing to telecast it "when it's ready."

(3) All the rest are interested in compatible systems, to some degree, but all except one made it clear they'd move very cautiously at first. The exception said he had ordered RCA equipment, effective if and when its system is adopted.

STATIONS HUNT 'RIGHT' NEWS FORMAT: News presentation on TV stations is still pretty lame item -- from both viewer-interest and commercial standpoints. For the last year, Ralph Renick, news editor of Miami's WTVJ, has been trying to find out why. Working under Kaltenborn Fellowship since graduation from U of Miami last year, he comes up this week with report based on replies from 71 stations out of the 98 operating as of last Jan. 1. Findings include:

High costs -- complaint of most stations answering financial questions, only 16 saying they're showing profit on news, 7 breaking even, 21 losing. One of best network formats is NBC-TV's Camel News Caravan, but it costs \$9000 weekly.

Delay -- tough problem, particularly for non-interconnected stations and those developing their own newsreels.

On-the-spot remotes are best and cost most, was consensus, yet WTVJ reports selling most of its news remotes, claiming they often outsell sports. One-third of stations did no remotes. Considered most unsatisfactory is straight narrator-and-camera combination -- "too AM in character" -- yet 48 use it, though only 18 have even one fulltime newsman. Between the two extremes, in desirability, were narrators, interviews, films and slides, moving tapes, and various combinations thereof.

Very much in demand is "top-notch personality adjusted to the visual medium who can give news in a pleasant ad lib style." Comment of Wm. Ray, WNBQ, Chicago: "Talent is the first requisite [but] I mean a rare kind of talent which 90% of TV stations do not possess." Soren Munkhof, WOW-TV, Omaha, is all for strong personality, too, but warns against dependence on one man.

Auto dealers are leading sponsors, followed by appliance dealers, banks, beer. But unlike radio, majority of TV news programs are still sustaining.

Renick rounds out summary with analysis of effectiveness, cost and commercial value of each type of news show on WTVJ. Copies of 19-p. study may be obtained from him at station, or from Sydney W. Head, chairman of radio-TV dept., U of Miami.

Telecasting Notes: Sure to stir up more ire, more charges and countercharges about accuracy of results (Vol. 6:19), are Hooper's March-April share-of-audience figures which give TV more night viewers than radio has listeners in 4 major markets. Besides Baltimore's 53.4% of combined radio-TV audience, Hooper shows: Philadelphia, 51.7%; New York, 51.3%; Washington, 51.2%. Crawling up are Chicago, 46%; Los Angeles, 43% . . . *New Orleans Times-Picayune* has filed for Channel 4 (see TV Addenda 10-U herewith); newspaper held CP for Channel 7 from January 1948 to last August when it dropped grant after being cited for delay (Vol. 5:31), then unsuccessfully sought reinstatement of CP (Vol. 6:14) . . . WSAZ-TV, Huntington, W. Va. is planning for network interconnection via own microwave to Cincinnati (Vol. 6:19) by Sept. 1 . . . John A. Kennedy, who owns 48% of WSAZ and WSAZ-TV and last year sold his WCHS, Charleston, W. Va., folded his *San Diego Daily Journal* May 27 after it had been published 6 years and 2 months; he sold all rights to *San Diego Union-Tribune* . . . Atlanta's transportation strike led big Rich's dept. store to buy 3-hour daily straight merchandising shows on WSB-TV, orders being taken by phone; some calls asked for specific products on camera so viewer could decide whether to buy . . . *New Bedford Standard-Times* (WNBH & WFMR) is building elaborate new local radio center, including space for TV, to be completed by Oct. 15 . . . Joint underwriting of TV film production is back of meeting of newspaper-owned TV stations called for June 12 in Los Angeles by KTTV (*Los Angeles Times*-CBS), which recently acquired Nassour Studios (Vol. 6:20); publisher Norman Chandler has stated 15 half-hour shorts can be made for \$4500 each--prohibitive for one station, but within reason if spread among the 38 newspaper-owned outlets . . . NBC "raid" on CBS this week resulted in Groucho Marx signing exclusive 8-year TV-radio contract.

FCC Comr. George Sterling's confirmation by Senate is as reasonably certain as such things can be, though he may have to undergo grilling (on color, FM, etc.) by Senate Committee on Interstate Commerce which has set June 14 hearing. A Maine Republican, engineering career man, he has strongest possible backing--not only Chairman Coy but both his Maine Senators, Owen Brewster (on committee) and Margaret Chase Smith. An intra-FCC move to oppose him, on grounds 2 top jobs to Maine men are too many (other is chief engineer Curtis Plummer), died aborning. Sterling reappointment is for 7 years from June 30.

Personal Notes: Edward L. Norton, investment banker and chairman of board of WAPI & WAFM-TV, Birmingham and WMBR & WMBR-TV, Jacksonville, appointed by President Truman to 14-year term on Federal Reserve Board . . . RCA Labs' Dr. Elmer Engstrom and Dr. George Brown sail on *Brittanic* June 29 with their families to tour Europe until September . . . Wm. Brooks Smith, Lipton adv. director, appointed chairman of ANA radio-TV steering committee, succeeding Proctor & Gamble's A. N. Halverstadt . . . John Halpern, ex-Erwin, Wasey, joins Pedlar & Ryan as asst. radio-TV director . . . W. Donald Roberts, ex-CBS western sales mgr., July 1 joins Sullivan, Stauffer, Colwell & Bayles as v.p. . . Lindsay McHarrie, ex-Young & Rubicam, joins Calkins & Holden, Carlock, McClinton & Smith as AM-TV production mgr. . . Sterling W. Fisher resigns as NBC public affairs-education mgr. to take charge of Japanese edition of *Readers Digest* . . . Donald Norman promoted to sales mgr., KNBH, Los Angeles.

Back from international TV standards conference in Europe (Vol. 6:11) are Donald Fink (*Electronics*), David Smith (Philco), James Veatch (RCA), Kenneth Norton (Bureau of Standards). Each arrived at different time last few weeks; Fink was last, docking May 30.

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ARTS AND INDUSTRY

Television Digest

WITH AM FM REPORTS

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June 10, 1950

NO THAW ON FREEZE UNTIL NEXT SPRING? "End of year for end of freeze" has been common prediction, growing out of FCC Chairman Coy's frequently expressed "hopes" -- but around FCC they're beginning to talk of much later dates. You now hear estimates as late as May 1, 1951, based on "realistic" considerations. At least, that was estimate offered committee of National Appliance & Radio Dealers Assn., who called at FCC this week, met with Comr. Hyde, staffmen Plotkin and McCoy. Thinking was:

Even assuming color decision by Labor Day, and no delay in plunging into uhf-allocation hearings (Vol. 6:22), it's fairly certain those basic problems will take until end of year -- or later. Then, thought is to allow some 60 days for filing new applications and amending old ones. Then there should be non-competitive grants, but merely beginning of hearings on competitive applications (which will be most numerous since first choices obviously will be vhf channels in major markets).

Thus, only a few new stations can get on air by end of 1951, assuming transmitter, tower and other contractors can deliver promptly. Chairman Coy, you'll notice, made no predictions in RMA speech (see Special Report herewith).

NARDA delegation also called on Sen. Johnson, got brushoff when asking him to exert influence to hasten end of freeze. He gave them 2 hours, but intimated their motives were mainly to move excess of TV sets from floor. He also noted that color may make sets obsolete, remarking that people in frozen areas (like his own Denver) have thus actually been exempt from obsolescence. NARDA is carrying on active anti-freeze campaign, urging Congressmen, editors, etc. to help correct situation whereby "40% of the public has no TV whatsoever and another 40% can enjoy programs from only an extremely limited number of stations" (see Trade Note).

RCA, HAZELTINE, DuMONT & PATENT PEACE: There's more than meets the eye, and much that affects the purse, in this week's news about TV-radio patents. Most sensational, of course, was RCA's reduction of royalty rates on TV receivers from 2½% to 1½%, on AM-FM receivers and electric phonos from 2½% to 1½%, on receiving and cathode ray tubes from 2½% to 1½%, and on other apparatus.

Just about every manufacturer thus gets reduction in basic costs, which probably will be reflected in lower selling prices. The savings should run into millions of dollars. New rates are effective from June 1.

RCA's action was hailed by the industry, particularly when news seeped out at RMA's Thursday convention sessions in Chicago. But it was only one facet of week's big patent developments. Seriatim, here's what happened:

(1) U.S. Supreme Court Monday (June 5) upheld Hazeltine's standard radio receiver license agreement (approximately 1% royalties) in suit of Automatic Radio Mfg. Co., Boston, which had taken out 10-year license in 1942, then in 1946 refused to pay royalties, claiming misuse of patents and contesting validity.

Significant in 6-2 opinion written by Justice Minton (Douglas and Black dissenting, Jackson not participating) was finding that it's not misuse to require licensee to pay royalties based on sales even though none of licensed patents are used. Court held such "royalty provision...creates no restraint of competition beyond the legitimate grant of the patent. The right to a patent includes the right to market the use of the patent at a reasonable return."

What licensee really pays for, court said, is "privilege to use any patent

or future development of Hazeltine in consideration of the payment of royalties." It went on: "The mere accumulation of patents, no matter how many, is not in and of itself illegal...Sound business judgment could indicate that such payment represents the most convenient method of fixing the business value of the privileges granted by the licensing agreement...there is in this royalty agreement no inherent extension of the monopoly of the patent."

This was balm to big RCA, though it wasn't party to case, as well as to smaller Hazeltine patent pool. Lawyers were also struck by finding that unless there's price-fixing by the licensor, a licensee under patent license agreement may not repudiate his patent license and challenge the validity of the licensed patents.

[Text of Supreme Court's decision available to subscribers on request.]

(2) Settlement of RCA-DuMont patent litigation, pending since 1948, was announced June 6. It developed after happenstance train meeting of Gen. Sarnoff and Dr. DuMont few weeks ago. Under its terms, DuMont takes out standard RCA license, grants RCA non-exclusive license, drops its infringement suits against RCA, which drops its suits against DuMont, et al, in Los Angeles Federal court (Vol. 4:7).

This settlement by two of TV's great pioneers was welcomed in all quarters. They've been inclined to be standoffish and carping in recent years; now, they have nothing but kindest words for one another.

RCA's new royalty rates, it's believed, had much to do with settlement, details of which weren't divulged.

It leaves RCA now facing only Zenith as major contestant of its patent pool (Vol. 2:52, 4:7, 5:33). Series of patent suits and counter-suits in Delaware court started in 1946, Zenith's also naming GE, Western Electric, AT&T, Bell Labs, Westinghouse as defendants. Trial is supposed to start next November.

(3) More about new RCA royalty rates, made public Friday:

Besides aforementioned cuts, rates are reduced on transmitting and power tubes from 3% & 2% to 1%; on transmitters and other commercial apparatus, from 3% & 2½% to 2%. RCA notes that its original royalty, 7½% on radios, was reduced to 5% in 1932, then to 2¼% in 1940 -- latter rate being applied to TV. RCA has also promised no increase in royalties on color TV apparatus, particularly tri-color tube, when ready. All licenses run to 1954.

Biggest payer of royalties, Philco has long been pressing for reductions and claims credit for at least hastening them. Philco's executive v.p. James H. Carmine said: "We're highly gratified, and rest of industry should be too. This seems to be a reasonable settlement. It brings costs more in line. It will be reflected in better values to the public."

Other industry sources indicated elation, too. Intra-industry, it's estimated RCA collected between \$20,000,000 & \$25,000,000 in royalties last year. This seems reasonable when you consider that its TV-radio-phono licensees alone in 1949 reported grand total of \$836,632,743 in factory sales -- of which \$546,666,941 was represented by TV. This year, with TV running better than twice unit volume (though at lower prices), it seems likely RCA will collect nearly as much if not as much as last year. Actual royalty income is not shown in RCA financial statements, nor are income and costs of its big Princeton Labs which, in addition to research, handles patents, royalties and licensee services.

TV EXCISE TAX VOTED DOWN AGAIN: New effort to revive proposed 10% excise tax on TV sets (Vol. 6:15-18) has been defeated in House Ways & Means Committee by 14-10 vote -- 4 Democrats joining 10 Republicans to reaffirm previous 14-11 vote. Move was again sparked by Rep. Jere Cooper (D-Tenn.), acting for the Administration. It now appears reasonably certain Treasury Secretary Snyder's proposal is dead -- this session of Congress at least. Indeed, whole tax bill, with its cuts of more than \$1 billion in all kinds of excises, may be doomed in view of (1) Administration's insistence that reduced revenues should be made up by other revenues, and committee's indisposition to act on proposed new corporate or other taxes, and (2) short

time left to Senator George's Finance Committee to consider House bill "unless it gets to us by July 1." Congressional leaders are aiming for adjournment by end of July. Moreover, President Truman has indicated he will veto bill if it merely cuts taxes, doesn't provide new revenues. On Senate side, it's not expected anyone will push for TV tax -- but there's always possibility. Because of their size and complexity, tax bills usually go to the floor under "closed rule" barring amendments; under an open rule, fear is House members would increase excise cuts still further.

TV INROADS AS SHOWN BY LOCAL HOOPERS: Now comes C. E. Hooper, of Hooperatings fame, with more findings certain to stir up seething AM-TV controversy anew (Vol. 6:12-15, 18-19) -- notably, his conclusion that national popularity ratings are meaningless, that local popularity's the thing, that even such AM network mainstays as Jack Benny and Lux Theatre don't measure up as well in TV as in non-TV localities.

For example, Jack Benny's national network rating for Oct.-Feb. 1947-48 was 26.3, for same 1949-50 months 25.2 -- no appreciable difference. But in cities where TV had 25% or more of total audience in 1949-50, Benny slipped: In Baltimore, he fell from 23.7 to 16.0, and in other TV cities like Cincinnati, Detroit, Atlanta, Columbus he fell in same fashion. Yet in a non-TV city like Portland, Ore., he rose from 31 to 42.5, and in non-TV Denver, Knoxville, Springfield, Mass., Shreveport, his ratings went up similarly. Same is true, Hooper reports, of Lux Theatre.

Hooper made results public this week in announcing own firm's expansion to 100 markets with new city-by-city rating service. Last week, he reported TV had greater share of combined AM-TV night audience in 4 major markets in March-April: Baltimore, 53.4%; Philadelphia, 51.7%; New York, 51.3%; Washington, 51.2%. Note-worthy also was way Chicago (46%) and Los Angeles (43%) are creeping up.

Hooper's critics (Vol. 6:19) cite other researchers as proof radio is at least holding its own. Pulse Inc., in comparative tables for 5 major cities in March-April, shows radio scarcely suffering, though TV is undoubtedly up. In New York, for example, radio's combined independent and network sets-in-use per night quarter hour was 29.6%, compared with last year's 29.8%. This, in spite of TV's rise from 4.7% to 15.3% in same period. Independents kept radio figure up, rising from 8.9% to 11% while network listening dropped from 20.9% to 18.6%.

* * * *

Wall Street Journal aptly sizes up inevitably competitive situation in these words by Joseph Guilfoyle: "The TV brat has gotten big enough to swipe program sponsors from radio, but not big enough to survive without radio's financial help."

Fact is, there's movement apparently under way from night radio to daytime radio and night TV, emphasized this week by Lever Bros. dropping Bob Hope (NBC-AM), buying 2 CBS-TV half hours per week for fall, taking Arthur Godfrey across-the-board on CBS-AM mornings. Procter & Gamble cancelled 10-year-old Truth & Consequences (NBC-AM), offered to put it on film for TV. And Amm-I-Dent dropped Burns & Allen (CBS-AM), signing CBS-TV Mystery Playhouse plus Quick As a Flash on ABC-AM daytime.

As for TV success stories, latest by National Dairy's ad chief Glenn Gundell is significant: In all cities where Kraft TV Theatre is shown, Kraft's Philadelphia Cream Cheese is 30% ahead of previous records. It will be recalled that McCann-Erickson president Marion Harper Jr. told April NAB convention that sales of his then 23 TV clients were up 19-37% in TV markets, compared with sales of same products in non-TV markets (Vol. 6:16).

Radio is countering, of course -- for it's unquestionably still the cheapest medium for reaching mass audiences, particularly daytime. CBS is especially active, its latest presentation telling of "Radio's Extra Profit Margin." Yet CBS president Frank Stanton had to admit to reporter Guilfoyle: "It would be foolish to say we won't have to change our [AM] rates eventually." And NBC's Joseph McConnell: "We're thinking of raising our daytime rates." Such moves have already been made by WFIL, Philadelphia; WCCO, Minneapolis; WJR, Detroit (Vol. 6:12,15,19).

Note: Fully 75% of all TV stations have raised rates since last Jan. 1, shown on rate cards we're compiling for next TV Rates & Factbook, due in early July.

Telecasting Notes: Philco's WPTZ, Philadelphia, can be added to list of stations now operating in the black (Vol. 6:3,5,6,13); also, Paramount's KTLA, Los Angeles (see Financial Notes) . . . NBC's 5 stations, as group, are going deeper into black each month, one or 2 lagging—but network operation is still heavy loser . . . ABC reports spot sales up 3% for AM, spot on 5 TV stations up 170% first 4 months of 1950 vs. same 1949 period . . . CBS-TV discussing rate rise with stations, due in fall; NBC-TV raises network rates July 1 (Vol. 6:22) . . . "New York Close-Up" interview column by Tex McCrary & Jinx Falkenburg in *Herald Tribune* devoted June 8 to Dr. Allen DuMont; asked if DuMont Network was still losing money, he's quoted as saying: "You bet! Something else I'll bet you—we're losing less than any other network!" . . . New York's Mayor O'Dwyer June 15 begins series of talks titled *At The Mayor's Desk* on WPIX, alternate Thursdays 8-8:30 p.m. . . . Consolidated Television Pictures Corp. is name of new film syndicate initially comprising newspaper-owned TV stations, being formed by KTTV, Los Angeles (Vol. 6:22) . . . Cincinnati College of Music orders RCA camera chain, projector, film camera, control and studio facilities, etc. for training courses next Sept., leading to degree of Bachelor of Fine Arts in Radio Education . . . NBC-TV has taken Hofstra College study of TV sales effectiveness (Vol. 6:18) on tour, showing color film-slide presentation in major cities; next scheduled for Detroit June 20, San Francisco June 27 . . . CBS-TV has signed Army, Navy, Columbia football games for 8-week schedule starting Sept. 30; still undecided is Army-Navy classic . . . Giveaways thrice weekly with minimum jackpots of \$1000, participating sponsors, will be Crosley's TV summer fill-in titled *On the Line* (on WLWT, WLWC, WLWD) starting June 17, 8:30-9:30; it's tune-guessing a la *Stop the Music* . . . Michigan State College authorized by State Board of Agriculture to petition FCC to move Channel 12 from Grand Rapids to East Lansing, claiming it can be done under mileage separation rules; board has appropriated \$100,000 to buy station equipment . . . Rochester's WHAM-TV observes first birthday June 11, reports all available commercial time sold, is raising base rate July 1 to \$300 . . . Earle C. Anthony this week ordered all employees of KFI, KFI-FM & KFI-TV, down to janitor, to sign disclaimer of "membership in the Communist Party or any other of the many fringe subversive groups."

Petrillo thinks he's broken TV log-jam, gotten film producers to play his way. AFM president told his union convention in Houston this week that he has signed 4 contracts paying moving picture scale, 5% royalties—with Horace Heidt, Gene Autry, Snader Telescriptions, Hollywood Imperial Pictures Corp. (Vol. 6:22). He's hoping to sign 30-40 more during next 30 days, he told delegates. Too many of union's 245,000 musicians are out of work, he said in annual report, expressing hope TV will take up some of slack. This is what he thinks of TV: "TV situation is most complex that I have yet had to deal with . . . I am satisfied that eventually all TV programs will be made on film . . . We do know one thing, and that is that TV is here to stay."

NARDA delegation who called on FCC, Senator Johnson and their Congressmen in Washington this week to urge end of TV freeze (see p. 1) was headed by managing director Clif Simpson (just resigned to go with Chicago Electric Assn.; NARDA currently seeking new man)—and included Mort Faar, Upper Darby, Pa.; Francis L. Monette, Lowell, Mass.; H. B. Price Jr., Norfolk; J. S. Geohagen, Stamford, Conn.; Mario Jeantet, New York City; Robert Dowd, Washington.

Network Accounts: Having terminated contract with Bob Hope (NBC-AM), Lever Bros. has bought 2 CBS-TV periods in fall, one of which will be for *Starlight Theater* starting July 3, Mon. 8-8:30, other for undecided show Thu. 9:30-10 . . . Meanwhile, NBC signed Hope to long-term radio-TV contract, announced Chesterfield will sponsor him on Lever AM network period (Tue. 9-9:30) starting in fall; he will continue his holiday TV shows for *Frigidaire* to end of year, 4 more scheduled . . . Chesterfield giving up first half hour of CBS-TV *Arthur Godfrey and His Friends*, Wed. 8-8:30, retaining 8:30-9:00 . . . Texas Co. has renewed Milton Berle's *Texaco Star Theatre* on NBC-TV; it goes on summer vacation after June 13 show . . . Oldsmobile, now sponsoring *CBS News with Douglas Edwards* on CBS-TV 3 times weekly, in fall will expand to Mon. thru Fri. 7:30-7:45 . . . Philip Morris has signed with CBS-TV for Thu. 10-10:30 show, starting date undecided . . . Chesterfield will sponsor *Perry Como* on CBS-TV Mon.-Tue.-Fri. 7:45-8, starting time undecided . . . Toni Inc. goes weekly with *Twin Time* on CBS-TV this fall, Wed. 9-9:30; plan to alternate with Stopette's *What's My Line?* has been dropped, it will get new time . . . Robert Montgomery's *Lucky Strike Theatre* as of Aug. 14 goes weekly on NBC-TV, Mon. 9:30-10:30, vacations after June 26 . . . Ed Sullivan's *Toast of the Town*, Sun. 8-9, continues thru summer, but sponsorship during that time by Lincoln-Mercury is still undecided.

Station Accounts: TV time was used locally on considerable scale by Warren-Roosevelt and other California political candidates in primary campaign ending this week auguring wider use of medium during fall Congressional and other elections . . . Cole Brothers Circus, with William Boyd (*Hopalong Cassidy*) as chief attraction and major stockholder, will use TV & AM spots on current summer tour . . . Richfield Oil sponsored two 5-hour telecasts of Southern California Tennis Tournament on KTTV, Los Angeles . . . Yellow Cabs of Philadelphia June 27 starts sponsoring *Yellow Cab Review*, film, alternate weeks on WFIL-TV, Mon. 8 p.m. & WCAU-TV, Tue. 10 p.m. . . . New participations on WNBT, New York: Best Foods (Hellman's mayonnaise, etc.) and Arnold Bakers Inc., both on Josephine McCarthy show . . . Among other sponsors reported using or planning to use TV [all agencies N.Y. unless otherwise stated]: McKesson & Robbins (Tartan Sun lotion), thru J. D. Tarcher; Parker Fur Co., thru Tim Morrow Adv., Chicago; Towne Talk Co. (Towne Pride flavorings), thru Mogge-Privett, Los Angeles; General Cigar Co. (Van Dyke cigars), thru Federal Adv. (WENR-TV); Austin Portrait Studios (chain), thru Mayers Co., Los Angeles; Springs Cotton Mills, thru Erwin, Wasey (KTTV); Ecko Products Co. (kitchenware), thru Dancer-Fitzgerald-Sample, Chicago (KTTV); Frito Co. (Fritos), thru Glenn Adv., Los Angeles (KTTV); Bell Packing Co. (chopped olives), thru Jewel Adv., Oakland (KRON-TV); Shifman Bros., Newark (Sanotuft bedding), thru Max Walter Adv., So. Orange, N. J.

BAB's first TV study covers *Shop by Television* show, half-hour weekly, sponsored by Washington's Hecht Co. dept. store over WMAL-TV. Program is "all-commercial," comprising product demonstration—low in cost, high in direct results. Phone orders placed during show and immediately after rose from \$582 week of Jan. 31 to \$2600 week of Feb. 28. Big store now has 2 half-hours weekly on WMAL-TV for *Shop by Television*, has Wednesday participation in NBC-TV's *Leave It to the Girls* (WNBW), sponsors afternoon *TV Shoppers Revue* Mon.-Thu. on WNBW—total of 5 hours plus participations. BAB also has survey of appliance dealers as prospects.

MARTIN CODEL'S

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PRICES, PRICES, WHO'S GOT THE PRICES? Watching the front runners jockey for position, in preparation for TV's huge fall-winter sweepstakes, would be amusing were it not such deadly serious business. At week's end, each of the favorites was seeking to conceal its new price listings from the others, playing a cagey game of hide-and-seek. But it's only a matter of days, now, before the facts will be out -- and in few weeks the production and merchandising race will be on in earnest.

All odds favor the public getting 12½-in. name brands at prices still further under \$200 level; new 14-in. rectangular models at or near early-1950 prices of 12½-in.; 16-in. models at substantially lowered prices -- beginning at around last fall's 12½-in.; 19-in. gradually reducing to old prices of 16-in. The 17-in. rectangulars and 20-in.-and-larger models are still dark horses.

Better production know-how, lowered picture tube prices, keenest kind of competition among the majors (top 20 easily do 90% of volume) as well as among the 90-odd smaller companies -- all spell improved quality at lower prices this fall and winter. How closely the big boys are guarding price "secrets", is indicated by fact GE distributors were shown new line in Syracuse this week (14 & 16-in. rectangular), promised late July shipments "on memorandum basis," prices to be quoted later!

Philco distributors were to be told about new line of 34 TV and 27 radio models at Atlantic City convention Saturday (June 17) -- but prices were not releasable until Philco's 5000 dealers convene there Monday & Tuesday. Admiral promised "most spectacular array of new TV models ever presented" at distributor meeting in Chicago's Edgewater Beach Hotel, June 17 also, accent to be on 16-in. rectangulars and 19-in. and 2 new plastic models -- no radios. RCA previewed its unpriced models to own field force in Atlantic City this week, will show to distributors shortly.

Motorola as usual is mum, which would indicate it's waiting watchfully, as it did last winter when it didn't price sets until second day of Chicago marts. But its so-called interim line of four 14 & 16-in. models (Vol. 6:22) may be indicative; and its distributors and dealers are due to be shown more momentarily. DuMont distributors meet in New York's Hotel Pierre, July 6-7; Stromberg-Carlson starts series of exhibits in Rochester, June 22; Arvin convenes in Moraine Hotel, Highland Park, Ill., June 19-20; Trav-ler in same place, June 23-24.

Interim and early fall models already released were fully reported in recent issues: DuMont (Vol. 6:16); Meck (Vol. 6:17); Emerson (Vol. 6:18); Hallicrafters & Starrett (Vol. 6:19); Admiral & Majestic (Vol. 6:20); Motorola, Philco & Westinghouse (Vol. 6:22). These doubtless are subject to change -- and we'll learn lots more at exhibits June 19-29 in Chicago's Furniture and Merchandise Marts, then July 10-17 at Music Merchants Show in Chicago's Palmer House.

SIZEABLE MARKETS STILL AWAITING TV: Come end of freeze and authorizations of new stations (Vol. 6:23), some of best marketing areas of country should get their first stations -- for there are many more still unserved by TV than seems apparent at first blush, considering enormous impact of the mere 105 stations now serving only 62 areas. Actually, only one more brand new market area is certain to be opened up this year -- Nashville, ranking 56th, where WSM-TV is aiming to start about Sept. 1.

Analyzing present FCC allocations of TV channels by metropolitan districts and their sales rank, using same table based on 1940 census as FCC used (see p. 65,

TV Directory No. 10), we find among 50 top sales areas just 10 as yet without TV outlets: Hartford-New Britain, ranking 20th; Portland, Ore., 22; Denver, 26; Scranton-Wilkes-Barre, 30; Springfield-Holyoke, 32; Akron, 35; Youngstown, 36; Worcester, 41; Allentown-Bethlehem-Easton, 43; Lowell-Haverhill-Lawrence, 45. Populations of all of these are above 300,000, subject to revisions when 1950 census is reported.

Studying next 50 areas in FCC's ranking, we find 34 must yet get their first TV stations -- all of them 100,000 or more population in 1940, probably considerably more now: Bridgeport, 53rd (leaving out of account RCA-NBC still experimental uhf station there); Sacramento, 54; Fall River-New Bedford, 55; Nashville, 56; Des Moines (served from Ames), 59; Trenton, 60; Tampa-St. Petersburg, 61; Canton, 63; Flint, 64; Peoria, 69; Harrisburg, 70; Spokane, 71; Duluth-Superior, 72; Reading, 73; Tacoma (served by Seattle), 74; Chattanooga, 76; Saginaw-Bay City, 77; San Jose, 78; Fresno, 79; South Bend, 80; Fort Wayne, 81; Wheeling, 82; Atlantic City, 83; Waterbury, 85; Wichita, 86; Knoxville, 87; Charleston, W.Va., 88; Portland, Me., 89; Beaumont-Port Arthur, 90; Huntington, W.Va.-Ashland, Ky., 92; Evansville, 93; Shreveport, 96; Racine-Kenosha, 97; Little Rock, 98.

Note: Since last Jan. 1, only 7 new applications have been filed, making total pending to date 349 -- all reported in TV Directory No. 10 and Addenda. FCC in imposing freeze urged no applications be filed before lifted (Vol. 4:39-40), stating they would be given no priority. FCC's table of proposed allocations by states & cities, vhf & uhf, is available as Supp. No. 64; by vhf channels, No. 65.

'WARNING' TO NEWSPAPERS & TELECASTERS: No signs of abatement in Zenith's campaign for Phonevision -- despite tangle with FCC (Vol. 6:22-23). Now, Comdr. E. F. McDonald has written to newspaper publishers, in frank effort to enlist their support for Phonevision, to tell that his pay-as-you-look system would render TV merely a "half-time competitor" for advertising dollars. Coincidentally, another letter he wrote to CBS president Frank Stanton warns telecasters that theatre-TV is planning to sign up exclusive TV program rights, thus hamper home TV.

Letter to publishers warns that TV "looms as the most deadly competitor in history for the advertising dollar...is also beginning to sell time in substantial and growing volume to dept. stores, clothing manufacturers, automobile and appliance dealers and other newspaper standbys that have hitherto used radio very little, some not at all." It goes on to relate that by providing [telecasters] with boxoffice "Phonevision will produce substantial income for broadcasting stations without the sale of advertising during broadcast periods which would otherwise have to be supported by advertising revenue. TV stations will have less time for sale to advertisers, because many of their programs will be paid for directly by their audience."

Letter to Stanton says failure of telecasters and TV manufacturers to support Phonevision may permit movie industry to sew up sports, Broadway openings, etc.; also attacks Theatre Owners of America for allegedly proposing members band together to bid such programs away from TV. "The boxoffice receipts from theatres in just a few major cities," it states, "will enable these theatres to far outbid broadcasters with no boxoffice."

Said top-hole newspaper-radio-TV operator, who sent us copy of letter that went to publishers: "It is either desperation or hypocrisy when a man tries to carry water on both shoulders in this fashion."

Meanwhile, report was current that Zenith, unable to get feature films for Phonevision tests, is getting ready to sue movie firms. And a "competitor" in field of subscription TV loomed in disclosure by Skiatron Corp. president Arthur Levey, writing FCC this week it has started "pilot" production of "Subscriber-Vision" on same principle as Phonevision but requiring no phone lines. Levey said he will ask for experimental public tests in New York City, same as authorized for Phonevision.

On subject of theatre vs. home TV, Fabian and TOA consultant Nathan L. Halpern writes in June Televiser Magazine that there's no contest between them because of: (1) Basic differences between home and theatre audiences. (2) Limitations on production techniques for home viewing while theatre TV can give full scope to programs. (3) Requirement that home TV condense its version of plays, operas, etc. to fit time patterns, whereas there need be no "cutting" for theatre TV.

NETWORKS HOT ON IMPROVING KINES: Kine-recordings, or teletranscriptions, loom large in network plans -- hence the current preoccupation in improving them to point where they're as good as transcribed programs are in radio. Fact is that, notwithstanding AT&T's estimate of 1952 for coast-to-coast TV hookups (Vol. 6:16), networks aren't too keen about early connections.

Reason is high cost of coaxial and/or microwave relays of network programs -- much higher than for radio. East and Midwest have substantial number of stations, but there are very few beyond St. Louis until you get to West Coast. Enormous "line haul" renders cost of prospective coast-to-coast hookups appalling. Some network executives even think it would be better to concentrate on building up presently-served areas, with extra circuits and spur links to contiguous towns, than to push coast-to-coast too fast.

Along with films, kine-recordings must continue to be mainstay of non-inter-connected TV stations for some time -- doubtless always will have good use because of their flexibility for time placements. But their quality has left much to be desired, as against "live" shows. Thus, ABC developed its new system called Vitapix (Vol. 6:21), and this week NBC reveals 2 devices for which engineering v.p. O. B. Hanson claims "performance approaching live TV pickups."

NBC's Orthogram amplifier compensates for distortion in gray-scale of film, such as chalky skin tones. Second device, a high intensity, short-arc mercury vapor lamp made by Westinghouse, is used in film projector to put more light on camera's iconoscope (scanning tube). NBC has already installed both devices in its New York and Hollywood stations, Orthogram alone thus far in Washington and Chicago.

As with radio transcriptions, there will always be those who insist there's difference between live show and recording, albeit element of immediacy is utterly unimportant on most dramatic and variety shows. Exemplifying this attitude in TV is letter from Lawrence H. Rogers, WSAZ-TV, Huntington, W.Va., now building own microwave link to Cincinnati for Sept. 1 network link (Vol. 6:22):

"What most of the non-owners [of TV sets] are waiting for in this area is 'network', notwithstanding the fact that by kine we have been showing an average of 30 network shows a week. The psychological factor is tremendous here regarding live network, probably because this area is entirely surrounded by such interconnected markets as Cincinnati, Dayton, Pittsburgh and, by fall, Louisville."

NBC-TV operations chief Carleton Smith reported this week network is currently shipping 325 prints a week to member stations -- 496 programs, or about 27 hours of recordings. Each week network shoots more than 400,000 ft. of kine-recording film; first week in May, it kine-recorded 51 commercial, sustaining and special programs. Its kine production, Smith said, is "100% greater than the Hollywood studios' output of feature films, on an annual average basis."

HAZELTINE'S COLOR WORK, AT&T & UHF: Activity on color-uhf front was relatively unexciting this week, only developments being: (1) Hazeltine showing of its work on RCA dot sequential system to newsmen and industry technicians this week. (2) Completion of hearings on AT&T bid for 470-500 mc slice of 470-890 mc band, which it wants for mobile common carrier services.

Next important date is July 10 when proposed findings on color hearings are to be filed. Only briefs expected are from 3 proponents -- CBS, CTI, RCA. It's understood RMA, DuMont, Philco, et al, won't file briefs, have decided to "sit it out." FCC's own first formal meeting for color discussion is July 11.

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Hazeltine showed that color cut-off point is not as critical as opponents of RCA system have made out. Using 12-mc simultaneous color picture as standard, Hazeltine showed what 4-mc dot sequential picture would look like with cut-off at .1 mc, .5 mc, 1 mc & 2 mc. (RCA cuts off at 2 mc). With mixed highs introduced, observers agreed that .1 mc picture was "remarkably good," that .5 mc picture was better, that 1 mc & 2 mc pictures still better but not very obviously so.

After putting dot interlace into picture, Hazeltine showed new sampling method called constant luminance. By this means, it permits variations in color

(less noticeable to human eye) without affecting brightness of picture. This virtually eliminated "shimmy" effect -- which also means various types of interference are substantially reduced. It improves monochrome, too, but not as noticeably.

Significance of Hazeltine developments -- which it showed FCC in April (Vol. 6:17) -- is that electronics experts have begun, successfully, to refine RCA dot sequential system. This indicates FCC must bear refinements in mind in establishing standards since constant luminance idea must be taken into account at transmitter end, albeit it's essentially a receiving device.

Hazeltine demonstrated on RCA 3-tube dichroic mirror receiver, claimed cost would be negligible in better type sets, several tubes and associated components in less expensive types. Experts said system should work on 3-gun, tri-color tube.

* * * *

TV defenders of 470-890 mc band for uhf TV based case against AT&T's encroachment (Vol. 6:23) on these grounds: (1) This is probably last space available in spectrum for TV expansion. (2) Even with whole band, TV would only have 82 channels vs. AM's 106. (3) TV needs all space possible if it's to place minimum number of stations in individual markets, permit maximum separation to preclude interference. Appearing at closing hearing June 14 were DuMont's T. T. Goldsmith, Philco's F. J. Bingley, ABC's John G. Preston (for TBA).

Telecasting Notes: Add one more to growing roster of TV stations now "in the black"—WHAM-TV, Rochester, just one year old this week and now well within profit column . . . Due on regular schedule July 1, WHBF-TV, Rock Island, Ill., reports Channel 4 tests showing up very well over large area, with letters, wires and phone calls from 75 cities within 100-mi. radius coming without any prior announcement of tests . . . Philco's WPTZ, Philadelphia, has installed complete TV studio in Atlantic City's Convention Hall so 6000 distributors-dealers could be shown "how a telecasting station works" during June 17-22 convention . . . Theatre Owners of America has engaged Jansky & Bailey as engineering consultants on theatre-TV; along with attorneys Cohn & Marks they will represent TOA at as yet unscheduled FCC hearings on theatre-TV channels (Vol. 6:2, 9) . . . Lots of excitement Monday at tower of WDAF, Kansas City, when laborer climbed 475 feet up 724-ft. tower, threatened to jump until promised chance to appear on TV; police took him in immediately he came down . . . "Horror" episode at KLEE-TV, Houston (changing to KPRC-TV, July 3) when a 50-year-old laundryman shot himself to death Monday as he sat beside telecaster Dick Gottlieb in press box of ball park; shot was heard over TV and all through stadium, and seconds later a TV camera focused on slumped body . . . Crosley's WLWT, Cincinnati, reports record total of 182 advertisers in May, 23% ahead of April and 109% ahead of May 1949; 76 of them are participations, 43 use spots, 63 programs . . . Coast-to-coast TV, 20,000,000 sets-in-use, 80,000,000 audience by 1952 were forecast by RCA's Gen. David Sarnoff in addressing John Carroll U commencement class this week . . . Official word from Don Lee management: "No deal has yet been concluded with CBS for purchase of KTSN. Any reference to participation in these properties by Liberty [Broadcasting System] entirely unwarranted and story released to the AP by Liberty has since been repudiated by CBS. No definite disposition has yet been made." . . . MBS has elected to stay in NAB, as did NBC, and won't follow CBS & ABC withdrawals (Vol. 6:20, 22).

More June 1 sets-in-use, reported since NBC Research "census" of May 1 (Vol. 6:20): Boston 390,762, up 22,762 in month; Baltimore 172,820, up 6820; Cincinnati 130,000, up 10,000; Milwaukee 114,664, up 4664; Columbus 71,000, up 4600; Dayton 67,000, up 4900; Providence 62,162, up 5662; Johnstown 23,100, up 1800.

Engineering Comr. George Sterling got unanimous approval for confirmation of reappointment to FCC after 2-day session before Senate Interstate & Foreign Commerce Committee, June 15-16. What looked like "ordeal by fire" at hands of New Hampshire Republican Senator Tobey first day, turned out to be mere threat to expose what he called FCC's "stupidity, maliciousness, blunder." Tobey was talking about the trouble TV is in today (troposphere, freeze, etc.), pegged threat to "expose" FCC on a June 1947 warning by technical information division chief Edward W. Allen that TV was going to get into interference trouble. Second hearing day, however, Tobey was all sweetness and light, didn't pursue "attack" any further. Sen. Johnson asked Sterling if it was true FCC is thinking of moving all TV to uhf, got forceful denial.

Personal Notes: Robert Gillham, ex-Selznick and onetime J. Walter Thompson v.p., joining Music Corp. of America next month to handle TV-radio talent and shows . . . David Hale Halpern, TV-radio v.p., Owen & Chappell, nominated for second term as president of American Television Society . . . Stanton Osgood, ex-CBS, appointed mgr. of NBC-TV film production and theatre-TV div.; Robert H. DeBeer appointed supervisor of records-research div., NBC personnel . . . Haan J. Tyler, mgr. of KFI-TV, Los Angeles, elected president of Los Angeles Ad Club . . . Rodney D. Chipp, DuMont Network engineering, director, elected chairman of New York IRE . . . Al Isberg, chief engineer, KRON-TV, San Francisco, elected chairman of San Francisco IRE . . . Alvin P. Rhone, ex-WBKB, joins WOR-TV, New York, as mgr. of film dept.

G. Emerson Markham, TV director of NAB, resigned this week, has not indicated future plans. He assumed newly created \$17,500 NAB post last Aug. 1, leaving managership of GE's WGY & WRGB, Schenectady. His place will be filled shortly, possibly by BAB's Charles Batson, who authored NAB's 3-volume TV studies last year. Also resigning from NAB staff, after 13 years, is Arthur Stringer, handling special services, FM, convention expositions.

John Shepard 3rd, who founded Yankee Network, sold it to General Tire (O'Neill) interests in 1944, was chairman of board until retirement last year, died June 11 in Brookline, of a heart ailment. His age was 64.

Clyde P. Scott, 48, mgr. of ABC's KECA & KECA-TV, Los Angeles, died June 13 of heart attack.

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June 24, 1950

WASHINGTON, ROCK ISLAND & MEXICO CITY: Newspaper activity highlighted this week's big news from the TV stations:

(1) Washington Post's WTOP Inc. (45% owned by CBS) purchased WOIC from Macy dept. store interests (WOR & WOR-TV) for cash sum in neighborhood of \$1,400,000.

(2) Rock Island Argus' new WHBF-TV was ready for formal Channel 4 debut next Saturday (July 1), making it nation's 106th outlet, Quad Cities' second (other is WOC-TV, Davenport) -- and the 39th owned by newspaper interests. Washington Post acquisition, when approved by FCC, will make 40.

(3) Mexico City Novedades (Romulo O'Farrill) was all set to begin tests July 5 of its new XHTV on Channel 4 -- first TV outlet in the Americas outside U.S. (Vol. 6:16,19). RCA fieldman W. C. Cothron, handling installation, reports everything nearly ready. Station opens up new market for U.S. receivers, programs, etc.

* * * *

Washington Post purchase of WOIC was quietly engineered at top levels (by millionaire owner Eugene F. Meyer, his publisher son-in-law Philip Graham, the CBS hierarchy, Macy's president Jack I. Straus) after efforts to buy DuMont's WTTG had proved unavailing. It came as complete surprise to staff, especially in view of Straus' repeated statement station wasn't for sale. WTOP manager John H. Hayes will probably head WOIC, now managed by Eugene Thomas, onetime WOR sales chief.

Price gives Macy interests substantial profit, accepting their statement that Channel 9 station stood them between \$800,000 & \$900,000 by time it began operating in January 1949. Station has forged ahead steadily, with some months in black and profitable operation reasonably assured when new rate card goes into effect later this year. Curiously enough, WOR engineering chief Jack Poppele urged the Washington investment on his principals when local interests held back for fear of TV costs; grant of April 26, 1946 took more than 2½ years to get started.

Though CBS 45% minority may charge this station up as unit against network's allowable limit of 5 TV outlets (it owns New York's WCBS-TV, 49% of Los Angeles' KTTV, is trying to buy Don Lee's KTSN, Los Angeles), fact is that publisher Graham holds voting trust of CBS stock. Both 50-kw WTOP(AM) and WOIC are CBS affiliates.

WOIC is third TV outlet to be purchased by newspapers in recent months: Dallas News paid \$575,000 for KBTB, now WFAA-TV (Vol. 6:4,11). Houston Post bought KLEE-TV for \$740,000 (Vol. 6:13,21); it changes call to KPRC-TV July 3.

WORLD TV STANDARDS STILL FORMATIVE: American TV, as did our movies, must someday become a substantial export commodity -- both equipment and programs. This pre-supposes technical operating standards ("gauge of track") compatible with those which have made this country world TV leader in the scant few years since war ended. Problems of standards are now engaging some of best minds in industry, marshalled under State Dept. auspices.

Three TV systems in the world seem to be prospect for visible future -- and 2 of them, very much alike, may wind up as standard for virtually every country except United Kingdom (Britain). There are even predictions Britain may switch eventually, especially since at least one large dominion, Canada, is virtually certain to follow U.S. patterns for obvious reasons.

That was status at close of recent European meetings of international technicians -- CCIR Study Group 11 (Vol. 6:3,9,11) in London, Paris, Eindhoven (Holland).

For exchanges of programs and eventual export market, exactly same standards the world over would be most desirable. Complete standardization isn't in the cards because of factors involving economics, politics, varying power supplies. But there's good chance most of world will have closely-related systems. Actually, no European market for American-made sets is expected for many years.

Though Britain seems firmly committed to its 405-line, 50-field system, observers think there's excellent chance rest of Europe will go for 625/50, which is virtually "compatible" with United States' 525/60. There's even possibility that 625-line and 525-line systems could become even more closely related. That would be case if everyone accepted suggestion of CCIR director Dr. Balthe van der Pol that common line frequency (15,700 cycles) be adopted. In rest of world, principally the Americas, countries which have standards have chosen either 525/60 or 625/50.

France has been principal stumbling block, in regard to continental 625/50 standards, since it has adopted 819/50. But face-saving "out" for France was advanced by other countries. Backed by U.S. information, they told French representatives that dot-interlacing could give them 880-line resolution with 625-line system; French seemed to go for idea.

Next move is Geneva meeting, within few months; continental countries will adopt recommendations, send them on to plenary session of CCIR in Prague next year.

* * * *

British setup is complex. Ten stations are planned, 2 per channel. TV band will be 41-68 mc, with five 5-mc channels carved out. Two stations are in operation in London and Birmingham. London uses 6-mc bandwidth, double sideband transmission. Others will use 5-mc, single sideband. Some stations will use horizontal polarization, others vertical. Receivers are single-channel. Thus, if anyone moves to another city, his receiver usually has to be modified. Reasons for all the variations is to get maximum number of stations within available spectrum, minimum interstation interference and receiver cost -- while preventing obsolescence of existing sets.

British transmissions are technically excellent, say American observers. They achieve full capabilities of system. One big advantage is that they have 35-kw transmitters radiating some 100 kw -- well above anything we have yet.

"Worst thing about British TV," says one, "is that there's no channel switch on receivers -- you get one station and that's all." (Of course, we still have quite a few single-station cities here, too.)

Dutch transmissions were said to be fine, French poor. One observer thought latter's 819-line pictures not as good as British 405-line.

Here is roundup of what came out of meetings: (1) All members agreed on vestigial sideband transmission, 4:3 aspect ratio, non-synchronous operation, 2:1 line interlacing, type of polarization needn't be standardized. (2) No agreement on field frequency, all countries except U.S. proposing 25 fields. (3) United Kingdom proposed 405 lines; France 405 and 819; Austria, Belgium, Denmark, Switzerland, Sweden, Netherlands and Italy 625; Morocco-Tunisia 819. (4) U.S. only country proposing negative modulation, others proposing either positive modulation or "further study." (5) U.S. proposed FM sound, others AM or further study. (6) CCIR director suggested 15,700-cycle common line frequency. (7) Color isn't ready for discussion, but should be compatible, if possible -- U.S. refraining from recommendations. (8) Dot-interlace was favorably received, is under study.

BOARD FINDS NAB IN GOOD SHAPE: New NAB board wound up 3-day Washington meeting June 22 in highly optimistic mood, reported finances in good shape despite recent ABC & CBS and many station withdrawals (Vol. 6:20-22). Membership is admittedly down, but board felt association is on even keel, will regain members as need and services increase. Here's what board did:

(1) Appointed Charles A. Batson TV director to succeed G. Emerson Markham, resigned (Vol. 6:24); he takes over July 1, leaving post of BAB assistant director in which he handled all TV. (2) Approved separation of BAB from NAB by April 1951,

plan to be drawn up by 5-man committee. (3) Authorized TV-AM-FM advisory committees instead of 9 previous departmental committees, members to be appointed by president Miller. (4) Set \$706,000 budget for year ending May 31, 1951, compared with \$798,000 for year just ended. (5) Asked TV members to commit themselves financially to support industry committee negotiating with ASCAP. (6) Named as board members Jack DeWitt (WSM & WSM-TV, Nashville) and Paul Morency (WTIC, Hartford) to succeed Wm. B. Ryan (ex-KFI, now NAB general manager) and Harold E. Fellows (WEEI, Boston, CBS-owned). (7) Instructed president Miller to register under Federal Lobbying Act. Next board meeting is Nov. 13.

Station Accounts: Starting in September, possibly earlier, quite a few TV manufacturers will release spots to advertise new TV-radio lines. Philco adfolk have prepared series of animated films for local placements that look like they'll rival famous B.V.D. spots. RCA, Tele-tone, Hallcrafters are others who have already approved local distributor-dealer use of TV . . . Best-liked TV commercials in New York area in May, according to Advertest Research: Lucky Strike, Philip Morris, Kools, Chevrolet, Chiquita Banana, Tide, Birdseye, Keds, Bulova, hi-V . . . Columbia Pictures to spend \$14,000 on all 7 Los Angeles TV stations to test TV for movie advertising; will compare with San Francisco, where all media except TV will be tried same time on same picture . . . Al Fairbanks, food broker, has bought Wed. 8:30-8:45 on WOR-TV for *Tiny Fairbanks Show*, promoting products he distributes: Strongheart Dog Food, Island Tapioca, Boy-O-Boy Chocolate Syrup . . . Brooklyn Union Gas Co. renews for 30 spots over 13 weeks on WJZ-TV, New York . . . Rudolph Wurlitzer Co. has sent 2 one-min. TV shorts to its jukebox distributors in various cities for placement on TV, illustrating how new jukebox works and aimed in part to interest tavern keepers in buying it . . . Among sponsors currently using or reported preparing to use TV are: Economy Gas Furnace Mfg. Co., thru Morris F. Swaney Inc., Chicago; Consolidated Royal Chemical Co. (Krank's shaving cream & Mar-O-Oil shampoo), thru Ruthrauff & Ryan, Chicago; Burlington Brewing Co., thru Goodkind, Joice & Morgan, Chicago; Grove Laboratories (4-Way cold tablets), thru Harry B. Cohen, N. Y.; Releen Corp. (cleaning fluid), thru Cayton Inc., N.Y. . . . Big League Togs Inc. (boys & girls togs), thru Weightman Inc., Philadelphia; Catalina Citrus Co. (Moja orange juice, Puretex lemon & lime juices), thru Harry M. Frost Adv., Boston; Doray Inc. (automatic defroster), thru A. E. Aldridge Assoc., Philadelphia.

Network Accounts: Pharma-Craft Corp. (Heed deodorant) and American Safety Razor Corp. (A.S.R. blades) co-sponsor *The Sugar Bowl*, musical comedy with campus setting, starring Chico Marx, starting Oct. 5 on ABC-TV, Thu. 10-10:30 . . . General Shoe Corp. buys *Acrobat Ranch* on ABC-TV, starting Aug. 19, Sat. 11:30-12 noon . . . Chrysler Corp. starts *Treasury Men in Action* on ABC-TV from Sept. 11, Mon. 8-8:30 . . . Ironrite Ironer Co. program on ABC-TV starting Oct. 2 will be *Hollywood Screen Test*, Mon. 7:30-8 . . . Ford Dealers of America summer replacement for *Kay Kyser* on NBC-TV is musical with Jack Haley, starting July 6, Thu. 9-10 . . . Van Camp's Foods *Little Show* with John Conte starts June 27 on NBC-TV, Tue. & Thu., 7:30-7:45 . . . Minute Maid Corp. buys *Howdy Doody* on NBC-TV from July 7, Fri. 5:45-6 . . . Gillette to sponsor annual all-star American-National League baseball game from Chicago on NBC-TV, starting 2:15 July 11 . . . Esso signs with CBS-TV to sponsor 8 college football games starting Sat., Sept. 30 . . . Arnold Bread drops *Faye Emerson Show* on CBS-TV after July 7, but retains Sun. 9-9:15 for undecided program . . . Drug Store Productions Inc. has renewed for 26 weeks on 18 DuMont Net-

work stations *Cavalcade of Bands*, Tue. 9-10, from July 4; also *Cavalcade of Stars*, Sat. 9-10, from July 8 . . . Televised *Lutheran Hour* has been approved by Lutheran Laymen's League to supplement present AM network shows . . . Kellogg Co. reported readying children's TV show.

Personal Notes: Harry S. Ackerman, CBS Hollywood director of network programs last 2 years, has been named to newly created post of executive head of CBS production, Radio & TV, reporting to program v.p. Hubbell Robinson Jr. . . . Robert Coe, ex-mgr., WPIX, New York, retained by Schine Enterprises (theatre chain) to consult on its TV-radio operations; will headquarter at Schine-owned WPTR, Albany . . . Jerry Jerome new musical director of WPIX . . . Joel Chaseman promoted to asst. program mgr., Charlotte Darsch to traffic mgr. of WAAM, Baltimore . . . Arthur H. Sherin Jr. named head of TV sales for Avery-Knodel Inc., reps (WMBR-TV, Jacksonville; WKZO-TV, Kalamazoo; WHBF-TV, Rock Island) . . . Marge Kerr resigns as talent buyer for N. W. Ayer to head creative TV program development for William Morris Agency . . . H. E. Ringgold elected v.p. & director of Petry rep firm . . . John Fox, ex-CBS, now director of production, William Douglas McAdams Inc. . . . Joseph Epperson, chief engineer of Scripps-Howard Radio, elected chairman of Cleveland IRE; Thomas B. Friedman, WXEL chief engineer, vice chairman . . . NBC-TV program research supervisor Dr. Thomas E. Coffin wins one of 4 annual awards of American Marketing Assn. for Hofstra College-NBC study on TV's sales effectiveness (Vol. 6:18).

This astonishing information comes from Paramount TV technical director Richard Hodgson, speaking before Allied Theatre Owners of New Jersey in Atlantic City last week-end: (1) Total investment in TV, including receivers, broadcasting and manufacturing plants, etc., is now \$3.5 billions, vs. movie industry's, \$2.88 billions. (2) Potential TV audience is now equal to 25,000,000 weekly movie audience. (3) Sharing of theatre-TV channels—when and if authorized—with business conference groups, pipeline companies, publishing houses, might be one way to save high operating costs. (4) Exhibitors should not be content with theatre-TV facilities below requirements for color TV. Latter idea has been plugged hard recently by Paramount TV executive Paul Raibourn, notably at Los Angeles sales convention last week.

Total U. S. advertising expenditures in 1949 were \$5,202,200,000, up 7% from 1948, according to *Printer's Ink*. National advertising accounted for \$2,973,800,000, up 7.1%; local \$2,228,400,000, up 6.7%. Newspapers were first, with \$1,905,000,000, up 8.9% (\$1,440,000,000 local, \$465,000,000 national). Radio was next with \$633,800,000, up 2.7% (national \$389,200,000, up .5%; local \$244,600,000, up 6.4%). Magazines, including weeklies, women's, general and farm, achieved \$492,500,000, down 3.9%. TV "showed furious progress," is credited with \$63,000,000—including, in addition to time charges (Vol. 6:21), talent, production, etc.

Telecasting Notes: Probably least publicized of all TV stations, Albuquerque's KOB-TV (3400 sets as of June 1, 22,000 families) asked FCC to permit it to drop weekly operating hours back to 12 to reduce summer expenses. FCC voted emphatic denial, held KOB-TV must operate not less than its 16-hour minimum . . . WCPO-TV, Cincinnati, claims it's first to program 100 hours weekly; WKRC-TV reports it will exceed 100 hours this fall . . . Charlotte's WBTB bought display space in financial section of *New York Times* June 21 to publicize fact it will link into coaxial in Sept. . . . Though unconfirmed, there seems to be substance to *Variety* June 21 report that TV-movie star Robert Montgomery is dickering with Macy interests (WOR & WOR-TV) for establishment of possible \$6,000,000 studio structure in New York, Montgomery's Neptune Productions to manage it, rent space to film and TV companies . . . Hudson Theatre at 44th & Broadway has been acquired by NBC, will immediately be converted into TV playhouse . . . *Wall Street Journal* says WPIX is paying \$200,000 for TV rights to 120 Sun. thru Thu. events in Madison Square Garden (as against \$30,000 last year)—half already sold to Chevrolet Dealers; also, that CBS-TV is paying about \$115,000 for Sat. night events, and NBC-TV is dickering for renewal of Fri. boxing . . . *Christian Science Monitor* correspondents in TV cities have been asked to survey TV impact on children; articles will be written by Robert Lewis Shayon . . . Inadvertently, last week, we included Huntington, W. Va.-Ashland, Ky. among second 50 markets (ranking 92) as unserved by TV; Huntington, of course, has WSAZ-TV, state's only outlet—so actually there are now 33 among second grouping and Nashville's WSM-TV is due in fall . . . ABC has again signed Metropolitan Opera for next season, starting Nov. 11, expects to televise several performances . . . New York Philharmonic concerts will be telecast from Lewisohn Stadium in NBC-TV series starting June 26, Mon. 9:30-10:30 . . . CBS-TV showcasing these name shows, among others: *Garry Moore Show*, starts June 26, Mon. thru Fri., 7-7:30; *Songs for Sale*, introducing songwriters with unpublished works, simulcasts start July 7, Fri. 9-10; *The Stork Club*, with Peter Lynd Hayes and Mary Healy, originating in New York night spot, starting July 5, Wed. 7:45-8 . . . Chicago Tribune's WGN-TV signed for exclusive telecasts of all events from Chicago Fair, beginning June 25; station has built studio at Fair site, will originate all DuMont Network Chicago programs there.

Coast-to-coast TV by Jan. 1, 1952 is latest estimate of AT&T, which got FCC authority June 23 to put up 55 microwave relay stations between Omaha and San Francisco, at cost of \$17,900,000. Only 2 of the 4 circuits will be for TV, one in each direction. Additional \$2,500,000 is being spent on Chicago-Omaha radio relay, due to be open in October. Total for New York-San Francisco transcontinental microwave system is \$37,590,000, FCC figures. Meanwhile, Long Lines engineering chief Frank Cowan revealed June 23 that second circuit in Des Moines-Omaha microwave link, originally scheduled for early 1951, would be completed in October when first circuit is opened.

Methods of measuring oscillator radiation, one of problem's toughest angles (Vol. 6:8 et seq), were recommended to FCC by RTMA's R-15 committee (RCA's Kenneth Chittick, chairman). FCC has indicated it may accept proposals as stopgaps, but they aren't as stringent as Commission would like. Feeling is that promise of substantial improvement soon is worth temporary compromise.

FCC Comr. George Sterling was unanimously confirmed by Senate June 20 for new term ending June 30, 1957. Interstate & Foreign Commerce Committee had unanimously approved him June 16, despite rough handling it had given him in 2 days of hearings (Vol. 6:24).

Count of TV Sets-in-Use by Cities

As of June 1, 1950

Sets-in-use totaled 6,214,100 as of June 1, according to NBC Research's monthly "census" report estimating TV receivers within 40-mi. service areas (.5Mv). NBC no longer publishes family figures, but those here listed are best available estimates of 1948 families within 40-mi. radius of city; note, however, that there are some overlaps, so that family figures are sometimes higher than actually served. Total represents 368,100 increase over May 1 count (Vol. 6:20), lowest increase thus far this year.

Interconnected Cities

Area	No. Stations	No. Families	No. Sets
Baltimore	3	732,000*	173,000
Boston	2	1,175,000*	391,000
Buffalo	1	323,000*	96,900
Chicago	4	1,438,000	525,000
Cincinnati	3	384,000*	130,000
Cleveland	3	695,000	233,000
Columbus	3	225,000*	71,000
Dayton	2	291,000*	67,000
Detroit	3	839,000*	247,000
Erie	1	112,000*	22,600
Grand Rapids	1	182,000*	23,800
Kalamazoo	1(a)	143,000*	10,600
Lancaster	1	85,000*	48,500
Lansing	1	168,000*	8,500
Memphis	1	177,000	38,500
Milwaukee	1	327,000	115,000
New Haven	1	557,000	81,800
New York	7	3,597,000*	1,365,000
Norfolk	1	196,000	18,600
Philadelphia	3	1,184,000*	501,000
Pittsburgh	1	742,000*	113,000
Providence	1	1,011,000*	62,200
Richmond	1	130,000*	33,900
Rochester	1	208,000*	42,000
Schenectady	1	258,000*	82,700
St. Louis	1	474,000	136,000
Syracuse	2	199,000*	47,500
Toledo	1	241,000*	45,000
Utica	1	127,000*	15,000
Washington	4	691,000*	137,000
Wilmington	1	183,000*	34,500
Total Interconnected	58		4,911,600

Non-Interconnected Cities

Albuquerque	1	22,000	3,400
Ames (Des Moines)	1	126,000	11,200
Atlanta	2	233,000	41,300
Binghamton	1	131,000*	14,600
Birmingham	2	196,000	12,900
Bloomington	1	104,000*	6,100
Charlotte	1	171,000	15,600
Dallas	2	277,000*	31,100
Davenport	1(b)	133,000	11,400
Fort Worth	1	269,000*	25,400
Greensboro	1	165,000	12,500
Houston	1	217,000	23,800
Huntington	1	132,000	12,300
Indianapolis	1	281,000*	41,400
Jacksonville	1	94,000	11,000
Johnstown	1	250,000*	23,100
Kansas City	1	275,000	35,800
Los Angeles	7	1,372,000	523,000
Louisville	2	188,000	34,200
Miami	1	117,000	27,000
Minneapolis-St. Paul	2	333,000	95,600
New Orleans	1	225,000	27,800
Oklahoma City	1	138,000	30,300
Omaha	2	132,000	23,700
Phoenix	1	49,000	10,800
Salt Lake City	2	93,000	16,900
San Antonio	2	130,000	17,700
San Diego	1	113,000	40,100
San Francisco	3	825,000	60,300
Seattle	1	307,000	30,300
Tulsa	1	125,000	26,900
Total Non-Interconnected	47		1,302,500
Total Interconnected and Non-Interconnected	105		6,214,100

* Family figures are based on estimates of 1948 population. Note that following coverages (hence total families) overlap: Bloomington-Indianapolis; Grand Rapids-Lansing-Kalamazoo; Detroit-Lansing; Detroit-Toledo; Syracuse-Rochester-Utica-Binghamton; Binghamton-Utica; Philadelphia-Wilmington; Rochester-Syracuse-Schenectady-Utica; Pittsburgh-Johnstown; New York-Philadelphia; Boston-Providence; Buffalo-Rochester; Cincinnati-Columbus-Dayton; Lancaster-Baltimore; Dallas-Fort Worth.

(a) WKZO-TV began scheduled operation June 1. (b) WHBF-TV, Rock Island, due to start scheduled operation July 1.

NO TOPKICK IN SIGHT FOR RMA YET: Unless Hazeltine's W. A. MacDonald and his subcommittee come up with a candidate who strikes the fancy of all forthwith -- quite unlikely, according to several subcommittee members -- next week's RMA convention (Stevens Hotel, Chicago, June 5-8) won't pick a paid president; instead, will as usual choose member president and then bide time "until the right man comes along."

Only other probability is selection of someone for an interim period, possibly continuance of president Ray Cosgrove on paid basis for 6 months or so, or election of someone like GE's Dr. W. R. G. Baker for the hiatus. At least, those alternatives have been suggested. Firm belief still prevails TV-radio-electronics industry has grown so big, has such enormous stake and stature in American economy, that a fulltime leader is needed. Though some still balk at military man, there was frank disappointment when Gen. Lucius Clay turned down \$50,000 job after committee had been given reason to believe he would accept (Vol. 6:16-17).

That's about long and short of Chicago convention picture as top brass of set, tube and parts makers meet -- representing about 75% of the industry. Out of confusion, this much seems clear: though there are plenty of "willing" and "suggested" candidates for paid job, bylaws must first be revised, dues structure altered. All this is too complex to expect old board to act when it meets Wednesday, or to expect membership and new officers and board (14 directors to be elected) to take up at their Thursday meetings. It's good guess that, when general manager Bond Geddes retires next month, RMA administration will be left in hands of his aide James Secrest -- until next board meeting in September, at very least.

Note: FCC chairman Wayne Coy delivers major address at Thursday night banquet; it will be important discussion, particularly with respect to Commission's attitude and suggestions for meeting increasingly irksome interference problems, including oscillator radiation. He will also touch on color issues.

PICTURE TUBE SIZES, SHAPES & DEMAND: Bigger and rectangular. That's still the trend in picture tubes -- and it's accelerating fast. A check this week again (Vol. 6:21), among biggest glass-blowers and tube-makers, brought that unanimous consensus.

Here's outlook from American Structural Products Co. and Corning, who make just about every all-glass envelope built:

ASPC: Now almost 100% converted to rectangular, 14 & 16-in., about same number each. Behind demand on both. Introducing 19-in. in July; no present plans for anything larger. Will be well abreast demand by fall. Rectangulars proving even stronger than rounds, structurally.

Corning: About 60-70% rectangular at the moment, will be virtually 100% by fall. Making 14, 16, 17-in. Samples of 20-in. now being built; nothing larger scheduled this year. By fall, sizes 16-in. and larger will probably comprise 80% of production. Behind demand now, but certain to catch up by fall.

Tube-makers confirm those trends, but a couple suspect that even 14-in. is due for early demise -- and it's barely started! One reports 2 cancellations of orders for 14-in; number of set-makers using 16-in. want 17-in. as soon as possible.

DuMont is gearing for 21-in. rectangular, metal-coned (same length as 19-in. round), expects delivery of first cones this week. RCA is still all-out for rounds, but is universally believed to have full line of rectangulars in the works and bound to come out with them sooner or later. Here's RCA attitude: We have nothing against rectangulars, but do you think industry could reach this year's predicted 6,000,000-set output if everyone dropped rounds?

Sylvania now makes round 12½, 16 & 19-in.; also rectangular 14 & 16-in., with 17 & 20-in. planned. Rectangulars in big demand. Company reports many cus-

tomers giving up 12½-in. aren't replacing them with 14-in. Spokesman says demand is ahead of production but "watered": "If you add up all tube orders, they'd indicate 9,000,000 sets this year." Demand of Sylvania customers will be met.

GE produces round 10, 12½, 16, 19, with 24-in. due "later in year"; also rectangular 14 & 16-in., with 17-in. scheduled for August. Buffalo plant now solely rectangular, with 1000-tube daily capacity.

Both Sylvania and GE say trick of welding rectangular faceplate to metal cone is still to be mastered.

Following set-makers say they have already replaced 12½-in. with 14-in.: Atwater, Bendix, Crosley, DeWald, Emerson, Jackson, Majestic, Motorola, Peerless, Stewart-Warner, Trav-Ler. DuMont says it will. These have ceased 12½-in. production but haven't yet announced any 14-in.: Capehart, Conrac, Kaye-Halbert, Mercury.

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Talk about porcelain-steel picture tubes, started by recent Chicago Journal of Commerce story, seems to be just talk. Writer Ray Vicker reported "several manufacturers are experimenting with a porcelain-enamel carbon steel [rectangular] tube. Their objective is to break the tube production bottleneck." He said U of Illinois was first to make porcelain tube, in its betatron department.

Glass and tube-makers were curious about story, particularly since there isn't any tube bottleneck. One finally sent investigator to university; he came back with word that people there were upset by article since they'd done no such work -- although some thought tube of such material might be practical.

As for manufacturers allegedly working on it, inquiries among key producers fail to uncover any who say they are. One informs us that Motion Picture Research Corp., 236 Lafayette Ave., Lyndhurst, N.J. (Ben Doktor), approached it with plan for "enamel sealing," but tests "did not indicate it would be practical at this time."

Topics & Trends of TV Trade: "Nobody's waiting in line for television sets, as they did a month ago—but they're still selling." That observation by one of industry's leading producers would seem to size up current trade situation rather well.

"The public hasn't stopped buying," he continued, "and the manufacturers haven't stopped shipping. Distributors and dealers, though, are finding more merchandise on hand than they expected, hence the sales to unload in preparation for the new models.

"We had them on allocation so long that a dealer would place an order for 100 sets in expectation of getting 10; now, to his surprise, he's getting entire 100. That's the way things are. But the big difference between now and last year is that the public stopped buying then; they haven't stopped buying yet."

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Cleanouts of nearly all lines continue to feature retail market, while every set maker is warily watching every other to get line on new price trends. We should begin to get good inkling of that when Philco holds its Atlantic City convention June 17-21 (Vol. 6:12), Admiral its Chicago convention in 2 or 3 weeks (dates undecided), and RCA, Emerson, Motorola, et al, release models in early July. Chicago's Furniture & Merchandise marts, June 19-29, will bring some out (Vol. 6:19), and more will exhibit at NAMM Show in Chicago's Palmer House, July 10-13—by which time the new season should be well under way.

Meeting of National Appliance & Radio Dealers Assn. has now been set for June 25-26 in Chicago's Hotel Stevens. Besides the several western TV-radio shows (Vol. 6:19), it has been announced that New York is planning big public exposition Sept. 23-30, called National Television & Electronics Exposition and to be held in 69th

Regiment Armory. Chicago's Electric Assn. has set 1950 National Television & Electrical Living Show for Sept. 30-Oct. 8 in Chicago Coliseum.

Clearances seem to be fairly orderly, with some surprising values offered in overstocked and soon-to-be-superseded brand name models. Signs of the seasonal times include spate of ads offering free home demonstrations and free trials; giveaways of dishes, silverware, lamps, etc. with receiver purchases; big turn-in credits (up to \$100) on 7 & 10-in. sets, and even radios; dumping of these turn-ins at prices as low as \$39; free trip to Bermuda (Brooklyn offer) and week-end in Atlantic City (Philadelphia offer) with purchase of a TV; free vacation trips for dealers achieving certain number of sales points.

Denver isn't TV area, probably won't be for good year yet, but chain appliance dealer Jack's (also operating in Los Angeles) advises us through executive Marvin Hayuten that it's bringing in several hundred Majestic combination TV-radio-phono consoles this month, to retail under \$300, with thought of selling them for their radio-phono now against day when TV is usable. It's frankly "an experiment," said Mr. Hayuten, intended primarily "to get some good radio-phonographs immediately, with the TV there when needed."

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Philco this week released new Model 1606—16-in. (round) mahogany table at \$270. It has been on production line awhile and demand got so heavy company felt it was forced to place it on market immediately. Set has 19 tubes, 5 rectifiers.

Motorola's interim line, due on market around June 12 as sort of prelude to new line coming out after plant vacation ends July 8, comprises 4 models—14-in. rectangular consolette, \$240; 16-in. round consolette, \$270; 17-in. rectangular table \$240, console-combination \$400.

Westinghouse 12½-in. table is \$230 & 16-in. rectangular console with half-doors and phono jack \$325 . . . National Co. has 12-in. table at \$230, console \$270; 16-in. rectangular table \$290, console \$340; has ceased production of 7 & 10-in. . . . Montgomery-Ward's "Airline" private label sets are 12½-in. leatherette table \$190, in wood \$200, console \$230, console with more sensitive circuit \$250; 16-in. rectangular table \$250, with round tube in console with more sensitive circuit \$290.

Stewart-Warner has 16-in. rectangular console at \$300, has priced its 16-in. rectangular console-combination (Vol. 6:11) at \$400 . . . International Television (Arnold H. Klein new sales mgr.) reports 16-in. rectangular table \$239, console \$255, with doors \$319, in better chassis \$359; 19-in. console with doors, \$438.

Tele King has cut 16-in. rectangular table from \$260 to \$240, raised console from \$240 to \$270; has new 14-in. rectangular table, \$200 . . . Arvin has cut 12½-in. table \$10 to \$180 . . . Video Corp. cut 16-in. table from \$250 to \$230, console from \$300 to \$250, with doors from \$329 to \$280; 19-in. console cut from \$445 to \$340; has new 19-in. console at \$300, 16-in. console-combination at \$340.

Trav-Ler has new 14-in. rectangular console at \$200, has cut 16-in. rectangular console with AM-phono \$50 to \$300 . . . Telequip has 14-in. rectangular table, \$220; 16-in. rectangular table \$260, console \$300; 19-in. console, \$370.

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Reports from Canada, where RCA Victor Ltd.'s F. W. Radcliffe told Canadian Manufacturers Assn. last week that 40,000-50,000 TV sets will be produced and sold this year, and CBC's Charles Harris reported he hoped TV stations will be in operation in Montreal and Toronto by September, 1951:

RCA Victor Ltd. has 10-in. metal table, \$340; 12½-in. metal table \$419, console \$490; 16-in. table \$530 . . . Dominion Electrohome Industries Ltd. has 16-in. rectangular console \$495 . . . Stewart-Warner-Alemite Corp. of Canada Ltd. reports it's making 12-in. console, 14-in. rectangular table and console, 16-in. rectangular console, projection console. All consoles are combinations; no prices given . . . Canadian Admiral reports 7-in. plastic table \$220, wood table \$230; 10-in. plastic table \$340,

console \$370; 12½-in. table \$400, console \$450. Other models with more sensitive chassis are slightly higher priced . . . Stromberg-Carlson Ltd. has 10-in. table with FM \$450 . . . Pye Canada Ltd. reports it no longer is making TV sets.

Brand & Millen Ltd., Long Branch, Ont. (L. H. Gaetz, president) has signed for exclusive manufacture and sales of Crosley TV and radio sets in Canada; sets will be sold through Cross Country Television Ltd., newly formed.

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GE's Electronics Division allotted about \$7,000,000 of company's \$50,000,000 plant expansion program for this year. Largest expansion will be new TV picture tube plant in Syracuse which when completed late this year will provide 152,000 sq. ft. Other expansions include TV-radio plants at Buffalo, Utica, Owensboro, Ky., Wabash & Tell City, Ind. Electronics Division currently employs about 16,000, expects to increase this by 5% by end of year.

Sylvania's tube expansion program now includes new 500,000 sq. ft. plant at Shawnee, Okla., costing \$1,500,000 and due to be ready by Jan. 1, 1951 with capacity of 1,000,000 receiving tubes per month; manager will be C. W. Hosterman, ex-supt. of Sylvania plant at Huntington, W. Va. . . . Expansion of Sylvania in receiving set field indicated by subsidiary Colonial's sponsorship of college football games on ABC-AM starting Sept. 30.

RCA picture tube plant at Marion, Ind. will shut down only July 1-8, though all 10 other plants of Victor Division will close for vacations June 30 through July 18.

Some 35 employes of Remington Rand TV picture tube division are transferring to Reeves Soundcraft Corp., which will henceforth produce its rectangular tubes (Vol. 6:19). Remington Rand v.p., Lieut. Gen. Leslie R. Groves, said all facilities of the division necessary for making kinescopes will be transferred to Reeves' new plant on Hope St., Springdale, Stamford, Conn. Gen. Groves said Remington Rand will devote its research at South Norwalk, Conn. henceforth to new vacuum tube developments. Reeves has plants in Long Island City, Philadelphia, Allentown and subsidiary Light Metals Co., Louisville. It bought Remington tube division for price between \$50,000 & \$75,000.

FCC asks Zenith for explanation of certain Phonevision promotions in sharply-worded letter May 31 (Public Notice 50-785), to which Zenith counsel is expected to reply next week. Letter dealt primarily with Zenith's offer of Phonevision decoder unit licenses on royalty basis to RMA members, Admiral and Tele-tone (which none says he's accepted) and attendant publicity—but it's known commissioners are also concerned about Teco Inc. stock issue (Vol. 6:21). Six commissioners approved letter, Walker not participating. It asks for explanation before FCC acts on Zenith request for extension of its 90-day experimental license from last Feb. 8 to next Oct. 1. Letter stresses requirements of Feb. 8, 1950 order (FCC 50-191) that "Zenith . . . shall avoid any action that might create the impression [that] Phonevision has been or will be authorized on a regular basis or that the said authorization constitutes approval by the Commission of the principle of Phonevision or subscription television" which must be determined at public hearing. Letter continues: "Your actions, on the contrary, tend to destroy that flexibility [in determining standards after hearing] by encouraging the mass production of receivers containing Phonevision decoder outlets built in accordance with your present stand-

ards. Thus, if in the future such a hearing were held on this matter, a great number of sets might already be in the hands of the public and on the market all containing decoder outlets built to your standards. Furthermore, in the short time since your organization was granted special temporary authorization to conduct the Phonevision tests, various advertisements concerning Zenith television receivers have appeared containing such statements as 'Phonevision will soon be here' and 'Phonevision exclusive with Zenith.' The Commission is of the opinion that the public might be confused as to the true significance of the Phonevision decoder outlets and might easily be misled into believing that Phonevision has been or will soon be adopted by the Commission on a regular basis . . . the Commission believes that a serious question is raised as to whether your actions have been consistent with the conditions imposed in your special temporary authorization . . ."

Zenith's John R. Howland, in Los Angeles this week, said in address before California Independent Telephone Assn. that film makers will relent in opposition to Phonevision and cooperate in tests by September. From Chicago, *Wall Street Journal* June 3 quoted Comdr. McDonald as stating Zenith has no intention of instituting legal action against film companies.

Financial & Trade Notes: In wake of record 6-month sales and earnings report (Vol. 6:21), Emerson stockholders May 29 approved 2-for-1 stock split, authorizing increase from present 1,000,000 to 3,000,000 capital shares—1,240,390 still unissued. Directors meet June 21 to consider dividend. President Ben Abrams said recent concentration on 2 new models (Vol. 6:18) has greatly stimulated seasonal sales, disclosed Emerson's first 19-in. and other models will be released in July.

Officers' and directors' stock transactions reported by SEC (for April, except as noted): ABC—v.p. Earl E. Anderson, sold 6000 shares, holds 9000; v.p. Frank Marx, sold 300, holds 200; v.p. John H. Norton Jr., sold 900, holds 2100; director Owen D. Young, sold 5000, holds 5000. Hazeltine—v.p. Laurence B. Dodds, sold 100, holds none. Magnavox—treas. John S. Sturgeon, sold 200, holds 218; comptroller John D. Grayson, sold 100 in March 200 in April, holds 100; Stanley Sondles, sold 140, holds 2500. Noblitt-Sparks—Frank H. Sparks, sold 400, holds 5300. Philco—v.p. Thomas Kennally, sold 3, holds 13,333; v.p. Leslie Woods, sold 200, holds 5050; v.p. Frederick D. Ogilby, bought 100, holds 100; v.p. Frank D. Peltier, sold 100, holds 350. RCA—v.p. Robert A. Seidel, bought 100, holds 600; v.p. Harold R. Maag, sold 170, holds none. Zenith—v.p. Hugh Robertson, bought 200, holds 1518; v.p. Donald MacGregor, sold 100 in March, holds 150.

General Instrument Corp.'s annual statement dated May 26 shows net sales for year ended Feb. 28 were \$13,634,582 and net loss \$107,184. This compares with \$14,024,316 sales, \$302,535 profit for preceding year. Commenting on unprofitable first half of year, report states: "Continued difficulties with the original TV tuning head and the multi-speed record changers, in addition to the confusion existing in the industry with this item, resulted in low sales level. In the second half, notable improvements were achieved in the demand for all products of the company . . ." Proxy statement for June 29 annual meeting discloses president Richard E. Laux's salary as \$46,184, director Monte Cohen's (v.p., S. W. Sickles Co.) as \$24,800 plus \$10,000 bonus.

Allied Electric Products Inc., parent company of Sheldon Electric Co., tubemaker (Nathan Chirelstein, president), has filed SEC registration statement covering 160,000 units of \$6 par convertible preferred and \$1 par common shares (to be sold as units of one preferred and one-half common at \$7.50); also 20,000 common to be offered at \$4.50. Hill, Thompson & Co. is underwriter.

Geneva Electronic & Television Corp. reported to have paid \$500,000 for 71% interest in Continental Electric Co., 108 W. Randolph St., Chicago, operating plant in Geneva, Ill. making industrial tubes and photocells and planning to manufacture 16 & 20-in. rectangular TV picture tubes as well as fluorescent and other lamps.

Raytheon stockholders will be offered 290,000 additional common shares shortly, on basis of one for 5 held, issue to be underwritten by Hornblower & Weeks. Proceeds will be used for working capital incident to increased TV volume.

International Television Corp. (John B. Milliken president, Allen Gittelsohn & Arnold H. Klein new principals) is offering 360,000 shares of 10¢ par common at 60¢, thru D. F. Bernheimer & Co. and Hunter & Co., New York, net proceeds to be used for working capital.

Cornell-Dubilier sales were \$10,167,358 during 6 months ended March 31, net profit \$554,823 (\$1.21). This compared with \$6,905,872 sales, \$246,622 (48¢) profit in same period of preceding year.

When ABC broke into profit column in first quarter of this year (Vol. 6:19), it may have marked turning point in rather turbulent career, remarks *Wall Street Journal*. Profit was \$93,000 vs. loss of \$64,000 same 1949 period and loss of \$519,085 for all 1949. "Primarily responsible for the profitable first quarter this year is the upturn in TV time sales . . . understood to have topped \$1,100,000 compared with something less than \$100,000 in the comparable period last year [see PIB figures; Vol. 6:20]. This doesn't mean, of course, that the network's TV operation is out of the red. It isn't, but each day finds the losses getting smaller . . . Consequently, when the end of the year rolls around, ABC should be able to turn in a financial report which will show considerable improvement over that for last year."

Sightmaster Television Corp., newly formed by principals in Sightmaster Corp., set maker, plans to sell 750,000 shares of common stock through Tellier & Co., at 40¢ per share, to raise funds to exploit new method of filtering color said to be adaptable to any color TV system. Sightmaster Corp. itself will retain 400,000 shares, according to president Michael L. Kaplan. Company says technique provides "first method of filtering color . . . which eliminates glare and improves the contrast."

Sylvania estimates that about 10% of its expected 1950 volume of between \$110,000,000 & \$120,000,000 will come from TV receivers, reports *Wall Street Journal*. It entered that field last October, so less than 5% of its 1949 sales of \$102,539,866 came from TV sets, with radios and auto radios accounting for another 15%, and lamps, lighting fixtures, receiver tubes and TV picture tubes running 70%. It claims to be second largest maker of radio tubes.

Bendix Aviation reports profit for quarter ended March 31 was \$3,563,685 (\$1.69 per common share) vs. \$2,040,773 (69¢) for same 1949 period. For 6 months ended March 31, net income was \$7,362,604 (\$3.48) vs. \$5,143,398 (\$2.16) for same 1949 period. Fiscal year ends Sept. 30.

John G. (Joe) Wilson, 50, executive v.p., RCA Victor Division, died June 1 at his home in Wynnewood, Pa., following brief illness. He joined RCA Victor in 1944 as administrator of accounts and finance, became operating v.p., then v.p. & general manager before election to succeed Frank Folsom in January 1949 when latter was appointed RCA president. He had formerly held executive posts with United Wall Paper Co., Goldblatt's dept. store, Chicago, and Montgomery Ward. He leaves wife, son, 3 daughters. RCA Victor operating triumvirate comprises Admiral W. A. Buck, operating v.p.; J. B. Elliott, consumer products v.p.; L. W. Teegarden, technical products v.p.

Trade Personalities: Ellery W. Stone, Rear Admiral USN retired, ex-president of Federal and Capehart-Farnsworth, elected president of American Cable & Radio Corp., also IT&T affiliate . . . Robert MacLatchie, ex-v.p. in charge of engineering & manufacturing of Colonial (Sylvania), has returned to private practice as designer and consultant on program mechanisms, automatic machines, manufacturing facilities, plant layout—headquarters in Penllyn, Pa. . . . Norman Wunderlich elected executive v.p. of Link Radio, Frederick T. Budelman elected engineering v.p. . . . Benjamin Abrams, president of Emerson, elected director of Better Business Bureau, New York . . . W. J. Moreland Jr., executive v.p., elected president of Conrac Inc., Glendora, Cal., TV receiver manufacturer, succeeding E. Z. Walters, now chairman.

RMA ELECTS SPRAGUE, REVAMPS SETUP: RMA convention in Chicago this week was so pre-occupied with problems of paid president, reorganization, bylaws changes, dues revisions, that members did little about other trade matters (reported elsewhere in this issue).

Unable to agree on any one of 4 military men advanced by J. J. Kahn's committee for \$50,000 presidency, board elected Robert C. Sprague (Sprague Electric) both president and chairman. When paid president is selected, Sprague remains as board chairman. He will appoint committees soon, including new one to continue quest for president. [For list of newly elected officers and directors, see p. 4.]

Radio-Television Manufacturers Assn. is new name of association, effective immediately. Higher dues schedule applies mainly to big companies, is calculated to provide for new needs. Annual budgets of \$250,000 have been running into red due to special appropriations.

PROGRESS REPORT ON SET RADIATION: Even as FCC Chairman Coy was putting oscillator radiation problem (Vol. 6:8,14,17-21) squarely up to industry, in serious talk to RMA convention Thursday night, perceptible progress was apparent out in the field.

Crux of Coy's speech (full text reprinted as Special Report herewith) was: "The question before us now -- today -- is whether cooperation from the industry will solve the problem or whether it will have to be solved under the power of the Commission to license transmitters -- and this is what we are dealing with in the cases of those receivers radiating excessive amounts of power."

Threading throughout speech, you'll notice this philosophy: "Boys, the spectrum is getting tremendously crowded. That means more regulations and restrictions, either self-imposed or governmental. Make your choice. Furthermore, radio is becoming so complex that FCC must have more assistance from you."

Abhorring governmental regulation, which they've never had to endure, receiver makers have begun to produce results. Problem is not new; in fact, FCC began warning industry some 2 years ago. At that time, a very few manufacturers looked far enough ahead to build moderately well-behaved sets. Three months ago, Commission really began to nag industry. As result of latest prodding, several manufacturers have already hurriedly checked new TV and FM models, redesigned some.

FCC has measured number of sets, at Laurel Labs, knows best and worst; there's huge gap between. Performance of some top-name brands is surprisingly bad. Since TV tuners are prime source of radiation, Commission has been querying all known tuner makers, enlisting their help as well as that of set makers. Better tuner makers are starting to extol their products. One tuner, according to FCC, seemed quite superior -- radiating very nearly FCC's suggested limit, 15 uv/m at 100 ft.

FM sets, not TV, are most dangerous culprits at the moment. Right now, TV sets are interfering primarily with each other. But FM receivers are fouling aircraft navigation instruments using vhf frequencies and jeopardizing air transportation. So serious is problem, that CAA Administrator D. W. Rentzel wrote FCC urgent plea for help. It's only recently that CAA found FM sets were to blame. FCC, CAA and manufacturers are now checking sets in Crawfordsville-Lafayette, Ind. area as "guinea pig". After current check, remedy will be chosen. Possible solutions range from shielding, traps, etc. to removing sets or ordering them kept turned off. By comparing allocations, FCC and CAA counted 60-odd areas where trouble can occur.

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Coy had 2 other principal points, aside from talk about color -- FM and research. His predecessors have fostered and fed FM with little success. Now, Coy

believes, the powerful new medium of TV could bring FM out of its moribund state. FM could be added inexpensively to TV sets, he said, and --

"FM set production could ride TV piggy-back up the ladder of success. At this state of TV's development, when daytime service is limited, such an arrangement would make it convenient for the set owner to snap on the FM when TV is not on..."

Coy chided industry, reasonably, for its great concentration on production and merchandising, neglect of research. He wondered, again, why many of industry's most prosperous entities have given FCC so little assistance in allocations (Vol. 6:21) -- as they might by more studies of propagation, interference and service areas, and equipment development.

"By allocating a reasonable amount of your energy and your money to such research programs," he said, "you will be helping to assure the stability of your industry and you will be serving the public interest."

Topics & Trends of TV Trade: It was no compliment to the TV trade that the head of New York's Better Business Bureau, Hugh R. Jackson, should have reported to BBB national convention in Washington this week that 18.2% of all complaints handled by his office concern TV. Also, that such complaints increased 230% during first quarter of 1950.

As glaring example, he cited offer of free trip to Bermuda with sale of any TV set on floor; but when buyers came, only a handful of sets were available, all in highest price brackets.

Service contracts are big headache, as well as advertising complaints—and it was to these that Philco's James H. Carmine addressed himself largely when he spoke June 6. He said the industry isn't overloaded with TV sets, but admitted to an excess of zeal on part of some dealers in disposing of inventory in expectation of new models or to hypo sales during seasonal slumps. Such abuses, said Carmine, are growing pains of an infant industry. He said 6,000,000 sets will be sold this year, of which Philco will account for 400,000 first 6 months, 1,000,000 for year. [Also, 2,000,000 radios this year, he later told us.]

Carmine said some dealers have turned over servicing to contractors who don't feel same obligation to customer as do established retailers. Where service is rendered directly by retailer—as in 60% of Philco sales—there is little trouble, he said. He pleaded for patience: "We're just now learning about TV, and I think you may feel reasonably sure selling practices will improve."

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Everything's pointed now to big TV exhibits due shortly at Chicago marts (Vol. 6:19), to say nothing of various company conventions starting mid-June—biggest one to be 5000-delegate Philco affair in Atlantic City, June 17-21 (Vol. 6:12). But most numerous and biggest displays of TVs and radios will doubtless be those at National Assn. of Music Merchants (NAMM) show in Chicago's Palmer House, July 10-13. List of exhibitors thus far engaging space:

Admiral, Ansley, Atwater, Belmont (Raytheon), Brunswick, DuMont, Fisher, Freed, General Electric, Jewel, Magnavox, Motorola, Pathe, RCA Victor, Scott, Sparton, Starrett, Stromberg-Carlson, Sylvania (Colonial), Tele King, Westinghouse, Zenith.

Unverified but probably accurate report has RCA readying for initial dealer showings of new line starting July 6, or a few days before NAMM show. Regional meetings are planned, no national convention. GE's unveilings come at Syracuse convention next week, June 16-17. Arvin convention will be in Moraine Hotel, Highland Park, Ill., June 19-20.

Tele King is pulling out of 12½-in. field entirely, will concentrate on 14 & 16-in. rectangulars, 16 & 19-in. rounds, low end of line to be \$200 wood table model. This week's sellout of 12½-in. Tele King tables at \$99.95 by Macy's and Bamberger's was last of odd-lot to clean out old \$129 private-label line; it was not Tele King's own former \$190 model in that size, now discontinued. New Tele King line is due sometime in July.

Entry of Mercury Record Corp., 839 S. Wabash, Chicago, into TV receiver manufacture is now confirmed. Big popular record maker will show first line at Chicago Furniture Mart. Its sets are made by SMA Co., 4721 N. Kedzie Ave., Chicago (formerly Lytle & Co., then Lytle & Cannon), of which Mercury is major stockholder. SMA's president is Chester Lytle, with onetime Iranian oil millionaire S. M. Avaezadeh as other major stockholder. SMA is already heavily in tuner manufacture. TVs will be sold through Mercury's 9000 dealers. SMA Co. also makes private-label sets for several Chicago retailers.

Sears Roebuck's midsummer catalog lists only one TV set—16-in. rectangular console at \$250 . . . Spiegel Inc. catalog lists TVs ranging from 12½-in. table at \$140 to 16-in. console at \$210.

Scott has 16-in. chassis for custom installation \$210, reports it's producing 150 units a day . . . Federal Television Corp. has 16-in. console at \$300, 16-in. rectangular with more sensitive chassis \$400; 19-in. console \$400, with more sensitive chassis \$500 . . . Philmore cut 16-in. table from \$365 to \$289, console from \$395 to \$345; has new 19-in. console at \$389; has dropped 12½-in. Also makes kits . . . MP Concert Installations reports 12½-in. table at \$250, console \$260; 16-in. rectangular table \$290, console \$300 . . . Transvision-Television (Canada) has 16-in. rectangular table at \$479, console \$539; 14-in. rectangular table and console and 19-in. table, no prices.

Emerson can be added to lists of factories shutting down first 2 weeks in July (Vol. 6:20-21), with new models (including 19-in.) due sometime in July . . . Bendix plant addition at Baltimore, exclusively for TV, will be 2-story structure 500x72-ft., will house 4 new TV lines of 350-ft. each, will be completed by Sept. 1. Handling average of 14 carloads of TV materials daily, new facilities should quadruple production, says gen. mgr. W. A. Mara . . . Freed has leased more space at 12-16 Vestry St., New York, adjoining present factory at 200 Hudson St., and president Arthur Freed says this will permit 50% increase in TV production . . . Olympic's new assembly lines will be doubled late in July, when new fall line starts, will increase daily capacity from 600 to 1000 TVs per day; first 6 months output will be about 50,000, second about 100,000, according to president A. A. Juviler.

Financial & Trade Notes: "If circumstances should make it advisable to liquidate our interest in DuMont," Paramount president (and DuMont "B" director) Barney Balaban told stockholders this week, "we shall probably do so by offering it to our stockholders in exchange for shares of our corporation on the same basis bearing a relationship to the respective market values of each of the stocks."

Paramount holds 560,000 shares of all Class B DuMont and 43,200 Class A shares, for which it paid some \$164,000 in 1938-43 (Vol. 4:30) and which currently has market value of around \$14,000,000. Paramount thus owns about 26% of DuMont, its "B" shares entitling it to 3 out of 8 directors.

Balaban report was first since Paramount Pictures Corp. (production) was set up separately from United Paramount Theatres (distribution) under govt. consent decree. Paramount Pictures Corp. owns one TV station, Los Angeles' KTLA, which Mr. Balaban revealed was now operating in the black as, reportedly, is United Paramount-Balaban & Katz's WBKB, Chicago. TV phase of report was largely designed to counter common belief that TV accounts for current box office dropoff; analysis doesn't sustain this, said Mr. Balaban, because dropoff is same in non-TV as in TV areas.

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International Television Corp., in prospectus for new stock issue (Vol. 6:22), discloses sales of \$185,083 for 3 months ended April 30, 1950, net profit \$12,345—sales running \$24,696 in February (deficit \$5439); \$67,257 in March (profit \$7142); \$93,129 in April (profit \$10,643). In operation to Jan. 31, 1950, losses totaled \$246,191.

Allied Electric Products Inc., tubes and components, reports sales at \$2,702,834, profit \$89,192 for 9 months ending March 31. Company was organized June 17, 1949. April-May sales reached new high of \$935,000.

Zenith accepts no blame for Phonevision ads and publicity giving impression that FCC has authorized service on commercial basis. In 10-page letter with 11 attachments, answering FCC's warning of last week (Vol. 6:22), president E. F. McDonald asserted ads were initiated by dealers and distributors and that Zenith took immediate steps to discipline offenders, even threatening disenfranchisement. As for urging other manufacturers to install decoding outlets in sets now on royalty basis (Vol. 6:8), McDonald insisted he was just continuing Zenith's policy of preventing obsolescence, which company had carried out, he said, in case of high-low band FM, vhf-uhf TV, and now Phonevision.

Flexibility of FCC's future decision would not be impaired by installation of such outlets now, he maintained, claiming that many types of "scrambling" are possible with those outlets. He also disclaimed any responsibility for gyrations of Teco stock (Vol. 6:21-22). He said that both he and Teco v.p. T. M. McNicholas, in interview published in May 25 *Chicago Herald-American*, made it clear that Phonevision hadn't been authorized and that phenomenal rise in Teco shares' value wasn't considered warranted. He went on to say:

"If the Commission feels that it is not in the public interest for us to continue to suggest to our competitors that they help protect the public by equipping their sets to accommodate Phonevision if and when it is approved, then we will on your request withdraw that offer and make no further move towards permitting our competitors to put these outlets on without royalty until and if the Com-

Dividends declared: Admiral, regular quarterly 25¢ payable June 30 to stock of record June 16; Zenith, first quarterly 50¢, payable July 31 to stock of record July 14, last annual dividend having been \$2 paid last April 29; Muter, quarterly 15¢ payable June 30 on new common (100% stock dividend having been declared May 15) of record June 15, last annual payment having been 60¢ in December; Clarostat, paying 8¢ on common July 10 to stock of record June 20.

Besides price reductions in 10, 12½ & 16-in. kine-scopes sold to manufacturers, disclosed in latter May to become effective June 1 (Vol. 6:21), RCA announces new distributors', dealers' and list prices as follows (old prices in parentheses): Type 10BP4 & 10BP4A, distributor \$18.60 (\$20.85), suggested dealer \$22.25; suggested list \$31. Type 12LP4 & 12LP4A, distributor \$19.25 (\$21), dealer \$24, list \$32. Type 16AP4 & 16AP4A, distributor \$32 (\$41), dealer \$40, list \$53.50. Type 16GP4, distributor \$27.60 (\$32), dealer \$34.50, list \$46. New list prices do not become effective until July 1.

As summer sales stimulant, DuMont has launched dealer contest offering \$12,500 worth of prizes (1950 Cadillac, Plymouth, \$500 savings bond, 30 Longines wrist watches, 30 Royal portable typewriters). Dealers will write about and show how they pushed 19-in. Hanover. Contest closes July 31, will be backed by full-page ads in magazines, tie-in space in TV markets, TV spots, continuance of *Morey Amsterdam Show* on DuMont Network.

More June 1 sets-in-use, reported since NBC Research "census" of May 1 (Vol. 6:20): St. Louis 135,500, up 7500 in month; Miami 27,000, up 2200; Omaha 23,933 (as of June 3), up 1433; Norfolk 19,634 (as of June 5), up 5634; Greensboro 12,479, up 979; Davenport 11,447, up 1047; Ames (Des Moines) 11,200, up 2100; Kansas City, 35,793, up 1493.

mission has approved Phonevision as a commercial service. However, we feel it our duty to the public to point out that such action on our part at the behest of the Commission would result in unfortunate and costly repercussions for both the general public and competing manufacturers, if Phonevision should be approved by the Commission and established as a public service."

Company's policy, Comdr. McDonald added, "is also in line with the suggestions which have been made by the Commission in connection with its consideration of color TV that if possible some provision be made in TV sets now being manufactured to prevent them from becoming obsolete with the coming of color TV when the Commission shall have established standards for that system of broadcasting." Presumably, he was referring to commissioners' questions, particularly Coy's (Vol. 6:9). They have asked whether installation of Chapin-Roberts switch in sets built from now on might give FCC greater freedom in making color decision by stopping number of sets incompatible with CBS system at number now outstanding. McDonald's comment started some speculation that he's thinking of putting switch into new sets.

* * * *

Zenith's first mention of easy uhf convertibility of its TV sets since its "obsolescence" campaign of last year (Vol. 5:11-21) came in letter to FCC on Phonevision. Said President McDonald: "Many standard Zenith TV receivers are now operating satisfactorily on the uhf band in Bridgeport, Conn."

Serving with RMA's new president-chairman Robert C. Sprague are these v.p.-directors elected at Chicago convention this week: Max Balcom, Sylvania (also heads tube div.); W. J. Barkley, Collins; A. Liberman, Talk-A-Phone; A. D. Plamondon, Indiana Steel; Glenn W. Thompson, Arvin (heads set div.). Other officers reelected were Leslie F. Muter, treas.; John W. Van Allen, gen. counsel; Dr. W. R. G. Baker, engineering director. Newly elected directors: Robert Bell, Packard-Bell; John W. Craig, Crosley; R. S. Perry, Federal; R. C. Tait, Stromberg; R. G. Zender, Lenz Electric (heads parts div.). Re-elected directors: E. Alshuler, Sentinel; R. E. Carlson, Tung-Sol; G. M. Gardner, Wells-Gardner; H. J. Hoffman, Machlett (heads transmitter div.); H. L. Hoffman, Hoffman Radio; H. C. Mattes, Belmont; Ray F. Sparrow, Mallory. On retirement of executive v.p. Bond Geddes July 31, public relations director James D. Secrest becomes secy-gen. mgr.

Bitter about Washington's treatment of industry on color issue, RMA retiring president Raymond Cosgrove told convention luncheon meeting: "The industry was accused falsely of holding back color . . . If the folks making the ungrounded statements had any business experience or any elementary knowledge of this industry, they would have known that all of us have built our business on enlightened self-interest in the public interest . . ." Although FCC has regarded RMA's baby—the NTSC—as a stepchild, NTSC panels are doing a lot of work on color. They want to be ready to aid in writing exact standards when and if FCC asks for assistance.

FCC hearing on 470-500 mc, requested for new broadband mobile telephone service by Bell Labs (Vol. 6:22), ran all this week, resumes June 14, should finish that day or next. Bell contends that present narrowband service, lower in spectrum, isn't enough and that 470-500 mc is peculiarly well-suited to new service. Other common carrier participants (U. S. Independent Telephone Assn., National Mobile Radio System, Mutual Telephone Co.) want 470-500 mc, but some of them fear Bell would get in early enough to preempt channels in some areas. First TV witness, DuMont's T. T. Goldsmith, got on stand late Friday, continues next week. Other TV participants are TBA and Philco. TV people are challenging Bell's contentions, asserting TV has greater need of space.

New JTAC members, taking office July 1, are T. T. Goldsmith, DuMont research director, and I. J. Kaar, manager of GE's receiver division. John V. L. Hogan moves up to chairman, Kaar becomes vice chairman. New members replace Melville Eastham (General Radio) and E. K. Jett (WMAR-TV, Baltimore); first has retired, second begged off because of other work. Rest of JTAC members: Donald Fink (*Electronics*), Ralph Bown (Bell Labs), Haraden Pratt (IT&T), Philip Siling (RCA), David Smith (Philco). IRE's L. G. Cumming is secy.

That 6 mc is sufficient for color, in FCC Chairman Coy's opinion, seemed strongly indicated in his RMA speech this week when he said that if 6 mc isn't enough "color would not be available to the people of this country until some unknown date in a presently unknown and probably presently unexplored part of the radio spectrum, perhaps as far away as 2 or 3 decades, if at all." Other commissioners are known to feel that 6 mc is enough for any kind of TV; dot-interlacing has served to deepen that conviction, since it can provide greater resolution in limited bandwidth.

Louis Silver promoted to executive v.p. of Majestic, Milton R. Benjamin moving in from district sales post for New England to take over sales managership.

Personal Notes: Barry Bingham, publisher of *Louisville Courier-Journal* (WHAS & WHAS-TV) resigned this week as chief of Marshall Plan mission in France to return to Louisville . . . French Govt. June 6 awarded Brig. Gen. David Sarnoff, RCA, Grand Medal of the Association des Ingenieurs-Docteurs de France for services in war and peace contributing to the "development of public cultural relations on a world scale" . . . Leonard Reeg is new ABC-AM eastern program mgr., Alexander Stronach Jr. national director of TV programs, Harold L. Morgan Jr. national director of TV program operations . . . Anne Nelson and Wm. Rosenthal appointed assistants for business administration, CBS-Hollywood, under director Kenneth L. Yourd . . . Ruddick C. Lawrence, from *Fortune Magazine* ad staff, new mgr. of NBC-TV sales development . . . Stuart Ludlum, ex-Blackett-Sample-Hummert & McCann-Erickson, new TV director of Duane Jones Co. . . . Robert Breckner, KTTV, Los Angeles, new president of TV Council, Screen Directors Guild . . . Clarence Menser, ex-NBC v.p., now professor of speech and director of radio, Stetson U, DeLand, Fla. . . . Leonard Reinsch elected to board of Atlanta Newspapers Inc. (*Journal, Constitution*, radio & TV stations) . . . David H. Carpenter, ex-WCON & WCON-TV (CP), out in Atlanta newspaper-radio shuffle (Vol. 6:20), has joined Music Corp. of America as director of national sales of radio shows, including transcribed MGM Radio Attractions; at MCA with him is Crenshaw Bonner, ex-WCON sales mgr., with Gaines Allen handling Southern sales . . . Harvey Aderhold, ex-WCON chief engineer, has joined TV dept. of WSB-TV, Atlanta . . . Ralph J. Roberts, adv.-sales promotion chief of Muzak, elected v.p. . . . Harold J. Cohen, chief of FCC Common Carrier Bureau, has resigned to join New York law firm of Root, Ballantine, Harlan, Bushby & Palmer; acting chief of Common Carrier Bureau is Jack Werner . . . Don Petty, NAB general counsel, has resigned to resume private law partnership in McClean & Petty, Los Angeles.

Creation of a Hopalong Cassidy-like character, "owned and operated" by themselves, is behind big deal announced this week by 6 manufacturers. They'll exploit, through sale of clothing, novelties, etc., name of Wild Bill Hickok. Actors Guy Madison and Andy Devine are to star in 5-year series, making 52 half-hour TV films and 195 quarter-hour radio transcriptions yearly; movies are also planned. David Hire, ex-Paramount and Fox, will be in charge of all production, with headquarters at Hal Roach studios. Leonard Picker, ex-Columbia Studios, will produce films; Ruth Burch, ex-Selznick, will handle radio. Manufacturers involved: Robert Bruce Knitwear, Irvin B. Foster Sportswear, De Luxe Wash Suit, Varsity Mfg., George Schmidt Mfg., Western Junior Mfg. They won't sponsors shows, but will offer them to others.

More than 200 copies of Princeton student Jerry Jordan's survey on TV's impact on sports attendance (Vol. 6:19) have been sent to that many colleges faced with fall decisions on use of TV. When complete Jordan report is issued late in July, it will contain names and records of all colleges, ball clubs and others who cooperated—making individual findings available for different sections of country. RMA voted \$18,000 to reprint, send study to every college, ball club, football team, sports clubs and promoters in country. Jordan gave presentation to Receiver Division Wednesday, impressed them with survey's thoroughness.

Improved kine recording transmission will be demonstrated in New York and Hollywood June 12 by NBC-TV, details not yet available. All of improvement is said to be in transmission techniques, not in making of kines themselves. Development comes on heels of ABC-TV's improved kines called Vitapix (Vol. 6:21).

WHAT'S EXPECTED OF THE MANUFACTURERS

Problems of Freeze, Color, UHF, Oscillator Radiation, Aural Radio, Research
As Discussed in Address by FCC Chairman Wayne Coy
Before Annual Convention of Radio Manufacturers Assn., Chicago, June 8

THE theme of my remarks here tonight is the expansion that lies just ahead for the radio manufacturing industry of America, some methods by which that expansion may be fostered, and the stake of the public in that new era of your development.

Tonight, the radio manufacturers of America can look back upon an exciting, dramatic history of accomplishment. In a comparatively short space of time you have made yours one of the leading industries of the leading industrial nation of the world.

You have built for the American people transmitters for some 3000 FM, AM and TV broadcasting stations and more than 100,000,000 broadcasting receiving sets of all types. You have produced hundreds of thousands of transmitters and receivers for radio communications systems for almost every social, economic and industrial activity, many of them new and novel applications. Over and above the domestic needs, you have exported the products of your factories around the globe and have thereby added lustre to the fame of American mass production genius.

You are in the extremely fortunate position of serving a public that is radio-minded—radio-minded as perhaps no other people in the world. Figures just released by the Department of Commerce point up the activity in your industry. In the first two months of this year, sales of almost every major classification of merchandise by department stores were down 2 to 34% from the corresponding period in 1948 and 1949. But radios, TV sets and phonographs were up 159% over 1948 and 121% over 1949.

Maximum Utilization of the Spectrum

Perhaps the key problem of all of us concerned with radio at this particular time is the maximum utilization of that natural resource in the public interest. For the public, maximum utilization of the spectrum means maximum service. For the broadcaster, it means maximum coverage. For the radio manufacturer, it means maximum production. And for the Federal Communications Commission, it means the fulfillment of the mandate of Congress to encourage the larger and more effective use of radio in the public interest.

You gentlemen construct the vehicles that haul our loads of communication up and down the electronic highways of the radio spectrum. That spectrum space is so precious that we should strive for the most efficient operation, the maximum utilization of these highways of the ether.

That is why at this particular stage of radio's development the radio manufacturer finds himself more and more confronted with problems that the manufacturer of yesterday might not have considered so immediate to his planning. But now it is becoming increasingly obvious that the extent of our efficiency, ingenuity and economy in employing these highways determines the extent of the manufacturer's production opportunities.

I think TV affords a splendid example of the mounting importance of the inter-relationship of the manufacturer, the broadcaster, the public and the government.

In the TV area of the radio spectrum we have seen what happens when, in response to enthusiastic demands for a new and exciting broadcast service, we authorized more traffic on the electronic highways than the development of the art would permit. The result was a traffic jam that could only be straightened out by halting all new construction. In this particular instance the solution of the over-crowding was complicated by the necessity of providing for color, along with black and white, in the spectrum space allocated to TV, if we are to have color in the foreseeable future.

The Freeze, Color and UHF

In general, we seek the same objectives: We want to lift the freeze as soon as practical so that construction of stations can resume. The freeze has already lasted more than a year and a half. We want to employ channels in the Ultra High Frequency Band so that we can have many more stations and give the public by means of a proper distribution of station assignments, a truly national and competitive TV broadcasting system. We want to have color if it is feasible. To use only black-and-white pictures when color is feasible would not be maximum utilization of the spectrum.

The color phase of the Commission's hearing was concluded on Friday afternoon, May 26. Proposed findings, arguments and rebuttal briefs will be in the hands of the Commission on July 10 and then the decision-making process can get under way. The most critical questions which the Commission must decide as a result of this phase of the hearing and in the light of the continued halt on the construction of television stations are:

(1) Can we get good color TV in a 6-megacycle channel?

(2) Are the interference conditions, which affect the station assignment plan, the same, substantially the same, or more or less critical than for black-and-white TV?

The Commission could answer the first question in the negative and, therefore, express no concern as to question No. 2. Such an answer would have these consequences:

(a) Color no longer would be an issue prolonging the freeze.

(b) Color would not be available to the people of this country until some unknown date in a presently unknown and probably presently unexplored part of the radio spectrum, perhaps as far away as two or three decades, if at all. I add "if at all" because TV is now allocated such a large amount of the known radio spectrum that it is very doubtful if additional space will be granted this service in our lifetime in view of the many, many other demands for use of the spectrum.

Some of you have made it clear that you would answer the color question in the negative. Others in your organization have strongly inferred such an answer would be yours. But most of you, in my opinion, see the merits of

the proposition that adequate provision for both color and black-and-white TV must be made now in the public interest and in your own interest, if such action is possible at this time.

Key to Lifting of the Freeze

The Commission can answer the question affirmatively by any one of the following decisions: the writing of engineering standards for color TV transmission; provision for multiple standards, permanently or temporarily; or provision for further experimentation and development.

Involved in the making of such an affirmative decision is the consideration, among other things, of whether apparatus for the showing of color from any of the proposed color systems has been developed or seems *certain* of such development as would permit the sale of receivers at a sufficiently low price so as to be economically available to practically all homes in America.

As to the question of color in 6 mc, we have had help, great and important help, from segments of the radio industry. At times it has seemed that some segments of the industry wanted to hold back color for another day, even at the risk of not having color in the future. But on the whole color has progressed in its developments at a rather rapid pace. It seems to me that the inventive genius of the electronic scientists has been stimulated and put to working overtime. I see no stopping the advance and I see no one willing today to lie down in its path as an impediment.

I must, however, express my concern about the help the Commission has had on the interference problems of color TV, a key to our station allocation list if we are to have color or, to put it another way, a key to the lifting of the freeze. I cannot and I do not ignore your interest in lifting of the freeze. I recognize the necessity of such action not only in your interest but in the broader public interest.

But I do not understand why the Commission has had such difficulties in getting necessary information from the industry on these interference problems. We have had to prod you continuously for it in the face of the assumptions which you were giving us to the effect that the interferences would be the same as in black-and-white.

You say it isn't your problem—that it is the problem of the proponents of color systems and the Commission.

Problem Is Also the Manufacturers'

And I say to you it is your problem and it is to your selfish interest that you regard such problems as your own. Anything that determines the size of the service areas, including the people living in the marginal service areas, determines the size of your market. Complete and accurate knowledge of both the co-channel ratios between stations and the magnitude of undesired interfering signals are large factors in determining the size of your markets. Having useable TV signals reach all the people of this country is in the public interest and likewise serves your economic well-being.

And I do not think it will be difficult for me to establish with you the view that it is in the public interest—and in your own interest—that TV quickly achieve its full potential of usefulness to the American people. TV must have something to say to the people of this country. It is not to your interest that it become third rate, or even second rate, in the field of entertainment, culture, education and as a "window on the world".

TV must be an affirmative force in our national life. It is to your interest as manufacturers that every possible program resource is available to the telecasters and thus to the homes of America. We must be as vigilant in guarding against monopolies in the creative fields—the greatest source of programming materials—as we are in

the marketing of electric light bulbs or groceries.

On Monday [June 5] the Commission began a hearing on the petition of the American Telephone and Telegraph Co. for an allocation of a portion of the UHF for common carrier services. This hearing is a harbinger of further conflict over the use of the radio spectrum.

Next Steps: Color Decision, Then Allocations

Following this phase of the hearing and the decision on the color issue our next step will be to begin taking testimony on the general allocation part of this hearing. In this general allocation phase we will take up the feasibility of employing the UHF, antenna heights, power, spacing between stations in the VHF and the UHF, classification of stations (metropolitan, rural, community and perhaps some intermediate class), directional antennas, offset carrier, carrier synchronization, service areas, oscillator radiation, stratovision, polycasting, the reservation of channels for non-commercial educational stations and metered television.

This portion of the hearing will be followed by the hearing on allocation of channels, in both VHF and UHF, to specific communities throughout the country.

When all this is completed, the Commission will proceed with the processing of applications as speedily as possible. In some communities there will of course be delays because of hearings on competitive applications.

Considering the large number of station assignments available, and considering the tremendous enthusiasm already evidenced by the public, and considering the improved and relatively interference-free allocations we will have, it is easy to understand why some of your industry leaders are predicting that there will be 28,000,000 sets in use within the next four years.

The Oscillator Radiation Problem

And now I wish to refer to another area in which the radio manufacturer is confronted with new opportunities to improve the effectiveness of his operations in the light of the realities of today's radio transmission conditions and thereby further serve the public interest.

The problem I refer to is interference caused in some areas and under certain circumstances by TV and FM receivers having excessive oscillator radiation. The TV or FM set in the living room, if proper safeguards have not been built into it, is in effect a schizophrenic—a split personality—a Dr. Jekyll and Mr. Hyde.

In the living room, as Dr. Jekyll, it shows a smiling, benign face to its owner, amusing, informing, spellbinding, even educating or uplifting. But simultaneously, as Mr. Hyde, it may be up to nefarious activities elsewhere. It may be radiating interference which is causing havoc far and wide. It may be spoiling television reception for many blocks away—producing shimmying and Venetian blind and herringbone effects on the screen.

It and its companion miscreants may be causing hundreds, even thousands of TV set owners to gnash their teeth, tear their hair, complain to TV stations and the FCC, or perhaps to wind up by demanding that the TV retailer come and take his set back and refund their money.

It may be up to something far more sinister than spoiling somebody's TV enjoyment. It may be acting as a deadly weapon, interfering with aviation radio and endangering the lives of passengers on airliners.

What is happening? As a split personality the TV or FM set is acting as both a receiver and a transmitter.

The TV and FM receiving sets, by thus transmitting radio waves far and wide, are also interfering with each other. Interference-wise they are their own worst enemy. It is a kind of an electronic cannibalism in which they are all trying to destroy each other.

This problem is grave enough today when we have only 105 television stations on the air and more than 6,000,000 receivers in the hands of the public. But after the freeze is lifted and hundreds of new stations go on the air and the number of receivers climbs to 10,000,000, 20,000,000 and 30,000,000 this problem could become extremely magnified unless something is done about it now.

Possible Solutions

Three possible solutions have been advanced:

- (1) Reallocate channels.
- (2) Change the intermediate frequencies of receivers.
- (3) Limit the amount of receiver radiation.

To reallocate channels would mean a reduction of the number of TV stations and would require a change in the frequency of many stations now on the air. This seems quite impractical.

Both the Commission and the RMA have given considerable study to the possibility of changing the intermediate frequencies of receivers. If the industry changed from the present almost universally employed 21.6-26.1 mc intermediate frequency to 41.2-45.7 mc, it could completely eliminate oscillator radiation in the VHF TV channels, but the signal generated would cause interference to vital safety services, primarily aviation.

As to the third solution—limiting receiver radiation—both the Commission and industry have taken some steps looking thereto. In its Notice of Proposed Rule Making on April 13, 1949, relating to the revision of Part 15 of its Rules, the Commission proposed to bring receiver oscillator radiation under its rules. In the discussion of ways of specifying a limitation a value of 15 microvolts per meter at a distance of 100 feet was used by way of example.

No such value has been formally proposed but tests of different types of receivers and a careful study of receiver requirements indicate that such a value may be achieved by TV receivers if adequate consideration is given to the problem in the design stages.

During the war the Commission required that the radiation of shipboard receivers should be less than 400 micromicrowatts, which corresponds to a field intensity of about 4 microvolts per meter at a distance of 100 feet.

In contrast, in September of 1948 the RMA Committee on TV receivers suggested a limitation of 25 microvolts per meter at 1,000 feet. Under conditions of rural reception each receiver would cause interference to about 1/100th square mile under the suggested value of 15 microvolts per meter, whereas the RMA proposal could result in interference over an area of about one sq. mi.

However, tests on recent receivers indicate even the more lenient RMA proposal has not been met in practice.

Of course, cost is a factor in the determination of a reasonable and tolerable level of suppression. At the present time exact information on such costs is not available as methods of suppression are still under study. However, informed opinion is that it is a matter of a few dollars on the price of each receiver. In any event, the results of our failure to take the necessary corrective action will be so far-reaching that we cannot allow the relatively insignificant increase in receiver cost to stand in our way.

Three committees are now working on this problem. There is a Central Coordinating Committee composed of representatives from the FCC, the RMA and the American Standards Association. As a contribution to this work, the American Standards Association Committee C-63 is studying receiver susceptibility for various services which may receive interference, radio noise and methods of its measurement. Also, the RMA Committee R-15 is obtain-

ing data from RMA members and cooperating organizations as to the amounts of radiation from present TV receivers and as to methods of measuring and reducing such radiation.

The Commission has asked the parties in the color TV hearing to file as a part of their proposed findings of fact, a statement of the precise data available concerning the susceptibility of the system and various types of apparatus to interference and similar effects, and a statement of how such interference may be minimized with respect to oscillator radiation as well as other types of interference.

Reducing Radiation in New Models

In the meantime, the Commission solicits the wholehearted cooperation of the radio manufacturing industry—those outside the RMA as well as the RMA members—in this important problem. The Commission also solicits the cooperation of servicemen, retailers and broadcasters in alleviating local conditions pending a general solution of the problem.

Some manufacturers are already making plans to reduce radiation in their upcoming models. Other manufacturers, however, are making no plans. Meanwhile, receivers continue to cascade off the assembly lines at the rate of 400,000 per month. The need for action is urgent.

The question before us now—today—is whether the cooperation from the industry will solve the problem or whether it will have to be solved under the power of the Commission to license transmitters—and that is what we are dealing with in the cases of those receivers radiating excessive amounts of power.

As many of you know the Commission maintains 19 monitoring stations over the nation to act as watchdogs of the air waves, to police all illegal radio transmission and to track down interference. However, in view of the skyrocketing growth of radio, we cannot hope to keep the situation in hand without stringent regulations.

The Commission may have to establish interim standards. But in certain areas where safety of life and property is jeopardized immediate action is mandatory.

All of us here recall how industry after industry in the past has had to set up safeguards when an aroused public decided that the public interest was being injured. The railroads have had to eliminate grade crossings. The building industry has had to meet zoning and safety regulations. The drug industry has had to establish the safety of new drugs before they are permitted to market them. The maritime industry, after tragic shipwrecks, has been required to adopt various life-saving measures.

The public looks to us—both the industry and the government—for a solution. We cannot evade it. The amount of goodwill, broad-gauge thinking, concern for the welfare of the radio manufacturing industry as a whole and the regard for the public interest that you exhibit here will be a test of the leadership and sense of responsibility of this giant industry. . . .

Opportunities Yet in Aural Radio

Now, because I have talked so much about the problems of TV, I would not want anyone here to get the impression that I think that your upcoming opportunities for expansion do not include aural radio.

I reiterate that despite the welcome addition of TV, we are going to need a strong, healthy and indeed improved system of aural broadcasting.

You have a tremendous stake in the improvement of that system.

And the public has a tremendous stake in the improvement of that system.

Despite the undoubted rosy future of TV it will be many years before many small communities can support

their own TV station. In the meantime, they are going to need a local radio station to give them their local news, to serve as a forum for the discussion of local issues, to serve as an outlet for their local talent. And even in the larger cities we are seeing today that there is a growing demand for the services of aural stations that can cater to specialized tastes.

The great post-war demand for AM radio stations resulted in hundreds of American communities getting their first station for serving local community needs. On the other hand because of the limitations of the AM band, these stations could only be installed at the cost of creating interference to the existing stations and cutting down the range of most of the existing regional and local channel stations. The local station in many areas can give interference-free service at night to an area within a radius of only a few miles. The daytime station of course leaves the community without its own local radio service when the sun goes down.

Some observers predict that this interference problem will be aggravated in the near future by interference to secondary AM service areas from Cuba and Mexico—regardless of whether or not there is a North American Regional Broadcasting Agreement.

FM's Superiority Over AM

Can we continue to justify our tolerance of these defects in AM when we have at hand another system of sound broadcasting—FM—that has none of these defects and has, moreover, some other highly desirable advantages?

FM's superiority over AM is as unchallenged as ever—freedom from static, noise and fading; with day and night operation and high fidelity and with many more high power stations of uniform range so that competition must be on the basis not of power but of programming.

With FM we can give American communities more local stations to serve their local needs; and stations that will reach far, far beyond their present AM stations with a clear, loud signal and with stations that aren't blacked out at sunset.

It is a startling but true fact that a Class B FM station can cover from 300 to 500 times the area now served by many local channel AM stations at night.

FM has had a rough time.

Only a handful of [FM] broadcasters are showing a profit or are near a profit status. They complain that networks treat FM as a stepchild; that they refuse to affiliate with FM stations even though FM stations provide additional coverage, particularly at night; that networks have never provided proper, high fidelity inter-city network lines. And they complain that manufacturers have not produced easy-to-tune, stable and cheap FM receivers; that manufacturers are so preoccupied with television that there is a substantial unmet demand for FM receivers in many communities.

The FM members of the National Association of Broadcasters have asked manufacturers to install FM tuners in all television sets. The circuitry of FM is such, I am told, that it can be added to the TV set at comparatively small cost. In TV sets which have continuous tuning the cost would be negligible.

'FM Could Ride TV Piggy-Back'

This would mean that FM set production could ride TV piggy-back up the ladder of success. Every TV market would, therefore, automatically become an FM market. At this stage of TV's development when daytime service is limited, such an arrangement would make it convenient for the set owner to snap on the FM when TV is not on the air. Whenever a manufacturer sells a TV-only set as the principal receiver in the home, he is slamming a door on aural radio.

Such an innovation by the manufacturers would be a tremendous spur to FM while being an extra sales argument. Rendering this service would be a splendid example of manufacturing in the public interest.

But even today we have 5,500,000 sets with FM, which does not compare unfavorably with the 6,700,000 TV sets produced up to date.

And here is another significant fact: FM, despite its many growing pains as an infant service, has in these five post-war years grown to more than 700 stations that give the nation more total nighttime coverage than is given by all the regional and local AM stations after AM's quarter of a century existence. The area covered by these stations holds 100,000,000 people.

A survey just completed in New York City shows that there are now three times as many sets with FM as there were two years ago and furthermore that the number of families actually using their FM sets has also tripled. It also found that more than 10% of all the homes are using their FM sets in preference to AM.

The future of our aural broadcasting system is a matter of concern to the broadcasters of this country and to the FCC. And when it is viewed in the light of future marketing opportunities for your products, I am sure you will agree that it is a matter of urgent importance to the radio manufacturer.

I believe that the points I have discussed here tonight point to the inevitable conclusion: that radio—all types of radio—is living in a shrinking spectrum and that the radio manufacturer, if he is to build soundly for the future, must take the implications of that into account.

He must project his planning beyond circuits, cabinets, inventories. He must plan beyond vacation shut-downs and next season's new models. The broad base of radio itself must be of prime concern to him. Why are we in a freeze today which has already halted all new TV construction for more than a year and a half? Principally because of lack of basic information. That information must come in large part from radio manufacturers. It should be produced as the result of a consistent year-round research by the members of your industry.

Job To Be Done in the UHF

For example: We are now proposing to quintuple the number of TV channels by moving into the UHF. Here is a problem involving the expenditure of hundreds of millions of dollars by the public and by the radio industry. This part of the spectrum is relatively unexplored for TV purposes. And yet in all America there were only a half dozen experimental UHF TV stations broadcasting programs last year and they were on the air for limited periods. Another half dozen licensees have carried on propagation studies and other limited research in the UHF. A billion dollar industry is no place for operation by guess.

We cannot afford—and the public will not long permit us to plan our radio system on a crisis basis. By allocating a reasonable amount of your energy and your money to such research programs you will be helping to assure the stability of your industry and you will be serving the public interest.

Your responsibility for instituting research programs to help chart a sound course for radio's future cannot be negated by the claim of the stresses of business competition. In fact, the interest of the radio art, the interest of your industry and the interest of the public would be best served by a healthy competition that would extend not only to products and prices but to fundamental research that will pave the way for consistent expansion. . . .

WHAT THE EARLY PACEMAKERS REVEAL: Forecasts of lower prices all down the lines, with emphasis on larger picture sizes, are entirely borne out by what the manufacturers disclosed over the last week to distributors and dealers. After visiting Chicago exhibits and big Philco convention, we can report:

(1) 16-in. picture size dominates, with 12½-in. holding on but many thinking its days are numbered. Some think, too, that 14-in. rectangular won't last long, since it offers so little more area than 12½. The 7 & 10-in. are just about out. Coming up fast are 17 & 19-in.; 20-in. is due in September -- Philco first to put it in line, though Corning reports all tubemakers except DuMont & RCA have ordered it.

(2) Nearly all agree industry should achieve 6,000,000 units this year, though suppliers still warn of shortages -- mainly receiving tubes, electrolytic condensers, resistors. And praying for end of FCC's freeze are thousands of distributors-dealers in non-TV areas, whose mouths literally water as they hear of big volumes enjoyed by their more fortunately situated confreres.

(3) Many factories are stockpiling TVs for expected huge fall-winter movements. Some have hired warehouses, most are urging distributors to take early shipments, even during July when they generally shut down for usual 2 weeks vacation. Urging of distributors-dealers to load up is causing obvious wariness among some.

(4) Radios weren't much in evidence among the exhibits, except for Philco's 27 models, ranging from tables (13 of them) as low as \$18 to AM-FM-phono combination at \$330, with plenty of choices in between; Arvin's 30 models, priced \$17 to \$55; Magnavox's 11 console-combinations, \$200 to \$795; Westinghouse's 7 units, \$18 to \$250; and a few lesser displays. It's known that RCA, GE and Emerson will continue heavily in radio, but it seems apparent that that business is being left to a few companies because of its relatively lower dollar volume.

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Low ends of major exhibitors' lines pretty well indicate how TV prices have broken. You'll find detailed prices starting on page 2 of Trade Report -- but this is summary of leader items, all tables except one:

Admiral, 16-in. plastic at \$200; continuing 12½-in. plastic \$170. Bendix, 14-in. \$170, 16-in. \$220. Arvin, 12½-in. \$150, 16-in. \$220; continues 10-in. at \$200 (only one with that size) and 8½-in. at \$120 (\$10 reduction). Magnavox, 14-in. \$199, 16-in. \$280. Philco, 12½-in. plastic \$150, 16-in. metal \$200 (plus \$30 for table containing antenna). Trav-Ler, 16-in. leatherette finish \$150, consolette \$200; 14-in. \$200; 19-in. \$300 -- latter lowest price quoted in that size. Westinghouse, 12½-in. \$160 (down from \$230); 14-in. plastic \$190, 16-in. plastic \$200.

RCA showed only radios and a few old TVs, but banners at Furniture Mart proclaimed "MP Day" July 6 when new line will be unveiled and prices released. What "MP" means is as guarded secret as new line itself. Meanwhile, Midwest manager Harold Renholm was quoted at Furniture Mart as saying RCA distributors-dealers are all sold out, awaiting new line.

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Aside from its new low-price 12½ & 16-in. leaders and average of about 25% reduction in lists, Philco's bid for preeminence rested on engineering developments which will be promoted in big way during ensuing weeks:

- (1) "Balanced beam scanner," for which claim is made picture is kept as clear at edges as in center; patents on new tube deflection unit pending.
- (2) Duplex chassis -- one for picture, other for power, in all save 12½s.
- (3) Provision for continuous uhf tuner that can be fitted between the 2

units of duplex chassis, as and when FCC authorizes uhf. Knob outlet in most cabinets now disguised as nameplate.

(4) Remote control tuning, with thin coaxial cable extension from automatic rewind reel; available in 2 of higher priced 17-in. consoles and 2 of 20-in. Latter sizes, incidentally, now promised for delivery before September.

(5) New Neoscope tube, all-glass 12½-in., 8 lb., with slenderized neck, more compact shape, weighing 40% less than previous 12½.

(6) New "tube saver" with special resistor that will take up initial current surges, doing away with abnormal failures in AC-DC chassis -- an especially big talking point for radio line.

(7) Simplified 3-speed record changer, called M-22, with stationary platform, sloped spindle, single tone arm, one central control.

Noteworthy in Philco line were several TV-phono combinations (no radios) -- one 17-in. at \$360, one 12½-in. at \$270.

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Admiral retained 4 sets from old line in its 24-unit line, same prices. New models are priced \$80 to \$100 less than previous comparable models. Prices are guaranteed until Oct. 1. Admiral had closed meetings of top-level distributors June 16-18, about 100 attending. TV v.p. Dick Graver foresaw shortages again this fall-winter, hence Admiral is maintaining production "full blast" through summer. Graver also saw big market for second sets in the home.

Admiral president Ross Siragusa, on press luncheon panel, reported TV buying off 35% from peak 8 weeks ago. But, he added, inventories are well down, so factories will have to operate at capacity just to fill pipelines. Admiral has 10,000 retailers. He said TV sales are 2½ times what they were year ago. Other panel members said TV represented 5% of total 1949 home furnishings sales (\$10-12 billion).

New York v.p. Tom Hodgens reported June 22 that Admiral expects to produce 1,000,000 of his estimate of industry's expected 5,500,000 TV units this year.

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Magnavox's line of 24 models contained five 19-in. rectangulars, which won't be on market until September. It is continuing to put out many models in 2 chassis -- one with intercarrier circuit, other "split sound." All consoles have space inside for uhf tuners. Magnavox dealer discounts now range from 32% for lower-priced sets to about 40% for higher. Executive v.p. Frank Freimann foresaw shortage of picture as well as receiving tubes this fall, increase in costs for general components and raw materials.

Westinghouse didn't price its sets until 5 p.m. day of Furniture Mart's opening, June 19. Big feature is single-knob control (station selector plus fine tuner); sets also have space for uhf tuner. Westinghouse has followed GE lead (Vol. 6:8) in using new 40-mc IF to overcome oscillator radiation (Vol. 6:17-23). Distributors met in Hot Springs June 19-22, next hold local meetings in 23 cities.

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Hallicrafters showed its \$260 round 16-in. console (Vol. 6:19,24), playing up printed circuit tuner which it calls "dynamic tuner" (Vol. 6:21)...Sentinel showed only 2 interim sets, is holding back full line for regional meetings next month. Sets shown were 12½-in. wood table at \$180, console \$200...Both Air King and Mercury showed sets previously reported (Vol. 6:17,24), but had not fixed fall-winter prices at week's end.

Sparton, selling direct to dealers, has 16-in. leatherette table with no fixed list -- permits dealers to set own prices, expected to range from \$170 to \$210 ...Arvin Industries Inc. will be formal name after July 3 of Noblitt-Sparks Arvin Div.; it also kept Furniture Mart display dark first day while holding distributor meeting...Tele King showed line it announced 2 weeks ago (Vol. 6:23)...Crosley showed line it announced in April (Vol. 6:14,16).

SOME SHOW LINES, BUT MORE TO COME: Now that Admiral, Philco and several other pace-makers have shown their wares, released their prices, others will move somewhat faster -- so that details of just about all fall-winter models should be known within next 30 days. This week's top news comes out of exhibits at Chicago Furniture and Merchandise Marts, and Philco's huge Atlantic City convention. Details about actual models, prices, etc. will be found in Topics & Trends columns (8 pt. type) starting on page 2, with comments on what we saw reported in Special Trade Report herewith.

Exhibiting at Furniture Mart were Admiral, Arvin, Bendix, Hallicrafters, Jackson, Mercury, Motorola, RCA, Sparton, Tele King, Westinghouse. At Merchandise Mart were Air King, Crosley, Sentinel, Magnavox. Most showed new sets, though all did not divulge full details. Among top-flight producers still to be heard from are:

Emerson, which displays June 26-27 at convention in Waldorf-Astoria, to be followed by dealers around country. Only advance information is that line will be completely new -- won't include 12½-in. table at \$160 and 16-in. console at \$260 that created so much stir early in May (Vol. 6:18).

RCA Victor, planning showings July 6-7 in New York, Chicago and other key cities. Field men, meanwhile, are showing photos of line with "suggested prices" but final pricing remains to be decided. Line will omit 10-in., include 12½, 16, 19-in., and will "reemphasize radio."

DuMont distributor convention is July 6-7 in New York's Hotel Pierre... Zenith has meetings scheduled in Chicago end of this month...Tele-tone promises mid-July showings...Hallicrafters convenes 38 distributors, 12 regional managers in Chicago's Knickerbocker Hotel, July 17-18...Hoffman announces line July 20...Motorola plans Chicago convention July 25, meanwhile is showing only interim line (Vol. 6:22) at Furniture Mart.

By time of Music Merchants Show in Chicago's Palmer House, July 10-13, majority of the name-brand set makers will have disclosed their lines and prices -- also a considerable number of the smaller manufacturers.

16-in. & UP TOP SET SIZES IN MAY: May TV set production dipped moderately, about as expected, RTMA reporting 376,227 units. Addition of 25% to take in non-RMA production gives 470,000 total, compared with April's 525,000 (Vol. 6:21). May's successive weekly output: 95,853; 94,488; 96,132; 89,754.

Year's 5-month total stands at 2,530,000, including 25% increment. Grand total comes to 6,530,000, figuring 4,000,000 turned out before 1950.

How fast big tubes are taking over is well illustrated in breakdown by tube sizes: 112,781 table models and 53,163 console-consolettes in 12 to 15-in. category; 71,672 table models and 125,532 console-consolettes 16 to 18-in.; 11,570 units 19-in. or over; only 1472 under 12-in.; 37 projections. In April (Vol. 6:21), 12 to 15-in. had still outrun 16 to 18-in.

May breakdown by models: table, 185,911; TV-only consoles or consolettes, 159,872; combinations (with AM and/or FM), 11,667; combinations (with phono), 18,777. Of total, 30,582 contained FM.

RTMA members also built 900,056 radios in May -- of which 266,091 were battery and 206,464 auto -- bettering April's 882,706.

RTMA REORGANIZATION & TV COMMITTEES: RTMA's new interim president Robert C. Sprague moved swiftly this week, during 3-day stay at Washington headquarters, to set up new reorganization committee, charged particularly with quest for paid president (Vol. 6:15-17,19). Heading new committee is Max Balcom, Sylvania, ex-RMA president, with these members: Jerome Kahn, Standard Transformer; Ben Abrams, Emerson; Dr. W. R. G. Baker, GE; Wm. Balderston, Philco (Larry Hardy, alternate); W. J. Barkley, Collins;

Frank M. Folsom, RCA (J. B. Elliott, alternate); Paul Galvin, Motorola; Harry Liberman, Talk-A-Phone; W. A. MacDonald, Hazeltine; E. F. McDonald Jr., Zenith (H. C. Bonfig, alternate); Leslie F. Muter, Muter Co.; A. D. Plamondon Jr., Indiana Steel Products; Robert C. Tait, Stromberg-Carlson.

GE's Dr. Baker was named chairman of TV committee, succeeding Mr. Balcom. Added to committee were Ray Cosgrove, ex-president, and John Craig, Crosley. Other members: Allen B. DuMont; George M. Gardner, Wells-Gardner; Wm. J. Halligan, Halli-crafters; and Messrs. Abrams, Balcom, Barkley, Bonfig, Elliott, Galvin, Hardy.

Topics & Trends of TV Trade: TV - radio exhibitors may have lacked numbers at Chicago marts, but TV's impact on home furnishings business was none the less noteworthy. Whereas, generally, furnishings showed upward price trend of 3-5%, TV prices were down considerably. TV exhibits were cynosure of buyers visiting the Chicago exhibits this week; more than 20,000 buyers are expected at marts before they close June 29.

It was interesting to note how furniture makers used TV angles to promote their wares and to push new items. For example: lounge chairs and sofas on casters; sectional, curved sofas; lounge chairs that rotate, tilt, rock; occasional tables that rotate, adjust to various heights, even some with open wells for TV positioning; bookcases built deeper than usual for insertion of TV; hassocks with nests of extra folding chairs; swivel chairs and loveseats.

George N. Lamb, director of Mahogany Assn., said spring decline in furniture buying had very little effect on furniture manufacturers. They simply made TV cabinets.

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For the TV "scouts"—and there were many from many companies going the rounds—main interest was new models and prices. These are the details, so far as they were revealed officially:

Four 12½-in. sets in Philco line of 34 are: Model 1207, plastic table, \$149.95; 1208, mahogany table, \$169.95; 1234, mahogany console, \$199.95; 1282, mahogany console with phono, \$269.95. Plastic model is mahogany finish; all have 18 tubes, 1 rectifier.

Eight 14-in. rectangular tube models (100 sq. in. vs. 97 for 12½-in.): 1443B & 1443M, mahogany tables, \$199.95; 1443L, blonde table, \$239.95; 1443X, mahogany console, \$259.95; 1443XL, blonde console, \$279.95; 1443PW, Queen Anne walnut console with AM-phono, \$339.95; 1443PM, same in mahogany, \$359.95; 1443PL, same in blonde, \$379.95. First 5 have 19 tubes, 3 rectifiers; those with AM-phono, 22 & 3.

Seven 16-in. models (round tube with 145 sq. in.): 1601, metal table mahogany finish, leather trim, \$199.95 (with table containing antenna, \$229.95); 1602, mahogany table, \$239.95; 1604M, mahogany table, \$249.95; 1604L, blonde table, \$269.95; 1606, mahogany table, \$269.95 (interim model recently introduced, see Vol. 6:22); 1634M, Hepplewhite mahogany console, \$279.95; 1634L, Hepplewhite blonde console, \$299.95. Models 1601 & 1602 have 19 tubes, 4 rectifiers; remainder of 16-in. line have 20 & 5.

Ten 17-in. rectangular models (150 sq. in.): 1835, mahogany console, \$299.95; 1836M, mahogany console, Modern Chinese Chippendale, \$349.95; 1836L, same in blonde, \$369.95; 1838, mahogany Hepplewhite console, with remote control, \$429.95; 1870, mahogany console with 3-speed, \$359.95; 1872, Queen Anne mahogany console with AM-phono, \$399.95; 1874M, same in Contemporary Hepplewhite, \$449.95; 1874L, same in blonde, \$479.95; 1875, mahogany console in Contemporary Georgian, AM-FM-phono, \$499.95; 1876, same with remote control, \$575. The 1835 & 1870 have 19 tubes, 4 rectifiers; 1836M, 1836L, 1838, 21 & 4; 1872, 1874M & 1874L, 22 & 4; 1875, 24 & 4; 1876, 26 & 4.

Five 20-in. rectangular models (215 sq. in.): 2134, ma-

hogany console, \$399.95; 2136, mahogany console, Chippendale, \$459.95; 2138, same with remote control, \$525; 2175, mahogany console with AM-FM-phono, Contemporary Georgian, \$650; 2176, same with remote control, \$695. First 3 have 21 tubes, 4 rectifiers; latter 2 have 26 & 4.

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Only 12½-in. in Admiral line of 24 is last season's Model 12X11, plastic table, \$169.95. Remainder of line:

Two 14-in. rectangular tube console models with AM-phono: 34R15, walnut, \$299.95; 34R16, mahogany, \$319.95.

Five 16-in. rectangular tube models: 16R12, plastic table, \$199.95; 26R12, same in consolette, \$229.95; 36R15, walnut console with AM-FM-phono, \$379.95; 36R46, same in mahogany, \$399.95; 36R37, same in blonde, \$445. Latter 3 were introduced month ago as interim models (Vol. 6:20).

Eight 16-in. round tube models: 26X55, walnut console, \$269.95; 26X56, same in mahogany, \$279.95; 26X57, same in blonde, \$289.95; 26X65, modern console with doors, walnut, \$299.95; 26X66, same in mahogany, \$319.95; 26X67, same in blonde, \$339.95; 26X75, traditional walnut console with doors, \$309.95; 26X76, same in mahogany, \$329.95.

Eight 19-in. round tube models: 29X25, traditional walnut console with doors, \$399.50; 29X26, same in mahogany, \$419.50; 29X27, same in blonde, \$445; 39X35, traditional walnut console with AM-phono, \$499.50; 39X36, same in mahogany, \$519.50; 39X25, traditional walnut console with AM-FM-phono, \$595; 39X26, same in mahogany, \$615; 39X17, modern blonde console with AM-FM-phono, \$675. Last named was in line last season, no change in price.

Tubes in 12½ & 14-in. sets total 16 plus 3 rectifiers; in 16-in. rectangular, 21 tubes; 16-in. round, 24; 19-in., 24.

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Magnavox line of 22 sets has 14-in. rectangular table Model 7E Hampshire, \$198.50; 25E Plaza is same in console, \$239.50. Remainder of line:

Six 16-in. rectangular tube models: 11F Metropolitan, mahogany table, \$279.50 (in blonde, \$295); 33F Playhouse, same in mahogany console, \$298.50 (in blonde, \$319.50); 74F Avenue, mahogany console with AM-FM-phono, \$449.50 (in blonde, \$469.50); 78F Contemporary, same, mahogany, \$459.50 (in blonde, \$479.50); 72F Wedgewood, same, mahogany, \$498.50; 77F Provincial, same, antique, \$498.50.

Eight 16-in. round tube models: 26C Shoreham, mahogany or maple console, \$298.50; 34C Hepplewhite, mahogany console, \$398.50; 36C Hepplewhite, same with more sensitive chassis, \$449.50; 32C Normandy, mahogany console, \$398.50; 76C American Traditional, mahogany console with AM-FM-phono, \$595; 79C American Traditional, same with more sensitive chassis, \$695; 65C American Modern, mahogany or blonde console with AM-FM-phono, \$695; 68C French Provincial, same in antique, \$695.

Only 19-in. round tube model is 30D Shoreham "200", mahogany console, \$398.50.

Five 19-in. rectangular tube models, all due for September delivery: 38H Hepplewhite, mahogany console, \$498.50; 39H Normandy, antique console, \$498.50; 79H American Traditional, mahogany console with AM-FM-phono, \$775; 65H American Modern, same in mahogany or blonde, \$775; 68H French Provincial, same in antique, \$775.

Westinghouse fall-winter line of 11 sets leads with 12½-in. Model H625T12 Kenwood, walnut table, \$159.95. Two 14-in. rectangular sets are: H632T14 Greenwich, plastic, mahogany table, \$189.95; H630T14 Glenwood, same in wood, \$199.95.

Three 16-in. rectangular receivers are: H624T16 Sutton, plastic, mahogany table, \$199.95 (with base, \$229.95); H626T16 Lynwood, same in wood, \$239.95 (with base, \$259.95); H622K16 Ardsley, mahogany console, \$269.95.

Two 16-in. round sets are: H628K16 Hampden, mahogany console, \$279.95 (in blonde, \$299.95); H627K16 Berkeley, same with doors, \$299.95.

Two 17-in. rectangular models: H633C17 Manorcrest, mahogany console with AM-FM-phono, \$449.95; H634C17 Lansdowne, same in blonde, \$469.95.

Single 19-in. rectangular is H631K19 Copleigh, mahogany console, \$399.95.

In 12½-in. model are 18 tubes, 4 rectifiers; 14 & 16-in., 20 & 2; 17-in. combinations, 25 & 2; 19-in., 21 & 2.

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Arvin continues 8½-in., last season's Model 4080T in metal mahogany-finish cabinet, at \$119.95, reduced \$10; in green, same price, model is 4081T. Only 10-in. is 3100TM, wood mahogany table, \$199.50. Remainder of line of 18:

Six 12½-in. models: 2123TM, wood table, \$149.95; 2121TM, same in better cabinet, \$169.95; 2126CM, console, \$179.95; 2120CM, same in better cabinet, \$199.95; 3120, same in better cabinet, more sensitive chassis, \$279.95; 2124, console with AM-FM-phono, \$279.95.

Six 16-in. rectangular models: 2161TM, mahogany table, \$219.95; 2164CM, same in console, 2/3 doors, \$279.95; 2164CB, same in blonde, \$289.95; 2162CM, 18th Century, console with AM-phono, \$349.95; 4162CM, 18th Century mahogany console, doors, \$329.95; 4162CB, same in blonde, \$339.95.

Three 16-in. round models: 2160CM, mahogany console, \$249.95; 2160CB, same in blonde, \$259.95; 3160CM, same in better cabinet, more sensitive chassis, \$349.50.

Arvin's basic line has 15 tubes, 2 rectifiers; middle line has 16 tubes, 2 rectifiers; sets with more sensitive chassis have 19 tubes, 2 rectifiers.

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Bendix, which introduced 14 & 16-in. month ago (Vol. 6:20, 24), repriced them downward \$20 to \$50 this week. New in line are 17 & 19-in. with rectangular tubes. Total line is 9 models.

The 14-in. rectangular table Model 2051 is now \$169.95; 3051, same in console, \$199.50. Five 16-in., all rectangular, are: 2060, mahogany table, \$219.95; 2060B, same in blonde, \$229.95; 6003, mahogany console, \$259.95; 6001, mahogany console with doors, \$279.95; 6100, mahogany Chippendale console with AM-FM-phono, \$399.95.

Single 17-in. is Model 6990, antique French Provincial console, \$299.95. Single 19-in. is 6920, mahogany console with doors, \$399.95.

In 14 & 16-in. sets are 14 tubes, 2 rectifiers; 17 & 19-in., 19 & 2. All have phono plug.

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Fifteen of Sperton's 21 models are 16-in. rectangulars, two 19-in. round. Line leads off with 12½-in. 5014 Dexter, mahogany table, \$189.95; 5015, same in blonde, \$194.95; 5056 Kenwood, mahogany console, \$229.95; 5057, same in blonde, \$234.95.

Fifteen 16-in. rectangular sets are: 5035 Observer, two-tone leatherette table, no list price (Sperton permits dealers to set own price on this one, to range from \$170 to \$210); 5025 Belmar, mahogany table, wood, \$239.95; 5026, same in blonde, \$244.95; 5029 Gorham, mahogany table, \$259.95; 5030, same in blonde, \$264.95; 5076 Lyn-

brook, mahogany console, \$279.95; 5077, same in blonde, \$289.95; 5076BB Wardell, same in different cabinet, \$279.95; 5077BB, same in blonde, \$289.95; 5079 Ardmoor, mahogany console, doors, \$299.95; 5080, same in blonde, \$309.95; 5088 Westmont, mahogany console with AM-FM-phono, \$399.95; 5089, same in blonde, \$409.95; 5082 Nassau, mahogany console with AM-FM-phono, \$439.95; 5083, same in blonde, \$449.95.

Only 19-in. round is 5085 Carnegie, mahogany console, doors, \$399.95; 5086, same in blonde, \$409.95.

In 12½-in. sets are 18 tubes, 2 rectifiers; 16-in., 23 & 3; 19-in., 24 & 3.

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Trav-Ler's leader among 10 models is 16-in. rectangular Model 62R50, leatherette table, \$149.95; 63R50 is same in mahogany, \$179.95. Also with 16-in. rectangular but more sensitive chassis are: 64R50, mahogany console, \$199.50; 16R50, same in console, \$249.95; 16R60, same with doors, \$269.95; 16R70, same with AM-phono, \$299.95.

Only 14-in. rectangular is Model 14B50, mahogany console, \$199.95. Two 16-in. round tube sets are: 65G50, mahogany console, \$229.95; 16G50, same with more sensitive chassis, \$249.95. Only 19-in. set is 19A50, mahogany console, \$299.95.

Some of these sets were announced earlier (Vol. 6:21-22). Remaining in line from early this year is 16R50. Basic line has 18 tubes, 2 rectifiers; others have 21 & 2.

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Trans-Vue's line of 11 models, shown in Chicago's Congress Hotel, includes 3 carried over from earlier in year (Vol. 6:9, 21) with new prices: Triumph 210, 12½-in. wood table, \$149.95 (down \$40); Triumph 310, same in console, \$179.95 (down \$50); Aristocrat 660, 16-in. rectangular console, \$259.95 (down \$40). In addition, Trans-Vue has:

Three 14-in. rectangular sets: Bristol, table, \$179.95; Buckingham, console, \$199.95; Kent, console with half-doors, \$219.95.

Five 17-in. rectangular sets: Phoenix, table, \$199.95; Winfield, console, \$239.95; Manhattan, console with half-doors, \$279.95; Alexander, console with full doors, \$299.95; Diana, same in blonde, \$299.95.

All save last 2 are in mahogany or blonde. Tubes in 12½-in. are 16 & 2; 14 & 17-in., 19 & 2.

Trans-Vue is moving to new plant at 2231 S. Wabash Ave. with 120,000 sq. ft. of space; it expects to produce 350-400 sets a day, plans to spend \$1,500,000 in magazines during 1950-51 season.

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... Jackson Industries offers 5 models, starting with 14-in. rectangular mahogany table at \$179.95, and these 16-in. rectangulars: mahogany table, \$199.95; same in console, \$229.95; console with AM-phono, \$349.95. Also, 19-in. round mahogany console, \$349.95. All have 17 tubes, 2 rectifiers. Gimmick by this firm is chairside AM-phono at \$119.50, with top broad enough to make it TV base.

Jerrold Mul-TV multiple antenna system service for hotels, apartment houses, hospitals, etc. got Philco accessory chief Jack Cherry's complete endorsement this week—distributors being urged to get dealers to install it as well as promote it locally for more TV set sales. In fact, 75 Philco sets in convention hall were operated on one antenna array for demonstrations, with good signals pulled in from all 3 Philadelphia stations, 60 mi. away. Jerrold Mul-TV was also rigged up in Hotel Claridge headquarters for 20 receivers, has been installed in President Hotel, Blatt Dept. Store, Goodyear appliance store, Chelsea Village (261) apartment project, Atlantic City. Mr. Cherry reported big Bedford Radio, Brooklyn, which sells average of 100 TVs daily, uses it on 229 sets, plans to expand to 400; New York Davega chain uses it in 12 stores.

Financial & Trade Notes: Statistically, Philco's trade achievements reported this week are just as impressive as the amazing job it did hosting 6500 dealer-distributor-employee personnel at Atlantic City conventions, June 17-21). When distributor orders were counted day after it unveiled new line of 34 TVs, 27 radios [see Trade Report], they exceeded goal of \$100,000,000 at factory level. TVs were ordered in practically full allotted amounts, radio orders exceeded factory's own target by 25%.

Thus, president Wm. Balderston went on record as stating Philco will sell more than 1,000,000 TVs this year (having sold 400,000 already, first 5 months), and company's gross sales will reach record-breaking level of more than \$300,000,000 in 1950 vs. \$214,884,306 in 1949 and record \$275,400,000 in 1948.

TV is by far largest item in Philco production, hence most interest was concentrated on it and most publicly announced statistics were about TV. Actual orders signed call for more than 315,000 sets to be shipped between now and Sept. 30, by which time Mr. Balderston said production will reach 35,000 TV units per week. As for radios, home unit orders at Atlantic City totaled nearly 360,000—but it's recalled v.p. James Carmine forecast 2,000,000 units this year (Vol. 6:23), including of course big proportion of auto radios. Fact is, Philco seems to be placing more stress and drive on this phase of the business than most.

Philco refrigerators, freezers, air conditioners and ranges are also moving well, their managers reported—particularly refrigerators, only 2 new models being shown at Atlantic City. Division president Tom Kennally reported refrigerator sales will run \$80,000,000 this year. Entire new line is being tooled for early next year.

Philco will spend \$25,000,000 in advertising-promotion this year, it announced, and every conceivable medium will be used—along with some unusual merchandising gimmicks. Ad story was told in detail to visitors, no secrets kept—despite fact audience included many reporters from trade and financial journals, etc. Audience, incidentally, also included Philco delegates from 18 foreign countries, mainly Latin American, several from European branches and one from as far away as Israel.

Philco's June quarter will be far ahead of year ago, but slightly below first quarter's \$79,487,000 sales and \$2.37 per share net (Vol. 6:19). It's estimated first-half sales will run about \$145,000,000 and net may reach \$4, which compares with \$103,267,000 sales, \$1.08 net first half 1949.

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Zenith's fourth quarter sales are reported at \$34,014,000 (fiscal year ended April 30), so it's estimated that year's sales will approximate \$99,211,000—nearly 30% ahead of previous year's \$77,146,861. Details have not yet been released.

Hoffman Radio's president H. L. Hoffman, speaking before Los Angeles securities group, forecast his company's net for 1950 will be about \$2,250,000 or \$5.26 per share, compared with \$1,276,036 (\$3.33) in 1949. He estimated sales for first half 1950 will total \$11,237,000, net about \$1,000,000 or about \$2.34 per share on 427,575 shares now outstanding. He also indicated dividend rate probably will be raised later this year from present quarterly 25¢.

Transvision Inc.'s new stock issue consists of 300,000 at \$1 par, selling at \$2.75 through Blair F. Claybaugh & Co., whose underwriting fee is 50¢ per share. Transvision makes TV sets and kits, has wholly owned TV picture tube subsidiary called Lectrovision Inc.

Emerson declared quarterly dividend of 25¢ on 1,759,610 shares, payable July 15 to stock of record July 5. This is equivalent to 50¢ on old stock, recently split 2-for-1, on which quarterly dividend was 30¢.

Trade Personals: GE Receiver Division has named Arthur A. Brandt to newly created post of general sales mgr., with following additional appointments: R. W. Ferrell, asst. general sales mgr.; David Davis, sales mgr., and D. E. Weston Jr., asst., TV receivers; D. S. Beldon Jr., sales mgr. and G. O. Crossland, asst., radios . . . David B. Smith, Philco research v.p., appointed RTMA vice director of engineering under GE's Dr. W. R. G. Baker . . . W. H. Henges, Graybar district mgr., Cleveland, Sept. 1 becomes asst. to A. H. Nicoll, Graybar president; C. A. Kirkpatrick, from Memphis branch, takes Cleveland job . . . John H. Cashman, president, Radio Craftsmen Inc., Chicago, succeeds L. A. Thayer, Belden Mfg. Co., as director of Radio Parts & Electronic Equipment Shows . . . Percy L. Spencer, Raytheon v.p. in charge of Power Tube Div., June 4 awarded honorary degree by U of Massachusetts . . . Dr. Allen B. DuMont appointed to succeed Joseph E. Gerl, Sonora, as chairman of RTMA (RMA) excise tax committee, with RCA Victor's E. M. Freeman continuing as vice chairman . . . Ray Durst, Hallicrafters executive v.p., sailed June 23 on *Queen Mary* for 6-weeks European trip.

TV is untouched by tax bill (HR-8920), introduced in House June 22, after 17-8 vote by House Ways & Means Committee. Bill retains 10% excise tax on radio sets but excludes proposed TV excise (Vol. 6:15-18, 23). It eliminates or reduces excises for total of \$1,010,000,000, but makes up all or most of this revenue loss by increasing corporation taxes by total of \$433,000,000 and plugging various tax loopholes. Hope is to get bill through House by June 29. Senate Finance Committee chairman Senator George (D-Ga.) hopes to hold initial committee meeting first July week, set up schedule for hearings. House committee report is H. Rpt. 2319.

R. A. Hackbusch, Stromberg-Carlson Co. Ltd. president, was elected president of RMA of Canada at June 21 Niagara Falls convention. He succeeds F. R. Deakins, RCA Victor Co. Ltd. Delegates of 60 companies heard that there are 13 Canadian manufacturers making TV sets now [names will be listed in *TV Directory No. 11*, due early in July]; that 1950 radio sales to date are 15% above same period last year; that there is good market exporting to U.S. tubes, resistors, other components in short supply in this country.

FCC is apparently unimpressed with Zenith's reply to its inquiry about Phonevision publicity (Vol. 6:22-23), now is asking for "verified" statement setting forth: (1) Names of manufacturers indicating they want to put Phonevision decoding outlets in their sets. (2) Status of agreements with such manufacturers. (3) Whether offer of contingent credits (Vol. 6:8) is still outstanding. (4) Whether Zenith proposes to continue to encourage inclusion of decoder outlets by other manufacturers. Until it gets answer, it's holding up request to change Chicago test date to Oct. 1.

FCC letter is as sharply worded as original, particularly in indicating doubt that Zenith has met its proviso against publicity tending to give public impression that Phonevision was here. Some quotes: "The Commission . . . is of the opinion that your actions have not been consistent with the conditions quoted above [re publicity] . . . It is a matter of Commission concern if promotional activities are carried on in connection with an authorization of the Commission . . . granted on the express condition that such activities would not be carried on . . . The Commission feels strongly that any proponent of a new radio service can best serve the public in the pre-experimental and experimental period by exercising restraint in publicizing the proposed new service and in advertising, selling or distributing the apparatus to be used in the new service." The letter was released this week as FCC Public Notice 51693.