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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — November 5, 1955

TV-RADIO TRENDS and future appraised for admen at ANA convention in significant report by ABC pres. Robert E. Kintner (p. 1 & Supplement).

NEW "SLIM LOOK" FOR TV sets coming as tube & set makers work on 120-degree tube making possible much smaller cabinets, lighter sets (p. 1).

DEINTERMIXTURE VOTED DOWN by FCC, 4-2, general rule-making due to start; special meeting scheduled for Comr. Bartley's participation (p. 2).

ALL-OUT FOR COLOR, despite industry apathy, NBC will spend \$12,000,000 to expand colorcasting; RCA reveals 1000 set sales weekly (pp. 3 & 15).

TV's OWN TELEGRAPH network for time clearances, program changes, ad copy, etc. projected by Teleprompter Corp.; FCC rules it's common carrier (p. 4).

BUY-UP TREND CONTINUES in receiver market, with average retail sales higher and 24-in. demand up. Some techniques used in merchandising color (p. 9).

TOP 100 DEFENSE CONTRACTORS since start of Korean war include 23 firms identified with electronics, headed by GE, General Dynamics, AT&T, Bendix (p. 12).

IRE ELECTS HAZELTINE'S Art Loughren as 1956 pres., adds directors, fellows; Philco's Frank Bingley and Zenith's Jack Bridges win top awards (p. 13).

MOTOROLA NOW MAKING push-button gearshift for Chrysler Corp. cars; 3rd quarter sales set record with \$225,000,000 year seen. Philco sales, net up (p. 14).

RATE OF NEW CPs still sluggish, this week's 2 bringing year's total to 44; examiner upholds CBS's right to switch affiliates in Albany (p. 5).

'TELEVISION & RADIO—TODAY & TOMORROW': In line with our policy of bringing to you, or telling you about, important "documentary" data in the TV and related electronics fields as it becomes available (see also box on p. 16), we send you herewith a Supplement containing full text of an important "report to advertisers" delivered this week by ABC pres. Robert E. Kintner at the convention of the National Assn. of Advertisers. He had been chosen as spokesman for TV-radio broadcasters on a panel on which rival marketing media also had their say. We think he did a bang-up job.

TV's challenge, as he says, is not whether the medium is effective but how best to buy it, program it and use it commercially. He thereupon discourses on the trends to film, to multiple sponsorships, to 90-minute shows, to increasing network control of programming. He takes a detached attitude on color, sees it requiring the same "5-year circulation growth" that TV itself did -- but not as a major programming factor before 1957.

Some significant new findings in a survey of Detroit viewers are disclosed, and Kintner again takes FCC to task for not acting more expeditiously in equalizing competitive channel facilities in the top 100 markets. As for radio, particularly network radio as it shrinks in the face of TV's impacts, he makes a strong case for its continuing effectiveness as an advertising medium, pointing out that "about the same number of people listen to radio today as they did before TV" -- though admittedly "not as often or as long" and "less...in the living room."

Though aimed essentially at admen, this is "must" reading for all executives concerned with marketing and with TV and/or radio advertising. It sets forth fundamental facts about the strengths and weaknesses of the media, and nicely appraises their present effectiveness and future potential.

NEW 'SHALLOW' TV SETS IN THE WORKS: A new compact shape for TV sets -- one that should please the housewife, make for greater portability and cut shipping costs -- is being seriously explored by tube and set makers, who have set mid-1956 goal for biggest change in receiver appearance since introduction of the rectangular tube.

Making possible TV's new svelte shape will be a much shallower tube using a deflection angle of 110 or 120 degrees -- which for the first time will permit the designing of a 21-in. set whose depth is much less than its width. It should take

several pounds off total weight of set, due to smaller cabinet and lighter weight of the tube itself -- a big assist in the trend to portability (Vol. 11:44).

While it's a step toward the "flat tube," new experimental 120-degree tube is of conventional rectangular CR tube design except for its wide angle and its stubby appearance. The trend to larger screen sizes which slowed down a couple of years ago has recently been supplanted by the search for a "flatter" tube.

The 120-degree tube measures 15-15/16-in. from faceplate to tip of base in the 21-in. screen size, weighs 22.6 lb. The 110-degree tube is slightly longer and heavier. The traditional 70-degree tube measured 23 $\frac{3}{8}$ -in., weighed 26 lb. A year ago, industry converted to 90-degree tube which is 20-7/16-in. long, weighs 24.2 lb.

While most manufacturers seem to be shooting for mid-1956 marketing of new shallow sets, many won't be pinned down or even permit quotes. Nearly everybody is working on it and some 120-degree tubes have been built and even sampled to receiver makers -- but the label on the new slim TV still remains "strictly experimental."

The problem: economics. The 120-degree tube requires extremely high sweep voltage to deflect electron beam at such a sharp angle. In addition to problem of designing new economical high-voltage deflection components, this also means virtual redesign of receiver circuit for proper balance with the higher voltages required. The 110-degree tube involves same problems but to far lesser extent. Nevertheless, there isn't a manufacturer who doesn't believe these troubles can be worked out.

* * * *

Most optimistic tube maker we talked to was Westinghouse, whose gen. mgr. Richard T. Orth hopes a 120-degree tube can be ready for deliveries by Jan. Though not yet a big CR tube maker, Westinghouse is pushing hard for the new tube, and has sampled it to a few customers (including Westinghouse receiver div.) in hopes they can help work out deflection yoke and circuit problems. The experimental model is a 21-in. rectangular with neck of standard diameter, though work is also going forward on small-neck model which complicates tube-making but helps simplify deflection.

We saw the tube the other day at Westinghouse's Elmira tube plant (one of the few not affected by the big Westinghouse strike) and were advised that the all-glass bulbs came from Corning Glass, which is also expected to have the "flattened" item in 14, 17 & 24-in. sizes as soon as the 21-in. is proved practical. Kimble Glass is also ready to turn out the bulbs as soon as needed.

One of largest independent picture tube makers, National Video Corp., has also sampled set makers with 120-degree 21-in. tube, but pres. Asher Cole stressed it is being made for experimental use, not for immediate application. "It will require a great deal of circuitry by yoke manufacturers before we can decide whether it's economically feasible to sweep it," he said. But then he added that his company is shooting for deliveries in time to hit mid-1956 markets with "thin TV."

"We're not encouraging our customers to go hell-bent on it now," said CBS-Hytron pres. Charles J. Stromeyer of the 120-degree tube. "Much work remains to be done on technical problems connected with its use." Like some other tube makers, he declined to give his opinion on statements that 120-degree sets will be on the market by mid-1956, with perhaps a preliminary dribble even before that time.

Though they're not talking about it yet, and it isn't known whether they've sampled their customers, too, it's an open secret that other big tube makers also are working on same development -- certainly RCA, Sylvania, GE, Raytheon.

DEINTERMIXTURE REJECTED, RULE-MAKING SET: Allocations hassle got dramatic this week. With deintermixture proponent Comr. Bartley absent Nov. 2, FCC voted 4-2 to deny all deintermixture petitions and to drop Ch. 10 into Albany area -- Comrs. Hyde & Webster dissenting. They all voted to start general rule-making proceeding for purpose of weighing entire industry's suggestions on allocations.

Out in Colorado, where he's been attending NARTB regional meeting and looking over govt. installations, Bartley heard what had happened, grabbed the phone and told colleagues he wanted in on the act. They acceded to his request, and all 7 members met Sat. Nov. 5, failed to take final action, scheduled another meeting.

That's where things stood at press time -- but prospects of Bartley's par-

icipation changing majority vote seemed very slim. Uhf operators in affected areas -- Hartford, Madison, Peoria, Evansville -- made last-ditch effort to block final action. Knowing that new Comr. Mack had voted, they petitioned for reopening of the cases, asking that Mack at least hear oral argument before voting. Whether tactic succeeds or not, counsel for uhf operators are talking about court appeals.

Deadline for filing comments in rule-making proceeding, once FCC starts it, was fixed at Jan. 15 -- but this might be changed. Meanwhile, it's understood FCC would move fast to finalize long-pending initial decisions in cities where they've been stymied by deintermixture petitions. Grantees would be permitted to build with understanding they'd be under same jeopardy -- no more, no less -- affecting any other station in event radical allocations changes are finally made.

NBC's VAST COLOR EXPANSION, RCA SET SALES: More than ever the prime movers in color, unflagging in their zeal for it despite intra-industry lassitude and skepticism, RCA and NBC this week stepped up their multi-million dollar drive to put color across.

Seriousness of their intent can be gauged by fact that Nov. 4 meeting of RCA board authorized NBC to spend \$12,000,000 to expand its color facilities by fall of 1956 -- in N.Y., Chicago, Los Angeles. This includes \$1,250,000 for the complete conversion to color, by next April 15, of NBC-owned WNBQ, Chicago, so that it will be able to colorcast some 10 hours of programs daily.

Net result of NBC's color expansion will be to enable it, within a year, to double present network color schedule -- from 40 to 80 hours monthly. Though the announcement doesn't mention it, NBC's WRC-TV, Washington, will feature color heavily -- perhaps go all-color -- when it builds completely new facilities soon. Silence on network's WNBK, Cleveland, is due to fact it's awaiting final FCC approval of plan to exchange ownership of WNBK for Westinghouse's WPTZ, Philadelphia (Vol. 11:43).

[For NBC plans for new studios, technical facilities, etc., see p. 15.]

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RCA revealed at same time the answer to most persistent question in industry -- number of color sets being sold. Answer, disclosed by Chairman Sarnoff:

"We are selling sets at the rate of about 1000 a week -- and these are actual installations in customers' homes." Gen. Sarnoff also gave his estimate of total industry sales expected next year: "More than a couple hundred thousand."

No mention was made of color set price cuts, so it's apparent company hasn't departed from opinion given us by high RCA source (Vol. 11:39): "If any set maker can make and sell 25,000 a month, it's conceivable [prices] could come down."

Impact of announcement about WNBQ color plans was felt immediately in Chicago, where Ned Corbett, RCA Victor Distributing Corp., reported order for 500 sets from Polk Bros., Chicago chain said to be biggest TV merchandiser in midwest.

Industry now has a "bearing" on color set sales, with Gen. Sarnoff's disclosure. Since RCA is far-&-away the biggest producer and merchandiser, it may be assumed industry's total color sales isn't greatly in excess of RCA's 1000 weekly. One survey of Los Angeles area puts RCA's share at 70% -- so industry weekly total could be in 1250-1500 range. (For current merchandising efforts, see p. 9.)

As for number of color TV sets in use, recent survey by Pulse for Television Age showed total of 26,942 in whole country (about 3000 in New York City); updated, that would indicate perhaps 40,000 as of now. Noteworthily, of those who have seen colorcasts, 72.9% liked what they saw, 25% didn't; 5.6% planned to buy a color set during 1955-56, 86.7% had no such plans, 2.1% didn't know.

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CBS is turning bearish about color, meanwhile. Queried about reports CBS is cutting back its colorcasting schedule -- now about 10 hours monthly and embracing some of the best tint shows yet telecast -- pres. Frank Stanton denied them but his response to us clearly indicates disappointment with the progress of color to date:

"We're constantly watching the situation. You don't turn these things off and on like a faucet. If we were to cut back, it certainly wouldn't be sometime

soon. We have commitments in color -- in 'Shower of Stars,' 'Ford Star Jubilee,' 'Omnibus,' 'Red Skelton Show,' etc.

"We certainly have no plans to increase the color schedule. Why should we? There has been no response in set sales. We're getting complaints about the quality of pictures from color on black-&-white sets."

Speculation over CBS's color plans started with story in Nov. 2 Variety which reported that Stanton had issued memo "alerting the program staff to the possibility of the network folding its tint tents within the next 30 days." Stanton said he has issued no such memo.

One of CBS's ambitions has been to profit from color through tube sales of its CBS-Hytron div., set sales of CBS-Columbia div. But divisions have shown such great losses that they've eaten huge chunk out of TV-radio networks' big earnings.

FASTER & CHEAPER intercity communications —an instantaneous service devoted entirely to 2-way telegraph traffic of TV stations, networks, ad agencies, reps, program producers, etc.—are proposed in system projected by Teleprompter Corp., which got FCC advice this week that it was subject to common carrier regulation and thereupon immediately announced intention to launch \$5,000,000 project.

Teleprompter, which manufactures and leases prompting devices, rear screen TV equipment and automatic slide projection devices, announced Nov. 4 through its chairman Irving B. Kahn that it has undertaken, in conjunction with Western Union, to set up a semi-automatic telegraphic network with switching centers in N.Y., Chicago, Atlanta, Dallas, Los Angeles. Messages from one user to another will be transmitted to nearest switching center, then routed by coded signal through use of tape.

Network would be used for time clearances, transmission of availabilities, program changes, cueing, news, women's & farm features, ad copy, outage reports to networks, etc. Teleprompter executives point out that clearance of facilities for networks, for example, heretofore has taken as long as 8 hours, can now be done in minutes — and more cheaply.

Project would be known as Teleprompter Program Communications Network, and plan is to get it going in about 6 months. It's understood to have blessing and backing of Western Union, which goes in for "group" usage and leases circuits for bank and aeronautical and other "industrial networks." Several of the TV networks are said to have indicated they would join, as have some important reps and others.

Mr. Kahn and his v.p. for engineering, H. J. Schlafly Jr., who fathered the idea, were in conference this week with FCC officials, who were informed that the projected telegraph network would ultimately connect about 500 service points. Subscribers would pay fixed fees for overall service, probably monthly, and these would amount to considerably less than present overhead telegraph, TWX or telephone rates — made possible because of group usage.

It's mainly on matter of tariffs to be charged — inasmuch as FCC has indicated (Public Notice No. 25210) that such a service would constitute common carrier operation — that the Teleprompter executives were in conference with FCC this week. Mr. Kahn stated flatly no stock issue was planned to raise working capital, and it's presumed Western Union is to be the prime backer.

WTVK is new call approved this week for WTSK-TV, Knoxville (Ch. 26) by FCC, denying objections of radio WIVK, Knoxville.

Personal Notes: Charles T. Ayers resigns as ABC Radio v.p. to join NBC as v.p. in charge of radio network, replacing Wm. H. Fineshriber, who resigned earlier this year; Don Durgin promoted to succeed Ayers, with Gene Accas promoted to succeed him as director of sales development & research; John H. Eckstein succeeds Accas as adv. & promotion director; Adolph L. Seton elevated to publicity director . . . Joseph Stamler promoted to sales mgr., WABC-TV, N. Y., replacing Lawrence L. Wynn, resigned . . . Stephen C. Riddleberger promoted to new post of ABC Radio business mgr. . . . Harold E. Fellows, NARTB pres., returned to desk Nov. 2 after bout with pneumonia . . . Gustav B. Margraf, ex-NBC gen. counsel and later its v.p. for talent, elected this week as gen. solicitor, Reynolds Metals Co., Richmond . . . Charles W. Besosa and Wm. H. Quinn promoted to v.p.'s of Nielsen TV-radio div. . . . Samuel H. Cuff, its consultant on TV-radio since 1947, appointed fulltime director of TV-radio activities for Allied Stores, 401 Fifth Ave., N. Y. . . . Leonard C. Warager promoted to administrative sales mgr., NBC film div., succeeded by Daniel M. Curtis as eastern sales mgr.; Edward A. Montanus promoted to replace Curtis as central sales mgr. . . . Thomas McManus, v.p. & eastern sales mgr. of MCA-TV, named to new post of international sales mgr. . . . Wm. C. MacPhail, publicity director of Kansas City Athletics and son of ex-major league magnate Larry MacPhail, named CBS sports director, succeeding John Derr, now exec. producer of CBS Radio sports programs . . . Stanley Reid promoted to production mgr. of WTOP-TV, Washington . . . Nevin McCord, ex-Salt Lake City theatreman, recently program director of KEDD, Wichita, promoted to KEDD resident mgr. under pres. Stanley H. Durwood . . . Theodore Koop, CBS director of Washington news & public affairs, named to Alexander Hamilton Bicentennial Commission's advisory committee on public relations . . . Paul Audette, ex-WOAI-TV, San Antonio, named production mgr. of upcoming CKRS-TV, Jonquiere, Que., due this month . . . Al Hollander resigns as operations director of WABD, N. Y. . . . Stan Byrnes promoted from west coast rep to sales mgr., Studio Films Inc. . . . James E. Denning appointed NBC director of talent & program contact administration . . . Edythe Rein, secy., E. Jonny Graf, midwest sales mgr., Edward M. Gray, west coast sales mgr., promoted to v.p.'s, National Telefilm Assoc. . . . Walter Stein, ex-MBS, appointed asst. research mgr., CBS-TV Spot Sales.

John E. Brady, General Foods' TV-radio coordinator, named director of adv. services, corporate marketing dept.

Herman Paley, 76, charter member of ASCAP, composer of more than 1000 songs (*Keep on Smiling*, *Sympathy*, *Billy*), 1934-44 director of entertainment for WOR under Alfred J. McCosker, died Nov. 4 in Hollywood. He is survived by his wife, son & daughter.

SLOW RATE of TV grants by Commission in recent months picked up a bit this week with issuance of 2 CPs — to Community Telecasting, Youngstown (Ch. 73) and KINY, Juneau, Alaska (Ch. 8). Commission has granted 44 CPs this year, only 11 of them in 4 months since July 1.

Youngstown is one of the handful of "uhf islands" in country, where WFMJ-TV (Ch. 21) and WKBN-TV (Ch. 27) have been operating quietly and successfully, relatively free from outside vhf signals and with no vhf channels assigned to city. New grantee is owned 50% by Sanford Schafitz, operator of radio WFAZ, Farrell, Pa., 50% by banker Guy M. Gully. Schafitz's father, Leonard J., once held CP for WSHA, Sharon, Pa. (Ch. 39); he sought to drop it, but Commission revoked it instead — ruling he had misrepresented finances (Vol. 11:36).

Juneau grantee is controlled by Wm. J. Wagner, of Seattle, operator of 6 Alaskan AMs and owner of 6% of TV stations KTVA, Anchorage (Ch. 11) & KTVF, Fairbanks (Ch. 11).

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CBS's switch of affiliation from WTRI, Albany-Schenectady-Troy (Ch. 35) to WROW-TV (Ch. 41) was solely a "legitimate exercise of a business judgment," in opinion of FCC chief examiner James D. Cunningham, who recommended that Commission turn down WTRI's protest and affirm sale of WROW-TV to group headed by Lowell Thomas. WTRI had charged that sale violated multiple-ownership rules, anti-trust acts, etc.

Cunningham held that CBS was entitled to choose WROW-TV even though "the evidence presented in behalf of protestant establishes the superiority of WTRI over WROW-TV from the standpoint of their relative abilities to aid the CBS in its competitive position [and] although the record shows that the WTRI management was not afforded the opportunity to make a factual presentation (to CBS) of the relative merits of the two operations . . ." He ruled that Thomas is not under control of CBS.

CRITIC JOHN CROSBY, who likes nothing better than to needle the industry, its programs and its denizens, this week departed from that tack to deliver a homily on the influence and power of Edward R. Murrow that contains some penetrating observations on the TV medium going well beyond a mere accolade to that great broadcaster. In his syndicated column, Crosby starts out by calling Murrow "one of the most powerful men in the U. S. today" and then he ruminates on a movie now being made in Hollywood that tells about a cracker barrel philosopher with a big radio audience who tries to get us into a war with China.

"Could this happen?" he writes. "Maybe I'm naive, but I doubt it." Then he expands on what he calls "The Crosby Law," using Murrow as the vehicle:

"It seems to me that Murrow has influence simply because he doesn't misuse it, and the minute he tried to, he wouldn't have it. Perhaps I'm over-optimistic, but I feel strongly that the American public not only cannot be gulled, but would violently resent any attempt at persuasion on matters they hold dear. They will buy the toothpaste, they will laugh at the jokes, they will tune in by the millions. But these are matters of no moment. The moment you get into areas where they feel deeply—the farm problem, foreign policy, public office—skepticism mounts.

"In fact, it might be stated as Crosby's Law that the more important the subject is, the less influence the guy with the mike has. In matters of the most profound importance to the individual—say, religion—I doubt that the

NBC's purchase of uhf WBUF-TV, Buffalo (Ch. 17), which has been protested by present NBC-TV affiliate WGR-TV (Ch. 2), was set for hearing to start Dec. 19. Issues really cover the waterfront: (1) Would sale promote monopoly by NBC? (2) Would NBC's pending acquisition of uhf WKNB-TV, New Britain, Conn. and WPTZ, Philadelphia, promote monopoly? (3) Did NBC pressure Westinghouse into deal wherein they'd swap their Philadelphia & Cleveland stations? (4) Does RCA's past anti-trust history reflect on NBC's qualifications?

WGR-TV has asked FCC to hold up transfer of WBUF-TV pending the hearing, but WBUF-TV says it can't hold out beyond Dec. 31, would have to go off air. Commission deferred decision on this until it inspects WBUF-TV balance sheet.

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To pave way for drop-in of Ch. 2 in Asheville, N.C. via co-channel mileage cuts, WISE-TV (Ch. 62) filed petition asking amendment of various rules so that FCC could consider each such drop-in on individual merits. It requests that new channels assigned at less than present spacings be called "flexibility assignments." Station suggests changes in Sec. 3.609, 3.607(b) & 3.610. It proposes to build Ch. 2 station with 1.259-kw, 423-ft. above average terrain, to avoid interference with Grade B contours of WFMY-TV, Greensboro, N.C. (159 mi.) and WSB-TV, Atlanta (165 mi.).

Effort to block final grant of Ch. 7 to *Omaha World-Herald* was made this week by Nebraska Democratic State Central Committee and Omaha Teamsters' Union (AFL). They sought to intervene on grounds newspaper has "long standing habits of news suppression and bitter bias." *World-Herald* was favored over KFAB by Examiner Honig's initial decision April 6.

George B. Storer's pre-freeze WSPD-TV, Toledo (Ch. 13) was granted move to site 9 mi. southeast of Toledo and height increase from 510 to 970 ft. — Commission deciding slight increase in Grade A overlap with Storer's WJBK-TV, Detroit (Ch. 2) is inconsequential.

Murrows, or Godfreys, the Winchells or anyone else could sway a single soul a single inch."

Crosby was unstinting in his admiration of Ed Murrow and producer Fred Friendly for their initial CBS-TV *See It Now* program of the new season. It's now carried sporadically as 60 or 90-min. show. The first, titled *The Great American Lottery*, dealt with the Vice Presidency of the U. S. from earliest days to now, drew general acclaim.

Teen-ager TV habits, as surveyed by Advertest Research in N. Y. area in outside-the-home interviews with 663 youngsters age 13-19 years: Average exposure to four principal media "yesterday" was 3½ hours with 46% of time spent on TV, 35% on radio, 11% on newspapers, 8% on magazines. TV viewing was heaviest after 9 p.m., radio did best between 6-9 p.m., newspapers & magazines 3-6 p.m. TV was found in 97% of homes, radio in 99%, and 75% of youngsters were exposed to TV daily with most preferring same programs as adults. Of TV commercials, beer and cigarette ads were liked best and movies, comedy, mystery & variety shows were top choices. About 33% felt TV had good influence mainly through education, keeping teen-agers off streets and forming basis for conversation. Detrimental effect was admitted by 35%, who cited tendency to imitate actors, excess of crime programs, interference with home work.

Proposal to transfer control of CKLW-TV, Windsor-Detroit (Ch. 9) to Paramount Windsor Theatres Ltd., has been filed with Canadian Broadcasting Corp., will be acted upon Dec. 1.

Telecasting Notes: Daily "daytime spectaculars" made their debut this week on NBC-TV's high-budgeted Mon.-thru-Fri. 3-4 p.m. *Matinee Theatre*. First in color drama series, J. P. Marquand's "Beginning Now" starring Louis Hayward, was hailed by *New York Times*' Jack Gould as "a drama that consistently held interest . . . meticulously cast with top players . . . lavish and imaginative direction." On other hand, *Variety* called it "hardly a cut above the conventional soap opera in story material." Both, however, saluted it as heralding new era in daytime TV. Said Gould: "The program's theory is that distaff viewers, who enjoy intelligent dramas after dark, do not suddenly become moronic clucks in the daylight. [It is] a significant contribution to the evolution of a more mature TV" . . . Movie studios' efforts in network TV nicely summed up the adroit "Eye & Ear Man" in Oct. 31 *Advertising Age*: "With the exception of Disney, there is no film company that appears to have impressed the mass audience of TV, which is greater any single night than the largest all-time audience of any single picture. Neither have the executives of the film industry had to account for their judgment as strictly as they must in a mass medium which almost instantly reflects the opinion of the customer. Can it be that the motion picture management is due for a change to enable it to meet the electronic age with wisdom and courage?" . . . More TV hits go Hollywood—all from NBC's *Philco-Goodyear TV Playhouse*: Paddy Chayefsky, who wrote "Marty," will rejoin producer Harold Hecht and director Delbert Mann, who filmed it, in production of his "Bachelor Party" early next year. Pair of Robert Alan Aurthur's plays—"Shadow of a Champ" & "A Man Is 10 Feet Tall"—also bought for movies, former for \$100,000, said to be highest TV-to-Hollywood deal yet . . . Seven dramas originally seen on TV are currently on MGM's movie shooting schedule . . . TV series to be adapted as theatrical movies: Warner Bros. plans cinema versions

of *Our Miss Brooks*, *Lone Ranger* and *Ed Sullivan Show*; movie *Medic* to be made by Medic Productions, *Racket Squad* by Hal Roach Jr., both for Allied Artists distribution . . . Movie producers won't buy any network TV time, after all. Council of Motion Picture Organizations, which had tentatively decided to get movie industry sponsorship for its Audience Awards (Vol. 11:42-43), changed its mind, called off telecast as an "expression of appreciation to the nation's newspapers" . . . Who Controls Network TV Programming? *Sponsor Magazine* asked that question of the networks themselves, came up with show-by-show breakdown Oct. 31. Conclusion: "Of 844 total network hours, a little over one-half—424½ hours—are network-controlled. Client, agency or packager control the remaining 419½ hours." On ABC, 80 program hours are network-controlled, 70 outside-controlled; CBS, 174 & 160; NBC 180½ & 179½ . . . First ABC-TV 90-min. spectacular reportedly will be filmed drama, to be produced by an outside firm to network's specifications . . . Who said that? "[NBC pres. Pat Weaver] has done a great job. He comes out swinging at all times. Some of the things he comes up with might drop dead, but all of them show some kind of thought. That creates excitement and it's good for the medium."—CBS-TV comedian Jackie Gleason in Nov. 5 *Billboard* interview . . . World Series games were out-rated only by \$64,000 *Question* in Nielsen survey for Sept. 25-Oct. 8. Jackpot show was viewed in 18,694,000 homes or 58.2%, and Sun. Series game was second with 18,631,000 homes and 56.1%.

20th Century-Fox TV operations are now headed by Irving Asher, Paramount producer for last 5 years, succeeding Sid Rogell, founding head of its TV subsidiary TCF Productions, who moves over to other duties. Otto Lang continues as exec. producer of GE's *20th Century-Fox Hour*.

ANOTHER TV CODE—this one for the TV film industry—is in the works in Hollywood, despite some protests that any new code would mean needless duplication of NARTB's TV code. Drafting of new code was initiated Oct. 29 at joint meeting of National Society of TV Producers and National Audience Board, year-old group dedicated to program improvement.

NSTP pres. Tom Lewis, head of Lewislor Productions, said TV film code was necessary to let producers "guide themselves in the making of properties for the viewing public in either live or filmed TV shows." Desilu exec. producer Martin Leeds, who was named chairman of committee to explore formulation of code, called the proposed document "an outline of good taste." Other committee members named were Wm. Mooring, columnist of Catholic publication *The Tidings* and member of Audience Board's preview advisory committee; D. B. Bernstein, of Audience Board; Jack M. Warner Jr., of Warner Brothers, representing TV units of major movie studios; Max Guilford, NSTP; Richard St. John, Alliance of TV Producers.

Before being named to code committee, St. John expressed doubt as to whether such a code was needed, calling the whole discussion "beating a dead horse." Also skeptical was Harold See, KRON-TV, San Francisco, chairman of NARTB film committee, who pointed out that most stations subscribe to NARTB Code and are obligated to screen all films for objectionable matter.

Radically new film base for TV & movie industry, strong enough to tow an automobile yet only ⅓ as thick as present film bases, was announced this week by DuPont and will be on market soon. It's called "Cronar" and its chief advantage is extreme toughness and resistance to shrinkage, suiting it ideally to TV usage and storage.

Two huge movies-to-TV deals in offing: (1) General Teleradio offering nearly the entire RKO feature and short subject backlog directly to selected stations in "test markets." Teleradio is seeking to realize \$15,000,000 through sale of the features to TV, has so far been unable to unload the entire block at that price to any single syndicator, and so is testing the direct-to-station approach. Backlog is said to contain up to 750 features and 950 shorts. Reportedly approached by Teleradio were several "typical" stations in large, medium and small markets on 5-year deals involving all or a major part of the package. Top RKO pictures of the past aren't included in package, being held out for theatrical reissues. (2) Paramount's entire 2000-film backlog of short subjects is on verge of being sold for TV at about \$4,500,000. A. W. Schwalberg, one-time Paramount v.p., is representing unidentified syndication purchaser in negotiations.

American Research Bureau this week proposed own county-by-county TV set census for next year, requiring 8-12 months and costing more than \$1,000,000. According to preliminary proposal submitted to networks and leading agencies, survey would cover station reception and frequency of reception, based on 500,000 personal family interviews in 1000-county sample. A. C. Nielsen Co. has previously announced plans for county-by-county set census next year.

Latest intercity microwaves granted TV stations: To KRGV-TV, Weslaco, Tex., 7-hop system from San Antonio; to KNOX-TV, Grand Forks, N. D., 1-hop from Fargo. At same time, Commission declined to grant Portland-Bangor microwave to WABI-TV, Bangor—sending station McFarland Letter noting that AT&T facilities are available.

Station Accounts: Bell Telephone Co. of Pennsylvania, setting pattern which will be duplicated in several other states, opens month-long intensive spot test campaign on WGAL-TV, Lancaster, for its "TFT" (Too Few Telephones) drive, thru Gray & Rogers Adv., Philadelphia; it's designed to promote greater use of extension phones . . . Chicago's partic.-sponsored *In Town Tonight*, news-variety show on WBBM-TV (Mon.-thru-Fri. 10-11 p.m.) is sold out, representing gross of \$2,000,000 a year and making it one of most successful local daily strips; among sponsors are Standard Oil, Old Golds, Magikist, Toastmaster, Hamilton Glass, Ford Dealers Assn. . . Ruppert Brewing Co. (Knickerbocker beer) signs 4-year contract for \$5,000,000 to sponsor N. Y. Giants home baseball games on WPIX and radio WMCA, thru Biow-Beirn-Toigo; Chesterfield sponsored last year . . . Union Pacific R.R. to sponsor *Basketball with Gardner*, clinic for basketball coaches and players moderated by U of Utah coach Jack Gardner, for 3rd straight year on KSL-TV, Salt Lake City, Tue. 6:15-6:30 p.m., thru Gillham Adv. . . Kellogg Co. plans expansion of current spot campaign to introduce Special K Cereal, with national distribution planned for next spring, thru Leo Burnett Co., Chicago . . . CBS-Columbia releases through local distributors series of 50-sec. spot commercials on its TV-radio-phono lines, featuring Quentin Reynolds, with provision for 10-sec. local dealer identification . . . Among other advertisers currently reported using or preparing to use TV stations time: Femco Corp., San Francisco (Oven-Sprite oven cleaner), thru Wilson-Markey Adv., San Francisco; Paramount Citrus Assn., San Francisco (Cal Fame frozen juices & fruits), thru Anderson-McConnell Adv., San Francisco; Block Drug Co., Jersey City (Laxium), thru Emil Mogul Co., N. Y.; Golden Mix Inc., Warsaw, Ind. (griddle cake & waffle mix), thru Garfield Adv., Detroit; Wm. B. Reilly & Co., New Orleans (Luzianne coffee & tea), thru Roman Adv., Baltimore; Armour & Co., Chicago (Miss Wisconsin cheddar cheese), thru John W. Shaw Adv., Chicago; Grand Union Co., E. Paterson, N. J. (supermarkets), thru L. H. Hartman Co., N. Y.; Miles Laboratories, Elkhart, Ind. (Tabcin cold tablets), thru Geoffrey Wade Adv., Chicago; Block Drug Co., Jersey City (Nytol for sleeping), thru Harry B. Cohen Adv., N. Y.; Northern Pacific R.R., St. Paul, thru BBDO, Minneapolis; Hutchinson Chemical Corp., Chicago (waterproof wax), thru Roberts, MacAvinche & Senne, Chicago; E & B Brewing Co., Detroit thru Simons-Michelson Co., Detroit; Seaside Oil Co., Santa Barbara, Cal., thru McCarty Co., L. A.; Gibson Refrigerator Co., Chicago, thru Henri, Hurst & McDonald.

American Chicle is second sponsor to buy into NBC-TV's "Program Extension Plan" to aid smaller-market stations (Vol. 11:41), ordering 24 of the 44 PEP stations for its one-third sponsorship of *Caesar's Hour*, Mon. 8-9 p.m. Liggett & Myers ordered all 44 stations last week for *Dragnet*.

NBC-TV increased evening IDs from 5 to 10 sec. this week in move to allow network and sponsors more time for messages about upcoming programs. Program times have accordingly been shortened by 5 seconds.

First "TV Show Train" of fall season will be run on New Haven R.R. Nov. 26 to carry people from Springfield, Mass. and way points to N. Y. for *Perry Como Show* on NBC-TV.

New ABC affiliates: WCTV, Thomasville, Ga.-Tallahassee, Fla. (Ch. 6) and WTVY, Dothan, Ala. (Ch. 9), latter also CBS under Extended Market Plan.

New reps: WENS, Pittsburgh to Branham (from Petry); KCRG-TV, Cedar Rapids, Ia. to Hoag-Blair (from Venard, Rintoul & McConnell).

Network Accounts: NBC-TV's daytime color experiment, partic.-sponsored *Matinee Theatre* (Mon.-thru-Fri. 3-4 p.m.), has \$5,500,000 billings week after its Oct. 31 debut. Latest sponsor is Corn Products Refining Co. (52 partic.), thru C. L. Miller Co. Those signed in advance of debut: Liggett & Myers (104 partic.), thru Cunningham & Walsh; Sylvania (32), thru J. Walter Thompson; Block Drug, for Amm-I-Dent toothpaste (26), thru Harry B. Cohen Adv.; Bates Fabrics (13), thru James P. Sawyer Inc.; Motorola (13), thru Leo Burnett Co.; B. T. Babbitt Co. (13), thru Dancer-Fitzgerald-Sample; Procter & Gamble (13), thru Benton & Bowles; Alcoa (2), thru Fuller & Smith & Ross . . . RCA to sponsor three 30-min. segments in color on NBC-TV's *Home* Nov. 8, 15 & 22, Tue. 11-noon, shows originating from some 38 Allied Stores outlets, thru Kenyon & Eckhardt . . . Ralston Purina to sponsor *Ethel & Albert* on ABC-TV starting Nov. 11, Fri. 10-10:30 p.m., thru Guild, Bascom & Bonfigli, San Francisco . . . Mutual of Omaha to be alt. sponsor (with American Chicle) of *Zoo Parade* on NBC-TV starting Nov. 6, Sun. 3:30-4 p.m., thru Bozell & Jacobs . . . Lionel Trains Corp., in big pre-Xmas splurge, buys *Paul Winchell and Jerry Mahoney Show* on NBC-TV starting Nov. 5, Sat. 11-11:30 a.m., thru Grey Adv. . . Goodyear to sponsor special religious show, *No Room at the Inn*, on NBC-TV Xmas Sun. 4-4:30 p.m., thru Young & Rubicam . . . ABC-TV is preparing entry in big-money giveaway sweepstakes, to compete with CBS-TV's \$64,000 *Question* and NBC-TV's *Big Surprise*; in audition stage is new show emceed by Jan Murray, in which top prize is \$100,000 . . . NBC-TV planning own baseball game-of-the-week next summer, in competition with CBS-TV; it will be sponsored on co-op basis.

FCC approved 2 radio station sales to groups organized to acquire TV-radio properties: (1) Continental Telecasting Corp. bought KRKD, Los Angeles, from Frank Doherty interests for \$417,500 (Vol. 11:35); it's headed by Arthur B. Hogan, pres. of Albert Zugsmith Corp., which owns 36% %; Richard C. Simonton, functional music operator in Los Angeles and Las Vegas, who holds 36% %; Frank Oxarant, of radio KFWB and 20% owner of Tucson's KVOA-TV & KVOA, who has 26% %. (2) Dolph-Petty Bcstg. Co. acquired KMYR, Denver, from F. W. & A. G. Meyer for \$155,000 (Vol. 11:29, 33). Dolph-Petty ownership interlocks with KULA-TV & KULA, Honolulu; WMT-TV & WMT, Cedar Rapids; radio KJBS, San Francisco. In addition, FCC approved transfer of KAVE, Carlsbad, N. M., along with CP for KAVE-TV (Ch. 5), to John Battison group for \$150,000 (Vol. 11:32, 39); selling group is headed by Val Lawrence, of KROD-TV, El Paso.

Radio KANS, Wichita, Kan. (5-kw D, 1-kw N, 1480 kc, NBC) was sold this week for \$225,000 by O. L. (Ted) Taylor (who now has only KRGV-TV & KRGV, Weslaco, Tex.) to Kenyon Brown & Frank Lynch, who also own KBYE, Oklahoma City. Brown owns 1/2 of KWFT-TV & KWFT, Wichita Falls, Tex., and has interest in radio KGLC, Miami, Okla. Sale was negotiated through Blackburn-Hamilton.

Assn. of National Advertisers elects these 1956 officers: chairman, Edwin W. Ebel, General Foods, succeeding E. G. Gerbic, Johnson & Johnson; vice-chairman, George Mosley, Seagram Distillers, succeeding Ebel; pres., Paul B. West (re-elected). Directors: Ben H. Wells, 7-Up Bottling Co.; Henry Schachte, Lever Bros.; Howard Marple, Monsanto Chemical; Donald Frost, Bristol-Myers.

Power increases: KSLA, Shreveport, La. (Ch. 12) Oct. 30 to 316-kw ERP; KFDX-TV, Wichita Falls, Tex. (Ch. 3) Oct. 30 to 100-kw; KIMA-TV, Yakima, Wash. (Ch. 29) Oct. 20 to 191-kw; KELO-TV, Sioux Falls, S.D. (Ch. 11) Oct. 13 to 251-kw.

EQUIPMENT SHIPMENTS reported this week: By GE—5-kw transmitter to upcoming KEST-TV, Big Spring, Tex. (Ch. 4), due Dec. 15; 10-kw transmitter to upcoming KOSA-TV, Odessa, Tex. (Ch. 70), due in mid-Dec.; 5-bay antenna to KQTV, Fort Dodge, Ia. (Ch. 21). By RCA—10-kw transmitter to upcoming KHAS-TV, Hastings, Neb. (Ch. 5), due Dec. 1.

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

KLEW-TV, Lewiston, Ida. (Ch.3), installing 5-kw GE transmitter, plans Nov. 15 test patterns, CBS programming by Thanksgiving, reports gen. mgr. Charles R. White. Foundations for tower and guy wires have been poured and 50-ft. 3-bay GE antenna is scheduled for installation on 250-ft. Fisher tower shortly after Nov. 10. It will be operated as non-satellite by Tom Bostic's KIMA-TV, Yakima, Wash. (Ch. 29), which also operates satellite KEPR-TV, Pasco, Wash. (Ch. 19), holds CP for KBAS-TV, Ephrata, Wash. (Ch. 43) and is applicant for Ch. 8 satellite in Walla Walla. Reps will be Weed, and Moore & Lund (Northwest). Base hour will be \$150.

KBST-TV, Big Spring, Tex. (Ch. 4) has changed test pattern target to Dec. 15, plans Dec. 25 start with CBS shows, writes pres.-gen. mgr. Wm. J. Wallace. Installation of 5-kw GE transmitter starts Nov. 24 and 500-ft. Andrews tower with 3-bay antenna is due to be ready Dec. 1. Owners include Robert W. Whipkey, publisher of *Big Spring Herald*, and Lewis O. Seibert, owner of San Angelo radio KGKL and 45% of KPLT, Paris, Tex. Base rate will be \$150. Rep will be Pearson.

KRMA-TV, Denver (Ch. 6, educational), installing 5-kw GE transmitter in Nov., plans Dec. test patterns, has tentative Jan. target for programming, reports TV engineer T. G. Morrissey for Dr. Kenneth Oberholtzer, supt. of schools. CP is held by Denver public school system. Ideco 210-ft. tower with GE antenna is ready at site near Lookout Mt., where Denver's 4 commercial outlets have transmitters. KRMA-TV will be 19th non-commercial station.

KHAD-TV, Laredo, Tex. (Ch. 8) plans Dec. 1 start, reports 50% owner Hank Avery. It's second area outlet, XEFE-TV, Nuevo Laredo, Mex. (Ch. 11) having begun Spanish-language programming last Sept. (Vol. 11:40). KHAD-TV's 500-watt Gates transmitter is due for delivery in 2 weeks. Studio is being built downtown at Convent & Houston Sts. Prodelin 8-bay antenna will be on Hamilton Hotel roof, in same block, 210-ft. above ground. Shaun F. Murphy, ex-WTVP, Decatur, Ill. will be mgr., with Lawrence Beckman, ex-WOAI-TV, San Antonio, chief engineer. Rep not chosen.

WDAM-TV, Hattiesburg, Miss. (Ch. 9) expects to be on air between Feb. 15 and March 1, reports 1/3 owner Dave A. Matison Jr., who also has interest in Hattiesburg radio WHSY and operates chain clothing store. Building plans are about complete and bids will be asked in late Nov. Transmitter & tower haven't been ordered as yet. Base hourly rate will be \$150. Rep not chosen.

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CKGN-TV, North Bay, Ont. (Ch. 10) has 5-kw Canadian GE transmitter due Nov. 20, expects to start programming 10 days after Dec. 10 test patterns, reports G. A. Alger, one of principals in new Tel-Ad Co. Ltd., organized by local businessmen to take over license and construction of station. Stainless 373-ft. tower, due at Callendar, Ont. site Nov. 10, will have GE slotted antenna. Russ J. Eastcott, ex-CHCH-TV, Hamilton, Ont., is gen. mgr.; Bill Hart, ex-CKSO-TV, Sudbury, Ont., commercial production chief; Walter Totman, chief engineer. Base hourly rate will be \$160. Canadian reps will be Paul Mulvihill and John N. Hunt & Assoc. (Vancouver).

WEST VIRGINIA farm census, compiled this week by U.S. Census Bureau, shows that 20,007 of state's 68,583 farms—about 29%—had TV in Oct.-Nov. 1954, when count was made. It's 35th state to be tabulated in first farm census to include TV set count (number of farms is based on actual count, TV sets on 20% sample). The county-by-county totals:

WEST VIRGINIA					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Barbour	1,561	287	Mingo	881	272
Berkeley	1,131	671	Monongalia	1,593	744
Boone	610	200	Monroe	1,772	481
Braxton	1,773	213	Morgan	459	207
Brooke	320	210	Nicholas	1,616	426
Cabell	1,643	910	Ohio	479	400
Calhoun	1,258	182	Pendleton	1,322	149
Clay	849	175	Pleasants	392	105
Doddridge	944	122	Pocahontas	1,061	147
Fayette	1,675	395	Preston	2,060	642
Gilmer	1,106	160	Putnam	1,537	738
Grant	777	135	Raleigh	2,038	638
Greenbrier	2,172	535	Randolph	1,383	229
Hampshire	1,135	278	Ritchie	1,228	222
Hancock	248	192	Roane	1,904	489
Hardy	1,006	186	Summers	1,427	202
Harrison	1,712	392	Taylor	764	212
Jackson	1,751	798	Tucker	542	78
Jefferson	615	435	Tyler	763	185
Kanawha	1,735	741	Upshur	1,648	191
Lewis	1,345	183	Wayne	2,292	872
Lincoln	1,726	580	Webster	959	195
Logan	625	190	Wetzel	1,214	322
McDowell	931	136	Wirt	604	80
Marion	1,379	501	Wood	1,698	506
Marshall	1,311	608	Wyoming	1,096	222
Mason	1,648	637			
Mercer	2,235	816			
Mineral	630	185			
			State Total	68,583	20,007

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:28); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37); N. J., Tenn. (Vol. 11:39); Ark., Conn., Mass., R. I., Texas, Wash. (Vol. 11:40); Me., N. M., Ore. (Vol. 11:41); Ariz., Fla. (Vol. 11:42); Del., Ill., Ind., N. C. (Vol. 11:43); Miss. (Vol. 11:44).

TV station costing \$18,937 is proposed for Ponce, Puerto Rico (Ch. 9) in application by Ralph Perez Perry, owner of San Juan radio WKVM and TV applicant for Caguas. He proposes to use complete Adler small-station package costing \$15,937, taking 3 days to assemble. Transmitter power would be 150 watts. ERP from already-available RCA antenna would be 826 watts. Tower erection and installation would be done by staff of WKVM. Perry says station would provide immediate TV service with possibility of developing into larger operation later. His application brings total on file with FCC to 161 (19 uhf). [For details, see *TV Addenda 21-Q* herewith; for complete listing of all grants, new stations, applications, etc., see *TV Factbook No. 21* with Addenda to date.]

Sarkes Tarzian's entry into station equipment field has been highly successful, according to commercial mgr. F. Dan Meadows, who reports: "We just got into full-scale production late this summer and already we have delivered equipment to 17 stations. These deliveries have included everything from distribution amplifiers to microwave, and 2 stations have their studios completely equipped by us."

New report on propagation in vhf & uhf TV bands has been issued by FCC. Prepared by Wm. C. Boese & Harry Fine, it was originally presented at Sept. 23 IRE symposium in Washington. Copies of report, known as T.R.R. Report No. 2.4.15, may be obtained from FCC, or from us.

Canadian TV applications to be considered at CBC meeting Dec. 1: Stewart-Warner Corp. of Canada Ltd. for experimental Ch. 10, Belleville, Ont.; Twin Cities Television Ltd. for Ch. 2, Kamloops, B.C., 160 mi. NE of Vancouver.

Rules covering TV station monitors and their type approval were finalized by FCC this week. Rules are effective Dec. 12 but stations have until June 1, 1957 to comply. Copies are available from Commission or from us.

BETTER TV RECEIVERS IN GREATER DEMAND: "I have never seen anything like it in our 10-year history. Folks just don't seem to be interested in leader models anymore. They come into the stores with plenty of folding money in their pockets and all they talk about are sets selling around \$300 and up. I read in your issue last week that Motorola had altered its production mix 4 times to higher-end sets. Well, I've had to change mine 6 times this year -- that's how tough it is to keep up with demand."

So spoke one major manufacturer this week, in commenting on the buy-up market -- TV trade's biggest development, which is continuing into what promises to be the industry's best Xmas season and full year. Production is heading inexorably towards 8,000,000 for 1955, with retail sales likely to be around 7,800,000.

Several statistical charts document trend to higher-end sets. Average retail price of \$215 now for TV set represents \$20 increase over first of year, and would be higher but for the spectacular success of GE's 14-in. portable (at \$99.95 and \$129.95). How much higher, the statisticians won't estimate -- but they place 14-in. production for first 9 months at 200,000 (out of total of 5,760,506), with the overwhelming majority made by GE. Emerson and Olympic also have 14-in. receivers. By contrast, only 20,000 of the 14-in. sets were produced in first 9 months of 1954.

Production of 24-in. sets has increased from 2% at start of year to about 8% currently. This is a screen size which shows gains each month, nearly always at the expense of 17-in. category. Westinghouse's Dan Halpin, for one, has predicted that 24-in. will account for 20% of industry's sales next year (Vol. 11:37), and Philco's Jimmy Carmine has said 24-in. is his "hottest" seller (Vol. 11:44). RCA also says 24-in. is "improving". There's no industry-accepted method to chart movement from low-end to high-end 21-in. sets, but this is another definite trend.

Brief highlights of other major trade developments this week:

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Color Merchandising: Those 1250-1500 color set sales a week (see p. 3) -- what merchandising angles are being used to sell them? Judging from reports from distributors, answers can be summed up in term "creative selling" -- i.e., find a customer for each set, rather than wait for the customer to ask for set. To be sure, there's no single pattern of merchandising for all markets -- each has its own individuality. But here are a few of the techniques used among most successful markets:

Krich-New Jersey Inc. (RCA), taking "Cadillac trade" goal literally, sent a circular to list of 4500 Cadillac owners in its area 2 weeks ago. It was headlined, "To the person who demands the finest things in life!", urged them to mail enclosed card to nearest dealer for private demonstration of color set. James S. Cohan, mgr. of merchandising, said 387 requests for private showings were received in few days after mailing, added he expects to sell majority of them.

In Los Angeles, where local Electric League estimates 450 color sets moved to dealers in Sept.-Oct. (about 90% of them sold to consumers), RCA factory branch is placing dealer-listing ads in all metropolitan newspapers and supplying dealers with in-store promotion material. Starting Nov. 15, it will have big promotions on billboards in area, with KRCA spots emphasizing color.

Motorola's Los Angeles distributor Kierulff & Co. put color sets in several model homes, and its sales mgr. Edward O. Morgan was instrumental in forming So. Cal. TV Dealers Assn. to promote color. Dealers themselves sent invitations to select customer lists inviting them to showings of colorcasts. Penn-Owsley Music Co., for one, invited more than 400 upper-income Hollywood families to special showing at its Wilshire Blvd. store, reports it sold more than 20 sets in last 2 weeks.

In Philadelphia, RCA distributor Raymond B. Rosen & Co., whose avowed goal is 150 sales a week, stepped up pace of his ad campaign. In Nov. 3 Philadelphia Bul-

letin, ad lists full color schedules for 2 weeks, invites readers to send for free booklet explaining details of color system. The 21-in. sets are pictured, but only mention of price is line reading: "Prices for RCA Victor Color Television Sets Begin at \$395 (for 15-inch model CT-100, not shown)." Bruno-N.Y. used checkerboard calendar motif in N.Y. newspapers to call attention to color program schedules.

Economic Sparkle: They're getting repetitious, but the high-level economic forecasts continue uniformly bullish. National Assn. of Purchasing Agents, on basis of its Oct. membership survey, foresees good business conditions continuing well into 1956. It reports definite signs of price stability, employment at the highest peak since mid-1950, inventories in "favorable" balance. Robert W. Burgess, director of Census Bureau, predicted that total retail sales in 1955 would be about \$184 billion -- \$13-14 billion over 1954. Steel Magazine predicted sizeable employment and production increases next year, with greatest gains in second quarter. Looking ahead 10 years, Assn. of National Advertisers and American Assn. of Advertising Agencies this week issued joint report declaring that advertising could help raise standards of living by 33% in next decade, with average family income rising to \$7000 a year.

SEC Recognition: SEC Index of Weekly Closing Prices of Common Stocks on N.Y. Exchange last week established TV-radio industry as separate entity for first time. Companies used for index compilation are RCA, Sylvania, Philco, Admiral, Emerson, Magnavox. For week ended Oct. 28, TV-radio index -- based on 1939 figure of 100 -- was 542.9, down 1.3% from previous week's 550. Note: Dept. of Commerce has always lumped TV-radio within larger category of electrical machinery in its compilations.

Production: TV output totaled 183,139 week ended Oct. 28, compared to 186,153 preceding week and 198,831 week ended Oct. 14. It was year's 43rd week and brought production for 10 months to about 6,500,000 vs. 5,850,000 in same period of 1954. Still spurred by high auto set production, radio output soared to 386,523 (180,386 auto) week ended Oct. 28, compared to 374,708 preceding week and 350,351 units week before. For 10 months, radio output was 11,500,000 vs. 8,850,000 same 1954 period. Another RETMA report released this week placed official 9-month production of TVs at 5,760,506, radios at 10,027,362. Detailed 9-month tabulation:

	PRODUCTION		RADIO PRODUCTION BY TYPES			
	Total TV	Total Radio	Home Sets	Portables	Clock	Auto
January.....	654,582	1,068,146	280,121	47,303	166,885	573,837
February.....	702,514	1,089,724	232,831	109,120	150,031	597,742
March (5 wks)	831,156	1,482,274	300,840	233,465	173,944	774,025
April.....	583,174	1,099,775	193,431	265,866	72,602	567,876
May.....	467,394	1,114,035	161,357	258,701	130,608	563,369
June (5 wks).	589,973	1,204,935	181,930	255,833	182,605	584,567
July.....	344,295	718,489	141,119	79,410	93,517	404,443
August.....	647,903	947,634	300,513	106,197	137,604	403,320
Sept. (5 wks)	939,515	1,302,350	417,802	139,164	234,106	511,278
TOTAL.....	5,760,506	10,027,362	2,209,944	1,495,059	1,341,902	4,980,457

Olympic Radio's TV plans remain unchanged, said pres. Morris Sobin, despite purchase of controlling interest in firm this week by group of private investors headed by Wm. Husted, 250 Park Ave., N. Y., chairman of exec. committee of Siegler Corp., gas heater manufacturer now in electronics through subsidiary Hallamore Mfg. Co. (industrial TV equipment). Investment group purchased the 137,332 shares (about 30%) of Olympic held by Fox, Wells & Co. Settlement of transaction is scheduled for Nov. 15, when other members of syndicate will be revealed, said Sobin. He added: "Though Mr. Husted is chairman of the Siegler executive committee, he does not represent that company in any way in this purchase. This is totally a personal investment by a group of individuals who see in Olympic an excellent investment, now that our research arm, Olympic Development Co., has been separated from us. Our TV sales through Sept. 30 were 46% over last

year, and our 9-month statement will show a nice profit." Olympic's 6-month earnings were \$158,722 (35¢ per share) on sales of \$8,352,742 vs. profit of \$76,993 (17¢) on \$9,342,768 in first half of 1954 (Vol. 11:38).

"What? Another merger rumor?" That was Sentinel Radio pres. Ernest Alschuler's reply to query about reports that Magnavox and Sentinel were near agreement on merger. He commented: "There is absolutely nothing on the fire at the moment involving a merger of Sentinel. That doesn't mean there won't be something tomorrow or next week or next month. I have been approached by a number of manufacturers who, for one reason or another, have expressed an interest in a merger. I am a businessman and, like other businessmen, am interested in listening to bona fide business propositions. But right now there is nothing cooking."

Trade Personals: Charles P. Baxter, gen. mgr. of RCA Victor TV div., elected a v.p., succeeding Henry G. Baker, retired; James M. Toney elected v.p.-gen. mgr. of RCA Victor Radio & Victrola div.; Dr. Douglas H. Ewing elected v.p. in charge of RCA Labs . . . Antony Wright, CBS-Columbia v.p. in charge of engineering, who was one of the "fathers" of RCA's pioneer 630-TS while with that company in Camden, resigned this week, will be succeeded week of Nov. 14 by R. T. Capodanno, Emerson engineering v.p.; Wm. Vassar, Emerson chief engineer, also moves to similar post at CBS-Columbia . . . Seymour Mintz, ex-pres. of CBS-Columbia and former Admiral adv. mgr., currently a consultant with Kudner adv. agency, handling National Co. account, has opened own merchandising-sales consultant firm, Manco Associates, 515 Madison Ave., N. Y. (Plaza 3-3855) . . . Dr. W. R. G. Baker, v.p.-gen. mgr. of GE electronics div., accompanied by electronics counsel Robert M. Estes and CR tube consulting engineer Dr. J. C. Nonnenkens, left Nov. 1 by plane for inspection of European electronics developments, will return Nov. 23 . . . George W. Keown, Tung-Sol gen. sales mgr., elected sales v.p., succeeding Raymond E. Carlson, who continues as a corporate v.p. & director . . . Merle F. Johnson named regional mgr. of distributor sales, GE tube dept., Chicago, succeeded as distributor sales administrator in Schenectady headquarters by Louis M. Robb, San Francisco district sales mgr. . . Ernest H. Vogel retired this week as mgr. of marketing, GE electronics div. . . Verne G. Rydberg promoted to mgr. of Westinghouse industrial tube sales, Clifton Potter to mgr. of new commercial engineering dept., Elmira tube div. . . Karl H. Carstens promoted to Magnavox adv. mgr., replacing Ellis H. Redden, resigned; Stewart Roberts, merchandising director & asst. sales mgr., adds duties of sales training director . . . R. Lee Waterman, gen. mgr. of consumer products, Corning Glass Works of Canada Ltd., elected a v.p., succeeding late Glen W. Cole . . . Henry Goldsmith resigns as U. S. sales director of Kingsway of London Ltd. (hi-fi), plans to represent several British manufacturers from Chicago headquarters . . . Harold Clare named Andrea Radio credit mgr. . . Ronald E. Vedder, Sylvania TV-radio sales training mgr., named district sales mgr., Kansas City . . . R. F. MacGillivray transferred from San Francisco to Los Angeles as district mgr. of Westinghouse major appliances . . . Donald J. Whittum appointed Sparton merchandiser for central Mich., headquartering in Jackson . . . Abraham A. Vogel, Emerson controller, elected v.p. . . W. McConnachie named supt., production engineering, Canadian Westinghouse TV-radio div.; R. Fraser is supt., quality control; R. J. Robinson, service supervisor.

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DISTRIBUTOR NOTES: Gerald O. Kaye & Assoc., N. Y. (Crosley-Bendix) extends coverage to N. J., replacing Apollo Distributing Co., Newark, which becomes Zenith outlet, replacing own factory branch; Wm. J. O'Brien promoted to Kaye gen. sales mgr. . . CBS-Columbia appoints D'Elia Distributors Inc., 1330 Fairfield Ave., Bridgeport, Conn. (Charles A. D'Elia, pres.) . . . Muntz appoints newly-formed Pitt Stores Inc., 5523 Penn Ave., Pittsburgh (Arthur Gartman & Robert Benne, chief officers) . . . Moore Bros. Distributing Co., Houston (Motorola) appoints Ben Collins pres. & treas., replacing W. B. Moore, resigned . . . Westinghouse Electric Supply Co., N. Y., appoints Robert W. Stewart gen. mgr. of consumer products; Louis G. Berger named asst. to pres. Victor D. Kniss . . . Great Northern Distributing Co., South Bend (Crosley-Bendix) promotes Thomas M. Kiley to v.p.-gen. sales mgr. . . Hale Bros. Stores, San Francisco, appoints Robert Nave mgr. of TV-major appliances . . . George Rosen Co., Baltimore (Olympic) appoints Bernard D. Smith sales mgr.

Topics & Trends of TV Trade: Philco Service Co., the factory servicing branch set up recently in Chicago, Newark, Philadelphia & Pittsburgh (Vol. 11:35-36), will not become a national subsidiary of RCA Service Co., it was explained this week by electronic service mgr. Frank D. Whitten.

"We strongly believe in service by dealers themselves, and we have no intention of competing with them," he said. "Dealer service is best for the manufacturer, distributor, dealer and consumer." He described Philco's 4 branches as supplementary facilities in areas where adequate service is not available.

"The consumer who buys a receiver without adequate service is inclined to blame the manufacturer for anything that goes wrong with the set thereafter," he said. "That just isn't fair to the manufacturer, and we want to do everything we can to protect our name."

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RETMA quarterly meeting Nov. 16-18 at Chicago's Palmer House will consider new appeal to Federal Trade Commission for reconsideration of trade practice rules (Vol. 11:27-28) and review plans for obtaining excise tax relief on all TV-radio sets (Vol. 11:40-41). In addition, board will receive report of its special frequency allocation study committee (Dr. W. R. G. Baker, GE, chairman), which recently recommended to FCC that RETMA organize all-industry committee to study technical factors in allocations controversy (Vol. 11:43).

Smallest speaker ever built for commercial use is RCA's claim for new unit developed for use in pocket-size transistorized radios. It's 2½-in. in diameter, about ½-in. thick. RCA Labs' Dr. Harry F. Olson said size reduction was achieved by incorporating magnetic structure within shell surrounding cone—called this as radical a design departure as putting engine in rear of car.

Outer space dept.: Month-long TV-radio set promotion by Cincinnati Electrical Assn., Cincinnati Gas & Electric Co. & *Cincinnati Post* tells consumers new receivers are "out of this world," hence offers top prize of "a trip on the first commercial flight to the moon—good until used," for letter contest. If winner doesn't choose to wait, he can convert prize into \$1000 cash.

Four 21-in. caster-equipped consoles were introduced this week by Westinghouse, which said they are "aimed at filling the rapidly increasing consumer demand for mobile TV receivers." Prices are \$200, \$210, \$250 & \$260—casters \$20 extra. They have "Tip Top Front Tuning," aluminized tube and "Silver Safeguard" deep-etched printed circuits.

DuMont's new west coast headquarters at 11800 W. Olympic Blvd., Los Angeles, embracing 30,000-sq. ft. plant, was occupied this week with Ralph B. Austrian as mgr.; George Hakim, mgr. for TV receivers; George Jollie, warehouse & servicing mgr.

Assn. of Better Business Bureaus to distribute work kit on policing comparative price advertising, including check list for determining truthfulness of ads, suggested ad copy, rule card of "do's-&don'ts" for copywriters. Copies will be available from local BBBs.

Raytheon adds 21-in. maple console at \$230, which it claims is industry's first such set under \$300. It has vertical chassis, top front tuning, 6-in. speaker, 90-degree aluminized tube.

Meetings of Motorola distributors, to discuss marketing and promotion plans in first quarter of 1956, are set for Phoenix Dec. 8-9 and Boca Raton, Fla., Dec. 15-16.

Crosley-Bendix national distributor convention scheduled at Miami Beach, Dec. 5-7.

Philco's next distributor convention will be held in several hotels in Miami Beach, Jan. 4-6.

Electronics Reports: Military spent \$1.206 billion on electronics-communications and guided missiles in fiscal year ended June 30, 1955. Defense Dept.'s newly released preliminary *Report on Status of Funds by Budget Category* shows this outlay down about 10% from 2 previous years — \$1.33 billion in fiscal 1954 & \$1.296 billion in fiscal 1953 — reflecting general reduction in military spending since Korean war.

Spending in both categories last year represented approximately 10% of \$12.997 billion in major procurement & production, with \$637,000,000 going for electronics-communications and \$569,000,000 for guided missiles. Largest single item in procurement was aircraft — \$8.038 billion (61%) — which also accounted for considerable electronic equipment not listed as "electronics" in Defense summary.

All 3 services were about equal in percentages of budgets allocated to electronics-communications & missiles together, but varied widely in total sums spent and shares for each category. Their outlays: Army, \$28,000,000 (2½%) for electronics-communications, \$88,000,000 (6½%) for guided missiles; Navy, \$159,000,000 (4%) and \$176,000,000 (5%); Air Force, \$450,000,000 (5.7%) and \$305,000,000 (4.3%).

As of June 30, 1955, military had total of \$1,645,438,000 obligated in unpaid electronics-communications contracts and \$1,355,490,000 in guided missiles, with total of \$3,645,852,000 in unspent funds to cover them. While Defense figures do not break down spending for research & development, the outlay of \$1.364 billion in that operation is known to include sizeable amount for electronics-missiles.

* * * *

"Datavision" is new industrial TV system developed by Dage TV div. of Thompson Products Inc. using telephone lines instead of coaxial cable. Datavision is designed for sending check signatures from main banks to branches, transmitting sales records, etc. over distances up to 15 mi. It sends still pictures, which stay on high-persistence screen long enough to be read before they fade off. Dage points out that rental of telephone wires costs far less than cable or microwave service. Camera and receiver cost about \$2250, extra receivers \$625.

Selenium shortage is being felt by electronics industry. Rectifier div. of Sarkes Tarzian Inc. this week advised defense mobilizer Arthur S. Flemming of growing shortage of the vital material together with black market which threatens to destroy small rectifier manufacturers. Company asked that large selenium producers be required to supply electronics industry's needs and that Govt. sponsor selenium scrap recovery program.

Canada's electronics industry, percentage-wise, may outstrip that of U. S. during next decade, said B. K. Westrum, Sylvania sales v.p. and director of Sylvania Electric (Canada) at Toronto news conference this week. Canadian subsidiary, founded in 1949, is making more and more of the products it sells, he said, and should enjoy 50% more net sales this year than last.

Acquisitions: Clevite Corp. acquires full ownership of Transistor Products Inc., Waltham, Mass., changing its name to Clevite Transistor Products; Clevite has owned majority interest since 1953. Texas Instruments Co., Dallas, now owns Rogers Exploration Service Ltd., Calgary, Alta. geophysical firm.

Another old-line consumer goods maker diversifies into electronics: 47-year-old Hoover Co. (vacuum cleaners) purchases Phebco Inc., Baltimore engineering firm specializing in electronics and guided missiles, plans to begin construction of \$500,000 plant for new subsidiary soon.

Merger plan abandoned: Stewart-Warner and McGraw Electric Co. this week ended negotiations and announced that no merger was contemplated.

NEW LIST OF "TOP 100" prime defense contractors since beginning of Korean war has been compiled by Senate Preparedness Investigating subcommittee, which charged that the list released last spring by Defense Dept. (Vol. 11:23) was "misleading" and "inaccurate." Earlier list covered period from end of Korean war (mid-1953) through 1954, and because of contract terminations and cancellations did not include such large companies as General Motors (No. 1 on subcommittee's new list with \$6.6 billion in contracts) and Westinghouse (No. 16 on new list).

Defense Dept. has denied subcommittee's charges, saying its list was compiled at request of Sen. Fulbright (D-Ark.) who wanted tabulation covering the 18-month period. Some 45 companies appearing on subcommittee's new list didn't appear on 18-month list, it said, because "cancellations and terminations partially or wholly offset new business awarded them during this period."

New list includes 23 companies closely identified with electronics. General Electric with \$3.67 billion in contracts, is biggest of these, being No. 5 among all contractors, followed by General Dynamics (8th), AT&T (12th), Bendix Aviation (15th), Westinghouse (16th). Many electronic items, of course, are made or contracted by big "non-electronic" companies on the list, including aircraft manufacturers who occupy 7 of the first 10 positions. Likewise, most companies identified with electronics also make non-electronic military items.

These are the electronics and related companies on new list (mid-1950 through 1954) together with their ranking among the top 100, their total contracts, amount, of terminations & cancellations and net value of contracts (for comparison with Defense Dept. list, see Vol. 11:23):

Company (Including Subsidiaries)	Rank	Total Contracts	Terminations & Cancellations	Net Value
(in millions of dollars)				
General Electric	5	\$4,048.9	\$376.4	\$3,672.5
General Dynamics ..	8	2,869.4	119.4	2,670.0
AT&T	12	1,916.0	160.7	1,755.3
Bendix Aviation	15	1,185.5	30.3	1,155.2
Westinghouse	16	1,601.1	454.7	1,146.4
Sperry Corp.	17	1,137.9	47.3	1,090.6
Hughes Tool Co.	19	993.6	57.9	935.7
RCA	23	823.1	82.7	740.4
IT&T	29	611.5	85.5	526.0
Avco	30	544.4	22.0	522.4
Philco Corp.	38	450.8	46.5	404.3
IBM Corp.	39	430.3	38.6	391.7
Raytheon	42	376.0	6.7	369.3
Collins Radio Co.	44	361.2	19.6	341.6
Minn.-Honeywell ..	62	207.4	13.8	193.6
Hazeltine Corp.	63	213.9	22.8	191.1
Remington Rand ...	64	190.4	.2	190.2
Sylvania	65	198.9	13.7	185.2
American Bosch	66	190.0	5.6	184.4
Gilfillan Bros.	79	153.1	—	153.1
Motorola	80	161.0	8.0	153.0
Admiral Corp.	84	152.0	6.4	145.6
Stewart-Warner	91	128.7	4.1	124.6

Flour makes dough—but so does electronics. General Mills' electronics activities under printed circuits pioneer Cleo Brunetti, is described in Oct. issue of Television Shares Management Corp.'s monthly bulletin, *Keeping Up*. Among products from General Mills' engineering, research & development dept. in Minneapolis: 300-hour aircraft flight recorder; microhygrometer to measure moisture profile of small objects like wheat berries; and the widely publicized "Autofab," first complete automatic assembly machine for electronic circuits ever built by one firm and sold to another (IBM) for production line use.

Scatter propagation, reliable beyond-horizon vhf-uhf transmission (Vol. 11:32) is subject of huge Oct. special issue of *Proceedings of the IRE*. Issue was organized by MIT's Jerome B. Weisner and papers procured & selected by Bureau of Standards' Kenneth A. Norton—both important contributors to science of scatter propagation.

A Network President Analyzes

Television & Radio—Today and Tomorrow

Full Text of Report by Robert E. Kintner, President, American Broadcasting Co.

Speaking for TV-Radio Before Annual Meeting of Assn. of National Advertisers, New York City, Nov. 1, 1955

I FEEL SURE I need not devote time to proving that television and radio are the most dynamic, most forceful, and importantly, the most human of our media of communication. They are also the most immediate and the most intimate.

Television today focuses on 35,000,000 sets with 437 stations on the air. [EDITOR'S NOTE: On-air total was 454 as of Nov. 1, 1955.] In 1957 there will be over 38,500,000 sets and certainly before 10 years, nearly all of the 55,000,000 homes we should have by then will have TV. Television's dollar volume this year will pass the billion-dollar mark.

A simple indication of the growth of TV coverage, which is of the greatest interest to the TV advertiser, is the fact that 3 years ago the average evening program covered only 70% of TV homes, while the average evening program today covers over 83%—actually, because of the increase in sets, more than twice as many homes—in terms of delivered audience.

In considering TV from the advertiser's viewpoint, the first question that naturally suggests itself is what proportion of the advertising budget can be profitably allocated to this medium.

In 1948, every one of today's top 25 advertisers, excluding distillers, were in network radio, and to 11 of them it was their most important advertising medium. Today, for at least 19 of these 25 advertisers, TV is unquestionably their No. 1 medium. Counting only network TV, the typical advertiser in the top 25 invested 47% of his advertising dollars in TV and 56% in the broadcast medium.

The challenge of TV is not a challenge of whether the medium is effective, the challenge is how best to program it, how best to buy it, and how best to use it commercially—a challenge that is shared by the broadcasters and the advertisers. Since only 165 advertisers use network TV today, there is the added challenge of how the networks can make greater use of TV by smaller companies possible.

The Trend in Programming

What is the trend in programming?

Andrew Carnegie once said, "There is no harm in putting all your eggs in one basket—as long as you watch the basket." Mr. Carnegie was a wise man, but unlike Christopher Marlowe, writing 350 years ago, he probably did not envision "infinite riches in a little room," which I interpret to mean the present TV screen.

The trend in TV today by top advertisers and by small advertisers is unmistakably toward more and more shared sponsorship, rather than a complete sponsorship of programs. Three years ago, 51% of network TV advertisers were participating sponsors. Today, 76% are participating in some form of multiple sponsorship. This has come about for budgetary reasons; from a desire to spread the risk of a flop over several shows; and from a desire on the part of the larger advertisers to distribute their commercial minutes over different time periods and days of the week for different products.

Let me cite the advantages and disadvantages of this trend. The advantage is a simple one of the ability to participate in programs with bigger stars, bigger production budgets, and creative values that should attract larger audiences.

The disadvantage, in the minds of many agencies and advertisers, is that these programs are inevitably network-controlled. Also, the advertiser loses the greater identification, the greater audience gratitude, and the tailor-made merchandising possibilities.

We all should face the facts on this controversial question of network control of programming. There is no doubt that certain networks, at certain times, have worked almost desperately to replace advertiser-controlled programs with network programs which they believed would obtain greater public attention. Sometimes the networks were right; sometimes the networks were wrong.

Networks Handed More Responsibility

I, personally, believe that in order to program 3 strong networks from early morning until late at night, every creative force—whether it is from the networks, the advertisers, the agencies, or the packagers—is needed. The objective fact, however, seems to be that this issue is becoming more and more academic because of multiple sponsorship, with the result that the networks are being handed more and more responsibility of direct programming. This comes about, in great part, because of the tremendous commitments that must be made in programming, and the inability of multiple sponsors to get together on their own.

This entails a great responsibility on the networks' management, for in effect what is happening is as old shows are replaced with new, networks are being put in the position of calling the shots in the great preponderance of network time periods.

At the risk of taking a Rotarian approach, I believe that this calls for much closer liaison between the advertising agencies and the networks; a much better understanding by the networks of consumer motivation; and a great deal more research by all of us on what makes people buy.

I think the increasing emphasis on consumer motivation in brand selection and in the habit patterns of consumption itself, which seems sure to open new advertising vistas in the next 10 years, will show that selection of the right program frame is as important as the right kind of presentation technique for the commercial itself.

Trend Toward Film Programming

Television is such an intimate medium that I doubt if circulation and audience measures are at all adequate yardsticks from which to judge individual audience reaction or to infer a correlation with sales effectiveness. Proper research may, in truth, revive the desire to sponsor individual programs exclusively and may well reverse this present participation trend. In any event, I think it is a field where the advertiser, the agency, and the network must spend substantial sums.

Next to the trend towards participating sponsorship,

a striking development is the trend toward film programming. Today, the networks—all 3 of them—are programming between 40% & 50% of Class A nighttime hours with film. I think this will be substantially increased. The advantages are many: Lower costs due to use of reruns, either by the same advertiser or by a sell-off to other national or regional sponsors; the possibility of overseas revenue; the ability to get performers and production forces that can be gotten in no other way; and the advantage in merchandising.

The disadvantages are principally twofold, but they are important: One is a misjudgment in putting the wrong type of show on film, such as may be the case of comedians; and, secondly, the terrific damage that can be done when things go wrong after the shows are in the can and flop.

Particularly with the advent of color, the percentage of film on networks will greatly increase, but I believe the advertisers and networks face a severe test of judgment in measuring the worth of the spontaneity of the live show.

I know that you have been bewitched and bewildered by the development of the spectaculars, about which I can speak freely since this has been a battle between NBC and CBS. Advertiser reaction has been very strong—ranging from complaints by advertisers of having lost their shirts to pride of “having captured the imagination of millions,” depending upon whether or not the spectacular produced the rating that its tremendous costs make necessary.

In order not to put myself in either corner, I will call these shows special programs. If you are talking of cost-per-thousand buying, you will be interested that all special shows on another network, rated by Nielsen over a 6-month period last season, resulted in \$4.42 cost-per-thousand per commercial minute, compared to \$2.99 cost-per-thousand of the average commercial nighttime program. In other words, the cost-per-thousand of the average special show was about 50% higher than the average nighttime show in addition to having far less reach over a 4-week period. On the basis of regular buying, I doubt if more than half of the special shows can achieve a good cost-per-thousand, but the special shows do have certain advantages in special promotion for the larger companies. It is one method whereby the smaller companies can afford to use the medium to bring special stars and programs to TV. I think the number of special shows should increase rather than decrease.

I think the real significance of special programs in the long run will be to expand normal programming length to 90 minutes and longer. There is nothing sacred about the half-hour and hour timing of programming, and since research seems to indicate that it is a better gamble in attracting audience and holding people to have a longer, rather than a shorter show, it is my guess that next season will see many 1½ and 2-hour programs in the daytime and nighttime on a regular basis. In effect, what the networks and producers will be attempting to do is to recreate in the home, on a regular basis, program vehicles very similar to the motion pictures and the full-length plays. To say that this is a gigantic creative job is a masterpiece of understatement, but one which I believe will be solved by marshaling the full forces of the creative community.

Is TV Pricing Itself Out of the Market?

I have attempted to highlight some of the possible TV program trends, and I should like now to turn to what I will call some “problem areas.”

The first is the oft-repeated charge that “TV is pricing itself out of the market.” We are in a scarcity market on creative talent, whether it be performers, writers, producers or directors, so that the advertisers, the agencies and the networks are at a disadvantage. We also, unfortunately because of prestige factors, are perhaps the victim of certain networks and certain advertisers trying to show each other that they can do anything better than the other fellow. This is a subject where I am not the

proper person, nor is this the proper forum, to make a comment.

Program costs over the last 3 years have risen substantially. Looking at 28 shows which have been on the air since 1951, we find that their production cost has gone up about 83% while during the same period time costs have doubled. However, these costs have been outdistanced by the growth in TV circulation. Compared with 4 years ago, the cost-per-thousand of the typical TV program has fallen. However, in the past year the cost-per-thousand index has shown a slight rise. This has resulted from greater competition among networks for the audience; the adding of new stations and smaller markets; and the fact that some new advertisers, principally smaller advertisers, are not buying TV with commensurate program expenditures.

It is certainly to the interest of the networks to keep costs down, and to pass on to the advertisers these savings. The networks are not receiving unconscionable profits. In 1954, when the network gross sales were \$306,000,000, profits were \$36,500,000 including the profits of 16 owned network stations which, of course, are more profitable than the network.

Color No Major Factor Until 1957

Putting aside costs, on which I doubt if the networks and the advertisers will ever agree, let me touch on another problem area—that of the development of color. Here again, I am in somewhat of a delicate position, since our company is not a manufacturer of TV sets, and since I know that I need not recall to this audience that the forecast on the progress of color has been substantially overstated. Color TV apparently will not be an important factor in the immediate future, as far as reaching large audiences is concerned. According to the best estimates we have been able to obtain in the trade, I am told that there are about 40,000 color sets compared to over 35,000,000 black-&-white sets in the country at the present time—a substantial part of which are in the hands of dealers. I am also told that the industry should produce about 150,000 sets this year. So, from a color circulation point of view, it would appear that we are now about at the stage we were in mid-1948 with black-&-white, and it looks to our research people as if color will go through the same 5-year circulation growth that black-&-white did, although at a slower rate, to achieve really national penetration.

However, perhaps I should hedge this prediction by saying that black-&-white set sales of 500,000 per month, and more, surprised even the industry, but it is my personal belief that color will not be a real major factor in network programming until at least 1957.

FCC Should Act Quickly on Allocations

The principal problem area, in my judgment, is the restricted markets challenge, which is of tremendous importance to advertisers as well as to the networks. Under the Federal Govt. allocation plan, there can never be truly competitive TV service in many of the top 100 markets covering the great bulk of the population, because of the inability of the UHF station to compete with the VHF stations. I can, perhaps, illustrate the point best by saying that of a total of 244 TV markets today, there are only 11 that have 4 or more TV stations; that is, only 5% of the present markets are truly free markets.

Without disrupting the present TV business, it is possible for the FCC to authorize the moving of VHF stations which have not been used in smaller communities; to create new VHF stations; to return to commercial broadcasting interests certain educational VHF channels not in use today; to deintermix and separate VHF's from UHF's in certain markets; and through other means to create at least 3, and I would hope 4 or 5, truly competitive TV stations in the great bulk of the top 100 markets.

If you and the 3 networks, supplemented by the 4th or 5th network, are to do business on equal footing with your competitors, this FCC action must be taken and taken quickly.

At first blush, this may appear to be an intrusion of this meeting of the private business of the networks, but

actually it is your business, because if your programs cannot be heard in many of the top 100 markets, except in bad time periods, you are not getting an equal share of the potential with your competitors.

Another problem relates to protecting your program franchise. With 3 strong networks operating in competition, the advantages to certain advertisers with important programs on one or 2 networks will be diminished as TV advances. As TV reaches practically the 100% saturation of radio, the individual program broadcast ratings and broadcast audience will probably go down per market, and even per dollar invested. This increased competition means that the small trend of rating decline—about 10%—experienced by most programs during the 1954-55 season may become accelerated. To put it in its simplest terms, *Lucy* and *Dragnet* will still be good, but they won't have a 70% share of audience as they did in 1953, or even a 50% share as they do now. Even newcomers like *Disneyland* with a current 60% share of audience will feel the effect of more and more freedom of program choice.

It may seem strange to you to have a network president point out the possibility of share of audiences declining, but to me it represents a challenge in programming to offset this by getting more people to tune in more often. The program you buy today for tomorrow has to be 3 or 4 times as strong in inherent popularity and audience recruiting power than the program you bought last year or this year, to deliver for your company the same relative sales effectiveness and advertising value.

Time franchises, as contrasted with program franchises, are the key to successful TV advertising, just as they have been in radio, because of the limitation of the hours in the day. I am not talking of the possibility of your franchise suddenly being hit by something like the *\$64,000 Question*. I am talking about your franchise being faced with newer, better researched, more-likely-to-succeed programming than the old durables on which you may be riding.

Urges Re-evaluation of TV Potential

Now as to commercial use, TV has been so effective in terms of previous advertising standards that relatively little research has gone into testing TV commercials as compared, say, with copy testing, readership studies, and the like for your printed advertising. To meet the challenges of America, to increase the sales effectiveness of TV, I believe it behooves all of us to re-examine our most cherished beliefs, and even our proudest accomplishments to date, to permit pure research to analyze more completely than ever before the emotional and persuasive potential of TV commercial presentation.

I do not believe—and I can say this because I am in a neutral frontier as between advertiser and agency—that the average TV commercial is as well done as the average print ad, but this fact is obscured by the tremendous impact advantages of the bare method of presentation—the sight-&-sound medium of all TV itself. In other words, I believe the effectiveness of TV advertising can be increased *geometrically* while TV's circulation, now that 70% of the homes are TV equipped, can only be increased arithmetically. I think we in the TV business also have to know a great deal more about the habits and inclinations of the people who control the TV set and who sit by it. Very recently our company financed a pilot study in the Detroit area to try to pinpoint some of the characteristics of viewing control and viewing inclination. Admittedly, it only suggests clues, but since we prepared it with the idea of supplying information to this group, I believe you will be interested in some of the highlights, particularly those which may be different from what you have suspected:

Survey Findings Among Detroit Viewers

(1) We found the dominance of the housewife in nighttime TV viewing is considerably greater than the male; 28% greater with regard to over-all activity and 46% with regard to general interest. Peculiarly enough, this was not necessarily traced to our living in a matriarchal

society, but rather to the absence of the spouse. I can only presume that in Detroit the boys either work harder or play harder.

(2) There is frequently more unanimity of appeal within the household of lower-rated programs than for most programs appearing in the top 10 in terms of total homes delivered. I suppose that this may be traced to the fact that the leading programs become more controversial, presumably developing strong dislikes as well as likes which tend to fragmentize the audience within the household.

(3) It appears that the housewife asserts herself to a greater extent in the selection of a TV program when there is general drama or a situation comedy available. As for mysteries, the housewife appear to have about the same interest level as her husband. Naturally, as you would expect, when sports events are on, the husband asserts his dominance, but what surprised me is that he exercises it also for certain types of motion pictures. I can only guess that the same factors which keep men away from home in Detroit must affect their choice of feature films on TV. Incidentally, the husband frequently reports, especially on week-nights, that he would like to watch programs other than those chosen by his family, so presumably the presence of a second TV set in the home will increase the male viewing activity.

(4) The most important point that this pilot survey showed was that there were approximately half as many family members not watching TV as were watching during prime evening hours. Of these non-viewers, almost as many were in the home as were out of the home. This indicates, of course, that there is still a sizeable reservoir of potential viewers at home in peak-viewing hours which better programming would attract to the set.

(5) The old axiom of radio that habit plays a strong role in listening activity is certainly indicated by this study. The study shows that good programs, regularly slotted, are very hard to beat. Consequently, if you are considering a special one-time show in TV it probably will get good results only in particularly soft-time periods in the regular program schedule. Moreover, it is evident that if special shows are scheduled during strong weekly programming time periods, they reduce to a considerable degree the unanimity of audience appeal in the household. This, of course, results in reducing viewers per set to the average special show.

Radio's Status in the TV Age

I will touch very briefly on network radio, not because I do not believe it is important, since any medium of information that can reach 96% of all homes in America is extremely important, but because I believe that I can highlight the problem as it affects network radio rather succinctly.

You remember the good old days when the first topic of conversation in the morning was "Did you hear Hope last night?"; when an embittered Fred Allen was offering to insure his listeners for \$5,000 against any loss of money by not being called by *Stop the Music*; and when "Miss Hush" instead of Hal Marsh was on the front pages. There have been many, and elaborate, studies of network radio. They net down to the fact that about the same number of people listen to radio today as they did before TV, but they do not listen as often or as long. These studies point out simple facts well known to you—that there is less radio listening in the living room, and more in other rooms and in cars; that radio is listened to by the individual and not by the family; that radio listeners look for both personal guidance and entertainment; that in the daytime radio listeners do other things while they listen, while 2 out of 3 nighttime listeners concentrate only on the program.

I think the problem of network radio and of local radio, for that matter, is not a problem relating to the public, although listening and revenues have dropped. It is primarily the failure on the part of the radio networks and of the local stations to back their research with substantial sums to return to radio the excitement that is necessary. This reluctance of the business to gamble, I think, is also

due in substantial part to the attitude taken by those advertising agencies who refuse to give it proper consideration; and by those advertisers who are most interested in satisfying distributors and salesmen with glamour buys in TV rather than good advertising buys.

We are greatly concerned by the general acceptance of the easy way out of the radio business by supplying long blocks of music and news. This concept, it seems to us, is dragging radio to the lower levels of monotony. We would be foolhardy to imagine that we could return to the days of the family gathered around the set to hear Amos 'n' Andy or Jack Benny. The radio listener now demands a freedom of choice where he can tune in and out of a program without being forced to listen hour on end.

Clue to Future of Network Radio

The clue to the future of network radio, our research indicates, is in dramatic stories in the daytime which satisfy the housewives' desire for a realistic approach by dealing with problems with which she can really identify herself and from whose dramatization she can profit; in programming that can be listened to on a day-to-day basis without carry over; and, in the nighttime, the broadcasting of real information, designed to answer emotional, spiritual and similar demands of the individual through techniques that are exciting, but also in program lengths that are short and can be tuned in and out.

I think it is to the discredit of the networks, the advertisers and the agencies that this instantaneous medium with such potential for good and with such advertising advantage in cost-per-thousand, has been permitted to become a stepchild in the communications business. However, I see signs among the networks of program vitality. I hope their efforts in network radio will receive greater support from the agencies and advertisers. Thus a revitalization of radio can quickly result.

Let me just touch briefly on future electronic developments, for they will affect your advertising. Taking 2 years from now as a first forecast, TV will be little different from what it is today as far as the general public is concerned. Of course, there will be an increase in the number of color TV sets, but a trend towards larger screens will be delayed because of this color development. The method of transmission will improve, and by 2 years from now we shall see the entrance into commercial TV of tape operations which will substantially improve the kinescope methods of today.

It is more interesting to guess about the electronic world 10 years from now, in 1965. In our judgment, color TV will be commonplace, with receivers accepting equally good black-&-white or color. The home receivers will bear little resemblance to those in common use today. Screens will be flat and large size—to be hung on walls, put on patios, built into fireplaces, and used wherever picture frames or mirrors are used today. These screens will be measured in feet, not inches, and we may even expect 5x7½-ft. picture sizes. The electronic feeds will come from miniature cabinets. Home maintenance problems will be greatly lessened, and since no tubes will be used, the life of a TV receiver may be expected to extend over long periods of time.

World-Wide TV Will Be Commonplace

By 1965, there should be small TV cameras for closed circuit TV in every home. These cameras will allow the busy housewife to observe the children at play, acting as nurses and giving her additional eyes all over the house.

TV telephones should be available for both business and home installations, offering both parties the dubious advantage of seeing each other.

Trans-world TV will be as commonplace as transcontinental TV is today so that our program fare will regu-

larly include trans-oceanic and trans-world TV programs. And lest you think all the new developments will be in TV, radio receivers will have been drastically altered by 1965.

I am sure you are all familiar with the newest marvel in the electronic world—the transistor. This extraordinary device, no larger than a pea, will make possible the "Dick Tracy" wrist-watch transmitter and receiver. There will be thousands of conversations of mothers calling their youngsters home, motorists (God forbid) chatting between cars on the highways, housewives at bridge parties giving instructions to their maids over their personal miniature 2-way radio telephones. Radios will be of watch-size, and everyone will carry one with him or her.

I will not even attempt to judge how well we shall be able to know, and motivate, the consumer in 1965. All I will prophesy is that most of you gentlemen will be chairmen of the board, and you will be watching your children or grandchildren become shop stewards, arbitration delegates, or officers of IOU or some other tax exempt institution.

We are on the edge of an era of automation. Automation as a concept is not new, but its extent and future development is. Automation, if coupled with increased consumption, can mean many wonderful things for the future—higher salaries and more leisure time which will result in the sale of more consumer goods. Automation, coupled with increased production, can mean new unlimited horizons for Americans. The basic principle of automation is the feedback—a fascinating phenomenon—which electrically and mechanically corrects mistakes. Feedback makes possible the magic of the self-regulating and self-correcting mechanism.

TV Will Be Major Selling Machine

We cannot, nor would we want to, apply automation to the individual's conduct, but basically in consumer selling the feedback principle can be in new types of qualitative research that are so necessary in the communications business. In effect, all research is a feedback since it completes the circuit from sales message to the consumer and back to the advertiser who in the future should be able to tell much more scientifically how he should regulate the signal; how he can improve his message.

I believe TV will be the major selling machine that will enable us to meet the challenge posed by the production machine of the future. TV is to the problem of consumption what automation is proving to be to the problem of production.

The more production is based on automation, the more selling, advertising and marketing need humanization. One of the reasons the broadcast media are so successful has nothing to do with their wide coverage and circulation. They are as successful as they are because they are the most human of all methods of communication—the most immediate, the most personal, the most intimate. They not only reach people, they communicate ideas and desires to them on the human level. Here at once, through broadcasting, is a mass medium that is a personal medium.

We only imperfectly understand the personal impact of radio and TV although we have sold the media for years on the basis of its measured mass reach. This is the area where research will be most helpful in the future, for just as you turn your attention from production and distribution problems to consumption problems and are increasingly studying the consumer himself, so in the future you will be buying by an impact yardstick rather than a purely circulation yardstick. When both the circulation and impact dimensions of radio and TV are measurable, your use of the broadcast media will be even more effective than it is now—as it will have to be to meet the Challenge of America.

NEWLY ELECTED IRE president for 1956 is Arthur V. Loughren, 53, Hazeltine research v.p., who was a vice chairman of NTSC, which formulated color standards, and winner of the 1955 Morris Liebmann Memorial Prize for his work on compatible color. He succeeds John D. Ryder, dean of engineering, Michigan State U. New v.p. is Herre Rinia, research chief of Philips of Eindhoven, who succeeds Prof. Franz Tank, of Swiss Institute of Technology. Newly elected 1956-58 directors are E. W. Herold, RCA Princeton Labs, and Prof. J. R. Whinnery, U of California.

Regional directors for 1956-57 were elected as follows: Region 1, C. R. Burrows, Cornell U; 3, J. G. Brainerd, U of Pennsylvania; 5, J. J. Gershon, DeVry Technical Institute, Chicago; 7, C. F. Wolcott, Gilfillan Bros., Los Angeles.

Philco's Frank J. Bingley, color research engineer, was winner of Vladimir K. Zworykin TV Prize Award for 1956. Zenith's Jack E. Bridges won the Browder J. Thompson Memorial Prize for his *Proceedings of the IRE* paper on "Detection of TV Signals in Thermal Noise."

Among the 75 new fellows named by the IRE board at Nov. 2 meeting were: Bell Labs' Wm. R. Bennett, Horace T. Budenbom, Alva B. Clark, Clifford E. Fay, A. Gardner Fox, Russell C. Newhouse, Robt. L. Wallace Jr.; RCA's Loy E. Barton, Alan M. Glover, N. I. Korman, Humboldt W. Leverenz, Waldemar J. Foch, Edwin E. Spitzer, Wm. A. Tolson; Philips Labs' Ora S. Duffendack & George A. Espersen; Stanford Research's J. V. N. Granger & Jesse E. Hobson; GE's James E. Beggs, Harry F. Mayer, Chauncey G. Suits; Federal Labs' Harold A. Snow and Avery G. Richardson.

Also elected fellows: Leslie C. Jesty, Marconi's; Wm. S. Bachman, Columbia Records; George E. Bailey, IRE exec. secy; Capt. W. G. H. Finch & Capt. Willis H. Beltz, USN (ret.); Wilson P. Boothroyd, Philco; Rudolf C. Hergenrother, Raytheon; Kurt Lehovc, Sprague Electric; George McElrath, NBC; Wayne B. Nottingham, Electronics Corp. of America; Gordon K. Teal, Texas Instruments Inc.; A. Melvin Skellett, Tung-Sol; John M. Sheldon, Corning Glass; Wm. J. Barkley, Rust Industrial Co.

Spencer-Kennedy Labs Inc., Cambridge, Mass., electronics and community antenna equipment firm, announces "enlargement of management," with this alignment of top administrators: Founder Fitzroy Kennedy assumes senior management post of board chairman; Donald Spencer, of investment brokers Scudder, Stevens & Clark, Cambridge, Mass., becomes pres.; George W. W. Brewster becomes chairman of exec. committee.

Electronic home kitchen range, retailing at about \$1000, will be placed on market this month by Tappan Stove Co., using radar-type heating unit developed by Raytheon. Tappan unit employs "browning" device to improve food's appearance and operates at 2450 mc. GE announced similar stove, due on market late next year, and Frigidaire and Westinghouse indicate they will market a unit soon.

"Scatter" technique of long-distance vhf & uhf communications (Vol. 11:32) will be topic of address by Dr. Allen B. DuMont at Washington IRE meeting in Lisner Auditorium Nov. 14.

Spring TV Conference sponsored by IRE Cincinnati Section will be held April 13-14, with Suburban Bell's Arthur B. Ashman in charge of adv. & exhibits; Crosley's Reuben Nathan in charge of hotel registrations.

"Single Sideband" is 24-p. brochure issued by Eitel-McCullough, San Bruno, Cal., giving characteristics of tubes used with single sideband.

Transistor production data may soon be tallied on regular basis by RETMA, which is currently surveying industry to determine if it can get production figures.

New section chiefs in Central Radio Propagation Labs of National Bureau of Standards' Boulder, Colo. labs: Thomas N. Gautier Jr., upper atmosphere research; Richard C. Kirby, ionospheric research; Wm. Q. Crichlow, frequency utilization research; Myron C. Selby, high frequency electrical standards; Alvin H. Morgan, radio broadcast service; Dr. David M. Kerns, extreme high frequency & noise; George Birnbaum, microwave frequency & spectroscopy; Robt. Beatty, microwave circuit standards.

DuMont technical products div. (instruments & parts), under Dr. P. S. Christaldi, promotes F. Wm. Scharpwinkel to technical sales dept. service mgr. and Rudolph H. Arp to mgr. of parts sales in expansion of national service facilities.

Rear Adm. Ernest St. C. von Kleeck, retired chief of staff of 4th Naval District, joins El-Tronics, Philadelphia, as asst. to pres.; Arnold A. Zachow, operations mgr., elected operations v.p.; Joe N. Lopes, ex-Crosley, named sales mgr.

William N. Norris, v.p. of Remington Rand div., Sperry Rand Corp., appointed gen. mgr. of new Univac div., consolidation of all electronic computer and tabulating machine operations.

Dr. Heinz K. Henisch, transistor authority on leave from U of Reading, England, appointed visiting scientist at Sylvania physics lab, Bayside, N. Y.

Dr. Elmer W. Engstrom, RCA senior exec. v.p., speaks on automation Nov. 11 at U of Pennsylvania Centennial Symposium on Modern engineering.

J. L. De Cubas, ex-gen. areas sales mgr., elected operations v.p., Westinghouse International Co., succeeding George L. Wilcox, now pres. of Canadian Westinghouse.

James H. Foster, chief of electronic research, Erie Resistor, promoted to gen. mgr. of electro-mechanical div.

Raymond D. Griffiths, ex-Sylvania field sales mgr., appointed director of govt. contracts dept., National Co.

Edwin M. Martin, ex-v.p. of Farnsworth TV & Radio Corp., named patent attorney for Hughes Aircraft Co.

J. Kneeland Nunan, ex-pres. of Consolidated Vacuum Co., named v.p. & gen. mgr. of Clevite Research Center.

Col. Earle S. Cooke, commander, Signal Corps engineering labs, Ft. Monmouth, promoted to brig. gen.

Solar-powered all-transistor radio which might "last lifetime without repair" has been produced experimentally by Admiral. Using 7 solar battery cells (\$25 each) and 8 transistors, set is about size of ordinary table model radio, may be in production by 1958.

"Safety & Special Radio Services Primer," issued by FCC, is 14-p. guide to mushrooming non-broadcasting stations, groups services into 4 broad categories, explains function of each.

Varian Associates of Canada, wholly owned by Varian Associates, Palo Alto, Cal., has opened 10,000-sq. ft. microwave tube plant at Georgetown, Ont.

Consolidated Engineering Corp., Pasadena, Cal., has asked stockholders to approve change of name to Consolidated Electrodynamics Corp. at Nov. 7 meeting.

Webster-Chicago has bought, for about \$1,000,000, the White Cap div. of White Cap Co., Chicago, major supplier of electrical steel laminations for TV transformers.

Jerrold Electronics Corp., Philadelphia, recently opened new 9800-sq. ft. engineering labs at Byberry Rd. & Pennsylvania Turnpike.

Eitel-McCullough building 17,000-sq. ft. addition to main plant in San Bruno, Cal., to be used for production of super klystron amplifier tubes.

Financial & Trade Notes: Motorola pres. Paul V. Galvin disclosed this week that his firm—in radical departure from TV-radio-electronics—had entered an entirely new manufacturing phase in becoming principal supplier of new all-mechanical push-button gear-shift mechanisms for all Chrysler Corp. automobiles. Motorola has long been a prime supplier of auto radios.

In report to stockholders, Galvin announced that third quarter sales of \$60,685,113 set record for that period and earnings of \$1,940,847 (\$1 per share) almost eclipsed previous high mark, comparing with \$47,038,843 sales and \$1,731,766 (90¢) earnings in same 1954 period. For 9 months of 1955, earnings were \$4,885,848 (\$2.52) on \$153,978,232, up 6% from \$4,590,067 (\$2.37) on \$139,504,053 in same 1954 period. Predicted sales of \$225,000,000 for year (Vol. 11:30, 41) still are expected, he said.

On color TV, Galvin said big-volume market still was 2-3 years away, still a luxury item though firm is selling sets in limited quantity. Galvin stated: Microwave sales are booming, industrial electronics applications are expanding, portable radio sales are excellent, and auto radio deliveries to car builders—principally Ford, Chrysler & American Motors—continue to follow curve of auto output.

* * * *

Philco sales in first 9 months of 1955 pulled up to \$269,218,000 and net income to \$4,854,000 (\$1.21 per share) from \$249,726,000 & \$2,275,000 (53¢) in same 1954 period which included 7-week strike in its electronic plants. Third quarter sales were \$91,177,000, net income \$1,279,000 (31¢) vs. \$75,050,000 & \$540,000 (12¢). In Nov. 4 report to stockholders, pres. James H. Carmine said demand for 1956 TV line is greater than ever, that refrigerator and other appliance sales are substantially ahead of last year, but that “unusually keen competitive conditions again resulted in considerably reduced earnings in air conditioning.”

Carmine announced that Philco has just received one of its largest govt. contracts, providing for volume production of guided missiles. He predicted:

“Looking to the future, Philco is continuing its large development programs and incurring pre-production expenses on color TV, transistors, automatic production equipment, and an entire line of automatic washers and driers. We believe that each of these fields will contribute substantially to our sales and earnings in coming years, but we are currently in the make-ready stage and are absorbing the heavy cost of all these projects on a pay-as-you-go basis.

“With demand for our TVs, home & automobile radios, and refrigerators continuing at a high level, and the tempo of our govt. work increasing, we expect a gratifying volume of sales and earnings in the fourth quarter this year and are also budgeting for increases in almost all product lines in 1956.”

* * * *

IT&T has no intention of spinning off or divesting itself of any of its electronics or telecommunications operations, nor is it involved in any merger plans, said v.p. Leonard Jacobs II at recent meeting of Financial Analysts of Philadelphia. This was in response to question undoubtedly evoked by recurring rumors that its Capehart-Fansworth subsidiary may be sold or merged. Comptroller Paul F. Swantee said 1955 sales are running 10-12% ahead of 1954 and earnings of parent company should exceed \$2 a share vs. \$1.35 last year.

Tung-Sol earned \$2,286,511 (\$3.29 per share) on record sales of \$36,051,818 during first 9 months of 1955 vs. \$1,478,493 (\$2.51) on \$28,103,964 in same 1954 period. Outstanding common shares in 1955 period totaled 644,587 vs. 565,328 in same 1954 period.

Among officers' & directors' stock transactions reported to SEC during Oct.: Owen D. Young sold 700 shares of ABC-Paramount 5% pfd., holds 625; Parker H. Erickson sold 200 Avco, holds 200; Arnold O. Beckman sold 25,000 Beckman Instruments, holds 466,933; Pat Leone bought 2200 Gabriel Co., holds 2200; Harry S. Samuels & wife bought 800 Gabriel, hold 10,900; John W. Belanger transferred 100 GE to Mrs. Anna Belanger, bought 2625 GE, holds 7557; L. R. Boulware bought 4500 GE, holds 4500; Orville F. Haas bought 987 GE, holds 2295; H. A. McKinnon bought 300 GE, holds 4227; Gerald L. Phillippe bought 2150 GE, holds 3772; Arthur F. Vinson bought 690 GE, holds 3709; Clarence C. Walker bought 1125 GE, holds 2853; J. Geoffrey Notman sold 1410 General Dynamics, holds 1000; Laurence B. Dodds bought 100 Hazeltine, holds 200; John A. Rankin sold 105 Magnavox, holds none; Thomas A. Kennally sold 2900 Philco, holds 9064; Leslie J. Woods sold 100 Philco, holds 7593; Paul F. Hannah sold 1000 Raytheon, holds 1348; Harold C. Mattes sold 532 Raytheon, holds 7427; Norman Waite bought 100 Sangamo Electric, holds 100; Curtis A. Haines bought 260 Sylvania, holds 766; P. E. Haggerty bought 669 Texas Instruments in trust, holds 149,859 personally; John M. Schliff bought 500 Westinghouse, holds 10,500; Frank M. Folsom bought 100 Whirlpool Corp., holds 100.

WJR, The Goodwill Station, big Detroit AM outlet and one of few whose stock is publicly held, reports sales of \$1,961,524 and net income of \$169,863 (33¢ per share) for 9 months ended Sept. 30. This compares with \$2,214,243 & \$274,997 (53¢) in same 1954 period. Third quarter sales were \$636,952, net income \$38,774 (8¢) vs. \$679,710 & \$58,320 (11¢) in 1954 period.

Storer Broadcasting Co. reports net income rose to \$2,864,269 (\$1.13 per share) in first 9 months of 1955 from \$2,355,947 (92¢) in same 1954 period. For Sept. quarter, Storer profit was \$1,012,360 (41¢) vs. \$738,638 (29¢). For month of Sept. alone, profit was \$409,439, which is 91% ahead of the \$214,913 of Sept. 1954.

Reeves Soundcraft Corp.'s consolidated net income for 6 months ended June 30 was \$92,910 vs. \$54,533 in 1954 period. Sales were \$1,923,481 vs. \$1,482,568, up largely because of increasing consumer & industrial demand for magnetic products, according to pres. Hazard E. Reeves. New Microlac recording disc has been well received, he states in Oct. 14 report, and sales of wholly-owned Bergen Wire Rope Co. have increased.

Globe-Union (Centralab) earned \$364,824 (51¢ per share) on sales of \$15,388,836 in quarter ended Sept. 30 vs. \$180,783 (25¢) on \$13,539,269 in same 1954 period. Earnings for first 9 months of 1955 are \$853,925 (\$1.19) on \$35,053,158 vs. \$338,903 (54¢) on \$30,636,439 in corresponding 1954 period.

Gabriel Co. earned \$68,251 (12¢ per share) on sales of \$3,545,070 in quarter ended Sept. 30 vs. loss of \$61,483 on \$4,420,916 in same period of 1954. Earnings for first 9 months of 1955 were \$69,905 (9¢) on sales of \$10,304,862 vs. \$89,302 (13¢) on \$14,453,856 in 1954 period.

Raytheon earned \$764,000 (28¢ per share) on sales of \$39,184,000 in quarter ended Aug. 31 vs. \$1,102,000 (44¢) on \$44,698,000 in same 1954 period.

Jerrold Electronics Corp., in first report since its public stock issue, reports sales of \$1,559,779 and net profit of \$51,249 (6¢ a share) in 6 months ended Aug. 31.



Dividends: Tung-Sol, 60¢ extra and 25¢ regular quarterly, payable Dec. 2 to stockholders of record Nov. 18; DuMont, one share of new DuMont Broadcasting Corp. for each 2½ shares of Allen B. DuMont Labs, record Nov. 14.

Herman H. Kahn, partner in N. Y. investment banking firm of Lehman Brothers, elected to Avco board.

Color Trends & Briefs: Most dramatic portion of NBC's \$12,000,000 color expansion program (p. 3)—conversion of Chicago's WNBQ completely to color by next April 15—was announced Nov. 3 in unique color closed-circuit split-screen N.Y.-Chicago press conference. Balance of program, covering N.Y. & Los Angeles, was disclosed after NBC board meeting next day—covering plans to spend \$6,000,000 on Burbank, Cal. facilities, \$4,750,000 on N. Y.

Participating in closed-circuit conference were RCA-NBC chairman Brig. Gen. David Sarnoff, NBC pres. Sylvester L. Weaver, NBC exec. v.p. Robert W. Sarnoff, owned-station v.p. Charles R. Denny, WNBQ mgr. Jules Herbubeaux.

Gen. Sarnoff said WNBQ was chosen to be first all-color station "because Chicago has always been a key city in the operations of NBC and the radio & TV industry generally." Chicago is big; it's home of many set makers; it's centrally located and undoubtedly will be good showcase for displaying color station equipment in action.

Describing plans for \$1,250,000 Chicago project, Denny said 50,400 sq. ft. have been leased on roof of Merchandise Mart in addition to space housing present black-&-white facilities—latter to be completely replaced by color gear. Station will have 5 live color cameras, 2 film. In addition, exhibition room containing color sets and other displays will be built. Denny said average station can convert to color for about \$500,000, compared with \$1,250,000 needed for WNBQ.

Weaver, just back from 5-week round-world trip, said he was glad to see that color shows have been "tremendously successful" in size of audience and critical approval, stated that "color is really going to explode." Robert Sarnoff rounded up color status, reporting that 90% of TV homes are in range of NBC color signals; that 104 NBC affiliates can rebroadcast color; that "dealers are selling color receivers as fast as they are turned out."

NBC outlined several projects for expanding N. Y. & Los Angeles (Burbank) facilities. In N. Y., a second color studio will be built in Brooklyn and Ziegfeld Theatre will be converted into a color studio. In Burbank, NBC will add another color studio, construct an office building, triple technical workspace, install color recording equipment and master control. Four new color film chains will be acquired.

"This investment," said Robert Sarnoff, "is another firm indication of our faith in the future of color TV. Even if others in the broadcasting and receiver-manufacturing industries continue to mark time, RCA & NBC intend moving ahead with a program that adds substantially to the more than \$65,000,000 we have spent in pioneering and developing compatible color TV and in creating a substantial color broadcasting service."

Sarnoff noted, incidentally, that Eastman's lenticular film (Vol. 11:44) shows greatest promise for hot kines—can be processed in 3 hours—but stated that magnetic tape is "ultimate solution."

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Westinghouse's seriousness about color tube production is indicated by announcement this week by tube div. v.p. Richard T. Orth that more than \$1,000,000 is being spent on facilities, with aim of regular commercial production by early 1956. Westinghouse has fixed on a 22-in. all-glass rectangular shadow-mask tube (Vol. 11:40) and says its design "dispenses with costly metal flanges previously used to join the faceplate and funnel of earlier color picture tubes." New production process also "eliminates the expensive and unwieldy insulation required in TV receivers which employ metal flange tubes."

Now rolling on color film scanner production, GE reports Nov. 2 shipment to WJIM-TV, Lansing, Mich. plus sale this week to KRLD-TV, Dallas.

Network Color Schedules

(Nov. 7-21, 1955)

- Nov. 7-11—*Howdy Doody* (NBC), 5:30-6 p.m.
- Nov. 8—*Home* segments (NBC), 11 a.m.-noon; *Milton Berle Show* (NBC), featuring Gloria De Haven, Sammy Davis Jr., Will Mastin Trio, Gogi Grant, 8-9 p.m.; *Red Skelton Show* (CBS), 9:30-10 p.m.
- Nov. 9—*Today* segments, 7-10 a.m.; *Home* segments, 11 a.m.-noon (both NBC).
- Nov. 10—*NBC Matinee Theatre* with John Conte presenting "An Apple for Miss Myrtle," starring Geraldine Page, 3-4 p.m.; *Glimax* (CBS), "A Scheme to Defraud," starring Dennis O'Keefe, Phyllis Thaxter, Marilyn Erskine, 8:30-9:30 p.m.
- Nov. 11—*NBC Matinee Theatre* with John Conte presenting "Man Without a Country," starring James Daly, 3-4 p.m.
- Nov. 12—*Gene Autry Show* (CBS), 7-7:30 p.m.
- Nov. 13—*Wide, Wide World* segments (NBC), 4-5:30 p.m.; *Omnibus* segments (CBS), 5-6:30 p.m.
- Nov. 14-18—*Howdy Doody* (NBC), 5:30-6 p.m.
- Nov. 14—*Producers' Showcase* (NBC), "Dateline 2," story on freedom of the press by Robert E. Sherwood, John Steinbeck, Irving Berlin, starring Milton Berle, Greer Garson, Wm. Holden, Martha Raye, John Wayne, 8-9:30 p.m.
- Nov. 15—*Home segments* (NBC), 11 a.m.-noon; *Red Skelton Show* (CBS), 9:30-10 p.m.
- Nov. 16—*NBC Matinee Theatre* with John Conte (also Nov. 17-18), 3-4 p.m.; *Arthur Godfrey Show* (CBS), 8-9 p.m.
- Nov. 19—*Gene Autry Show* (CBS), 7-7:30 p.m.; *Ford Star Jubilee* (CBS), "The Caine Mutiny Court Martial," starring Lloyd Nolan, Barry Sullivan, Frank Lovejoy, 9:30-11 p.m.
- Nov. 20—*Hallmark Hall of Fame* (NBC), "The Devil's Disciple," with Maurice Evans, Ralph Bellamy, Dennis King, 4-5:30 p.m.
- Nov. 21—*NBC Matinee Theatre* with John Conte (also Nov. 22, 23, 25), 3-4 p.m.; *Howdy Doody* (NBC thru Nov. 25), 5:30-6 p.m.

British color should start on European 625-line standards, dropping 405-line system, in opinion of C. O. Stanley, head of powerful Pye Ltd. Quoted in Oct. 15 *Wireless & Electrical Trader*, of London, he called 405-line system "inferior to standards of the rest of the world"—despite agreement of many that British transmission-reception is frequently superior to that of many U. S. stations (Vol. 11:36, 38, 40-44). He said use of 405 lines in color to keep transmissions compatible would degrade picture and threaten export trade which he said was "already lost in the black-&-white market." He said color is a "flop" in U. S. so far, urged British to go slow meanwhile. British trade magazine also reports observations on U. S. color by BBC supt. engineer D. C. Birkinshaw, who stated color-casting began before good low-cost sets were available.

N. Y. newspapers have picked up rumors that Paramount Pictures' subsidiary Chromatic TV Labs is planning production of color sets to sell for less than \$400, using Lawrence tube (Vol. 11:43). All that's confirmed is that Telechrome Inc. is building samples for Chromatic, which is seeking a manufacturer to build tubes and sets. RCA Chairman Sarnoff, queried about such reports during Nov. 3 press conference (see p. 3), stated: "All I know is what I read in the newspapers—and I don't believe everything I read."

Analyzing color movies, *Variety* reports 152 of this year's 264 major features were shot in color—but notes beginning of trend to smaller color percentage. One reason given: "There's a theory that, with Hollywood keeping such close tab on TV material, and buying a good deal of it, black-&-white may become more the fashion than ever. The TV stories, as a rule, are intimate subjects that could lose via the tinting process."

Little Canadian color, except for "spill-over" from U. S., is expected until about 1958, according to Ricardo Muniz, mgr. of Canadian Westinghouse TV-radio div. Addressing International Assn. of Electrical Leagues in Montreal, he predicted black-&-white would be an oddity in Canada in 10-15 years.

Technical papers on color included in Oct. *Journal of the SMPTE*: "Integration of Color Equipment in a TV Station," by Phillip B. Laeser, WTMJ-TV, Milwaukee; "CBS Television Color Studio 72," by R. B. Monroe, CBS.

End of testimony in "16mm anti-trust suit" against 5 major movie producers came this week in Los Angeles Federal Court, with final arguments by both sides Nov. 10-11. Govt. charges the movie studios illegally conspired to keep 16mm films from TV and other outlets. These defense witnesses testified this week: (1) Warner Bros. production v.p. Jack L. Warner, who said the studio in 1948 adopted policy of refusing to release any films to TV "irrespective of price," and in 1950 the studio replaced that policy with a "wait-&-see" attitude, now "will entertain any offers for selling to TV." He said TV showing destroys "re-make value" of good old films. (2) Universal-International v.p. Charles J. Feldman, who testified that sale of features to TV would hurt business, but said his company, too, has adopted "watchful waiting" policy. (3) Ralph Cohn, pres. of Columbia Pictures TV subsidiary Screen Gems, who said his company had turned out 600-750 filmed TV programs since 1951, but has withheld its old features from TV because of legal and union problems—in addition to the possibility that their value may be enhanced later if FCC authorizes fee TV.

Dormant subscription-TV argument warmed up slightly this week, with these developments: (1) NARTB pres. Harold E. Fellows insisted board spoke for all telecasters when it resolved against toll TV; this was in answer to Zenith's charges network representatives on board "coerced" other members. Fellows stated: "I doubt if the members of this Assn. ever will endorse a system of broadcasting which requires the audience to buy its entertainment, its news and its educational product and its advertising on a subscription basis." (2) In debate before N.Y. IRE Nov. 2, Skiatron engineers Wm. J. Shanahan & J. H. Laub termed "ridiculous" Jerrold's claims that wired pay-TV would be cheaper than telecast system and that scrambled systems can be broken and bootlegged. Jerrold's Donald Kirk Jr. again challenged pay-TV proponents to a test of coded signals' inviolability. (3) An early toll-TV adherent, comedian Jackie Gleason, reiterated his belief in pay concept, said it would bring vaudeville back to movie house—but didn't say how.

Sale of off-air WLBR-TV, Lebanon, Pa. (Ch. 15) to Walter Annenberg's Triangle Publications Inc., publisher of *Philadelphia Inquirer* (WFIL-TV & WFIL), was approved this week—FCC overriding objections of WHUM-TV, Reading (Ch. 61) and Harrisburg's 3 uhf outlets (Vol. 11:38). Annenberg plans to get WLBR-TV on air in 45 days. Sellers are radio WLBR (52%) and *Lebanon News* (36%) which get \$115,000, purchaser also assuming \$125,000 in obligations (Vol. 11:27). Earlier this year, Triangle bought WNBK-TV, Binghamton (Ch. 12) with WNBK for \$2,700,000 (Vol. 11:11, 19), now is applicant for Ch. 18 satellite in Elmira. It's also buying Altoona's WFBG-TV (Ch. 10) with WFBG for \$3,500,000 (Vol. 11:32, 39).

A mouse threw Milwaukee's WISN-TV off air for 24 hours when it crawled into transmitter, causing short-circuit. Station says it received over 30,000 phone calls. Highest incidence of calls occurred during and after 8 p.m. *Boxing from St. Nick's* program; second highest was for 5 p.m. *Mickey Mouse Club*.

Phenomenon of the times: Walter Annenberg's *TV Guide* leads all Audit Bureau of Circulations newsstand sales for first half of 1955 with average per issue of 2,296,071; nearest runners-up were *Ladies Home Journal*, 1,625,160, and *Saturday Evening Post*, 1,456,720.

Attacking illegal boosters, particularly to offset FCC examiner J. D. Bond's initial decision in favor of them (Vol. 11:43), community antenna equipment makers Jerrold, Spencer-Kennedy and Entron have retained retired FCC Comr. George E. Sterling as consultant.

"Auto-Zoom" lens for vidicon cameras is offered by Perkin-Elmer Corp., Norwalk, Conn.

Available on Request

WE STILL HAVE on hand some extra prints of the following recent Supplements and other reference items, which can be supplied to our subscribers at no cost for single copies: *Television Set Count and Market Data by County and State*, brochure tabulating county-by-county figures on total families, TV homes, population & retail sales, as published Nov. 1 by Edward Petry & Co.; *Electromagnetic Spectrum and 1955 Frequency Allocations*, 15½ x 21½-in. colored wall chart published by *Tel-Tech* and distributed with the *Digest* of last July 2; "Real Role of the TV-Appliance Distributor," Supplement containing full text of notable Aug. 15 speech by Thomas F. Joyce, pres., Raymond Rosen & Co.; "TV Offers a New Renaissance," reprint of important speech in London Sept. 27 by Sylvester Weaver, NBC pres. (Vol. 11:43); and of course the ANA speech on "Television & Radio—Today and Tomorrow" by ABC pres. Robert Kintner, distributed with this issue. These are available free on request as long as the supply lasts—but please don't ask for more than one copy.

"The Microwave Picture—1955" titles special loose-leaf section of Nov. *Tele-Tech*, containing maps of routes of 116 long-haul systems (more than 50 mi. in length) and lists of companies operating both long and short-haul systems. The lists are divided into 3 main categories: Industrial & Commercial, Common Carrier, TV Broadcasting. There are 28 stations with individual microwave interconnections, it discloses. Supplement contains ads of Motorola, specialist in radio communications systems; it's available on request from Caldwell-Clements Inc., 480 Lexington Ave., N. Y., or we'll get one for you.

License renewals of NBC's WNBQ, Chicago, CBS's WBBM-TV, Chicago, and *Milwaukee Journal's* WTMJ-TV came up for scrutiny in FCC meeting Nov. 2—question being whether Commission should ask stations why they're solidly commercial 6-11 p.m.—but FCC voted regular renewals. Comr. Doerfer, who has shown high regard for FCC's old "Blue Book" on stations' public service responsibilities, is strong for making licensees toe the line. Comr. Hyde, on other hand, is all for dropping present 3-year license and granting licenses for indefinite period. Other members are ranged between, though Comr. Lee has been particularly outspoken about some commercial practices (Vol. 11:17).

Republican National Committee has disclosed that, though national elections are still year off, it has completed negotiations with the major TV-radio networks for \$2,000,000 worth of time for the 1956 campaign—with dates and hours for about 90% of the speeches (though not the speakers) actually reserved. Advance bookings, they reckon, will save them \$300,000 in pre-emption and talent-fee costs. Networks, it's revealed, have revised commercial contracts to allow for lapses in regular-sponsor contracts in order to make way for the political time. Democrats have not yet revealed all details of TV-radio plans.

ABC offered free time this week to any bona fide member of a major political party who wishes to announce his candidacy for President over TV & radio. Other networks presumably will make same offer.

NARTB's 1956 Convention Committee schedules first meeting Nov. 10 at Chicago's Conrad Hilton Hotel. Co-chairmen are Campbell Arnoux, WTAR-TV, Norfolk, and E. K. Hartenbower, KCMO-TV, Kansas City.

Television Digest

NOV 14 1955 with **ELECTRONICS REPORTS**

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SUMMARY-INDEX OF THE WEEK'S NEWS — November 12, 1955

DEINTERMIXTURE DENIED in official FCC 5-2 vote; overall rule-making starts with deadline Dec. 15; final vhf decisions coming soon (pp. 1, 6 & Special Report).

WESTINGHOUSE'S CHRIS WITTING heads vast consumer products operations, including TV-radio, appliance, lamp, tube divs.; Don McGannon new WBC pres. (p. 3).

EVERY MOVIE MAKER now involved in TV, as new developments unfold: NBC buys half-interest in movie firm; Columbia Pictures plans spectaculars (p. 4).

NEW STARTERS in Little Rock, Ark., Kirksville, Mo., Lethbridge, Alta. bring on-air total to 456 in U. S., 30 in Canada; 52 so far this year (pp. 5 & 16).

5-MILE RULE REJECTED by FCC; Ch. 13 granted in Twin Falls, Ida.; examiner reaffirms initial decision favoring Mountain City in Chattanooga (p. 5).

TV NEWS COVERAGE suppressed by many govt. officials, sometimes Congress, lone TV-radio spokesman tells House group probing alleged suppression (p. 6).

17-in. PRODUCTION DWINDLES TO 15% of industry output. Chicago color sales spurt foreseen. Battle of white goods titans moves to Capitol Hill (p. 11).

COIN-TV "SWINDLE" trial begins, as 2 plead guilty in alleged conspiracy connecting "American Institute of TV Manufacturers" to \$2,000,000 motel fraud (p. 13).

REPORT ON HAZELTINE tells why its stock declined some 20 points, is bullish on near-term future prospects of big patent & development firm (p. 15).

TWO STATION SALE DEALS announced this week—Honolulu's KULA-TV for \$600,000, Wichita Falls' KWFT-TV for \$800,000, including AM adjuncts (p. 7).

FARM TV SET CENSUS for Virginia, county-by-county, shows 32.8% penetration, while 27.6% of Georgia's farms are equipped with TV (p. 10).

ABC-TV's DRIVE toward real competitive status showing results in new-season program ratings (p. 9) and in peak Sept. billings reported by PIB (p. 16).

RULE-MAKING STARTS, DEINTERMIXTURE DENIED: FCC finally pried loose its allocations logjam -- acting as has been anticipated for some weeks (Vol. 11:43-45). Expressed in briefest terms, this is what Commission did: Denied deintermixture, approved one vhf drop-in and started study of whole allocations picture.

Commission turned down deintermixture not only in the 5 cases ready for decision -- Evansville, Hartford, Peoria, Madison, Albany-Schenectady -- but in all other pending cases. It also denied vhf drop-ins which would have required changes in basic standards -- mileage cuts, power-height drops, use of directionals, etc. It did not deny vhf drop-ins which comply with present standards. (For list of the 30 petitions denied, see p. 6.)

Most important immediate effect is to permit the Commission to make final vhf decisions in 14 cases, as fast as it can move, and to schedule oral arguments -- which clear the way for final decisions -- in 9 additional cases. First grants may come in 2-3 weeks. (For list of the 23 cities and channels involved, see p. 6.)

Several uhf operators are planning court appeals. Commission tried to write as carefully as possible, but there's no telling whether appeals will successfully block final decisions or prevent winners of decisions from building or going on air. Courts have been giving FCC rough time lately -- yet there's no way of determining whether they'll frown on this week's decision.

Commission put heavy pressure on industry, meanwhile, by giving it the extremely short deadline of Dec. 15 for filing all recommendations on how to improve the allocations-uhf situation; replies to Dec. 15 filings are due Jan. 6. More time will undoubtedly be sought, very possibly granted. (Full text of FCC notice of proposed rule-making is included herewith as Special Report. In addition, we have a supply of the Commission orders denying deintermixture petitions -- Public Notices 55-1125 and 55-1126 -- available on request.)

A significant aspect of decision, not anticipated, was that it was a 5-2 vote, with Comr. Webster changing his mind and joining majority in decisions denying

deintermixture in Evansville, Hartford, Peoria & Madison -- leaving only Comrs. Hyde & Bartley dissenting. However, Webster refused to go along with majority in dropping Ch. 10 into Vail Mills (Albany). Importance of 5-2 vote is that it leaves no doubt Commission can muster majority to act on final vhf decisions and grant CPs. Before Webster made switch, there was considerable doubt FCC could have mustered a quorum, many attorneys arguing that law would have prevented new Comr. Mack from voting on grants because he hadn't heard oral argument. That would have left only 3 commissioners ready to vote -- not a quorum.

* * * *

FCC's reasoning in its decision was simply this: Uhf-allocations problem is nationwide; deintermixture, if study of overall picture proves it to be wise policy, should not be undertaken on piecemeal basis; therefore, deintermixture should be evaluated along with other proposed panaceas in a single-package proceeding.

Key statement in the decision was: "In our opinion, if deintermixture, even on a partial basis, should finally be determined to be a useful method of resolving the overall problems, the particular communities for its application should not be selected merely because of the fortuitous circumstance of whether a vhf station has commenced operation in any particular community. Certainly there is nothing in the records before us which would lead us to conclude that the limited deintermixture here sought would provide any significant help in resolving the difficulties now confronting uhf broadcasters in other communities..."

"There is little, if any, reason to believe, for instance, that the reassignment of channels as requested in the instant petitions, and in the other pending petitions seeking similar relief, would significantly stimulate the conversion of vhf receivers, the increased sale of combination uhf-vhf receivers, the improvement of uhf transmitting and receiving equipment or the elimination of uhf and vhf equipment cost differentials."

To justify the Vail Mills vhf drop-in, Commission stated: "Refusing to make use of the valuable vhf frequency as contemplated by the present rules would, we believe, be a waste of valuable spectrum space for which active demand is indicated... We do not believe that we would be justified in withholding this service, which can be afforded under our present rules even though we are presently considering possible amendments to our allocations."

What is needed, Commission said, is a "thorough re-examination of the entire TV structure." Not that FCC thinks it has done too badly in expanding TV, however. As it stated in notice of rule-making, some of its objectives have been achieved. It said that more than 90% of population can get one station; some 75% can get 2. About 275 cities have at least one station; 112 have 2. But FCC did concede that "many of the smaller communities are without a first local outlet and the expansion of multiple, competing services in the larger economic and population centers of the country is lagging," and it agreed that uhf problems have been "significant factor."

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The new rule-making proceeding is wide open, quite general. The FCC invites everyone to come forward with every remedy he can devise. This includes those who have already submitted plans informally -- ABC, CBS, Crosley, individual lawyers and engineers, Uhf Industry Committee, etc. Incidentally, Commission's decision this week defended its right to receive informal plans and suggestions.

Commission asked those filing to stick to overall plans, not to submit solutions for single communities or limited areas. It requested that those proposing plans assigning channels to specific cities also submit full assignment plan for the cities in Zone I. It also stated that it would consider proposals suggesting the elimination of assignment plan altogether. Just this week, it received one such proposal -- filed by law firm of Scharfeld & Baron (see p. 6).

The usually mild-mannered Comr. Hyde wrote some of the strongest language he's ever used. His dissent said that majority action was "premature, ill-advised and wholly inconsistent." He continued:

"Until it has been shown that [nationwide service] can be achieved with the 12 present vhf channels (or that additional vhf channels are available with which to

achieve such result), I deem it imperative to preserve the uhf service. What the Commission has done today may deal a death blow to uhf TV service." He charged that denial of deintermixture petitions was "virtually bereft of specific findings to support the conclusions." He questioned wisdom of accepting informal plans and said that new rule-making proceeding is just a "semblance of due process." He went on:

"But the obvious reason for the sudden haste of the majority in taking the present action is to clear the decks for the immediate grant of vhf applications in a number of communities involved in the deintermixture cases, and in other communities in which deintermixture has been suggested and peremptorily turned down."

In speech at NARTB regional meeting in Des Moines earlier in week, Hyde made strong plea to save uhf: "Uhf is not dead. It is sick, and about that there is no question. But even though it is sick, it still remains as one of the basic foundations for the proper development of our TV industry." Furthermore, he said, many industry leaders say there's nothing fundamentally wrong with uhf -- and he pointed to RETMA's recent letter to FCC (Vol. 11:43) and GE's announcement of new ceramic tube showing promise of improving uhf receiver performance (Vol. 11:42).

Comr. Bartley's dissent was brief. He said that deintermixture cases should have been decided on individual merits, affording "stability and guidance for the TV service." He said uncertainty has been created, deterring applicants. Vail Mills "slug-in," he said, "will be the death knell of multiple uhf services in the area; consequently, less instead of more service to the public."

Comr. Webster said he changed his mind because he's satisfied that deintermixture proponents will have their say during general rule-making. But he couldn't buy the Vail Mills drop-in, he said, because it's "so obviously inconsistent with the general rule-making proceeding."

WITTING HEADS WESTINGHOUSE CONSUMER DIV.: Big Westinghouse Electric Corp. went to its highly successful subsidiary, Westinghouse Broadcasting Co., for a new executive to head up its vast consumer products operations -- pres. Gwilym A. Price announcing appointment of 40-year-old Chris J. Witting as gen. mgr. to succeed the affable and popular veteran John M. McKibben, who joins staff of the corporation's v.p.-gen. mgr. John K. Hodnette. Witting will be elected v.p. at upcoming board meeting.

Witting has already assumed his duties at Pittsburgh headquarters, succeeded as pres. of the TV-radio stations subsidiary by WBC v.p. Donald H. McGannon, who continues to report to WBC chairman and Westinghouse v.p. E.V. Huggins. Witting thus divorces himself entirely from the broadcasting operations.

These divisions now are in Witting's jurisdiction: Appliances (John Ashbaugh, v.p.-gen. mgr.) with plants at Mansfield, Columbus & Newark, O.; E. Springfield, Mass. Lamp (Fergus M. Sloane, gen. mgr.) with plants at Bloomfield, Belleville & Trenton, N.J.; Fairmont, W.Va.; Little Rock, Ark.; Owensboro & Richmond, Ky.; Reform, Ala.; Paris, Tex. TV-Radio (E.J. Kelly, gen. mgr.) with plant at Metuchen, N.J. Tubes (Richard T. Orth, v.p.-gen. mgr.) with plants at Elmira & Bath, N.Y.

Big distributor subsidiary Westinghouse Electric Supply Co., with 99 branches and headed by pres. Victor Kniss, also falls within Witting's purview -- but not the air conditioner div., with factory in Staunton, Va.

The new executive inherits an immediate problem in most of his plants -- the now 4-week-old strike of IUE-CIO & UE (independent) unions at 30 Westinghouse plants, including all in Witting's group except Elmira, Bath, Little Rock, Owensboro, Richmond, Reform, Paris. He must tackle that as his first big problem.

Don McGannon, 35, who came to WBC as Witting's aide last Jan., heads one of the few Westinghouse subsidiaries presenting no big headache to Pittsburgh headquarters; in fact, it claims to be biggest non-network entity in the broadcasting field from standpoint of gross business and profit, consisting of 4 TV, 5 radio stations. Like Witting, McGannon came to the Westinghouse subsidiary from DuMont Network. He's a graduate of Fordham '40, Fordham Law '47, had 5 years of Army service, 2 overseas.

Witting took over WBC in Jan. 1954, resigning as managing director of DuMont Network which he had joined in 1947. Since then, he has engineered the Westinghouse \$9,750,000 purchase of KDKA-TV, Pittsburgh (Ch. 2) and \$6,000,000 purchase of KPIX,

San Francisco (Ch. 5). He's a CPA, ex-Price Waterhouse, attended New York U, got law degree in night school, during war handled business affairs of USO Camp Shows, did 1½-year hitch in Maritime Service. Highly successful in every post he has occupied, it's assumed he's being groomed for even bigger things at Westinghouse.

Some years ago, another broadcasting executive was impressed into appliance field--WLW's James D. Shouse, named Avco v.p. detailed to Crosley's TV-radio-appliance operations; he recently returned to chairmanship of Crosley Broadcasting Corp.

MOVIES & TV—PARTNERSHIP NOW COMPLETE: It took 10 years to seal the contract, but the movie and TV industries, after a lot of foolish feuding, now fully realize that they're going to be partners for life -- and like it.

Every movie company -- major and minor -- now has a stake in TV. Conversely, TV networks, syndicators and others in the industry have begun to take an active interest in the theatrical motion picture art.

Highly significant new move is NBC's entry into movie production business. Though deal is still shrouded in secrecy, network has acquired 50% of an independent movie company of high standing -- ace producer-director-writer Joseph Mankiewicz's Figaro Holding Co., which last year turned out the profitable "Barefoot Contessa."

NBC will finance future Mankiewicz theatrical film production, it is understood -- and the pact has all sorts of implications with regard to use of Mankiewicz story properties and his services for live and filmed network productions.

Just as TV keeps hankering after good feature movies, it's now standard procedure for movie producers to monitor all original dramas on TV, snatching up film rights to every one that shows promise. In the last few months a new variation has emerged--movie companies buying rights to top TV plays before their video exposure. Independent producers are even planning to use TV as "tryout" for movie story material. It beats the "sneak preview" idea, since the test can be made before a single foot of movie film is exposed.

* * * *

Hollywood's production lines are humming with their greatest prosperity ever -- thanks to TV, which now employs more film personnel than movies. Every one of the major studios has now come around to heavy TV activity, with increases planned.

Year's most sensational movie-TV story, of course, was sale of RKO Pictures to General Teleradio for \$25,000,000 (Vol. 11:30) -- which put RKO in TV business and GT in movie production-distribution. GT's 6 TV stations will start showing features from RKO's 700-film backlog early next year. A score of other stations have been approached with RKO picture package in recent weeks, and the new features can be expected to start flowing through the industry shortly after Jan. 1.

Columbia Pictures, always active in TV through its Screen Gems subsidiary, will soon embark on TV production under its own name. It is currently negotiating with networks on plan to make special 90-min. TV features, is also offering them 2 high-budget features -- "The 5000 Fingers of Dr. T" (a theatrical flop of several years ago) and "The Prisoners," British-made film starring Alec Guinness and never released to theatres in this country.

Universal-International, which got its fingers burned when it went into TV early in the game through its United World Films subsidiary, is now back in the fold producing commercials. Its schedule for this month comprises 69 commercials, a new record (see p. 9). U-I plans wholehearted debut into TV program production soon.

Of the other majors, MGM, 20th Century-Fox and Warner Bros. produce their own byline shows for the networks, with 20th Century's TCF Productions also making half-hour TV film series. Paramount is in TV through its ownership of Los Angeles' KTLA and part ownership of DuMont Broadcasting as well as 50% partnership in York Productions which turns out NBC's Colgate Variety Hour (live). Republic makes more money from TV than movies, has released most of its old features to TV, has own TV film distributing subsidiary, and owns huge film processing labs, doing mostly TV work.

* * * *

TV has been called an offspring of radio and movies. Astute radio station owners early saw it as their rightful heritage and moved into it. Movie producers

and distributors see it too -- now that the telecasting business is grossing about \$1 billion a year. One segment of the movie industry has never realized it -- the large fraternity of theatre owners who have been left out in the cold. With only a couple of dozen exceptions, the exhibitors scorned the opportunity to become TV station impressarios when it was presented to them on a silver platter.

In our first issue 10 years ago, we pointed up the interrelationship of the movies, radio & TV in this widely quoted editorial declaration, which we believe is as applicable today as when we first printed it Sept. 1, 1945:

"What David Wark Griffith once referred to as 'the wedding of the whispers and the shadows' -- radio and the movies -- has now been consummated in a prideful progeny: Television. He is a lustly youngster, now in the stage of growing pains but bursting with health and energy. What he will show to his parents -- what he will accomplish in the realms of broadcasting, motion pictures, advertising, merchandising -- we'll soon see. That his parents must perforce keep up with him; that the radio companies, big and little, are aware of the fact; that major movie firms like Paramount, MGM, 20th Century-Fox, are eyeing him cautiously if not benevolently -- is evident. They all know they cannot afford to become fat and smug and complacent in the new world of entertainment, education and trade which he will command."

456 STATIONS NOW ON AIR, 30 IN CANADA: Another small-market station takes to the air commercially this week -- KTVO, Kirksville, Mo. (Ch. 3) which on Nov. 13 becomes CBS extended market plan affiliate. Town's population is only 11,110, and nearby Ottumwa, Ia. only 33,631, but it's in rich farm belt with nearest other outlet 65 mi. away. Also starting test patterns Nov. 14 is new KTHV, Little Rock, Ark. (Ch. 11), area's third outlet. And CJLH-TV, Lethbridge, Ont. (Ch. 7) opens Nov. 13.

These bring total on-air stations in U.S. to 456 (107 uhf), in Canada to 30 (22 privately owned). So far this year, there have been 52 U.S. starters and about a dozen more are due before next Jan. 1. Nineteen quit the air in 1955 to date, all save 2 being uhf; the 2 were mergers of vhf time-sharers in Minneapolis-St. Paul and Monterey-Salinas, Cal. [For details about this week's new starters, see p. 16.]

A NOTHER UHF HOPE, along with deintermixture, was dashed this week when FCC rejected proposed "5-mile rule." This would have required stations to put transmitters within 5-mi. of city to be served, unless they gave good reasons for waiver of rule. Such a rule, Commission said (Comr. Lee dissenting), "is neither desirable nor practicable, and could defeat the objectives of the assignment table by preventing the most efficient use of TV channels." UHF operators were hoping rule would be adopted and keep vhf stations out of their backyards.

Uhf operators are still hoping that FCC won't put into effect its newly adopted rule, several times postponed, to permit Zone I vhf stations to go to 1250-ft. This week, Frank Lyman Jr., pres. of WTAO-TV, Cambridge-Boston (Ch. 56) wrote FCC Chairman McConnaughey, stating: "Has the FCC become dedicated to increasing the monopoly position now held in the hands of a few vhf stations? The proposed Zone I increase solidifies their monopolistic position; it increases the already fantastic economic base of these high-tower, high-power vhf stations."

* * * *

FCC granted one CP, meanwhile—Ch. 13, Twin Falls, Ida. to Magic Valley TV Corp., owned by principals of KIDO-TV, Boise—Commission being satisfied with applicant's response to McFarland Letter questioning plans for programming (Vol. 11:42).

Mountain City TV Inc. was again favored for grant of Chattanooga's Ch. 3, over WDOF, when examiner J. D. Bond issued supplemental initial decision. Record had been reopened to receive testimony showing that 50%

owner Ramon G. Patterson now owns 20% of radio WAPO, instead of 100%, and that he and Mrs. Patterson will be able to devote fulltime to TV station.

FCC received sharp reply from *Omaha World-Herald* this week to charges by Nebraska Democratic State Central Committee and Omaha's Teamsters' Union (AFL) attempting to block grant of Ch. 7 to Herald Corp. (Vol. 11:45). Newspaper says that time to intervene expired long ago; that charges it suppresses news "are made recklessly, without any facts to support them, are completely false, and in the few cases where facts are asserted, it is apparent they have been made inaccurately, carelessly and in a distorted manner."

FCC took following additional actions: (1) Set Jan. 2 for start of hearing between WSYR-TV, Syracuse and WFIL-TV, Philadelphia for satellite Ch. 18 station in Elmira, N. Y. (2) Granted CP-holder WNBE-TV, New Bern, N. C. (Ch. 13) more time to build, dismissing petition of Norfolk's Commonwealth Bestg. Corp. which asked that CP be cancelled. (3) Told WSTV-TV, Steubenville, O., that hearing appears necessary on its application to buy CP for WBLK-TV & WBLK, Clarksburg, W. Va. and WPAR, Parkersburg. (4) Held up sale of Edward Lamb's WTOP, Toledo to Booth stations pending action on renewal of Lamb's license for WICU, Erie.

Opposition to theatre-TV World Series came this week from the second of the 2 national theatre owners' associations. Allied States Assn. of Motion Picture Exhibitors, which claims to represent 60% of nation's exhibitors, voted to oppose any plan to put Series on theatre TV. Several weeks ago, Theatre Owners of America took similar stand (Vol. 11:43).

DEINTERMIXTURE petitions of all kinds are piecemeal approaches to basic allocations problem, FCC stated in denying all those pending along with the "Big 5"—Evansville, Peoria, Madison, Hartford & Albany-Schenectady (p. 1). In addition, it said, petitions suggesting other departures from present standards shouldn't be considered on an individual basis. Therefore, it issued blanket order denying all. Listed below are those denied; if any petition for channel changes is not included, it's presumably still "alive" and susceptible to approval as was drop-in of Ch. 10 in Vail Mills (Albany)—which fulfilled all mileage requirements of existing standards. Following is the list of denials, tabulated by FCC according to date of filing:

Louisville, Ky.—Mid-America Bcstg. Co. Assign Ch. 7, 9 & 13 to Louisville.

Atlantic City, N. J.—Neptune Bcstg. Corp. Assign Ch. 8 to Atlantic City.

Corpus Christi, Tex.—Coastal Bend TV Co. Delete Ch. 6 & 10 and assign Ch. 56 & 65 to Corpus Christi.

Hutchinson, Kan.—Stanley H. Durwood. Assign Ch. 8 to Hutchinson and delete from Manhattan, Kan. & Woodward, Okla.

New Orleans, La.—Supreme Bcstg. Co. Assign Ch. 2 to New Orleans and substitute Ch. 61 for Ch. 2 at Baton Rouge.

Springfield, Ill.—Plains TV Corp. Shift educational reservation from Ch. 22 to Ch. 2 at Springfield or assign Ch. 2 to St. Louis and substitute Ch. 41.

Raleigh, N. C.—Sir Walter TV Co. Shift educational reservation from Ch. 40 to Ch. 11 in Durham and from Ch. 22 to Ch. 5 in Raleigh.

Fresno, Cal.—O'Neill Bcstg. Co. Shift educational reservation from Ch. 18 to Ch. 12 in Fresno.

Jacksonville, Fla.—Jacksonville Journal Co. Shift educational reservation from Ch. 7 to Ch. 36.

Sacramento, Cal.—Capital City Corp. Shift educational reservation from Ch. 6 to Ch. 40 or delete Ch. 3 & 7 from Sacramento.

Anderson, S. C.—Wilton E. Hall. Delete Ch. 7 from Spartanburg and reassign to other cities.

Miami-Ft. Lauderdale, Fla.—Storer Bcstg. Co. & Gerico Investment Co. Delete Ch. 7 & 10 from Miami.

Newport News, Va.—Eastern Bcstg. Corp. Shift educational reservation from Ch. 21 to Ch. 10 at Norfolk-Portsmouth-Newport News.

Toledo, O.—Woodward Bcstg. Co. Delete Ch. 11 at Toledo and assign to Detroit and reserve Ch. 13 for education.

Canton, O.—Brush Moore Newspapers Inc. Assign Ch. 12 to Canton.

Bakersfield, Cal.—Bakersfield Bcstg. Co. Assign Ch. 12 to Bakersfield and delete from Fresno.

Bridgeport, Conn.—Southern Conn. & L. I. TV Co. Assign Ch. 6 to Bridgeport.

Decatur, Ill.—Prairie TV Co. Delete Ch. 2 from Springfield.

Santa Barbara, Cal.—James Monroe & Wm. E. Sullivan. Assign Ch. 2 to Santa Barbara.

Jacksonville, Fla.—Southern Radio & Equipment Co. Reserve Ch. 12 for education in Jacksonville and assign Ch. 7 to Savannah, Ga.

Jacksonville, Fla.—Duval County Board of Public Instruction. Shift educational reservation from Ch. 7 to Ch. 36.

Leesburg, Fla.—WLBE Inc. Delete Ch. 7 from Jacksonville and assign it as commercial channel in Leesburg.

Philadelphia—Herbert Mayer d/b as Ajax Enterprises. Delete vhf channels in Philadelphia.

Pensacola & Lake Charles, Fla.—Charles W. Lamar Jr. & KTAG-TV Inc. Delete Ch. 4 from Beaumont-Port Arthur, Tex. and New Orleans, La.

Valdosta, Ga.—WGOV-TV Inc. Assign Ch. 8 to Valdosta.

Jesup, Ga.—W. Glenn Thomas Sr. Assign Ch. 8 to Brunswick, Ga. and delete Ch. 7 from Jacksonville, Fla.

Knoxville, Tenn.—South Central Bcstg. Corp. Delete Ch. 7 from Spartanburg, S. C. and assign to Knoxville and Columbia, S. C.

Asheville, N. C.—WISF-TV Inc. Assign Ch. 2 to Asheville.

Erie, Pa.—Great Lakes TV Co. Assign Ch. 6 to Erie.

Final vhf decisions should start issuing from FCC, starting within 2-3 weeks, now that deintermixture petitions have been turned down. Following is the complete list of cases which are "mature" and await only final Commission decision: Bristol, Va.-Tenn., Ch. 5; Corpus Christi, Ch. 10; Evansville, Ind., Ch. 7; Fresno, Ch. 12; Knoxville, Ch. 10; Madison, Ch. 3; Miami, Ch. 7 & 10; Norfolk-Portsmouth, Ch. 10; Omaha, Ch. 7; Peoria, Ch. 8; Richmond, Ch. 12; Seattle, Ch. 7; Springfield, Ill., Ch. 2. In addition, it's expected FCC will move rapidly to schedule oral argument, which is last procedural step before final decision, in following cases: Charlotte, N. C., Ch. 9; Hartford, Ch. 3; Indianapolis, Ch. 13; Jacksonville, Ch. 12; New Orleans, Ch. 4; Orlando, Ch. 9; Paducah, Ky., Ch. 6; Raleigh, Ch. 5; San Antonio, Ch. 12. Only one competitive uhf case awaits final decision—for Canton, O., Ch. 29. [For principals in all foregoing cases, see *TV Factbook No. 21* (blue section) with weekly Addenda thereto.]

Allocations plan has served its purpose and is now nothing but a clumsy device slowing TV's expansion, in opinion of Scharfeld & Baron, Washington law firm which this week submitted a proposal to FCC that allocations plan be discarded. Long opposed to any allocations plan, Scharfeld & Baron urged Commission to rid itself of the "planned economy" inherent in fixed assignment table. They suggest no change in technical standards but ask that prospective applicants seek stations wherever they can fit them technically. They concede allocation plan may have had justification when adopted in 1952—to speed grants and hold channels for smaller cities and educators. Now, they say, govt. shackles can be taken off and free-enterprise forces can be permitted to rule. They see TV expansion speeded—with one applicant stimulating applications by others who wouldn't want to lose chance of getting channel—duplicating AM experience. Same forces would stimulate educators, too, they stated.

TV NEWS COVERAGE is suppressed and discriminated against by many govt. officials, and at times by Congress itself, according to TV-radio's sole spokesman at this week's much-publicized House subcommittee hearings probing alleged suppression and censorship of govt. news. Industry witness was Ted Koop, CBS Washington director of news & public affairs and ex-deputy director of war-time Office of Censorship, testifying along with number of newspaper executives before a subcommittee which banned TV coverage but permitted other media.

Koop singled out Secy. of State Dulles and Defense Secy. Wilson as examples of cooperation with TV, but said that many other govt. officials refuse or fail to recognize it; that it's difficult to understand why officials will talk freely for press, and sometimes radio, but clam up for TV. He said: "The biggest setback to radio and TV news coverage of the Federal Govt. this last year has come from the House of Representatives itself," and pointedly cited Speaker Rayburn's enforcement of old rule that only "pencil and paper reporters" can get into hearings.

Koop recalled old proverb, "Physician, heal thyself." That brought retort from Rep. Hoffman (R-Mich.): "We belong to a different segment"—obviously meaning he felt

Congress fell into a different category from other govt. agencies when it came to TV.

Koop proposed that govt. officials adopt the policy of releasing all news possible rather than "How little of this can I give out?" Subcommittee members are Chairman Moss (D-Cal.), Rep. Fascell (D-Fla.), Rep. Hoffman.

Subscription TV opponents aren't dismissing subject as dead by any means, though it's obviously dormant. This week, CBS v.p. Richard S. Salant told Minneapolis Ad Club that toll TV would have a depressing effect on nation's economy by limiting usefulness of TV as an advertising medium. "Since TV is so important and so useful as an advertising medium," he said, "the country's economic interests are less well served if advertisers are forced from a most efficient medium to less efficient media." At NARTB regional meeting in Des Moines, board member W. D. (Dub) Rogers, KDUB-TV, Lubbock, Tex., delivered a free-wheeling blast, calling pay-TV a "parasitic growth [which would] drain the life juices out of the roots of telecasting." He reported results of survey conducted for him in Lubbock by Texas Tech: 60% of interviewees had never heard of pay-TV and 81% were against it.

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Full Text of FCC's

Proposed Rule-Making on VHF-UHF Channel Allocations

Public Notice 55-1124 Inviting Suggestions for Changes in Sixth Report and Order

Issued Nov. 10, 1955 in Conjunction with Orders (Notices 55-1125 & 55-1126)
Denying All Pending UHF Deintermixture Petitions

Comments Due by Dec. 15, 1955; Reply Comments Due by Jan. 6, 1956 (see *Television Digest*, Vol. 11:46)

In the Matter of
Amendment of Part 3 of the
Commission's Rules and Regula-
tions Governing Television
Broadcast Stations } Docket No. 11532

NOTICE OF PROPOSED RULE MAKING

1. The Commission's present television assignment plan, promulgated in its Sixth Report and Order in 1952, was designed to lay the foundation for the development of a nationwide competitive television system which would meet a series of stated objectives. These objectives may be briefly summarized as follows:

- (a) At least one service to all areas.
- (b) At least one station in the largest possible number of communities.
- (c) Multiple services in as many communities as possible to provide program choice and to facilitate competition.

2. To some extent these objectives have been realized. Over 90% of the population can receive a degree of service from at least one television station. Approximately 75% can receive a degree of service from two or more stations. Almost 275 communities have at least one, and 112 of these have two or more, local television facilities in operation. Over 430 stations are now on the air, and the number of television sets in the hands of the public has increased to 35 million.

3. But despite this tremendous growth, it is evident from recent experience that a nationwide competitive television service has not been realized to the extent contemplated at the time the Commission issued its Sixth Report and Order. Many of the smaller communities are without a first local outlet and the expansion of multiple, competing services in the larger economic and population centers of the country is lagging. Difficulties encountered in achieving successful operation of stations in the UHF band have been a significant factor leading to this situation.

4. The familiar difficulties presently facing television broadcasters raise questions with respect to basic elements of the standards and principles established by the Commission in the Sixth Report and Order. And while these difficulties have varying impact on individual broadcasters and communities, they are manifestly nationwide in scope and may have far-reaching implications for the future of the television system as a whole. The Commission is therefore convinced that any approach to their solution must take cognizance of the overall, national scope of the problem.

5. The Commission recognizes that some of the present hindrances to the further expansion of television service in many communities are due to causes which lie beyond its control. To an appreciable extent these problems are basically economic and arise out of the limits beyond which it is not possible, at the present stage of the development of the television art, to obtain sufficient economic support to meet the high costs of construction, programming and operation of television stations. On other aspects of the problem, relating for example to the improvement of transmitting and receiving equipment, the industry itself can make valuable contributions. At the same time, the Commission wishes to insure that to the extent that any of the present difficulties may be alleviated by possible revision of the present allocation system, such possibilities will be fully explored.

6. The Commission has received a number of proposals from interested segments of the industry, which although they envisage fundamental departures from the present system adopted in the Sixth Report and Order and approach the problem on a nationwide basis, do not challenge the Commission's basic objectives. Some of the techniques suggested for alleviating the difficulties involve the use of additional VHF frequencies; the reduction of minimum separations to make additional VHF channel assignments possible, using either the present 12 VHF channels or new VHF channels, or both; deintermixture on a basis consistent with a nationwide solution; and other techniques. A number of the proposals include suggestions for modifications of the present standards which would permit the use of directional antennas, cross polarization, new limits on antenna heights and maximum powers for new channel assignments, and others; and some proposals contemplate combinations of the foregoing techniques. Some of the proposals envisage a revised nationwide table of fixed assignments; others look toward the adoption of new standards which would govern the addition of specific channel assignments on the basis of individual applications. In addition to these plans which have already been advanced, the Commission understands that a number of studies have been initiated by other groups in the industry.

7. In these circumstances, the Commission believes that the public interest would be served by the institution of a general rule making proceeding to consider possible overall solutions to the problem on a broad, nationwide basis. All interested parties, including those who have informally tendered proposals to the Commission, will have the opportunity of submitting their suggestions in this proceeding. This proceeding will, we believe, facilitate an orderly review of the proposals and will afford the Com-

mission a sound basis on which it may compare the advantages and disadvantages of the proposals, both among themselves and with respect to the present plan, and evaluate them in terms of the opportunities they may provide for fuller realization of a nationwide competitive television system.

8. As noted, there is considerable diversity among the various approaches that have been suggested. The multiplicity of the possible alternative plans suggests the desirability of establishing a basis on which it will be possible for the Commission to make a full and fair evaluation of the different proposals. This would be facilitated if those parties submitting proposals included data and comments relating to:

- (a) The nature and the extent of departures, if any, from the present standards as adopted in the Sixth Report and Order with respect to:
 - (1) Minimum separations.
 - (2) Minimum and maximum limitations on powers and antenna heights.
 - (3) Use of directional antennas.
 - (4) Cross polarization.
 - (5) Any other deviations from present standards.
- (b) The effect of the proposed revision on the assignments occupied by existing stations.
- (c) The extent to which the plan submitted provides for the future expansion of television service.
- (d) The impact of the plan on the problem of receiver incompatibility.
- (e) The effect of the plan on the educational reservations.

It would also be helpful to the Commission if parties submitting proposals which envisage a revised table of fixed channel assignments, would include an assignment

plan for Zone I indicating the specific assignments in each city. The Commission will also consider proposals which envisage revised standards for the addition of channel assignments on the basis of individual applications, rather than by incorporating new assignments in a revised fixed Table of Assignments.

9. In this initial stage, the Commission believes it would not be desirable to consider proposals whose scope is limited to action affecting only individual communities or a limited area. Premature involvement with questions relating exclusively to individual city assignments or to limited areas, without reference to a nationwide system, would unduly impede our progress in determining the basic course which it would be desirable to follow in considering possible revisions to the nationwide television allocation plan. At a later date, when the Commission has determined the general nature of any revisions to the present allocation scheme which it would be desirable to adopt, it will then be in a better position to consider comments relating to specific channel assignments proposed for individual communities.

10. All interested parties are invited to file written comments in accordance with this Notice. In light of the many considerations which favor minimizing delay, the Commission has decided to require the filing of comments no later than December 15, 1955, and the filing of reply comments by January 6, 1956. An original and 14 copies of comments should be filed.

11. Authority for the institution of this proceeding is contained in Sections 1, 4 (i) and (j), 301, 303 (a), (b), (c), (d), (e), (f), (g), (h) and (r), and 307 (b) of the Communications Act of 1934, as amended, and Section 4 of the administrative Procedure Act.

FEDERAL COMMUNICATIONS COMMISSION

MARY JANE MORRIS,
Secretary.

Adopted: November 10, 1955

Personal Notes: Wm. Dozier resigns as director of CBS-TV network programs, Hollywood, to become production v.p. of General Teleradio's RKO-Radio Pictures under pres. Daniel T. O'Shea, also ex-CBS; Dozier served at RKO in 1944-46 as exec. asst. to the late Charles Koerner, then production v.p. . . . Al Di Giovanni, ex-CBS-TV Spot Sales, joins NBC-TV as sales development mgr. for *Today, Home & Tonight*, reporting to Robert McFayden, network director of sales development . . . Norman (Pete) Cash, Television Bureau of Advertising's director of station relations, elected v.p., Virginia Hensler asst. secy.-treas., at Chicago board meeting Nov. 10 . . . Kevin Sweeney has signed new 5-year contract to remain as pres. of Radio Advertising Bureau . . . Franklin A. Tooke, ex-gen. mgr. of Westinghouse's radio KYW, Philadelphia, on Nov. 14 becomes gen. mgr. of its WBZ-TV, Boston, succeeding W. C. Swartley, now v.p. in charge of all Boston operations . . . Alfred E. Towne, recently resigned chief engineer of KPIX, San Francisco, has formed A. E. Towne Assoc., TV-radio consulting engineers, with offices in NBC Bldg., 420 Taylor St., San Francisco (phone Prospect 5-3100) . . . Wm. Seaman promoted to operations mgr., WABD, N. Y., replacing Al Hollander, resigned . . . James A. Gates, ex-TPA & Ziv, named merchandising director of Yankee Network, Boston . . . Al Constant, gen. mgr. of KBAK-TV, Bakersfield, Cal., elected v.p. & director . . . Robert A. O'Connor, ex-MBS, joins CBS-TV engineering dept.'s radio frequency div. . . . Louis Kemper promoted to production supervisor, KMBC-TV, Kansas City . . . Everett Jarrett named Screen Gems' central div. mgr., Cleveland . . . Maurice Gresham, ex-KCOP, Los Angeles, appointed gen. sales mgr., McCadden Productions, Hollywood . . . Stanton D. Bennett, chief engineer, KOVR, Stockton, Cal., has resigned to become asst. director, Linfield Research Institute, McMinnville, Ore. . . . Leonard H. Goldenson, AB-PT chairman, re-elected chairman of board, United Cerebral Palsy Inc., which he helped found . . . Charles Moos, NBC mgr. of labor relations, named mgr. of talent & contract operations.

* * * *

ADVERTISING AGENCIES: John C. Legler, recently adv. director of Electronics Corp. of America, Cambridge, Mass., ex-v.p. of old Cecil & Presbrey Inc., becomes v.p. of St. Georges & Keyes Inc., N. Y. and supervisor of H. K. Porter Co. account . . . Robert Murray Haig, ex-v.p. & TV copy director of J. Walter Thompson, joins Kudner as supervisor of TV copy . . . Vic Maitland, ex-Walker & Downing, Pittsburgh, handling Duquesne beer account, recently with Duquesne as adv. mgr., is forming own agency and will handle the account . . . Thomas A. Wright Jr., ex-NBC, joins Leo Burnett as group supervisor, media dept.

Television Bureau of Advertising (TVB), at first annual meeting in Chicago Nov. 11, elected these new directors: H. Preston (Pete) Peters, Free & Peters, replacing George Brett, Katz Agency; Robert Lemon, WTTV, Bloomington, Ind.; Gordon Gray, WOR-TV, N. Y.; Robert Tinch, KVTV, Sioux City, Ia.; Otto Brandt, KING-TV, Seattle. All other directors were re-elected, except Clair McCollough, WGAL-TV, Lancaster, resigned.

Carlos Lazo, 40, Mexico's Secretary of Communications and noted architect who designed and directed the building of Mexico City's great University City, was killed Nov. 5 with his son and 5 others in Communications Dept. airplane which crashed shortly after takeoff from Mexico City. He is survived by wife and 4 children.

Wm. Howard Vilas, 52, director of commercial film production, J. M. Mathes Inc., previously with Gold Medal and Pillsbury in Minneapolis, died Nov. 5 in Norwalk, Conn. Surviving are his wife & daughter.

Wichita Falls' KWFT-TV (Ch. 6), with radio KWFT (5-kw, 620 kc, CBS), has been sold by the controlling Rowley theatre chain family (E. H. Rowley, pres.) and one-third owner Kenyon Brown for slightly in excess of \$800,000—with a proviso whereby Brown repurchases the radio station for about \$100,000. Purchaser of the CBS-TV affiliate is Grayson Enterprises, operating radio KSYD, Wichita Falls (10-kw D, 1-kw N, 990 kc, ABC), headed by Sydney Grayson, which formerly was called KFDX and was purchased from old owner Darrold A. Cannan. Cannan now operates KFDX-TV, Wichita Falls (Ch. 3), affiliated with NBC & ABC but now without any AM affiliation. The Rowleys thus get out of TV field, which they entered in 1953 as partners with Brown, who also owns part-interest in radios KBYE, Oklahoma City, and KGLC, Miami, Okla. Brown recently also sold his interest in the old share-time KMBY-TV, Monterey, Cal.; last week purchased radio KANS, Wichita, Kan. (5-kw D, 1-kw N, 1480 kc, NBC) in association with Frank Lynch for \$225,000 from O. L. Taylor (Vol. 11:45); is one of group proposing to buy KFEQ-TV, St. Joseph, Mo. (Ch. 2) with KFEQ (5-kw, 860 kc, MBS) from Barton Pitts for \$550,000 plus assumption of about \$235,000 in liabilities—holding 25% interest in association with Bing Crosby, 25%; George Coleman, 25%; John E. Fetzer, WKZO-TV, Kalamazoo, 12½%; Paul O'Bryan, Washington attorney, 12½% (Vol. 11:34).

Honolulu's KULA-TV (Ch. 4) with KULA (10-kw, 690 kc, ABC) has been purchased for \$600,000, payable \$150,000 cash and remainder over 5 years, in deal closed this week with Television Corp. of America, co-equally owned by gen. mgr. Jack Burnett; Albert Zugsmith, TV-radio station broker; Arthur B. Hogan, pres. of Albert Zugsmith Corp., Los Angeles; Richard C. Simonton, wired music operator of Los Angeles & Las Vegas. Hogan and Simonton also were principals in recently approved \$417,500 purchase of radio KRKD, Los Angeles (Vol. 11:35, 45) by Continental Telecasting Corp., newly formed for purpose of acquiring TV-radio properties. Sellers of the Honolulu stations include American Broadcasting Stations Inc., owning 41⅔% (licensee of WMT-TV & WMT, Cedar Rapids, Ia. and Dolph-Petty Bestg. Co., 42.5%. Among principals in the selling entities are Helen S. Mark, Herbert L. Petty, Wm. B. Dolph, Wm. B. Quarton. Note: Frank Oxarart, of KFWB, Hollywood, with John D. Feldman Jr., applied to FCC this week to buy KDON, Salinas, Cal. (5-kw, 1460 kc) for \$115,000 from Charles B. Grant; Oxarart recently became 26⅔% owner of radio KRKD in association with Zugsmith group, earlier had acquired 20% of Tucson's KVOA-TV & KVOA (Vol. 11:27).

Radio station sales, involving TV principals, approved by FCC this week: (1) KXL, Portland, Ore., sold for \$450,000 by group headed by E. B. Craney (pres.-gen. mgr. of KXLF-TV, Butte) to Lester M. Smith & Lincoln Dellar, owners of KJR, Seattle (Vol. 11:41)—Smith & Dellar also getting approval to acquire KHMO, Hannibal, Mo. for \$40,000. (2) WSGN & WSGN-FM, Birmingham, by John S. Jemison Jr. group to owners of WTOV-TV, Winston-Salem, for \$123,250 after 5 years of operation under lease (Vol. 11:42). (3) KVNI, Coeur d'Alene, Ida., for \$85,000 by Scripps Newspapers and Burl C. Hagadone to Alan Pollock, who also owns 5% of KBET-TV, Sacramento (Vol. 11:41). (4) Transfer of 40% of WABR, Winter Park, Fla., which holds CP for WEAL-TV, Orlando (Ch. 18), by Carmen (Jim) Macri to R. H. Gunckel Jr. & James H. Sawyer, who increase holdings to 60% & 40%, respectively. Macri, who gets \$29,000 for stock, recently became majority owner of Jacksonville's WOBS and Ch. 30 grantee WOBS-TV (Vol. 11:31).

Britain's famed Ealing Studios, one of few not yet devoted to TV film production, has been purchased by BBC.

Station Accounts: Toy industry, anticipating biggest Xmas season in its history, with average family expected to spend \$28 on toys, to step up pace of TV advertising substantially, independently and through Toy Guidance Council, 1124 Broadway, N. Y. (Friend-Reiss Adv., N. Y.); Opinion Research Corp. recently reported that most toys are bought for 2-6 age group, who are most susceptible to TV ads . . . Drewrys Ltd. (beer) to sponsor TPA's *Susie* in 13 midwestern markets starting Jan. 23, replacing *Eddie Cantor Comedy Theatre*, and will build merchandising program around cartoon character "Susie," thru MacFarland, Aveyard & Co., Chicago; starring Ann Sothern, *Susie* is new title of current CBS-TV series, *Private Secretary* . . . Bowling bonanza: Prizes of \$25,000 in cash and merchandise, including grand award of new car and house full of furniture, are offered in multi-sponsored, highly-popular *Let's Go Bowling* on WISN-TV, Milwaukee, Sun. 1-2 p.m. . . . Wilson & Co. (meat packing) buys Guild Films' *I Spy* in 10 markets, thru Needham, Louis & Brorby, Chicago; it's now sold in 42 markets . . . Quaker City Chocolate & Confectionery Co., Philadelphia, to sponsor *Ramar of the Jungle* in 9 markets initially, with more to be added next year, thru Adrian Bauer Adv., Philadelphia . . . Among other advertisers currently reported using or preparing to use TV station time: Bonnie Jonnie Div., Ball Bros. Co., Muncie, Ind. (toilet bowl cleaner), thru Applegate Adv., Muncie; Max Factor & Co., Pharmaceutical Div., Hollywood (SEBB scientific formula), thru Doyle, Dane Bernbach, N. Y.; Foremost Packing Co., East Moline, Ill. (Fore-Pac cheeseburgers), thru Warren & Litzenberger, Davenport, Ia.; Parks Sausage Co., Baltimore (meat products), thru Applestein, Levenstein & Golnick, Baltimore; Electric Auto-Lite Co., Toledo (auto electrical systems), thru Grant Adv., N. Y.; Solarine Co., Baltimore (waxes & polishes), thru Courtland D. Ferguson, Washington; Brondow Inc., Mt. Vernon, N. Y. (Breath-O-Pine deodorant & cleanser), thru Abbott Kimball Co., N. Y.; Carnation Co., Los Angeles (Friskies dog food), thru Erwin, Wasey & Co., L. A.; Alliance Mfg. Co., Alliance, O. (Lift-A-Door garage door operator), thru Huffman & Broadwater, Canton; Siegler Corp., Centralia, Ill. (oil & gas-fired space heaters), thru Marvin Gordon & Assoc., Chicago; Studebaker-Packard Corp., Detroit (Packard Clipper torsion-level suspension system), thru Ruthrauff & Ryan, Detroit; Nestle Co. Inc., White Plains, N. Y. (Nescafe), thru Bryan Houston, N. Y.; Brach Mfg. Corp., div. of General Bronze Corp., Newark (Magne-Tenna indoor antenna), thru Blaine-Thompson Co., N. Y.; Lima Bean Advisory Board, L.A., thru J. Walter Thompson, L.A.

TV is most-preferred advertising medium of food and drug retailers, reports NBC research mgr. Dr. Thomas E. Coffin, in second part of network's intensive research project in Ft. Wayne, *Strangers Into Customers*. First part, dealing with what happens to consumers when TV comes to town, was reported in May at NARTB convention (Vol. 11:22). Second part, *Dealers Sound Off on Advertising*, made these points: 7 out of 10 dealers notice TV advertising for products they carry; 2 out of 5 stocked new brands because of TV advertising; 3 out of 4 urged manufacturers of lines they handle to use TV advertising; TV causes 5 times as much comment as newspapers, radio & magazines combined.

Chicago area sponsors will spend \$50,000,000 in NBC-TV billings this year, which Nov. 9 *Variety* suggests may be one reason why network chose WNBQ for its all-color "model" station (Vol. 11:45). Leading NBC-TV sponsors from Chicago area, many of them buying into color shows: Sunbeam, Maybelline, Motorola, Hazel Bishop, Hallmark, Armour, Toni, Kleenex, Dormeyer, Kraft, S. C. Johnson.

Network Accounts: General Motors has picked up full sponsorship of 90-min. *Wide Wide World* on NBC-TV, alt. Sun. 4-5:30 p.m. It had been sponsoring 60 min. of show for its Delco, A-C Spark Plug and Guide Light divs., thru D. P. Brother & Co., Detroit . . . Oldsmobile to make clean sweep of movie & TV awards telecasts on NBC-TV, sponsoring Academy Awards nominations Feb. 18, Sat. 9-10:30 p.m. and presentations March 21, Wed. 10:30 p.m.-12:15 a.m., and TV's "Emmy" awards March 17, Sat. 9-10:30 p.m. . . . CBS-TV, with public affairs sustaining schedule each Sun. 2:30-5 p.m., will offer to sponsors 60 or 90-min. "public affairs drama program" shortly, in effort to compete with NBC-TV's *Wide Wide World* (GM-sponsored) and Hallmark's Maurice Evans' *Hall of Fame* dramas . . . Roto-Broil to sponsor 30-min. of *Super Circus* on ABC-TV starting Nov. 13, Sun. 5-6 p.m., thru Product Services Inc. . . . Charles Antell (Lanolin hair preparation) to sponsor 30-min. of *Ozark Jubilee* on ABC-TV starting Nov. 12, Sat. 7:30-9 p.m., thru Product Services Inc. . . . Lever Bros. to sponsor Wed. 10-10:15 a.m. segment of *Garry Moore Show* on CBS-TV starting Nov. 16, thru J. Walter Thompson . . . Curtis Candy to sponsor *Tales of the Texas Rangers* on CBS-TV alt. Sat. 11:30 a.m.-noon, thru C. L. Miller Inc., Chicago . . . Ralston Purina (Ry-Krisp) to sponsor Thu. 2-2:15 p.m. alt. week segment of *Robert Q. Lewis Show* on CBS-TV starting Nov. 10, thru Guild, Bascom & Bonfigli, San Francisco . . . General Tire to sponsor Detroit-Green Bay pro football game on ABC-TV Thanksgiving Day starting at noon, thru D'Arcy . . . Frigidaire to cancel *My Favorite Husband* on CBS-TV Dec. 27, Tue. 10:30-11 p.m. . . . CBS-TV's partic.-sponsored west coast *Panorama Pacific* (Mon.-thru-Fri. 7-9 a.m.) on Nov. 14 extends to KTNT-TV, Seattle & KOIN-TV, Portland . . . Steve Allen's *Tonight* on NBC-TV will start long-rumored West Coast origination in

"Close resemblance between a sponsor and the type of show he presents" is often established by TV viewers who judge him accordingly, says Admiral-sponsored Bishop Fulton J. Sheen (ABC-TV & radio). The noted prelate of *Life Is Worth Living* warned Radio & TV Executives Society luncheon in N. Y. this week that shows loaded with crime and criminals may make family audiences ask, "How do we know the sponsor is not a racketeer, too?" After luncheon, he was asked to expand on remark and replied: "Take a wrestling program. Wrestling is a fake. If Tiffany sponsored such a program the family would ask, 'What is Tiffany selling—zircons?' The family establishes a moral relationship between the sponsor and program." Principal theme of the Bishop's speech was call for more programs that enlighten and inform—a lecture series on languages, for example. He also deplored fact that when one network starts a program and finds it popular, other networks rush in with same kind of show at same time.

BBDO's own David Gerber, TV producer, is experting its production of *DuPont Cavalcade Theatre's* "Barbed Wire Christmas" on ABC-TV Dec. 20. Story by Larry Marcus relates how a group of GIs successfully defied German ban on prisoner Xmas celebration in Stalag 17. Gerber was a prisoner in that camp after being shot down while an Air Force sergeant. His story was previously produced on the *Cavalcade* radio show.

Judith Waller, NBC director of public affairs & education, appointed network's public affairs representative under v.p. Davidson Taylor, with traveling assignment as liaison between network and organizations; she was recently awarded honorary degree by Northwestern U.

N. Y. State Civil Defense Commission appoints Kastor, Farrell, Chesley & Clifford Inc. as TV-radio consultants for public education drive in connection with Conelrad.

Telecasting Notes: ABC-TV has reached "first plateau" in its widely heralded climb toward "major network" status. Not only are its billings up (see p. 16), but new-season ratings show it becoming more competitive with the other networks in certain time segments. ABC-TV this week claimed it has "moved into first place in network ratings from 7:30-8:30 p.m. Mon.-thru-Fri.," based on average Oct. ARB tabulations. Its average ARB rating for that weekday hour was 20.1 in Oct. 1955 vs. 10.2 in Oct. 1954. Its top shows during that period are *Disneyland* (still the only ABC-TV show to make "top 10"), *Rin Tin Tin*, *Warner Bros. Presents* . . . Walt Disney's *Mickey Mouse Club* has given ABC-TV a position of strength in 5-6 p.m. weekday period, the network calling it the highest-rated daytime program. Next Feb., ABC-TV moves deeper into daytime programming, scheduling feature films in 3-5 p.m. period preceding *Mickey Mouse* . . . ABC-TV is still a low third in over-all network competition despite the improvement, and it's now firming up plans for a strengthened 1956-57 lineup. Involved are a dozen 90-min. live spectaculars plus some 60-min. drama & variety shows and 11 new 30-to-90-min. film shows. Rather than invest heavily in talent, network has novel "co-production" plan, as exemplified by its new partnership with TPA whereby it will help finance about half of that independent distributor's output for next season. Partnership deals have also been made with other top independent producers . . . "Mr. Television" came out second-best Nov. 8 for first time in history as CBS-TV's Tue. 8-8:30 p.m. *Phil Silvers Show* out-Trendexed Milton Berle's first half-hour by 25.2 to 17.6. Berle's second half-hour drew 21.9 vs. 18.5 for CBS-TV's *Navy Log* . . . Re-runs of network film shows are finding their way to daytime TV through syndication, and pres. Hal Hackett of Official Films sees new pattern emerging whereby re-runs will be largely confined to daytime—giving stations top quality shows at less-than-local-show cost and leaving more night hours free for first-run syndication . . . TV is ideal showcase for legitimate theatre attractions, says producer Paul Gregory, who is putting 2 of his plays on TV before their theatrical openings. His forthcoming CBS-TV spectaculars, *The Big Banjo* and *The Day Lincoln Was Shot*, will be launched as theatrical roadshows after their TV runs.

Two hot disputes over football TV developed this week between telecasters and collegiate authorities: (1) CBS announced it would defy an NCAA-imposed black-out of Iowa for Nov. 12 Illinois-Wisconsin game. NCAA imposed the ban because an alleged "unauthorized telecast" of the Iowa-Minnesota game the preceding Saturday on KRNT-TV, Des Moines. Network replied: "We cannot accede to your request to 'black out' Iowa in violation of our contracts with the sponsor of the broadcasts and our affiliated station." (2) Washington's WTOP-TV, in an on-the-air editorial Nov. 11, accused U of Maryland coach Jim Tatum of confusing "his obligation as athletic director of a state university with his status as a TV performer." Station explained Tatum had refused it permission to film Nov. 12 Maryland-Clemson game for TV showing the following day (Sunday), and said: "He [Tatum] stated that his principal reason was that he himself has a TV program on Monday night" on WMAL-TV, presenting filmed highlights of game. Tatum later denied the charge, saying that the university's contract gives his sponsor—a local bank—first rights on use of all films of Maryland games.

NBC-TV's talent search started last May and directed by Leonard Hole, director of program development, has resulted in selection of 9 young script writers being placed under 7-year contracts, selected out of 12,000 contest entries. Four comedians were also chosen for final tryouts.

"We have already worked out a format for these shows which will result in good shows for home consumption," Gregory told *Variety*. "But we won't be giving away the entire property. In fact, we're convinced that what will be telecast will stimulate ticket buyers so that when the shows come to their respective towns they will want to see them" . . . As did Sam Goldwyn Jr., Frank Capra Jr. is starting his career in TV, having signed as asst. director of *Gunsmoke* TV film series (CBS); his father has worked fulltime for last 3 years directing 4 experimental full-hour science TV films for AT&T . . . Navy Antarctic expedition will be recorded by Walt Disney cameramen, who will spend 17 months with Rear Adm. Byrd's men, their filmed progress reports to be shown on ABC-TV's *Disneyland* and *Mickey Mouse Club* . . . Tele-Casting: Hollywood producer Henry Ginsberg told press conference he spent as much time before TV screens as he did scanning player lists of major studios in casting new Warner Bros. epic, *Giant*. He compared TV today with the "short subject" of yesterday as a primary source of new feature-picture talent . . . Newspaper-TV cooperation: Denver's KBTW and *Denver Post* producing new cooperative *Denver Post TV News*, 5-min. filmed newscast, for airing at 3:55 p.m. daily, same time first edition of *Post* hits streets. Newscasts will feature national, international & local news, features, sports & social items, using photographs of current issue of newspaper, with narration by reporters who covered the stories and scenes shot in newsroom . . . Public service film series, *Focus on Delinquency*, produced by KNXT, Los Angeles, will be shown to meeting of Institute of Juvenile Court Judges in Pittsburgh Nov. 27-30 as exemplifying TV's role in disseminating information about social problems.

Universal Pictures' subsidiary United World Films v.p. George Bole reports that 20% of commercials being produced during Nov. are in color (see p. 4). Advertisers currently using UWF for TV film production are Conoco Oil & Studebaker, thru Benton & Bowles; DeSoto & GE, thru BBDO; Scott Tissue & Lux Soap, thru J. Walter Thompson; Olin Industries, thru D'Arcy Adv.; Campbell Soup, thru Leo Burnett. In addition, it's making half-hour industrial film for American Stock Exchange.

Unique cold war weapon—a rugged, hand-operated plastic phonograph that can be made for about 50¢—was revealed by RCA Nov. 9 in demonstration by RCA technical director Arthur Van Dyck, its creator, during speech by Gen. Sarnoff before Overseas Press Club in N. Y. Thereafter, Dr. Van Dyck went on NBC-TV to describe it, and it was also described on radio. Unit "about size of loaf of bread" is of almost primitive design, shatterproof and made to be dropped by planes behind Iron and Bamboo curtains to deliver American messages "that can't be jammed." Possessing amazing volume and clarity, machine is adaptation of earliest phonographs which were similarly hand-cranked and used same principle of direct connection between needle and cone amplifier. Entire device comes packaged in corrugated cardboard carton about 4x4x10-in. Unit was mentioned in Gen. Sarnoff's "Program for a Political Offensive Against World Communism" submitted to Pres. Eisenhower early this year (Vol. 11:20) and was more or less "off the record" until demonstrated this week. Gen. Sarnoff revealed that several of the machines were under test by Voice of America; that RCA had no commercial interest in it, will turn over design to anyone; that it might be produced for as little as 20¢ by toy makers.

John J. Nordberg promoted to chief of telephone div., FCC Common Carrier Bureau, succeeding Robert E. Stromberg who becomes chief of new Office of Accounting Systems.

DECLINE—BUT NOT FALL—OF THE 17-in.: Demand for 17-in. receivers, once the industry's "giant super-screen size," has dwindled to less than 15% of current production -- and prospect is that it will dip even lower before it gets better, so strong is the movement to higher-end models. Four years ago, 17-in. accounted for 65% of output.

"We're producing 17-in. table models only to demand," said an RCA spokesman. "In other words, if a distributor in a certain market tells us he needs some 17-in. sets to fill a gap in his area, we'll make them. Otherwise, no." Philco, Admiral and Motorola spokesmen said their 17-in. output was "sporadic" or "very light."

With price differential narrowed to \$20 or so between a 17 & 21-in., dealers are admittedly urging prospective 17-in. customers to go for 21-in. NARDA chairman Mort Farr, operating retail chain in suburbs of Philadelphia, informs us: "Of course we're discouraging customers from buying 17-in. sets. They'll be saving money by buying 21-in. and we'll be making more money, too."

What's the future for 17-in.? Strangely enough, few manufacturers are ready to consign it to the graveyard. One reason is the possibility that shallower sets incorporating 110 or 120-degree tubes (Vol. 11:45) could be made as 17-in., once the principle is mastered in current research on 21-in. tubes.

Increasingly important second set market is cited as additional factor. As one major set maker says: "As long as there is a second set market, there always will be at least a limited demand for 17-in. Some second set purchasers, who might have a 21-in. set, prefer to work down to a 17-in. for the den or children's room."

Brief highlights of other major trade developments this week:

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Appliance Giants: "The whole electrical appliance industry lives in the shadow of the danger that General Motors may choose tomorrow to double its appliance business." That statement, from ex-GE v.p. T.K. Quinn, who also was once pres. of big Maxon Inc. agency and now heads small appliance firm called Monitor Equipment Corp. in N.Y., before a Senate Judiciary subcommittee investigating monopoly, pointed up the massive struggle for major positions in white goods by some of nation's biggest industrial names. The subcommittee, headed by Sen. O'Mahoney (D-Wyo.), delved deeply into the multifarious activities of GM, which among other things is nation's largest producer of auto radios (Delco) and has strong position in refrigerators through its Frigidaire div. Quinn said GM "is entirely too big and threatens the very existence of countless good companies and eventually our own free American institutions." He said GE was first major company to market a full appliance line and listed Philco, Westinghouse, Admiral, Crosley-Bendix and RCA among companies which followed suit. He said that development of a full line was a necessity because those manufacturers which continue to produce only one or two items in a white goods line find it more difficult to get strong distribution in various markets. If GM decided to expand its appliance operations, he said, it could "silence almost any protest from its competitors by an adroit use of its purchasing power." Note: Cory Corp., Chicago, this week became nation's largest manufacturer of air conditioners through purchase of Mitchell Mfg. Co., onetime TV-radio producer. Cory pres. J.W. Alsdorf said that Mitchell would operate as wholly-owned subsidiary of Cory and its air conditioners would be competitive with Cory's. Eugene A. Tracy remains as Mitchell gen. mgr.

Color Merchandising: TV manufacturers centered in Chicago generally agreed this week that RCA-NBC's move to equip WNBQ as first all-color station would rev up color sales in their home bases considerably, elsewhere eventually.

Admiral v.p. W.C. Johnson called it "a major step in the right direction, one which will have an important stimulating effect on color in the midwest." Motorola exec. v.p. Robert W. Galvin said: "The action at WNBQ is a very, very big step in

the ultimate expansion of color sets in Chicago -- and this will have its effect in other areas as well. Increased programming has always been an essential factor in the growth of color." He declined to alter his prediction of 300,000-350,000 color sales next year, 1,000,000 in 1957 because, he said, that forecast was predicated on the anticipation that color programming would be expanded generally.

Raytheon v.p. Henry F. Argento predicted the "log jam" in color production "will be broken within a very short time," as the WNBQ action will have "a tremendous springboard effect on the mass production of color TV receivers." Hallicrafters pres. Raymond W. Durst said he "totally agrees" with Argento's forecast.

"Creative selling" -- finding customers for color sets -- is the key to successful merchandising of color at the retail level, and our conversations this week with 3 of nation's leading color dealers add more merchandising techniques to those reported last week (Vol. 11:45).

Sol Polk, whose Polk Bros., Chicago, is said to be biggest TV merchandiser in midwest, told us: "I have every confidence that I will be able to sell quickly the 500 RCA color sets I ordered last week. I have sold 500 to date and I am sure I can double that in a matter of months. We've made a circuit of country clubs and night clubs and have sold plenty that way. The Chez Paree has one, so does the Key Club, so do many leading country clubs around Chicago. We, meaning all the dealers, ought to sell 6000 color sets in Chicago next year with no strain." Demon salesman Polk then added: "Do you have a color set? Do you have any friends in Chicago who might be interested? I'll be glad to arrange a private demonstration for them."

Johnson Bros., Baltimore (Wm. & Elmer Johnson, partners) has sold about 125 color sets this year, keeps leather-bound book listing each color set owner in area, then makes personal calls on neighbors to urge them to "keep up with the Joneses." The brothers operate a live-wire service organization, enabling them to tell customers: "If this set does not measure up to everything we've said about it, we want you to send it back and we'll take care of it."

Mort Farr has sold about 40 color sets in Oct.-Nov., chiefly by heavy promotions in newspapers and on his own program on WCAU-TV. He says he's been kept busy playing host to "color parties" in store after closing hours on nights of network colorcasts and has been "beating the bushes" for Cadillac-trade customers.

Economic Roundup: Gross national product "will probably surpass" \$400 billion early in 1956, it was predicted this week by James Clawson, chairman of U.S. Savings & Loan League's Committee on Trends and Economic Policies. "While the trend of developments in the latter part of 1956 are somewhat less certain, it appears that the year as a whole will be favorable," he said in formal statement, adding that because 1956 is an election year, "there is no doubt that every effort will be made to maintain economic activity at high levels." Commerce and Labor Depts., in joint report, disclosed that employment in Oct. jumped to record high of 65,161,000, up by 428,000 from Sept. and 3,020,000 from Oct. 1954. Commerce Dept. reported consumer income in Sept. jumped to record annual rate of \$307.5 billion, more than \$2 billion over Aug. and \$15.25 billion over start of year.

Retail Sales: RETMA reports 9-month TV retail sales of 5,149,977, compared to 4,645,063 sold in first 9 months of 1954. Sept. sales of 978,838 were highest for any month this year, comparing with 586,577 in Aug. and 986,136 in Sept. 1954. The 9-month retail sales of radios, not including auto sets, totaled 3,942,676, compared to 4,032,704 in same 1954 period. However, auto radio production (considered equivalent to retail sales) totaled 4,980,457 in first 9 months this year vs. 2,843,750 auto sets in same period year ago. Sept. radio sales, excluding auto, were 753,068 vs. 456,625 in Aug. and 763,589 in Sept. 1954.

Production: TV output totaled 173,042 week ended Nov. 4, compared to 183,139 preceding week and 186,153 week ended Oct. 21. It was year's 44th week and brought production for year to date to about 6,675,000 vs. 6,000,000 in same period of 1954. Radio production totaled 382,527 units (178,064 auto) week ended Nov. 4, compared to 386,523 preceding week and 374,708 week before. For 44 weeks, radio output totaled 11,900,000 vs. 9,100,000 in corresponding period of 1954.

Topics & Trends of TV Trade: Two men pleaded guilty to conspiracy charges this week in alleged \$2,000,000 motel TV swindle, as Chicago Federal court began trial of 8 other persons, officials of a "TV manufacturer," a sign company and a "TV trade association" which once had headquarters in Washington (Vol. 8:24, 40 & 9:39, 41). Pleading guilty were pres. Nathan James Elliott of United States Sign Corp., (also known as J. Matt Thompson) and Edward C. MacReady, identified as inventor of coin-operated TV "Previewer." Conspiracy charges were dropped against Preview TV Corp., the sign company and American Institute of TV Manufacturers—all presumably defunct.

Trial involves those associated with Preview TV Corp., Chicago, which offered to motels and hotels coin-operated TV device which was supposed to give viewers 4-minute "free sample" of TV program before they inserted coin to see rest of show. Asst. U.S. attorney Edward J. Calihan Jr. said Previewer device cost motel-hotel operators \$250 each and signs to advertise them cost \$395 apiece. He said some Previewers were delivered but none of them worked and no investors got their money back. A number of telecasters were approached in 1952 as possible Previewer franchisers (Vol. 8:40).

Charges were dropped against John Ponsaing, Oakland, Cal.; Herman Rodnick, Los Angeles; Del W. Kettering, Monmouth, Ill.; Cyrus Simmons, Chicago (deceased). Among those on trial are Bruce Hantover, former pres. of Preview, and Wm. F. Robichaud, former pres. of American Institute of TV Manufacturers.

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Picture tube sales in first 9 months totaled 7,680,781, valued at \$147,072,146, compared to 6,476,566 worth \$134,922,387 in corresponding period of 1954, reports RETMA. Sept. sales were 1,202,430, valued at \$22,867,851, compared to 1,048,534 at \$19,812,567 in Aug. and 1,149,791 at \$23,892,469 in Sept. 1954. Receiving tube sales in first 9 months totaled 347,668,000, valued at \$257,544,000 vs. 266,050,000 at \$191,761,000 in first 9 months of 1954. Sept. sales were 47,588,000, worth \$34,596,000 vs. 45,238,000 at \$33,099,000 in Aug., 40,966,063 at \$28,953,592 in Sept. 1954.

Sylvania was acquitted this week in Chicago Federal Court on anti-trust charges of price fixing in fluorescent glass tubes. Four other companies pleaded guilty and were fined \$2000 each.

Zenith adds 3 new higher-end TVs to its line, reflecting increased demand for more expensive receivers (Vol. 11:45): 24-in. mahogany table, \$270; 24-in. open-face mahogany console, \$340; 21-in. full-door console, \$450.

Trans-Vue Corp., Chicago (David Krechman, pres.), back in TV production on "very limited" scale, plans to import transistor radios from Japan.

Raytheon increased prices on nine 21-in. consoles in "Aristocrat" line by \$10-\$20, new prices being \$220-\$340.

Admiral 17 & 21-in. sets have been installed in all 650 seaside villas of Ellinor Village, Daytona Beach, Fla.

Trade Personals: Harold R. Sheer named sales mgr. of Philco's new metropolitan div. (N. Y.-Newark-Trenton-Philadelphia), continuing as v.p. of Philco Distributors Inc., N. Y.; A. H. Chatten named sales mgr. of North Atlantic div., succeeded by Robert C. Digges as Atlantic div. sales mgr., Philadelphia; Joseph F. Anlauf named east central div. sales mgr., Detroit . . . B. M. Barrett, gen. sales mgr. of consumer products, RCA Victor Co. Ltd., Montreal, appointed director of appliances & marketing dept., RCA International; J. A. O'Hara, RCA southern rep for TV sales, promoted to RCA International sales mgr., military exchange services . . . Jack H. Zink, ex-appliance sales mgr. of Chicago factory branch, named sales mgr. of Admiral range div., replacing Wm. Mackle, now with Norge . . . James A. Steel promoted to mgr. of color tube pilot production engineering, GE tube dept.; Edmund F. Schilling promoted to mgr. of color tube product engineering . . . Leonard Hanat promoted to Raytheon TV-radio sales mgr. for Chicago area . . . Bernard H. Lippin, chairman of Symphonic Radio, assumes full control of Philharmonic Radio Corp., buying 50% interest held by Leslie A. Roberts, who resigned as pres. last week . . . George Ritter, from Indianapolis RCA plant, now mgr. of manufacturing for RCA of Brazil, headed by Perry Haddock; new post includes supervision of new tube plant at Belo Horizonte due for completion next year. Henry Boler, ex-mgr. of manufacturing at Sao Paulo RCA plant, is now staff asst. to H. B. Allen, Magnavox director of operations, was succeeded in Brazil job by Wm. G. Beaman, promoted . . . Charles W. Weingartner, ex-Feldkamp-Malloy Inc., Chicago, named Magnavox adv. production mgr. . . Michael Muckley, onetime Hallicrafters eastern sales mgr., resigns as sales mgr., Espey Mfg. Co. . . Thomas S. Knight Jr. promoted to sales mgr. of new Fla. sales district, GE tube dept., Tampa . . . Sol Goldin resigns as TV-appliance buyer, Strawbridge & Clothier dept. store, Philadelphia, to join Whirlpool-Seeger as product mgr. of stove div. . . Seymour D. Gurian promoted to sales mgr. of engineering products div., Radio Receptor Co. . . Lloyd W. Dunn promoted to Capitol Records sales & merchandising v.p. . . Comdr. James H. Leach (USN ret.), 2520 Holman Ave., Silver Spring, Md., has resigned as mgr. of Washington office, Brush Electronics . . . W. McCannachie promoted to production engineering supt., Canadian Westinghouse TV-radio div.; R. Fraser promoted to supt. of quality control, R. J. Robinson to service supervisor, D. W. Pettigrew to sales promotion supervisor . . . Howard Cushing resigns as sales director of Bell & Howell hi-fi div., his duties assumed temporarily by pres. R. G. Smith . . . Edward J. Felesina appointed public relations mgr. of IT&T's Federal Labs . . . Carl E. Treutle, gen. sales mgr. of Almasen Americano, RCA distributor in Venezuela, named South American regional sales mgr., RCA International, headquartering in Bogota, Colombia; Frank A. McCall, mgr. of record sales & marketing, RCA International, appointed Caribbean and Central American regional sales mgr., Miami.

DISTRIBUTOR NOTES: Crosley-Bendix establishes factory branch in Chicago, replacing big Harry Alter Co., which is retiring from TV-radio-appliance distribution . . . Philco Distributors Inc., Cleveland, appoints Stuart Falk gen. mgr., Frank Bonner gen. sales mgr. . . Philco Distributors Inc., N.Y., promotes Wallace W. Meyer to gen. sales mgr., succeeding Robert Kelly, now refrigerator sales mgr. of parent company . . . Admiral Distributors-Boston promotes John R. Hodgins to gen. mgr. . . Krich-New Jersey Inc., Newark (RCA) appoints Murray Balis, ex-Westinghouse Electric Supply Co., as sales mgr. of RCA-Whirlpool products, succeeding Leonard Fischer, now gen. sales mgr. . . Delaware Valley Distributors,

Philadelphia (Crosley-Bendix) extends territory to Ocean & Mercer Counties, N.J., previously served by Apollo Distributing Corp., now Zenith outlet for N.J. . . Marshall-Wells Co., Duluth (Arvin) reports resignation of exec. v.p. Lawrence M. Hatfield . . . RCA Distributing Corp., Kansas City, appoints Mrs. R. J. McAlexander as asst. to v.p. . . Modern Distributing Corp., Cincinnati (Crosley-Bendix) appoints Charles Groene asst. sales mgr., replacing James Taggart, resigned . . . Simon Distributing Co., Washington (Zenith) moves Nov. 25 to new headquarters at 3335 V St. NE . . . CBS-Columbia appoints Albert J. Mathias & Co., 305 S. 2nd Ave., Phoenix (Sidney Meyer, pres.).

Color Trends & Briefs: Another interesting contrast in impact of color came in form of NBC-TV's "Great Waltz" Nov. 5 and "Constant Husband" Nov. 6—somewhat reminiscent of football game and "Cyrano" differences (Vol. 11:43). "Great Waltz" was clearly meant for color, being a lavish period musical. *Variety's* George Rosen, for example, called it "another standout victory for RCA's brilliant and still-secret compatible hues . . ." And *N. Y. Herald Tribune's* Marie Torre wrote: "It was the kind of show that should have been seen in color, and it's a pity so many of us couldn't."

Most reviewers of "Constant Husband," on other hand, didn't even mention color. It was a "first"—the first time TV has premiered a major movie—and reviewers were preoccupied with guessing what impact showing would have on subsequent theatrical boxoffice. Critics were quite split in their views—*N. Y. Times's* Jack Gould said telecast was no fair test of possible boxoffice, while *Washington Star's* Bernie Harrison felt that it was. But *Variety's* Fred Hift stated flatly that it was a punk show and that Britain's Sir Alexander Korda made an "excellent deal" by getting NBC-TV to buy it and surround it with the hoopla of a "first." He didn't think telecast would do much to boost future boxoffice.

Our own reaction was that it was a run-of-the-mill movie, amusing but a cut below Britain's better shows; that color was quite incidental, being overshadowed by the story; that subscription-TV, if it ever comes, better not rely on average movie for its success.

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Color set with Chromatic Labs' Lawrence tube (Vol. 11:43-44) was observed in operation this week by *Retailing Daily's* Martin P. Rosenblum, who reported picture is improved over previous demonstrations but still inferior to quality of rendition on RCA 21-in. set. Set was seen at labs of Telechrome Inc., Amityville, L. I., N. Y. which is making samples for Chromatic, owned chiefly by Paramount Pictures. Latter is seeking to license manufacturers to make tube and sets, asserting they can be re-tailed for less than \$400. Rosenblum found skin tones excellent, overall impression pleasant, believes set might be promoted as price leader—if engineers overcome defects such as pincushioning, poor focus at edges, etc.

Closed-circuit color demonstration of well-known products was conducted this week by NBC's Tele-Sales dept. for meeting of Packaging Institute of America at Hotel Statler, N. Y.

Emergency appeal to the nation's TV-radio repairmen to help relieve critical shortage of selenium was issued Nov. 8 by Charles F. Honeywell, business & defense services administrator, Dept. of Commerce. Acting just a week after rectifier manufacturer Sarkes Tarzian pleaded for govt.-backed salvage program (Vol. 11:45), Honeywell said: "The selenium production lost [in last summer's work stoppages] cannot be made up and the current supply situation is so acute that it threatens to curtail operations of some consuming industries. In this situation the servicemen and their shops can render a valuable service by salvaging scrapped products containing selenium, such as discarded rectifiers. It is particularly important, in view of the severe shortage, that radio and TV servicemen collect all replaced and discarded rectifiers and return them to distributors or manufacturers, so that the selenium contained in these components may be reclaimed and reused." TV-radio industry uses about 1,000,000 lbs. of selenium a year, about half total U.S. supply.

Roy A. Long, Stanford Research Institute, elected western v.p. of Audio Engineering Society.

Network Color Schedules (Nov. 14-26, 1955)

- Nov. 14—NBC: *Howdy Doody*, 5:30-6 p.m.; *Producers' Showcase*, "Dateline 2" featuring guest appearance by Vice President Nixon. Story on freedom of press by Robert E. Sherwood, John Steinbeck, Irving Berlin, starring Milton Berle, Greer Garson, Wm. Holden, Martha Raye, John Wayne, 8-9:30 p.m.
- Nov. 15—NBC: *Home segments*, 11 a.m.-noon; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Nov. 16—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Godfrey and His Friends*, 8-9 p.m.
- Nov. 17—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 18—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 19—CBS: *Gene Autry Show*, 7-7:30 p.m.; *Ford Star Jubilee*, "The Caine Mutiny Court Martial," starring Lloyd Nolan, Barry Sullivan, Frank Lovejoy, 9:30-11 p.m.
- Nov. 20—NBC: *Hallmark Hall of Fame*, "The Devil's Disciple," with Maurice Evans, Ralph Bellamy, Dennis King, 4-5:30 p.m.
- Nov. 21—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 22—NBC: *Home segments*, 11 a.m.-noon; *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Nov. 23—NBC: *Today segments*, 7-10 a.m.; *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 24—NBC: *Howdy Doody*, 5:30-6 p.m. CBS: *Climax*, 8:30-9:30 p.m.
- Nov. 25—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 26—NBC: NCAA football, Army vs. Navy, 1:15-4 p.m.; *Max Liebman Presents*, "Dearest Enemy," with Cornelia Otis Skinner, Cyril Ritchard, Anne Jeffreys, Robert Sterling, 9-10:30 p.m. CBS: *Gene Autry Show*, 7-7:30 p.m.

Guesstimating probable color set sales, one of industry's most popular and vital games, was undertaken by RETMA picture tube section at recent meeting in N. Y. Average of the estimates for next 3 years, made by secret ballot of 17 members under chairman D. W. Gunn, Sylvania, were as follows: 1956—color 211,000, black-&-white 7,223,000; 1957—color 723,000, black-&-white 6,944,000; 1958—color 1,953,000, black-&-white 6,311,000. Most recent projection of color set sales was that of RCA Chairman Sarnoff, who estimated last week that 1956 sales by the whole industry would run "more than a couple hundred thousand" (Vol. 11:45).

Paramount Pictures v.p. Paul Raibourn, MIT engineer as well as Harvard business graduate, has been issued Patent No. 2,723,305 covering system for projecting color TV which he has assigned to Paramount-controlled Chromatic TV Labs.

Color TV demonstration drew 93,000 paid spectators to Stromberg-Carlson exhibit at Rochester's "Industry on Parade" exposition last week.

Radio is in a "mess" due to 3 major causes, NARTB radio board chairman Henry Clay, exec. v.p.-gen. mgr., KWKH, Shreveport, La., told NARTB regional conference in Des Moines this week: (1) FCC has granted far too many licenses, increasing number of stations almost 3-fold from 933 in 1945, cutting average annual time sales from \$323,000 to \$181,000; (2) TV has caused "distorted thinking" among radio men, making them forget about old medium or lose confidence in it; (3) Advertising agencies turned to TV, and radio men forgot to remind them of remission. Clay stated crisis could be overcome by abandoning "TV psychosis" and promoting radio.

Best TV commercials are brief, humorous, sincere and animated, according to ABC-TV survey of Los Angeles homes. Earl J. Hudson, ABC western div. v.p., told Hollywood Ad Club that the survey "helps explode the theory that the average TV viewer is a 12-year-old nincompoop." Brevity is most important feature of a commercial, he said, adding that survey points up viewer preference for "less flamboyance in claims and statements and for direct information about specific products, simply stated without exaggeration."

Financial & Trade Notes: Hazeltine Corp., whose American Stock Exchange price has ranged from 59½ to 36½ this year (currently is 41), is seen as a good growth stock in report this week by Auchincloss, Parker & Redpath, which reports that its decline was "primarily due to the development of a competing radar system to the one on which Hazeltine owned the basic patents" but that the company "is confident that a third system which it has developed and for which it has been given a development contract by the Navy has unusual merit."

Report discloses Hazeltine has added about 20% plant capacity in preparation for 1956, also that it has been working with American Optical Co. on a color TV projection system "which will feature 3 small inexpensive tubes instead of one large expensive tube" (Vol. 10:31, 47, 49). In bullish report, big brokerage firm states:

"Hazeltine occupies a unique position in the radio, TV and electronic equipment industries in that it owns a host of basic patents and, as licensor, collects royalties from virtually every manufacturer of such equipment. Its income from royalties and license fees amounts to about \$3.50 a share before taxes. While it also carries on extensive manufacturing operations of its own, it maintains the basic position of not competing with its licensees . . .

"Earnings of the corporation reached a high of practically \$4 per share last year. Because at the end of 1954 the company had largely completed several big production contracts and had to do development work and retooling for new contracts, earnings dropped off in the first half of 1955, amounting to \$1.10 per share compared with \$2.75 for the comparable period of 1954. Comparison of the second half of the year with the like period of 1954 should present a much improved picture since the production stage on some of the new contracts will have been reached during those months. By the end of the year, or early in 1956, it is confidently expected that the company will be proceeding at a substantially higher rate than it was in the record year of 1954."

In last 1954 quarter, regular quarterly dividend payment was raised from 25¢ to 35¢ and an extra of 90¢ paid. This year's quarterly payments have been at the 35¢ rate. Hazeltine has 700,000 shares of stock outstanding, with no senior securities ahead of the common.

* * * *

Admiral earned \$3,385,676 (\$1.43 a share) on sales of \$146,791,839 in first 9 months, down from \$4,382,175 (\$1.86) on \$156,467,275 in corresponding 1954 period. Third-quarter earnings were \$1,439,484 (61¢) on sales of \$52,772,916, compared to \$1,823,325 (77¢) on \$51,265,777 in third quarter year ago. Exec. v.p. John B. Huarisa commented: "Our civilian business has continued to increase, with sales of all products considerably ahead of last year. The sharp drop in production for our armed forces that began a year ago has run its course, and non-military business has more than offset it. Our investment in automatic assembly equipment during the past 2 years is beginning to pay off and we anticipate a good 4th quarter despite the keenest competition imaginable."

Despite heavy losses in its manufacturing operations, CBS Inc. net profits for first 9 months of 1955 rose 19.5% to \$8,718,713 from \$7,299,130 for same 1954 period. Sales went up 15%—to \$302,589,748 from \$263,746,543. Per-share earnings were \$1.19 compared to \$1.04 after adjusting to reflect 3-for-1 stock split last April. Besides 20¢ cash dividend, directors Nov. 9 declared 2% stock dividend as of Nov. 25, stating belief that "a substantial portion of the company's earnings should be reinvested in its business to help finance continuing rapid growth."

Beckman Instruments Inc., Fullerton, Cal., was admitted Nov. 7 to trading on N. Y. Stock Exchange.

Fraudulent sale of TV film securities was charged by New York State Attorney General Javits in obtaining temporary injunction this week to stop 37-year-old West Hooker, of Larchmont, N. Y., from offering for sale at \$100 a share securities in 2 TV film companies he heads. He was charged with failing to register as securities dealer and engaging in "fraudulent, deceptive and misleading statements" in prospectus offering stock in Film Network Inc. and Master Television Corp., both of 853 Seventh Ave., N. Y. Asst. Attorney General Clurman said Hooker had proposed multi-million dollar TV film network. Documents in court affidavit also accused Hooker of anti-Semitic activities. Hooker is quoted as saying he already raised \$50,000 to organize network of "Christian TV stations."

First woman director on CBS board, elected this week, is Mrs. Millicent C. McIntosh, president of Barnard College, a trustee of Bryn Mawr, a director of Home Life Insurance Co., holder of honorary degrees from Johns Hopkins, Smith, New York U, Goucher, Bates, N. J. College for Women, Case Institute. She's the wife of Dr. Rustin McIntosh, professor of Columbia U Medical College and director of pediatrics, Babies Hospital. CBS chairman Wm. S. Paley is a trustee of Columbia U.

The movies doing all right: Paramount Pictures net income for 9 months ended Oct. 1 rose to \$7,680,000 (\$3.51 per share) from \$5,558,000 (\$2.52) for same 1954 period—latter having included non-recurring net capital gain of \$832,000 (38¢). Third quarter profit was \$2,515,000 (\$1.15) vs. \$2,428,000 (\$1.10).

Indiana Steel Products Co. reports net income for 9 months ended Sept. 30 was \$533,941, or \$1.95 per share based on 284,298 shares resulting from 2-for-1 split last March. Third quarter net was \$200,416 (70¢). Comparisons are unavailable.

Texas Instruments Inc. earned \$1,099,748 (34¢ per share) in 9 months ended Sept. 30 vs. \$811,842 (27¢) in same period in 1954. Net income for third quarter was \$403,738 (12½¢) vs. \$220,246 (7¢). Pres. J. E. Jonsson reported backlog of \$16,500,000 in military orders vs. \$2,060,000 at end of last year.

Charles Amory's Minot TV Inc., 509 Madison Ave., N. Y., is reported preparing SEC prospectus for new stock issue to finance \$4,000,000 acquisition of some 2000 short subjects from Paramount Pictures, including Popeye, Grantland Rice, Robert Benchley and other series.

Financial World, national weekly, has adjudged the American Broadcasting-Paramount Theatres Inc. annual report for third time as best in motion picture industry and presented pres. Leonard Goldenson with its "Oscar of Industry" Oct. 24.

Guild Films earned \$283,101 on gross billings of \$5,056,986 for 9 months ended Aug. 31, representing records for both sales and profit, reports pres. Reub Kaufman. Assets are listed at \$3,685,485, liabilities \$1,938,806.

SEC's TV-radio stock index (Vol.11:45) for week ended Nov. 4 was up 3% over closing price of previous week—559 vs. 542.9, based on 1939 figure of 100.

* * * *

Dividends: Storer Broadcasting Co., 37½¢ on common and 5¢ on unlisted "B" common, payable Dec. 14 to stockholders of record Dec. 1; American Broadcasting-Paramount, regular 25¢ & extra 20¢ Dec. 20 to holders Nov. 25; CBS Inc., 20¢ Dec. 9 to holders Nov. 25 and 2% stock dividend Dec. 30 to holders Nov. 25; General Instrument Corp., 12½¢ Jan. 16 to holders Dec. 15; Cornell-Dubilier, 30¢ regular and 30¢ extra, Dec. 30 to holders Dec. 15.

Network Television Billings

September 1955 and January-September 1955
(For August report see *Television Digest*, Vol. 11:41)

NEW HIGH for year and second highest month in its existence was achieved by ABC-TV in Sept., according to Publishers Information Bureau tabulations, which showed \$4,123,780 billings for that network as against \$2,660,601 in same 1954 month. In Nov. 1954, thanks to political time sales, ABC-TV reached record high of \$4,134,103 (*TV Factbook No. 21*, p. 32).

Sept. saw formal demise of DuMont Network, so that its billings figure was down to a mere \$11,538 as against \$802,721 in Sept. 1954. NBC-TV jumped to \$13,734,194 from \$11,767,789 in Aug.; CBS-TV to \$15,188,805 from \$14,959,098 in Aug. Both were heavily ahead of Sept. 1954. Combined networks were \$33,058,317 for the month vs. \$26,198,116 in Sept. 1954, bringing their 9-month aggregate to \$290,575,813 from \$222,824,813 for same 1954 period.

PIB no longer gives radio network figures, now discontinued (Vol. 11:41). The Sept. PIB report:

NETWORK TELEVISION

	September 1955	September 1954	Jan.-Sept. 1955	Jan.-Sept. 1954
CBS	\$15,188,805	\$12,936,020	\$138,474,755	\$102,989,891
NBC	13,734,194	9,798,774	116,279,486	88,299,817
ABC	4,123,780	2,660,601	32,718,864	22,693,361
DuMont	*11,538	802,721	*3,102,708	8,841,744
Total	\$33,058,317	\$26,198,116	\$290,575,813	\$222,824,813

NETWORK TELEVISION—January-September 1955

	ABC	CBS	DuMont	NEC	Total
Jan.	\$ 3,718,195	\$15,831,141	\$ 723,960	\$13,172,695	\$ 33,445,991
Feb.	3,567,696	14,694,726	597,275	12,419,641	31,279,338
Mar.	3,806,425	16,036,896	628,625	14,102,093	34,574,039
Apr.	3,527,558	15,426,214	462,335	13,285,933	32,702,040
May	3,606,427	15,978,680	273,640	13,591,687	33,450,434
June	3,542,304	15,724,184	218,845	12,238,694	31,724,027
July	3,263,803	14,635,011	131,105	11,966,760	29,996,679
Aug.	3,562,676	14,959,098	55,385	11,767,789	30,344,948
Sept.	4,123,780	15,188,805	*11,538	13,734,194	33,058,317
Tot.	\$32,718,864	\$138,474,755	\$3,102,708	\$116,279,486	\$290,575,813

* Effective Sept. 15, DuMont changed from a national network to a local operation.

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

Decision on illegal boosters by FCC examiner J. D. Bond—who recommended FCC approve unlicensed operations (Vol. 11:43)—came under withering official fire this week as Commission general counsel's office filed brief asking for cease-&-desist orders against Washington state operators in Bridgeport, Nespelem & Quincy. Brief said that heart of issue was flagrant challenge to Commission's authority over construction and operation of such boosters under Sec. 301 of Communications Act; that boosters must come under Sec. 301 because record proves they have caused interference to authorized signals; that examiner arrogated to himself FCC's policy-making powers. There's little doubt FCC will decide to reverse examiner, issue cease-&-desist orders, but it may face ticklish task of getting them off air—for booster operators have shown little regard for Commission's opinions so far, continuing to build new boosters throughout litigation. They seem to feel that state of Washington and Washington, D. C. are a long way apart. National Community TV Assn. counsel E. Stratford Smith also filed brief, stating in part that the Communications Act has "an absolute prohibition against unauthorized radio transmission and reflects no Congressional intent to allow the Commission discretion as to whether or not to permit such transmission to go unlicensed . . ."

TWO NEW STATIONS can be added to U. S. roster, one to Canadian, first starters in about a month—bringing U. S. total to 456, Canadian to 30. They're KTVO, Kirksville, Mo. (Ch. 3); KTHV, Little Rock, Ark. (Ch. 11); CJLH-TV, Lethbridge, Alta. (Ch. 7). Details:

KTVO, Kirksville, Mo. starts with CBS shows Nov. 13 following week of test patterns, reports mgr. Berg Allison, ex-KBIZ, Ottumwa, Ia., which is also the TV business address. It has 25-kw RCA transmitter, 1101-ft. Stainless tower near Lancaster, Mo., about halfway between towns. Nearest other stations are in Quincy, Ill., 65 mi.; Hannibal, Mo., 73 mi.; Columbia, Mo., 87 mi.

James J. Conroy, attorney of Superior, Wis., who also controls KBIZ & radio WBIZ, Eau Claire, Wis., owns 2/3 and is gen. mgr.; Charles Fellers, ex-KBIZ, sales mgr.; James Bolen, ex-WSIL-TV, Harrisburg, Ill., program mgr.; Olaf Gabrielson, ex-KFGO, Fargo, N. D., chief engineer. Base hour is \$300. Rep is Bolling.

KTHV, Little Rock, Ark., begins test patterns Nov. 14, plans Nov. 20 start with CBS & ABC shows not cleared by KATV, Pine Bluff-Little Rock (Ch. 7), becomes CBS primary next April 1. It has 50-kw RCA transmitter on Shinall Mt., is using 150-ft. auxiliary tower pending current installation of 12-bay RCA antenna on 1175-ft. Ideco tower to be shared with KARK-TV, Little Rock (Ch. 4).

KTHV is 42% owned by radio KTHS, a subsidiary of *Shreveport Times* (KWKH); 32% by *Little Rock Arkansas Democrat*, whose pres. A. K. Engel holds another 10% personally; remainder by National Equity Life Insurance Co. KWKH mgr. Henry B. Clay, who also owns 11% of KTRE-TV, Lufkin, Tex. (Ch. 9), is exec. v.p.; B. G. Robertson, from KTHS, gen. mgr.; Ernie Burns, ex-KARK-TV, production mgr. Also from KTHS are Cecil Bland, program mgr.; W. V. Hutt, commercial mgr.; Cecil Suitt, chief engineer. Base hour is \$200. Rep is Branham.

CJLH-TV, Lethbridge, Alta. begins programming Nov. 13 after formal opening Nov. 12. It's 50 mi. from Montana border, has first Standard Electronics transmitter to be used by a Canadian station—10-kw with Alford antenna on 600-ft. Stainless tower. Co-owners are local radio CJOC and Hugh Buchanan's *Lethbridge Herald*. Norman Botterill, mgr. of CJOC, is managing director; Robt. Ransom, from CJOC, production mgr.; Douglas Keough, ex-CBUT, Vancouver, sales mgr.; B. A. Reagh, ex-CJOC, technical director. Base hour is \$160. Reps are Weed and All-Canada.

Victory in celebrated "capital gains" case of the old CBS-NBC radio talent raid days was won this week by Jack Benny in U. S. Tax Court ruling. The 7-year-old case was the cause celebre in which comedian formed a corporation (Amusement Enterprises Inc.) involving his services, sold it to CBS and paid long-term capital gains tax on transaction (25%) instead of personal income tax (about 75%). Internal Revenue Service ruled arrangement did not qualify as capital gain transaction, but it was overruled by Tax Court. Saving to Benny totals about \$1,000,000. Internal Revenue hasn't indicated whether it will appeal.

One new TV application was filed with FCC this week, bringing total pending to 161 (19 uhf). The application was for Ensign, Kan., Ch. 6, by over 400 stockholders. [For details, see *TV Addenda 21-R* herewith.]

David Garroway Co. Inc. has been incorporated in N. Y. to engage in TV, radio & theatrical activities, with an authorized capital of 20 no par shares.

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SUMMARY - INDEX OF THE WEEK'S NEWS—November 19, 1955

PUBLIC PAYING \$3.28 BILLION for TVs, parts, servicing, etc. this year; cost of extra power and TV advertising brings total outlays to \$4.81 billion (p. 1).

TRANS-ATLANTIC TV can be started now using "scatter" techniques, say Dr. DuMont and others, but engineering opinion on subject is sharply divided (pp. 1 & 9).

ALLOCATIONS SCENE shifts to uhf stations' fight to block vhf grants, FCC's efforts to add more vhf assignments, with Congress and courts watching (p. 3).

FCC BROADCAST BUREAU says CBS not best St. Louis Ch. 11 applicant; NBC & Westinghouse urge approval of Philadelphia-Cleveland station swap (p. 4).

MAJOR MOVIE PRODUCERS moving deeper into TV, with Warner Bros., 20th Century-Fox, Paramount, RKO adding to TV film production; other news of films (p. 7).

BIG SECOND-SET MARKET revealed in ARB survey showing only 4.6% of 33,000,000 TV homes have second set; 49.3% of receivers under 21-in. (p. 10).

CONTROL OF OLYMPIC RADIO sold to group of industrialists and bankers; company plans electronics expansion through purchase of going concerns (p. 11).

MERGER OF HALLICRAFTERS into big Penn-Texas holding company under discussion, as Chicago TV-radio maker shows profit after loss year (p. 15).

MILTON EISENHOWER and Walter Annenberg sign unusual pact for Penn State U's use of daily fixed-time on WFBG-TV, Altoona (Ch. 10) for 5 years (p. 7).

GRAND FORKS (N. D.) STARTER is 457th on air in U. S. as Canada's 31st gets under way. News notes on shipments and upcoming stations (p. 8).

TV's STATURE IN THE NATIONAL ECONOMY: The American public's outlay for TV receiving sets and their upkeep this year will amount to about \$3.28 billion, according to the industry's own Mr. Statistics -- Frank W. Mansfield, Sylvania sales research director and chairman of the RETMA statistical dept. Here's how he figures it:

Some 7,900,000 TVs will have been sold this year for \$1.95 billion at retail. In addition, consumers will have spent some \$780,000,000 on replacement tubes, parts, antennas, etc. Another \$550,000,000 will be paid for installation and servicing.

Grand total is about same as last year's, when 7,300,000 TV sets were sold, but estimated bill then for replacement tubes, parts, etc. was \$823,000,000, for servicing & installation \$576,000,000. In 1953, the total was \$3.1 billion; 1952, \$2.6 billion; 1951, \$2.2 billion; 1950, \$2.1 billion. Before 1950, TV was small fry.

We get a truly fabulous figure for TV's place in the national economy if we add to the 1955 figure of \$3.28 billion the \$481,000,000 estimated extra cost for electricity to power the nation's TV sets (Vol. 11:35), and also the guesstimated \$1.05 billion that advertisers will spend this year for time, talent and concomitant costs on the American networks and stations (Vol. 11:39).

The grand total of "newly created product" represented by TV would thus come to slightly more than \$4.81 billion -- or better than 1.2% of the gross national product which Dept. of Commerce estimates will amount to \$390 billion this year.

That's for TV alone. Radio figures haven't been worked up yet, though it's known that fully 6,300,000 home and 6,200,000 auto radios will have been sold this year for probable retail total of nearly \$500,000,000. Parts and servicing should come high, too, for there are some 91,000,000 home, 31,000,000 auto sets in use.

Note: TV sets-in-use at end of 1955, according to Mansfield: 37,400,000, as compared to 31,830,000 at end of 1954.

TRANS-OCEAN 'SCATTER' TV—HOW SOON? "Global TV" sprang into the headlines this week as the newspapers discovered the newly harnessed phenomenon of ultra-reliable over-the-horizon radio communication using vhf & uhf "forward scatter" principles.

Many industry and govt. engineers received their first technical education in "scatter" this week, too, in Washington under IRE auspices, at first seminar ever

held on scatter principles. First published account of experimental uses of scatter techniques for reliable radio communication appeared in Television Digest in April 1952 (Vol. 8:17), followed last Aug. by our report -- also exclusive -- that the military is now making extensive practical use of scatter, which we termed "the hottest thing in radio communications" (Vol. 11:32).

Our non-technical article was printed right after Pentagon lifted security veils from some significant data and uses of scatter. Since then, the subject has been treated in hundreds of pages in the technical press.

But it was Dr. DuMont's bullish speech at the IRE symposium -- on the practicability of global TV by means of scatter transmission -- which really caught the ear of the press and public. Said the TV pioneer:

"There have been a lot of statements and remarks in recent years about the possibility of a global TV system. 'Forward scatter' very definitely gives the industry the tool by which it can be accomplished...A complete global system may well be decades in the future, but certainly a start can be made now. I believe that it would be well worth the attention of Congress to study the feasibility of immediately establishing a live trans-Atlantic TV hookup using scatter transmission techniques. It is possible in a very short time to have a link across the ocean. In my opinion we ought to get going right away."

* * * *

While scatter has many implications for TV -- mostly favorable, but with perhaps some threat, too, in competition for spectrum space (see p. 9) -- the "global TV" idea stands out as by far the most dramatic. We checked with experts on scatter and on long-distance TV networking, and found no unanimity as to how soon a trans-Atlantic link could be built. Estimates run from 2 years to 10 or 20.

There is agreement on one point: Such a hookup could not be built for TV use exclusively -- it would be far too expensive. It must be constructed primarily for other communications purposes -- such as telephone & telegraph, military data-handling and radar -- with the circuits leased to TV for occasional special-event use. The time barrier alone (it's midnight in London & Paris when it's 7 p.m. in New York & 4 p.m. in Los Angeles) would seem to preclude regular live east-west use of relay.

Most vigorous proponent of transocean-TV-now is Wm. Halstead. His Unitel Inc. last year was instrumental in getting Congress to pass bill establishing top-level committee to study international communications (Vol. 10:30-31, 34) -- which never got going because no money was appropriated. Halstead's plan -- called "Narcom" -- calls for 14-hop uhf tropospheric scatter relay system from Canada to Scotland or Norway, hooking into Eurovision network, with relay points in Labrador, Baffin Is., Greenland, Iceland & Faeroe Islands, longest hop being 290 mi., Iceland to Faeroes.

Halstead estimates system would cost \$50,000,000, could be started now and completed in 2 years. His plan is to raise private capital to construct the link if Govt. won't undertake project. RCA engineers, who have worked with Halstead, reflect his optimism that necessary equipment -- including 200-kw transmitters for the long hops -- could be built now. Halstead points out that all relays could be located at present military bases, airstrips & settlements; none need be at out-of-way spots.

Some scatter experts take sharp issue with Halstead's thesis. They point out that too little is known about scatter at bands wide enough to accommodate TV signal. While bands sufficient for TV have been transmitted by scatter, neither equipment nor know-how has been developed to the point where a TV signal may reliably be sent 290 mi., they say. They point to AT&T's current uhf scatter experiments -- sending TV signal from Florida to Cuba (less than 150 mi.) -- which reportedly have encountered many difficulties. They add that Atlantic telephone-telegraph facilities are adequate -- so who's going to pay for such a system, even if it can be built today?

An early scatter TV network to Europe hinges on 2 conditions: (1) Whether we really have the know-how to build such a system now, and (2) whether the military -- which certainly would be the prime user of such facilities for some time to come -- has any need for such a broadband data-transmission system. We could get no verification of rumors that Pentagon intends to build top-of-the-world communication network which would be adaptable for occasional TV use. [For further details, see p. 9.]

THE ALLOCATIONS PICTURE—WHAT NEXT? Aftermath of last week's deintermixture and allocations decisions (Vol. 11:46) is the emergence of 2 major questions:

(1) Will FCC now make final vhf decisions in ticklish vhf-uhf areas and will it be able to make CPs stick while grantees build and go on air?

(2) How will allocations be altered after FCC gets through with its rule-making proceeding which is now underway?

You can take your choice of a wide variety of violent answers to both questions. Intention of FCC majority is definitely to render final decisions as fast as it can and get the new stations on air -- but there are a good many highly resourceful attorneys for uhf operators in the critical areas who will use every strategem in the books to prevent or delay new vhf competition.

There certainly will be court appeals. As a starter, several uhf operators filed petitions with FCC asking that the vhf decisions be held in abeyance and that they be permitted to intervene in the vhf cases. Commission is expected to reject these pleas, and uhf operators are planning to go to courts as soon as vhf grants are issued. One party is expected to appeal immediately -- off-air WTRI, Albany (Ch. 35), which lost fight to keep Ch. 10 from being dropped into Albany area.

Counter-attacking the uhf petitions, many vhf applicants awaiting final decisions have urged the Commission to pay no heed to appeals for delay, not to create another freeze. Such petitions were filed by applicants in Norfolk, Evansville, San Antonio, Raleigh and Corpus Christi.

Outlook is far from clear in any event. One attorney for uhf stations says: "This is only about the 4th inning." Another vows: "None of these new vhf stations will be on the air for a year." Many winners of vhf initial decisions aren't a bit fazed, however, are confident CPs are at hand and that they'll build.

Congress is another imponderable, in addition to courts. Senators are under tremendous pressure, particularly from uhf constituents. Sen. Pastore (D-R. I.), chairman of communications subcommittee of Interstate Commerce Committee, wrote FCC for explanation of its decision last week. He received answer, hasn't disclosed it.

* * * *

On technical side, there seems little doubt that FCC will end up squeezing more stations into present 12 vhf channels -- regardless whether it takes measures to preserve uhf or manages to corral more vhf channels from Govt.

There is growing opinion among engineers, for example, that vertical polarization -- many times considered, then rejected -- is now ready for use. Most plans proffered to date recommend it. Allocations expert A. Earl Cullum is preparing material for submission by Storer Bcstg. Co. to show advantages of "cross-polarization" -- use of both horizontal and vertical.

Cullum's figures show, for example, that co-channel spacing can be reduced from 170 to 142 mi. in Zone I and produce 2 stations with total of 26,600-sq. mi. of Grade B coverage, compared with present single station's 15,500-sq. mi. Cullum also argues that simple directionals are feasible, highly useful. In addition, he feels that 4 more vhf channels would probably take care of all the stations the country can support in the foreseeable future. He likens the job facing FCC and industry to that facing manufacturers before they squeezed compatible color into 6-mc channel.

FCC's hunt for more vhf channels took all 7 members to office of ODM director Arthur Flemming this week. Meeting was first of its kind, ended up with Flemming indicating eagerness to explore problem and agreeing to establishment of an ad hoc committee including his asst. director Maj. Gen. Jerry Matejka, FCC Chairman McConaughy, representatives of Defense Dept. & Commerce Dept. -- with others possibly to be added from time to time. Commission requested no specific number of channels, and Flemming gave no assurance as to what might be transferred to TV.

FCC hopes to have a good idea, by the time it makes decision on allocations, whether it will get more channels or whether they're a will-o'-the-wisp.

RETMA still shows leaning toward preservation of uhf, deciding in Chicago this week to participate in allocations rule-making and adopting resolution stating: "In view of the fact that excellent TV service has been provided to most of the

people of the U.S. under the channel allocation plan existing under the Commission's 6th Report & Order, the Commission should not make definitive amendments to that allocation plan without the benefit of a compilation of the best technical information available in industry on problems involved in vhf-uhf channel allocations."

No one has asked for postponement of Dec. 15 deadline for filing comments in rule-making but some one is bound to -- and FCC will undoubtedly grant short delay.

* * * *

Commission went to work on another horn of its dilemma this week by conferring with top network officials on network study it's conducting under mandate of Senate -- originally sparked by Sen. Bricker (R-O.). Purpose of meeting was to get networks' cooperation in supplying voluminous data on their accounting, breakdown of subsidiaries' finances, talent contracts, affiliation practices, etc.

Reports from the meeting are that Commission showed it's far from certain what it wants to do. Commissioners said "progress was made." Industry sources used such words as "fiasco." FCC's network study staff, under Roscoe Barrow, is still looking for more personnel. Chances are whole matter will just mosey along -- unless some one in Congress gets hot about it again. Senate Commerce Committee still plans to start its overall hearing Jan. 17.

Importance of network affiliation was stressed by Comr. John C. Doerfer in address at NARTB meeting in Dallas this week. He said that "programming is essentially the root of the problem" and noted that "the local uhf broadcaster, even with a 100% conversion or a high percentage of conversion, lives in mortal fear of a network competitor. The probability that he will lose all or some of his network programs to the vhf operator is a fear well founded..."

"Apparently a good deal of the present difficulty of the uhf operator has been a failure to obtain a network contract. But that is a business judgment which cannot be rightfully laid at the doorstep of the Commission. It does not have the power to program or to compel any network to enter into an affiliation contract with any station operator." Doerfer shied from govt. intervention, stating:

"To regulate network programming is tantamount to regulation of independent station programming -- from there to terms and from terms to rate cards. It is unrealistic to assume that a governmental agency can tip the scales of economics without changing the level of all business heaped upon one plate of that scale."

ST. LOUIS' Ch. 11 should not go to CBS, in opinion of FCC's Broadcast Bureau, which filed exceptions to examiner Thomas Donahue's initial decision favoring CBS. Bureau doesn't say which CBS competitor should get the grant, but it attacked CBS from several angles—paucity of religious, agricultural & educational programs on its other stations, absence of local ownership, etc.

NBC & Westinghouse, pushing for FCC approval of their proposed swap of Philadelphia & Cleveland stations (Vol. 11:21), informed Commission that Westinghouse wasn't coerced into deal and that there's no possibility of "monopoly" involved. Letter from RCA-NBC chairman David Sarnoff and Westinghouse Bestg. Co. chairman E. V. Huggins stated:

"The Companies entered into the agreement satisfied that the exchange is a fair one, that its consummation will serve the best interest of both companies and that it is consistent with the public interest." They pointed out that 16 TV stations can be received in area served by N. Y. & Philadelphia stations, cited ARB survey showing that people in area between watch either N. Y. or Philadelphia—but not both, and they noted that only 5 out of nation's 3700 TV-AM-FM stations are involved.

Among other activities at FCC this week: (1) Effectiveness of new rule to extend Zone I vhf ceiling to 1250-ft. was postponed again, to Jan. 9, while Uhf Industry Committee filed petition asking that rule be vacated because of pendency of allocations rule-making. (2) Uhf

CP for WIL-TV, St. Louis (Ch. 42) was turned in, cancelled. (3) WDSM-TV, Superior, Wis. (Ch. 6) petitioned for change for Sec. 3.613 of rules so that stations could establish main studios in cities which are hyphenated in allocation table.

All-out preparation for allocation proceeding is being made by consulting engineer John Mullaney, who with law firm of Welch, Mott & Morgan has proposed increasing number of vhf stations by cutting co-channel mileages, power reductions, directional antennas, cross-polarization, etc. (Vol. 11:32). Mullaney has established antenna farm at Bumpass, Va., will experiment on amateur bands with corner reflector antennas, using horizontal & vertical polarization; A. W. Kramer, ex-Raytheon, heads up project. Mullaney says he's prepared to establish 200-watt non-directional and 1-kw directional Ch. 12 experimental station in Washington to demonstrate interference conditions to FCC. He'd use WOL-FM tower and equipment which has been offered by 2 manufacturers. Site is 97-mi. from nearest co-channel station, WPFH, Wilmington, 30-odd miles from adjacent-channel WAAM & WBAL-TV, Baltimore. Mullaney plans to submit 300-p. document, including channel-by-channel allocation for whole U.S., during FCC allocations proceeding.

Inadvertently omitted last week from our list of vhf applicants who await FCC final decisions is Corpus Christi's KRIS, whose application for Ch. 6 is unopposed.

Personal Notes: David Kaigler Jr., ex production mgr. of WCAU-TV & WFIL-TV, named gen. mgr. of WPFH, Wilmington, Del., taking over duties assumed by owner Paul F. Harron when he bought station early this year (Vol. 11:4, 13); Kaigler, graduate of Naval Academy, was formerly with Adrian Bauer Adv., Philadelphia . . . Stanton M. Osgood resigns as NBC-TV film production mgr. to become production director of Nathan Halpern's Theatre Network TV . . . George Rice named program director, WABC-TV, N. Y., replacing Ardien Rodner Jr., resigned; Tak Kako promoted to succeed Rice as film director . . . John F. Patt, pres. of WJR, Detroit and upcoming WJRT, Flint, Mich. (Ch. 12), is back at his desk part time after recuperating from heart attack during last May's NARTB convention in Washington . . . Charles L. Glett, onetime CBS v.p., now exec. v.p. of RKO, elected to board of directors of Assn. of Motion Pictures Producers; Wm. H. Anderson, Walt Disney Productions, also elected . . . Irving A. Fein named CBS Radio v.p. in charge of adv., sales promotion & press information; I. S. Becker named v.p. for business affairs, Richard W. Jolliffe administrative mgr. of sales services . . . Henry Howard, CBS Radio business affairs director, named director of TV music operations . . . Arch Smith named mgr. of DuMont technical operations, replacing Harry C. Milholland, who resigned along with his asst. Eric Herud; Ed Lieberthal resigns as mgr. of broadcast operations . . . Harry E. Travis, succeeded by O. W. Myers as gen. mgr. of WNEM-TV, Bay City-Saginaw, joins staff of Sen. Potter (R-Mich.) as news secretary . . . Wm. E. Lucas, ex-program director of Sioux City's KTIV, named program director of upcoming WSAV-TV, Savannah (Ch. 3); Elmer Alley, ex-WSM-TV, Nashville, production mgr.; Thomas E. Belcher, ex-KGEO-TV, Enid, Okla., commercial mgr. . . . Walter J. Duschinsky, associated with Wm. J. Scripps in Detroit consulting practice, ex-consultant on TV stations in Tokyo, now head of new telecommunications div., Victor Gruen & Assoc., Los Angeles architects . . . John Hopkins promoted to asst. mgr. KFJZ-TV, Ft. Worth; Arno Mueller, program director; John Stegall, production mgr. . . . Henry H. Mamet, from radio-TV dept. of U of Kansas City, named mgr. of upcoming KRMA-TV, Denver (Ch. 6, educational), due in Jan.; James Case, ex-CBS-TV, Hollywood, and NBC, N. Y., producer-director; Thomas G. Morrissey, Denver consulting engineer and ex-chief engineer of Denver's KFEL-TV, chief engineer . . . Wm. Hedgpeth named film director, WTOP-TV, Washington, replaced as sales promotion director by Joseph P. Dowling, ex-Headley-Reed, N. Y. . . . Joseph F. Whalley promoted to new post of director of business affairs & financial planning, WNBQ & WMAQ, Chicago . . . Ben Strouse, gen. mgr. of WWDC, Washington, elected pres., Md.-D. C. Radio & TV Broadcasters Assn.; Robt. Cochrane, program director of WMAR-TV, Baltimore, elected secy.-treas. . . . Stan Morris promoted to trade news editor, ABC western div. . . . Warner H. Moore, ex-WRCA-TV, N. Y., joins Philadelphia office of Outdoor Adv. Inc. . . . Gill Lee, from San Diego & Phoenix stations, appointed asst. to gen. mgr. Joe Herold, KBTB, Denver . . . Edward Graessle promoted to mgr. of ABC treasury affairs, reporting to controller Harold L. Morgan Jr.

Charles E. Smoot, Washington attorney and native Washingtonian, is leading candidate for appointment as FCC asst. gen. counsel next week. New appointee will take over legislation, treaties & rules div., Richard A. Solomon taking charge of litigation div., J. Smith Henley becoming assoc. gen. counsel, second in command to gen. counsel Warren E. Baker.

ADVERTISING AGENCIES: Alvin Kabaker, TV-radio v.p. of Dancer-Fitzgerald-Sample, heading both N. Y. & Hollywood operations, joins Compton Adv. as director of west coast operations; Tom Carson named Compton supervisor on all accounts other than Procter & Gamble . . . Joseph Unger, ex-Grey Adv. marketing director, appointed by Biow-Beirn-Toigo Inc. as v.p. in charge of sales promotion on Whitehall Pharmacal account . . . Edward R. Beach, ex-Benton & Bowles and Procter & Gamble, joins McCann-Erickson, N. Y., as v.p. & chairman of marketing plans board . . . Edward C. Kennelly, ex-Princeton Film Center, now exec. v.p., Lenhart Adv. Inc., Hopewell, N. J.

Jansky & Bailey Inc., old-line TV-radio station consulting engineers, who also engage in systems engineering, operations research & radio allocations engineering for non-broadcast clients and in applied research & development work in electronics fields, this week announced tax-free exchange-of-stock affiliation with General Communication Co., 677 Beacon St., Boston (Ronald Jones, pres). Details of financial arrangements were undisclosed since firms are privately owned. General Communication Co. makes electronic equipment such as electromagnetic switches, coaxial switches, electronic test units, pulse modulators, power supplies, signal generators, oscilloscopes, etc., much of it for Govt. Jansky & Bailey, which on Sept. 1 celebrated its 25th anniversary, will continue in the station consulting field.

Academy of Television Arts & Sciences sent its pres. Don DeFore to N. Y. this week to meet with local committee on better procedures for annual "Emmy" awards, which will be carried next March 17 on NBC-TV under Oldsmobile sponsorship. Volunteering services on local committee were Ed Sullivan; Lawrence Langner, Theatre Guild; John Daly, ABC v.p.; Rod Erickson, Young & Rubicam v.p.; Nicholas E. Keesley, Lennen & Newell v.p. DeFore disclosed that an "Emmy" would be presented President Eisenhower "for distinguished use and encouragement of the TV medium" in recognition of his televised press conferences.

James C. Petrillo's AFM expelled CBS musical director Lud Gluskin and fined him \$5000 for allegedly recording music for filmed TV shows under "illegal conditions." The 40-year union member was charged with recording music for 3 network film properties—a practice which the union says is illegal.

Brig. Gen. David Sarnoff, RCA chairman, appointed by President Eisenhower to be chairman of National Security Training Commission, succeeding late Maj. Gen. Julius Ochs Adler, gen. mgr. of *N. Y. Times*.

Frank U. Fletcher, of Spearman & Roberson, Munsey Bldg., Washington, is spearheading project to establish chapter of Radio Pioneers (Raymond F. Guy, NBC, pres.) in the nation's capital.

Harold Baker, news director of WSM-TV & WSM, Nashville, elected pres. of Radio-TV News Broadcasters Assn. at Denver convention Nov. 18.

George L. Jensen, 51, chief of engineering div., FCC Field Engineering & Monitoring Bureau, was found hanged in his home last week; coroner issued certificate of suicide. Colleagues said Jensen had been emotionally upset and physically ill for some time, suffering from migraine headaches and ulcers. Survivors are wife, sister & father. Floyd Wickenkamp was named acting chief of div.

Norman Nash, 49, ex-Kudner v.p., who as copy chief of the agency pioneered many TV techniques, died Nov. 16 in the Virgin Islands where he lived since retirement from business last July. He is survived by his wife and 2 sons.

Network Accounts: Sponsor dissatisfaction cropped up on 2 networks this week, causing cancellation of one big show and casting doubt on another highly promising one. Colgate-Palmolive, after 5 years of sponsorship, notified NBC-TV it wants to give up *Colgate Variety Hour* Sun. 8-9 p.m. and relinquish the time period, asking to be relieved from contract which runs through June 1956. NBC spokesman said last show in series probably will be Dec. 25. At CBS, P. Lorillard Co. (Kent cigarettes) cancelled plans to co-sponsor upcoming \$64,000 *Panel* Sat. 10-10:30 p.m. with Revlon, preferring to stay temporarily with *Appointment with Adventure*. Revlon is now seeking another co-sponsor, another time period and perhaps another network . . . J. P. Stevens & Co., big textile firm headed by ex-Army Secy. Stevens, in first network sponsorship, buys one-third of *Omnibus* on CBS-TV starting Jan. 1, Sun. 5-6:30 p.m., thru Bryan Houston Inc., N. Y. . . . CBS-TV will pre-empt *Omnibus* time Nov. 27, Sun. 5-6:30 p.m., for second in Ed Murrow's *See It Now* series—this one titled *Ballots at Bear Creek: An Educational Western*, examining controversy in Jefferson County, Colo., created by school bond issue . . . Dow Chemical buys 13 partic. on *Matinee Theatre* colorcast on NBC-TV starting in Jan., Mon.-thru-Fri. 3-4 p.m. . . . Procter & Gamble, in pre-Thanksgiving "saturation" drive for Fluffo pie mix, to buy 60 spots Nov. 21 on NBC-TV's *Home, Tonight & Matinee Theatre*, and CBS-TV's *On Your Account, I Love Lucy & Search for Tomorrow*, thru Biow-Beirn-Toigo . . . Black & Decker (tools) buys 24 spots on NBC-TV's *Today, Home & Tonight* starting Nov. 10, thru Van Sant, Dugdale & Co., Baltimore . . . Hills Bros. (coffee) buys 3-times-a-week partic. on *Panorama Pacific* on CBS-TV west coast regional network starting Dec. 7, Mon.-thru-Fri. 7-9 a.m., thru N. W. Ayer, N. Y. . . . American Home Products, Mon. sponsor of *Douglas Edwards and the News* on CBS-TV 7:30-7:45 p.m., extends sponsorship to Wed. & Fri. starting Dec. 28, thru Biow-Beirn-Toigo . . . Buick to sponsor Orange Bowl football game from Miami on CBS-TV Jan. 2 starting at 2 p.m., thru Kudner . . . New daytime give away program, *Play for Keeps*, being prepared by CBS-TV for 30-min. showing before end of year; it's Goodson-Todman package, to be emceed by Sonny Fox . . . Arthur Godfrey to originate all his TV-radio programs from Miami Beach week starting Nov. 21.

Among advertisers currently reported using or preparing to use TV stations time: Potter Drug & Chemical Corp., Malden, Mass. (Cuticura talcum), thru Atherton & Currier, N. Y.; Vick Chemical Co., N. Y. (Vicks lozenges), thru Morse International, N. Y.; Bosco Co., N. Y. (Bosco milk amplifier), thru Ruthrauff & Ryan, N. Y.; American Can Co., N. Y. (soft drink cans), thru Young & Rubicam, N. Y.; Blevins Popcorn Co., Nashville (Pops-Rite popcorn), thru Simon & Gwynn, Memphis; Independent Grocers' Alliance, Chicago, thru Reach, Yates & Mattoon, N. Y.; International Molded Plastics Inc., Cleveland (Brookpark plastic dinnerware), thru Product Services, N. Y.; Edward Kenneth Corp., N. Y. (KornX foot remedy), thru Product Services, N. Y.; Mytinger & Casselberry, Long Beach, Cal. (Nutrulite food supplement), thru Dan B. Miner Co., L. A.; Sawyer's Inc., Portland, Ore. (View-Master stereo products), thru Carvel Nelson & Powell Adv., Portland; Dr. Pepper Bottling Co., Atlanta, co-op.

Assn. of National Advertisers has published booklet titled *Criteria for Business-Sponsored Educational Films*, detailing methods for reaching the educational audience and prepared by ANA's film steering committee with aid of Eastman Kodak's Thomas W. Hope; it's available from ANA, 285 Broadway, N. Y., \$2.

Licensed TV sets in Britain totaled 4,883,849 Sept. 30, up 97,434 in Sept., 60,832 in Aug.

Raymond Spector, chairman of Hazel Bishop and pres. of ad agency bearing his name, got reams of publicity this week in charging NBC as "arrogant, brazen and callous" in its "disregard for the needs of advertisers." He told press conference he was considering legal action against network for its "refusal" to let him have Sun. 10:30-11 p.m. time period this season. He said he had a verbal agreement for the time period with NBC, which then gave it to American Tobacco for *Justice*. NBC flatly denied charge, saying Spector had never had contract for the time. Spector also lashed out at what he called NBC's "high-handed manner" in insisting on control of programming and time segments—a viewpoint that drew this editorial observation from *Billboard*: "In raising the old network control bugaboo, Spector is vainly trying to revive an issue which could no longer be resuscitated even by the gaudiest surgical feats of *Medic*. . . . Thanks to the firm decision of NBC and CBS to retain final authority over what should or should not be aired over their facilities, it's now seldom possible for a sponsor to short-change other bankrollers in the lineup as well as the audience with a cheapie show. It also enables network execs to plan the strongest possible lineups for a full evening, lineups which tend to pull the viewer from one show to the next, instead of the anarchic conditions of the radio days when it was every sponsor for himself."

Rate increases: WHEN-TV, Syracuse, adds new Class AA hour (8-10:30 p.m. daily) at \$850, min. at \$200, Class A hour remaining \$700; WHEC-TV & WVET-TV, Rochester, N. Y. share-time outlets raise Class A base hour from \$600 to \$700, Class AA min.-only rate from \$140 to \$160, Class A min. \$120 to \$140; KLOR, Portland, Ore. hour from \$500 to \$600, min. \$100 to \$120; WWLP, Springfield, Mass. Dec. 1 raises base hour from \$350 to \$400, min. \$70 to \$80; KTSM-TV, El Paso, has raised base hour from \$250 to \$325, min. \$50 to \$65; WJMR-TV, New Orleans, hour from \$250 to \$300, min. \$50 to \$60; KVAL-TV, Eugene, Ore. hour from \$225 to \$300, min. \$45 to \$60; WTOG-TV, Savannah, from \$200 to \$250 & \$40 to \$50; WSAU-TV, Wausau, Wis. from \$200 to \$250 & \$40 to \$50. Spot increases: WMAL-TV, Washington, raises base min. rate from \$150 to \$180; WHAM-TV, Rochester, N. Y., adds new Class AA min.-only rate (7:59-10:01 p.m. daily) at \$160, Class A min. (6:59-7:59 & 10:01-11:01 daily) going from \$150 to \$140; WBRZ, Baton Rouge. Jan. 1 adds new Class AA 20 sec.-only rate (7-10 p.m. daily) at \$65. Rate decrease: WPFA-TV, Pensacola, cuts base hour from \$120 to \$74, min. \$18 to \$11.

Most successful TV commercials in L.A. area, from standpoint of sponsor identification, are those of Ford, Bank of America & Hamm Brewing Co. So said ABC western v.p. Earl Hudson in speech to Hollywood Ad Club last week, on basis of ABC survey (Vol. 11:46). He declared that a majority of sponsors are using the wrong type of commercials for their products, thereby actually creating ill will. Other results: 30% felt average TV commercial gives too much information, 20% say it doesn't give enough; 70% contend advertiser should list stores where his product can be purchased locally; 93% of men and 75% of women preferred male announcer; one of most irritating features were back-to-back commercials.

NBC Radio discontinues midnight-8 a.m. segment of *Monitor* starting in Jan. because an insufficient number of affiliates were carrying that portion of round-the-clock weekend program. NBC spokesman insisted, however, that show is doing "very well" commercially.

New list of "Timebuyers of the U. S.," by cities and with addresses and accounts handled, occupies about 24 pages of Nov. 14 *Sponsor Magazine*, will later be published in booklet form. It's based on rep John E. Pearson's records, supplemented by *Sponsor* survey.

Telecasting Notes: Major movie makers going even deeper into TV (Vol. 11:46): Warner Bros., now producing only its full-hour *Warner Bros. Presents* for ABC-TV, has at least five 30-min. film series in preparation for 1956-57 market, also says it's available to make one-shot spectaculars. In the works are *Amazon Trader*, now being filmed in Brazil; *High Venture*, aviation stories, comedy series, and series based on sea adventures and insurance company files . . . 20th Century-Fox starts construction of new \$500,000 TV music scoring & recording building—this expenditure over & above the \$1,000,000 allotted earlier this year to reconvert Western Ave. lot to TV film production . . . Paramount, now planning to enter TV film production, is renovating sound stages for TV use . . . General Teleradio's RKO has definitely decided to go into TV film field, as well as to resume production of theatrical features . . . Goodson & Todman, top live TV program packagers, now going into film with a vengeance and will offer at least 6 filmed shows next season—running gamut from situation comedy through children's educational to juvenile delinquency series; one property carries the current animal star vogue (*Lassie, Rin Tin Tin, Champion*, et al.) to its illogical extreme—series starring a zebra! . . . ABC-TV announced 9 new filmed program properties for next season—3 half-hour series produced by Louis F. Edelman (2 westerns, one Americana anthology), full-hour *Wire Service* filmed by 4-Star Productions, 30-min. melodrama by Desilu, 30-min. semi-documentary by Jerry Devine on little-known U. S. communities, 30-min. adult western by Jack Chertok, full-hour dramatic anthology produced abroad by Sheldon Reynolds . . . "Dramacular" is word coined by ABC-TV for its upcoming weekly series of 90-min. filmed dramas scheduled for next season. Tentatively titled *Command Performance*, 26 to 39 shows (plus 13 repeats) will be produced by Meridian Productions Inc., to be sold to 3 or 4 sponsors. John E. Gibbs, who negotiated the deal and whose John Gibbs Agency will supply authors, says there's possibility that some of the "dramaculars" will be released to theatres—either in U. S. or overseas—after their TV showings . . . Comedians: Martin & Lewis, complaining that Hollywood studio audiences are getting blase from sitting in on too many TV shows, filled the house with Woodbury College students for Nov. 13 *Colgate Variety Hour* telecast, hope to use more "specialized group" audiences in the future. Bob Hope wanted to top this by filming his TV show in the Soviet Union before studio audience, but Russia is expected to veto plan . . . Nine first-run feature films made in 1953-54 and still in theatrical release by Lippert Pictures Inc. have been offered by Lippert subsidiary Tele-Pictures Inc. for 1956 TV showing . . . Another TV film producer expands into movies: Parsonnet & Wheeler Inc., TV film & commercial producer, begins work on its first theatrical feature, "A Lion Is Loose."

Sunday is "educational spectacular" day on networks—what with Ford Foundation's superb 90-min. *Omnibus* on CBS-TV and GM's exciting *Wide Wide World* on NBC-TV. Now, Alfred P. Sloan Foundation, which produces modest-budgeted Sunday *American Inventory* on film for NBC-TV, wants to expand show to full-hour documentary, live in color, either monthly or bi-monthly. And CBS-TV plans live Sun. afternoon drama series, *Front Row Center*, from Hollywood 4-5 p.m. beginning Jan. 8.

Formation of film distributors' organization is due shortly after Jan. 1. Steering committee for the tentatively-titled Assn. of TV Film Distributors under General Teleradio's Dwight Martin has completed 6 months' work on rules of procedure and tentative budget and is now sending application blanks to all TV film distributors, together with other organizational proposals.

MILTON S. EISENHOWER finalized agreement this week with publisher Walter Annenberg (*Philadelphia Inquirer*) whereby Pennsylvania State U, which he heads, will utilize 12:30-1 p.m. period daily except Sun. and 11 a.m.-12 noon Sun. on WFBG-TV, Altoona, Pa. (Ch. 10). Annenberg's Triangle Publications Inc. (WFIL-TV, Philadelphia & WNBF-TV, Binghamton) proposes to purchase station from Gable dept. store interests, along with radio WFBG (250 watts, 1350 kc, NBC), for \$3,500,000 cash (Vol. 11:32,33,39).

Details of agreement, unique in annals of commercial-educational TV station relations, were disclosed Nov. 18 when formal application for transfer of ownership was filed with FCC. The President's youngest brother specifically authorized that the memorandum covering the unusual fixed-time allotment plan be filed with the transfer application. Deal is conditional on transfer, of course, but that's regarded as foregone certainty.

Penn State would use daily 12:30-1 p.m. for *Home & Farm Life* program directed by its agricultural & home economics chief Dr. Herbert Albrecht—covering weather, market reports, farm news, home economics, farm science, 4-H Club work, gardening, health, wildlife, etc. Hour-to-night Sun. telecast would be called *Pennsylvania State University Chapel*, consisting of non-sectarian services.

Arrangement is to be in effect for 5 years, the university agreeing to use TV equipment it now owns, Annenberg agreeing to set up microwave relay for the 30-mi. haul from State College to Altoona. Not part of the agreement, Annenberg is also making grant of \$10,000 a year for the next 5 years for the project and furnishing kinescope equipment "so that these programs may be filed for the university's own use, distributed to other educational institutions and to other TV stations . . ."

Though Penn State has never indicated an interest in acquiring a TV station of its own (uhf Ch. 48 having been reserved for an educational non-commercial in State College, Pa.), it has been a pioneer in closed-circuit TV classroom experiments. Last July 31, sponsored by Fund for the Advancement of Education, Penn State published a 102-p. report on "An Investigation of Closed-Circuit TV for Teaching University Courses."

Annenberg founded pre-freeze WFIL-TV (Ch. 6) as counterpart of radio WFIL (5-kw, 560 kc, ABC); earlier this year paid \$2,700,000 for WNBF-TV, Binghamton, N. Y. (Ch. 12) with radio WNBF (5-kw, 1290 kc, CBS); a few weeks ago got FCC authorization to take over CP for now-silent WLBR-TV, Lebanon, Pa. (Ch. 15) for \$235,000 (Vol. 11:45). He proposes to revive latter station shortly. In addition, he has application pending for new Ch. 18 station in Elmira, N. Y., which he proposes to operate as satellite of Binghamton outlet.

Reader's Digest for Dec. will carry article by Maj. J. Andrew White on "The First Big Radio Broadcast"—the Dempsey-Carpentier fight from Jersey City, July 2, 1921; White was first RCA broadcasting director, later first pres. of CBS (1927-28).

"How to Figure Talent Costs in TV Filmed Commercials" is newly revised booklet now available from Screen Actors Guild, 551 Fifth Ave., N. Y., and 7046 Hollywood Blvd., Los Angeles, Cal.

Half-hour film of 1955 New England flood, shot by cameramen of WJAR-TV, Providence, who won Peabody Award for their hour documentary on Hurricane Carol, is being made available to other TV stations on no-cost basis.

GRAND FORKS, N. D. gets first station as KNOX-TV (Ch. 10) was all set to start test patterns this week end, to be followed shortly by regular NBC & ABC programming. New station is 457th on air, opens up virtually new market for it's 70 mi. from nearest outlets in Fargo & Valley City. Using 5-kw DuMont transmitter, it starts with 2.95-kw ERP but proposes to go to 29.5-kw shortly; it uses 6-bay 37-ft. antenna on 215-ft. tower installed by Tower Construction Co., Sioux City. State Senator Carroll E. Day is pres. & acting gen. mgr.; Robert Lukkoson, sales mgr.; John Dark, program director; C. J. Thomforde, technical director; Lyle Gilbertson, ex-WDAY-TV, Fargo, chief engineer.

Canada's 31st station, CKNX-TV, Wingham, Ont. (Ch. 8), started programming Nov. 18 after week of test patterns, reports pres.-gen. mgr. W. T. Cruickshank. It's about 65 mi. north of CFPL-TV, London (Ch. 10), uses 2-kw RCA transmitter with 12-slot wavestack antenna on 600-ft. Stainless tower. Controlled by Cruickshank family, G. W. Cruickshank is station mgr.; Don Hildebrand, program mgr.; Vin Dittmer, sales mgr.; Scott C. Reid, chief engineer. Base hour is \$200. Reps are Adam Young and All-Canada.

Only shipments reported this week were by GE—a 35-kw GE amplifier Nov. 11 to KREM-TV, Spokane, Wash. (Ch. 2); 1-bay standby antenna to KPRC-TV, Houston (Ch. 2); 3-bay antenna to upcoming KBST, Big Spring, Tex. (Ch. 4), due in mid-Dec. GE also reported order for 5-bay antenna to be shipped Dec. 15 to KPTV, Portland, Ore. (Ch. 27), which shortly boosts power to 1 megawatt. GE also has order for complete new TV station from Govt. of Uruguay, to be installed in Montevideo.

* * * *

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

WSAV-TV, Savannah, Ga. (Ch. 3), with all major items of equipment on hand, including 10-kw RCA transmitter, doesn't have specific target but plans start about Feb. 1956, or earlier, as soon as AT&T makes interconnection available for NBC programming, writes pres.-gen. mgr. Harben Daniel. It will have 3-bay RCA antenna

"Closed-circuit stations" in small communities, via local originations by community antenna systems, are being pushed by Richard T. Silberman, pres. of Kay Lab, San Diego vidicon camera manufacturer. With such setups, he said, community operators "can ward off establishment of low-power and satellite stations in their areas by offering local programming facilities." One of Kay Labs' first sales for community use was to operator in Richland, Wash. It offers live shows 11:45-2 p.m. daily, 9-10:30 a.m. Sat. Along same line, community antenna equipment maker Jerrold Corp. and system operator Bannock Cable TV, Pocatello, Ida., reported \$5000 gift to Idaho State College so that it could feed instructional programs to town's 11 public schools.

Bitter blast against community antenna operators was unleashed by Standard Television Co.'s Arche Mayers this week at National TV Film Council's forum in New York. They "cheat" TV film industry, he said, by relaying to their subscribers TV film properties without paying fee or getting permission. Another speaker, General Tele-radio's Dwight Martin, estimated that approximately 3362 feature films and 495 TV film series are now available to TV—which can use only about 1570 films and 111 series in a year. "As of the present, the supply of film greatly exceeds the demand." He suggested concentration on high-quality product as antidote to oversupply.

on Ideco tower, 370-ft. above ground, on roof of Liberty National Bank Bldg. Meredith E. Thompson, from WSAV, will be operations mgr.; Byron Strong, chief engineer. Base hour will be \$275. Rep not chosen.

KHAS-TV, Hastings, Neb. (Ch. 5), now shooting for Dec. 18 start, may not make it until first of year, reports gen. mgr. Duane L. Watts, ex-KHOL-TV, Kearney, Neb. Transmitter-studio building is nearly ready for 10-kw RCA unit, expected to be installed in 30 days. RCA 12-bay antenna goes up shortly on 600-ft. Ideco tower. Seaton Publishing Co., publisher of *Hastings Tribune*, headed by Fred A. Seaton, asst. to President Eisenhower, earlier this year transferred CP to new Nebraska Television Corp., retaining 56% control (Vol. 11:36). W. L. Murray, ex-KBTV, Denver, will be program mgr. Base hour will be \$200. Rep will be Weed.

WDMJ-TV, Marquette, Mich. (Ch. 6) hasn't set target, but RCA transmitter is due last week of Nov., when 12-bay 189-ft. antenna is scheduled for installation on 200-ft. Ideco tower, reports gen. mgr. W. H. Treloar. CBS Extended Market Plan affiliation is effective about Dec. 15. Owner Frank J. Russell, publisher of *Marquette Mining Journal* (WDMJ), who also controls *Iron Mountain News* (WMIQ), acquired CP earlier this year from Jerome Sill & Herbert R. Herzberg (Vol. 11:33). Gordon Brozek, from WDMJ, will be chief engineer. Base hour will be \$120. Rep will be Weed.

CJLH-TV, Lethbridge, Alta. (Ch. 7), which put out test signals for 2 days last week as planned (Vol. 11:46), had to call things off Nov. 14 because high winds and cold weather foiled plans to remove tower scaffolding, preventing suitable signals. It expected to resume tests and begin programming momentarily, reports Norman Botterill, managing director.

"Candelabra" antenna, 1521-ft. structure giving co-equal height to KRLD-TV & WFAA-TV, Dallas (Vol. 11:30), is given 18-p. spread in Oct. issue of RCA's *Broadcast News*, which also features reports on medical use of color TV, 35mm intermittent color film projector, low-cost operation at KROC-TV, Rochester, Minn., effects of A-bomb tests on communications equipment.

Actor Bing Crosby, banker George L. Coleman (Miami, Okla.) and Texas broadcaster Kenyon Brown are disclosed as co-equal stockholders of new Midland Broadcasting Co., formed to purchase KFEQ-TV, St. Joseph, Mo. (Ch. 2), with radio KFEQ (5-kw, 680 kc, MBS), for \$550,000 plus assumption of \$200,000 bank loan and routine current liabilities. Application for transfer from Barton Pitts was filed with FCC Nov. 16. Combined stations show current assets of \$108,178, total assets of \$553,712, total liabilities of \$238,985, earned capital surplus of \$84,356. They ran deficit of \$19,629 for year to date, according to application, which revealed that Michigan broadcaster John E. Fetzer and Washington attorney Paul O'Bryan, originally scheduled for 12½% stock each (Vol. 11:34), had withdrawn from deal. Sale was handled by Robert Grant, of Kidder, Peabody & Co., Chicago.

Founders Corp., subsidiary of Tele-Trip Inc., N. Y. aviation insurance firm headed by John H. Shaheen, this week got FCC approval of its—recently exercised option on 50% of KTVR Denver (Ch. 2). It assumed half of \$400,000 purchase price, \$350,000 liabilities in recent transfer from Gene O'Fallon to J. Elroy McCaw (Vol. 11:31, 39). Founders Corp. includes on board Eugene duPont III, Wilmington, and H. J. Rand, Cleveland, and owns radios WTAC, Flint, and KPOA, Honolulu.

DREAM OF GLOBAL or transoceanic TV (see p. 1) has always been an intriguing subject. RCA-NBC's Gen. Sarnoff has been an enthusiastic proponent, having once proposed a chain of relay planes spaced at intervals across the Atlantic to form a microwave bridge for special events telecasts. First regular Cuba-to-U.S. telecast, staged this week by NBC-TV on its *Wide Wide World*, used single plane—flying over 2 miles high—as a microwave relay station, with excellent results.

Also taking note of global TV this week was convention of American Rocket Society in Chicago. R. P. Haviland of GE (which has a prime contract for forthcoming "man-made moon") proposed using space satellites as TV relay stations. He suggested that about 10 of these could provide worldwide live TV. Nevertheless—and despite conflicting ideas on the subject—best bet is that scatter techniques will provide first regular trans-Atlantic TV link.

Other TV applications of scatter may be closer than its transoceanic uses. As substitute for microwave, high-powered uhf tropospheric scatter relays can make possible wider spacing between relay stations and eliminate need for towers. This could be big boon in connecting to live TV networks such distant places as Alaska and Central & South America—permitting long hops over inaccessible or completely unpopulated places. When this can be done hinges on outcome of current AT&T experiments—and on economics.

Current applications of scatter are all military or experimental. Basic research for "ionospheric scatter"—which uses vhf for extremely long-distance transmission (up to 1000 mi.)—was conducted by National Bureau of Standards. Tropospheric scatter, which can use greater bandwidth for distances up to 300 mi. (the type of transmission which will be useful for TV relays) is based on research by NBS, Bell Labs and MIT's Lincoln Labs. Air Force was first to recognize military value of scatter and was first to put it to use, with installations handled by Page Communications Engineers, Washington. Military scatter equipment has been built by Collins Radio, National Co., Radio Engineering Labs, Rixon Electronics, D. S. Kennedy & Co. Experimental work has been accelerated recently—on TV and other phases—by AT&T and RCA as well as many others.

While parts of the TV band may be well suited for the non-TV vhf scatter communications use, there's been no inclination so far on the part of the military to seek any TV channels. But in informal discussions, nation's top scatter brains, in Washington for IRE symposium, express opinion that widespread use of this new communications technique may some day touch off an allocations battle royal.

The only hint of allocations problems at symposium sessions was contained in Comr. Webster's keynote address. "It is inevitable," he said, "that, as an experimental program develops [into] practical application, there arises the matter of frequency allocations for the use of the developments on a regular basis . . . It is possible that the [commercial] implementation of scatter may require that adjustments be made in the Commission's table of frequency allocations."

Hazel Bishop, thru Raymond Spector Co., is first national advertiser to order series of new 30-sec. spots on WTMJ-TV, Milwaukee, under station's plan to eliminate double-spotting between programs. Plan seeks to substitute 30-sec. for conventional 20-sec. announcements between network shows and thus cut down on number of commercials during any given period.

In first year of British commercial TV, sponsors on the London station alone will have spent some £7,000,000 (\$19,000,000) for spots; in first 3 weeks of the service, which started in latter Sept. (Vol. 11:39), they spent £400,000 (\$1,120,000) for 700 commercials. British advertisers find commercial TV something worth backing and encouraging despite still relatively small audience on area's second channel, estimated by some at no more than 500,000 homes to date. Thus Robert Barr, TV director of big Charles F. Higham Ltd. agency, reported to Publicity Club of Leeds recently. Said he: "It has all been done as a matter of faith by the advertisers and determination by those who believe in commercial TV." ITA's Sir Robert Fraser, speaking to Radio & Television Retailers Assn., later referred to commercial TV's growth as "phenomenal," estimated 750,000 homes converted by end of year. Note: List of current sponsors, as reported in Oct. 28 *Commercial Television News*, includes brand names very familiar in America: Surf, Shell, Esso, Alka-Seltzer, Rise, Max Factor, Ronson, Vick's, Dunhill, Parker Pen, Nestlé's, Guinness, Schweppes, Kolynos, Gillette, Kodak, Kleenex, Colgate, Toni, Brillo, Remington, Revlon—these in addition to about twice as many purely domestic brands.

First use of records to get its message across is to be employed by Voice of America in India & Africa. VOA has bought 15,000 records with messages by President Eisenhower, Nehru & Gandhi to be distributed free in India. For Africa, it has purchased 10,000 discs built around theme of African music in America, featuring Howard U choir. Records were made by Great Northern Record Mfg. Co., Minneapolis, headed by DeWitt C. Mower, ex-MBS. Discs are 78rpm, 8 & 10-in. Project has no direct tieup with low-cost hand-operated phonograph described by RCA chairman David Sarnoff last week (Vol. 11:46)—though Great Northern says that if Indian & African "pilot" tests are successful, project will probably be extended to Iron Curtain countries.

Final brief in Edward Lamb case was filed this week by Broadcast Bureau. Next step in the lengthy and controversial Communist-charge case is initial decision by FCC hearing examiner Herbert Sharfman, expected within a month. At stake is renewal of Lamb's license for WICU, Erie. In reply to Lamb's "objections to Broadcast Bureau's proposed findings of fact" (Vol. 11:43), Broadcast Bureau's brief charged that Lamb attorneys' 115-p. brief "roamed far and wide outside of the record" to bring in extraneous matter not covered in the 8-month hearings.

Owners of WTOB-TV, Winston-Salem, are buying WLOW, Portsmouth, Va. (250-watts, 1400 kc, MBS) for \$212,500 on long-term basis, according to FCC application filed this week. Sellers are ex-owners of WTOV-TV, Norfolk (Ch. 27) and Boston admen Emyl J. Arnold & Harold Kaye, latter having bought 50% of WLOW for \$105,000 after WTOV-TV was sold to Temus Bright (Vol. 11:12, 15). WTOB-TV recently took over Birmingham's WSGN from John S. Jemison Jr. group on lease basis with option to buy for \$123,250 after 5 years (Vol. 11:42, 46).

TV transmitters, receivers and relay stations should be presented to Asiatic countries by U. S. Govt., NBC pres. Sylvester L. Weaver Jr. suggested in address to Grocery Manufacturers Assn. of America convention in New York Nov. 18. Recently returned from round-the-world trip, Weaver proposed that these transmitters be supplied with steady stream of the best cultural programs produced in America, as well as informational material on health, farming, etc.

CBS-TV crew headed by London newsman Winston Burdett has shot 15-min. documentary on British commercial TV, which presumably will be screened soon.

SURVEY SHOWS SECOND-SET MARKET WIDE OPEN: Only 4.6% of the estimated 33,000,000 TV households in nation have 2 or more sets -- and 49.3% of all sets-in-use are under 21-in. Those statistics, from American Research Bureau's quarterly set distribution survey, as of Oct., illustrate anew that there's a long way to go before second-set market is really deeply penetrated, despite admitted success of 14-in. portables and others designed primarily as second sets.

A mere .3% gain is thus represented in second-set households over the 4.3% disclosed by ARB in its last report in May (Vol. 11:35). Numerically, it means that about 1,518,000 households had a second set in Oct., date of latest survey.

The 5 biggest cities are particularly wide open for second-set exploitation. In New York, for example, the rate of second-set ownership is only 6.6%; in Chicago, 9.2%; Los Angeles, 7.7%; Philadelphia, 8.9%; Detroit, 7%.

As to screen size, 47.6% are 21-in.; 34.8% are 16 & 17-in.; 7.6% are 12-to-14-in.; 2.4%, 19-in.; 2.3%, 20-in.; 2.3%, 24-in.; 2.1%, 10-in.; .4%, 27-in.; .1%, 7-in. & under; .4%, other screen sizes.

Foregoing statistics are all we're permitted to use from report, which also gives data nationally and for 31 selected markets on share of sales by brands, on replacement rate of purchases, age of sets-in-use, average number of sets purchased. Inquiries about report should be addressed to ARB, National Press Bldg., Washington.

These markets are covered: Atlanta, Baltimore, Boston, Chicago, Cincinnati, Cleveland, Columbus, Dallas-Ft. Worth, Dayton, Detroit, Denver, Harrisburg, Houston, Indianapolis, Kansas City, Los Angeles, Louisville, Milwaukee, Minneapolis-St. Paul, New York, Omaha, Philadelphia, Pittsburgh, Portland (Ore.), Salt Lake City, San Antonio, San Francisco, St. Louis, Seattle-Tacoma, Syracuse, Washington.

Brief highlights of major trade developments this week:

* * * *

Electrical Brilliance: There's a terrific future in store for electrical industry, 2 top industry figures told National Electrical Mfrs. Assn. convention. Gwilym A. Price, Westinghouse chairman-pres., predicted electric power consumption in average home in 1960 would increase by 40% over 1955, basing his forecast on a population increase of 11,000,000 in next 5 years, 6,000,000 new homes, and about \$37 billion more in consumer purchasing power. He said big "musts" for electrical industry are "the necessity of breaking the bottleneck of inadequate wiring and the development of atomic power to provide the electricity to take care of rising demands." Don G. Mitchell, chairman-pres. of Sylvania, predicted that production of electric products will reach \$35-\$40 billion annually within 10 years, more than double the current rate. Consumption of electric power will reach annual rate of a trillion kilowatt hours by 1965, he predicted, urging "more and better machines" as only way to meet prospect of severe manpower shortage which will result from the stepped-up economic demands. "The man who is afraid there will be mass unemployment, or the equally short-sighted individual who wonders whether we will be able to sell the increased output of the machines, has about as little confidence in the free enterprise system as the Patent Office supervisor who quit some 40 or 50 years ago because he thought everything had been invented," he remarked.

Color Merchandising: About 175 RCA color sets have been sold in metropolitan Chicago in the 2 weeks since the announcement that WNBQ would be nation's first all-color station, it was reported by Ned Corbett, v.p. in charge of RCA Victor Distributing Corp. branch. About 50 of the sets went to big Polk Bros. chain, which has order for 500 more color sets (Vol. 11:46). All told, he estimates about 1000 RCA color sets have been sold to date in Chicago area. He said WNBQ announcement had "stimulated color interest tremendously" and expected steady sales improvement.

Irving Sarnoff, pres. of RCA distributor Bruno-N.Y., said 2 immediate goals

of his color merchandising campaign are to get widest possible exposure in grills and bars and to sell to dealers for their homes, as first step in stimulating their desire to buy color sets for their stores. He said Liberty Music Stores has proven his biggest single customer thus far, but declined to release figures on sales.

Price of \$695-\$995 is still biggest single obstacle to color's development at dealer level, according to Retailing Daily's own national survey. It found rather high general interest in color which could be converted into sales by "reasonable" price. Some retailers blamed poor promotion by manufacturers for slow color sales, others were reluctant to undertake any promotions of their own. Survey indicated that many retail salesmen had very limited information about color. It was also reported some dealers were accepting price of \$50 above cost to move color sets.

Emerson's Ben Abrams came out this week with prediction that "a mass market for color sets, with annual sales of 3,000,000 units, will be achieved in 1958." He predicted that sets would sell for about \$300 in that year. As to immediate future, he foresaw sales of 500,000 color sets next year, 1,500,000 in 1957. Another set maker with prognostications this week was Sylvania TV-radio v.p. A.L. Chapman. He predicted sales of 250,000-275,000 color sets next year, 500,000-600,000 in 1957. He said prices will "never drop to the \$200-\$300 price range" because of expensive costs of production. He saw no early prospect of substantial price cuts.

Economic Spiral: Federal Reserve Board reported that production, employment, income and retail sales remained at record high levels in Oct. and early Nov. Its monthly summary of business conditions said the index of industrial output for Oct. held at record Sept. level of 142% of 1947-49 base period. Projecting its study into early Nov., board reported slight advance in average prices for industrial commodities, led by consumer goods, cotton textiles, leather products, crude oil, newsprint and tin cans. Average weekly factory earnings reached new peak of \$78.69 in Oct., 79¢ above Sept. and 9% higher than year ago. Meanwhile, 2 Babson's Reports analysts predicted slight 1956 declines in business and stock prices from this year. Arthur Babson, son of founder Roger Babson (who became famous for predicting 1929 stock market crash) foresaw total business next year averaging 5% under 1955. John Riordan predicted "an irregularly descending stock market average through the spring of 1956," urged stockholders to get rid of "speculative" holdings now.

Production: TV output totaled 171,921 week ended Nov. 11, compared to 173,042 preceding week and 183,139 week ended Oct. 28. It was year's 45th week and brought production for year to date to about 6,830,000 vs. 6,200,000 in same period of 1954. Radio production soared to 403,488 units (188,314 auto) week ended Nov. 11, highest for any week in nearly 5 years, comparing to 382,527 (178,064 auto) week ended Nov. 4 and 386,523 (180,386 auto) week before. For 45 weeks, radio production totaled 12,300,000 vs. 9,300,000 in corresponding period of 1954.

OLYMPIC RADIO plans to expand through acquisition of other going concerns in electronics field, it was revealed by pres. Morris Sobin following formal purchase this week of controlling interest in Olympic by group of industrialists and financiers (Vol. 11:45). Sobin said negotiations are under way with several Eastern firms.

The purchasing group bought the 137,332 shares of common stock held by Fox, Wells & Co. for undisclosed price, representing about 30%, biggest single block of the 453,552 common shares outstanding. Members of the purchasing group: Wm. H. Husted, N. Y., chairman of Siegler Corp. exec. committee (heaters), in electronics through control of Hallamore Mfg. Co. (closed-circuit industrial equipment); Maj. Gen. Wm. H. Draper, chairman of Mexico Light & Power Co., Mexico City, and ex-Undersecretary of Army; Donald Royce, senior partner of investment bankers Wm. R. Staats & Co., Los Angeles; Edward H. Heller, partner of investment bankers Schwabacher & Co., San Francisco; Phillip S. Fogg, pres. of Consolidated Electrodynamics Corp., Pasadena; Maj. Gen. Frederick L. Anderson, Palo Alto, Cal.; Alton A. Brody, Beverly Hills, Cal.;

John G. Brooks, Highland Park, Ill.; Newell P. Crawford, N. Y.; Maj. Gen. Pierpont Morgan Hamilton, Santa Barbara, Cal.

Husted, Heller & Anderson were elected to board, along with Robert Kerr, asst. v.p. of Irving Trust Co.; A. Charles Schwartz, partner of Bache & Co.; Jan Ostermeyer, ex-pres. of Shell Chemical Co. Continuing on board were Sobin, Olympic chairman A. A. Juviler and v.p. Richard C. Noel.

National Union Electric Corp. has called stockholders meeting Dec. 8 to ask for authority to increase the 1,750,000 shares of common now authorized (30¢ par) to 4,000,000 so that board may be in position "to acquire business or businesses." Except to state that firm is exploring suggestions and proposals, proxy statement does not disclose any actual plans. Last year, National Union sold its CR tube plant and facilities to Sylvania (Vol. 10:48-49), is 41.43% owned by its officers & directors who include chairman-pres. C. Russell Feldmann, 22.49%, and director Harry E. Collins, 16.57%.

Topics & Trends of TV Trade: Highly useful merchandising ideas to help fellow dealers increase their profit margin over current estimated 3% were advanced this week by NARDA v.p. Don Gabbert in forceful address to Iowa Appliance Dealers Assn. Gabbert, a Minneapolis dealer, set forth these suggestions:

(1) Make advertising and promotions pay off by "creating a selling atmosphere on your retail floor." In addition to strong display material, dealers were urged to improve demonstrations for step-up sales and to label unidentifiable merchandise "to help with that add-on sale."

(2) Develop incentive program so salesmen will be paid for extra effort in selling up to higher-priced models. Step-up units should get most favorable display space and demonstrated most dramatically—i.e., putting fresh food in an operating refrigerator, placing higher-priced TVs in windows.

(3) Reduce number of lines carried, to permit concentration on volume with fewer suppliers, thus enabling dealer to get best cost sheet from distributor.

(4) Develop low-cost reconditioning program for trade-ins to be able to handle them for maximum profit, not as a substitute for a discount. Some dealers, he said, keep at least one piece of used merchandise on floor at all times in order to excite interest in store's second-hand dept.

(5) Play down discount house argument. "Teach yourself and your salesmen how to sell against 'I can get it for less.' Tell the customer: 'The discount is built right into the list price' or 'you are buying a protected investment' or 'my hundreds of satisfied customers tell me it is the most they've ever got for their money.'"

* * * *

There are about 10,000 discount houses in nation, doing annual volume of \$500,000,000, according to estimate of one of the leading and most voluble of them—Stephen Masters, of Masters Inc., N. Y. Addressing Public Utilities Advertising Assn. meeting this week in Rochester, N. Y., he said criticism of discount houses is reminiscent of protests over rise of dept. stores, chain stores, door-to-door selling, supermarkets & mail order houses. He told utility men they were the first discounters, because: "When Edison perfected the light bulb, electricity was sold for 25¢ a kilowatt. Electricity was used for street, factory & home lighting. That was the night load. Utilities needed day load to have full pay load. The answer was to sell kilowatts cheaper and create a market for daytime appliances that would consume more kilowatts. That has been the procedure for 75 years. The kilowatt today costs the consumer about 1.7¢." He said his own store does annual volume of \$20,000,000, or average of \$40 per customer; sells \$700 worth of merchandise per sq. ft. vs. \$76 for average dept. store; holds cost of each \$100 sales to \$11.20 vs. \$32.90 for dept. store.

Storer Broadcasting Co., in 9-mo. report (Vol. 11:45), disclosed that manufacturing at New Rochelle plant of Empire Coil Co., which had been operated at a loss, was terminated Oct. 25 and its assets are being liquidated. Once flourishing plant was acquired from Herbert Mayer in \$10,000,000 "package deal" involving acquisition of Cleveland's WXEL (Ch. 8) and Portland's KPTV (Ch. 27) early in 1954 (Vol. 10:2, 44).

Fedders-Quigan Corp. (Salvatore Giordano, pres.), producer of RCA room air conditioners, has contracted with Whirlpool-Seeger to produce them under RCA-Whirlpool label through June 1958.

RCA to build addition to its hi-fi & tape recorder plant at Cambridge, O., adding 210,000 sq. ft. at cost of \$2,700,000, due to be completed by mid-1956.

DISTRIBUTOR NOTES: RCA Victor Distributing Corp., Los Angeles, takes over distribution of RCA-Whirlpool refrigerators & freezers from Graybar . . . CBS-Columbia appoints Shook & Fletcher Co., 2915 10th Ave., N, Birmingham, Ala. (P. G. Shook, pres.) . . . Zenith appoints newly-formed McKee & McRae Inc., 640 Ricks St., Jackson, Miss. (John McRae & James H. McKee, partners) . . . Gerald O. Kaye & Assoc., Crosley-Bendix N. Y. distributor now relocated at 50-35 50th Rd., Maspeth, L. I., anticipates sales of \$50,000,000 this year vs. \$24,000,000 last year and \$18,500,000 in 1953, says pres. Gerald O. Kaye . . . Harry Alter Co., leaving TV-radio-appliance distribution field as Crosley-Bendix distributor in Chicago, will retain only refrigerator parts business . . . Southern Appliances Inc., Charlotte (Raytheon) appoints Larry Miller, ex-Cannon Distributing Co., as asst. gen mgr. . . Admiral Distributors-Oklahoma City names W. C. Henderson to gen. mgr. . . . Zenith appoints Amarillo Hardware Co., 600 Grant St., Amarillo (E. W. Pipkin, pres.).

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Mexico City's 3 TV stations, their satellite outlets in Pueblo & Cuernavaca, plus the recently established stations in Monterrey & Guadalajara, are now serving some 150,000 receivers, reports Admiral public relations director Martin Sheridan, just back from visit to subsidiary there with pres. Ross D. Siragusa. He ranks Admiral de Mexico (R. J. Freeman, pres.; W. J. Kohler, v.p.) as top TV manufacturer in the country, other prominent brands being Beckwith (Mexican-German), Calbest, Crosley, Electra (Mexican), GE, Hotpoint (GE), Packard-Bell, Philco, RCA, Sears Roebuck, Sylvania, Zenith. U. S. manufacturers must assemble there, for govt. ruling forbids imports of sets costing more than \$80. Admiral has own service setup, offering service policy at \$32 for first year, \$45 for second, its line comprising 17-in. table at \$240; 21-in. table, \$320; 21-in. console, \$400; 21-in. hi-fi combination, \$775. Note: Mexico also has border stations in Juarez & Tijuana (see *TV Factbook No. 21*, p. 240).

RETMA board meeting in Chicago this week, in addition to adoption of channel allocations resolution (see p. 3), authorized counsel Glen McDaniel to petition Federal Trade Commission for reconsideration of its trade merchandising rules (Vol. 11:28); agreed to file report with Commerce Dept. urging it to make more nickel available to tube industry; decided to start preliminary work on compiling production and sales data on phonographs; approved renewed effort to get 10% excise tax reduced to 5% on all sets and to eliminate tax on color receivers.

Wilcox-Gay's amended Chapter XI plan, providing payment over 5 years of 50% of unsecured claims of more than \$100, was approved Nov. 10 by Referee Woolridge in Grand Rapids Bankruptcy Court. Wilcox-Gay, parent of Garod Radio, must file deposit by Nov. 28 to put plan into effect.

Zenith's patent infringement counterclaim suit against RCA, GE & Western Electric has been set for trial April 5 in Federal Court, Wilmington. Judge Leahy set the date this week in denying Zenith's petition for postponement until Oct. 1956 (Vol. 11:44).

Westinghouse to introduce new TV line in Jan., called "Convention" to tie in with its sponsorship of Presidential nominating conventions on CBS-TV next Aug. The current "Catalina" and "Riviera" series will be retained.

NARDA's Trade-In Blue Books, out in mid-Dec., are priced at \$5 for TV volume, \$7.50 for appliances, \$10 together. Address NARDA headquarters, Merchandise Mart, Chicago.

Admiral of Australia (Pty.) Ltd. starts construction of new TV-radio plant on 21-acre tract near Sydney.

Electronics Reports: "Our biggest bet is the electronics industry," said pres. J. D. Wright this week in reporting to N. Y. Society of Security Analysts that Thompson Products Inc., expanding its activities in atomic energy, guided missiles & electronics fields, will earn about \$4 a share this year on about \$275,000,000 gross business vs. \$4.25 on \$268,000,000 in 1954. Big Cleveland automotive & airplane parts manufacturer owns Dage Electronics Div., Michigan City, Ind., and Bell Sound Systems, Columbus, O., holds 49% of Ramo-Wooldridge Corp., Los Angeles, with option on additional 35%; latter's 1955 sales alone will run \$30,000,000, he said.

Daystrom Inc. "is currently investigating several electronics companies for possible purchase," having just completed \$9,000,000 sale of its American Type Founders subsidiary to investment group headed by David Berdon and Jay Levine of New York (Vol. 11:32, 39). Five of Daystrom's 6 operating units are now in electronics, electrical instrumentation & nucleonics, with 85% of its sales in electronics or allied products. For first half of 1955, Daystrom's net income was \$980,000 (\$1.01 on 973 182 shares) on sales of \$37,855,000, vs. \$758,000 (\$1.17 on 643,911) on sales of \$36,266,000 for corresponding 1954 period.

Modular construction—widely heralded as newest concept in TV set manufacturing (Vol. 11:23, 24, 38)—is still some distance away for RCA, senior exec. v.p. Dr. Elmer W. Engstrom says in Nov. 14 *Retailing Daily* interview. He states that modules have proven extremely efficient on short-run production; that RCA is studying technique, but will continue use of printed circuits for mass runs at present since they have "produced more reliable equipment at a lower cost."

Solar battery price—greatest barrier to widespread use (Vol. 11:42)—has been cut 20% on single units and up to 60% on mass orders, reports Hoffman Electronics' National Fabricated Products Div. Price of single-cell unit will be \$20 instead of \$25, quantities up to 500 will be \$12.50 each, larger orders \$10 each.

Diversifying into electronics, Van Norman Co., Springfield, Mass. machine tool manufacturer, has acquired Insuline Corp. of America (antennas, electronic products) and Transitron Inc. (electronic components & assemblies) by exchange of stock. Both will operate as subsidiaries.

Raytheon has cut price on transistors for experimental use from \$1.25 to 99¢ in move to encourage greater use of semi-conductor by amateurs and to make them available to schools for instructional purposes.

Tiny industrial TV camera—5.2-in. long, 2.6-in. in diameter—was exhibited at recent German Radio-TV-Phonograph Fair at Dusseldorf. It uses standard 8mm film camera lenses.

First radio-controlled traffic light system (Vol. 10:52) was put into operation Nov. 15 at 13 Chicago intersections. Built by GE for \$50,000, system will be extended later.

Uhf "scatter" communications system has been set up by Canadian Bell Telephone Co. to service defense installations along coastline of Canada's sub-Arctic.

Alva B. Clark, 65, who has been serving as director of a Defense Dept. research project since retirement as Bell Labs v.p. last Feb., died in N.Y. Nov. 14. One of industry's pioneers, he served with Bell System for 43 years, headed development of transcontinental coaxial & microwave facilities, direct distance dialing system and automatic message accounting system, held 44 patents.

Gerald W. Willard, 54, retired Bell Labs specialist in piezo-electric crystals and ultrasonics, died Nov. 18 at his home in Fanwood, N. J.

Trade Personals: Edmund Orgill, pres. of Admiral distributor Orgill Bros., elected mayor of Memphis this week by 18,635 votes over nearest rival, will take leave of absence from his firm starting Jan. 1 . . . R. J. Sargent promoted to mgr. of Westinghouse major appliance div., Mansfield, O., reporting to J. H. Ashbaugh, v.p. of appliance divs. . . Charles M. Odorizzi, RCA exec v.p. sales & services, returns Nov. 24 from 5-week inspection tour of South American operations . . . David H. Cogan, chairman of Victoreen Corp. ex-pres. of CBS-Columbia, elected pres. of Nameplate & Monogram Co., supplier of escutcheons and other ornaments to TV-radio-appliance industry . . . Arthur H. Forbes promoted to asst. distributor sales mgr., Standard Coil . . . Roland Connoy, ex-Stewart-Warner, named Sylvania TV-radio district sales mgr., Minneapolis . . . Robert B. Saichek, partner in Barton Adv., Chicago, named Motorola sales promotion mgr. . . Howard W. Morse, ex-Magnavox & Hallicrafters, appointed Scott Radio field sales mgr. . . Edwin Cornfield, ex-pilot Radio, named sales mgr. of tape recorder div., Dejur-Amsco Corp., Long Island City . . . Irving E. Russell resigns as adv. mgr. of Webster-Chicago to join CBS-Columbia . . . Joseph Frank, sales v.p. of Astron Corp. (capacitors), elected pres., succeeding late Otto Paschkes . . . Julius Haber, RCA, appointed chairman of RETMA public relations committee, replacing Ellis Redden, resigned recently from Magnavox.

National Electrical Mfrs. Assn. elects new officers: chairman, James W. Corey, Reliance Electric, Cleveland, succeeding A. F. Metz, Okonite Co., Passaic, N. J.; pres., A. A. Berard, Ward Leonard Electric Co., Mt. Vernon, N. Y. (re-elected); v.p.'s—J. L. Singleton, Allis-Chalmers, Milwaukee; Fred F. Loock, Allen-Bradley Co., Milwaukee; J. J. Mullen Jr., Moloney Electric, St. Louis; B. C. Neece, of Landers, Frary & Clark, New Britain, Conn.; W. V. O'Brien, GE, N. Y. In addition, N. J. MacDonald, Thomas & Betts Co., Elizabeth, N. J., was elected to officers' committee.

Electronics industry is well represented among latest appointments to new Defense dept. industry advisory committee on safeguarding classified information. Included are: J. J. Jacoppi, Western Electric; Russell E. White, GE; John L. Buckley, Varian Assoc.; J. A. Ranallo, Thompson Products; R. D. Williams, Battelle Memorial Institute; David Lester, Hupp Corp.

Annual Forrestal Award for leadership in promoting understanding and cooperation between Govt. and industry, first won by President Eisenhower last year, will be bestowed on RCA-NBC chairman David Sarnoff at a dinner in Washington Jan. 26 by National Security Industrial Assn. (formerly the Navy League).

Richard M. Osgood, ex-chief of Air Material Command's electronics systems div., in charge of setting up radar defense system on northern edge of North America, appointed mgr. of equipment fabrication, Sylvania avionics & guided missiles lab, Waltham, Mass.

Harold B. Whitfield promoted to AT&T gen. patent attorney, succeeding Maurice R. McKenney, retired. Whitfield is succeeded as gen. patent attorney for Western Electric subsidiary by Norval S. Ewing, Bell Labs.

Capt. Wilson P. Cogswell (USN ret.), onetime director of Electronic Resources Production Agency & MIT consultant, appointed staff asst. for military operational analysis, Stromberg-Carlson engineering & research dept.

Gordon N. Thayer, Bells Lab v.p., appointed chief engineer of AT&T, effective Dec. 1, succeeding H. I. Romnes, now an AT&T v.p.

Robert Cheek, asst. mgr. of Westinghouse electronics div., named mgr. of new industrial electronic products dept.

Color Trends & Briefs: Swing toward local color programming continues, with more and more TV stations reporting "firsts." NBC's WNBQ, Chicago, on Nov. 14 started weekly 30-min. film show *Cowboy G-Men*, RCA-Victor Distributing Corp. sponsoring, as start of buildup to its projected exclusively-color schedule by April 15 (Vol. 11:45).

Other stations reporting recently: WBAL-TV, Baltimore, began regular daily colorcasts Oct. 31, including live commercials on 10:45-11 a.m. *Homemakers* show. WDSU-TV, New Orleans—which recently built complete color studios—began first local commercial color program last week with big Maison Blanche dept. store as sponsor. KMTV, Omaha, claims area's first color commercial, for local auto dealer. KPTV, Portland, Ore., will colorcast 5 episodes of Pacific Power & Light Co. series this winter. WFIL-TV, Philadelphia, presented its second full-length color movie last week.

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Revolutionary color film heretofore classified "top secret" by Govt. and sensitive enough for indoor and night use without extra lights will be used for first time in spot news coverage by NBC-TV's *News Caravan*, producer Frank C. McCall told National Assn. of Radio & TV News Editors this week in Denver. Film is new Anscochrome which has speed rating of ASA 32, comparable to slower black-&-white types, but through processing tricks it can gain speed almost equal to Eastman's ultra-fast black-&-white Tri-X without losing too much color quality. *Caravan's* news editor Arthur Holch showed scenes shot under existing light conditions inside United Nations chamber, at indoor hockey game and at rescue operation in Conn. during recent flood.

Skeptical appraisal of color was given this week by John Crosby, N. Y. Herald Tribune Syndicate columnist. Asking "Whatever happened to the vast boom in color sets we were led to expect?" he lists RCA-NBC's multi-million-dollar color projects, says that if RCA is selling 1000 sets a week (Vol. 11:45) it's still "chicken feed." "It does seem to me," he goes on, "that RCA is trying to thrust color on a public that is not only apathetic about paying \$895 for its 21-in. set but occasionally downright hostile about receiving color telecasts on its present black-&-white screen." His conclusion: "NBC's position seems to be that color is inevitable, that it is the wave of the future. Perhaps it is. But when?"

"Ever-tantalizing question whether color TV will be able to break down anti-air attitude of many large dept. and specialty stores is in wind again following announcement of NBC's new \$9,000,000 color plans [Vol. 11:45] . . . Admen peering into crystal ball point out that local color TV will have it all over 4-color process in newspapers which is limited by quality of newsprint. This advantage, they say, will interest those retailers of apparel and home furnishings who have hitherto been married to black-&-white print."—*Sponsor Magazine*, Nov. 14.

"Color TV is truly wonderful and hundreds of thousands of people can afford sets now, and at today's low prices of \$795 and \$895. And countless hundreds of thousands of others soon will be able to buy color sets within the coming year, as production increases and prices are adjusted downward."—Robert A. Seidel, RCA exec. v.p., consumer products, in speech prepared for delivery Nov. 21 to Sales Executives' Midwest Conference, Chicago.

Hollywood's use of color seems to be leveling off, according to *Motion Picture Herald*, which editorializes in Nov. 12 issue that "rule of reason" is taking place of previous rush to color; that recent black-&-white hits are indication that nature of story should dictate whether film would be better in black-&-white or color.

Network Color Schedules

(Nov. 21 - Dec. 4, 1955)

- Nov. 21—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 22—NBC: *Home* segments, 11 a.m.-noon; *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Nov. 23—NBC: *Today* segments, 7-10 a.m.; *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 24—NBC: *Howdy Doody*, 5:30-6 p.m.; *Assignment: India*, documentary with Chester Bowles as film narrator, 5-6 p.m. CBS: *Climax*, 8:30-9:30 p.m.
- Nov. 25—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 26—NBC: NCAA football, Army vs. Navy, 1:15-4 p.m.; *Max Liebman Presents*, "Dearest Enemy," with Cornelia Otis Skinner, Cyril Ritchard, Anne Jeffreys, Robert Sterling, 9-10:30 p.m. CBS: *Gene Autry Show*, 7-7:30 p.m.
- Nov. 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 29—NBC: *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9:30 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Nov. 30—NBC: *Howdy Doody*, 5:30-6 p.m.; *Kraft TV Theatre*, 9-10 p.m.
- Dec. 1—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Shower of Stars*, 8:30-9:30 p.m.
- Dec. 2—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 3—CBS: *Gene Autry Show*, 7-7:30 p.m.
- Dec. 4—NBC: *Color Spread*, Maurice Chevalier variety show, 7:30-9 p.m.

More color service schools: Philco, which recently started color set production (Vol. 11:44) and is now delivering its \$795 & \$895 models to distributors, has launched 40-hour course at Philadelphia plant, says it expects to train 20,000 servicemen by using factory graduates to instruct others. Hoffman reports that 50% of those attending its recent 6-hour training courses in Los Angeles indicate they plan to merchandise color within 3 months; it plans to repeat the courses in 60-90 days. Some 500-700 servicemen are expected to attend technical session in Detroit Nov. 22, with RCA field engineer Cleon Taylor speaking under sponsorship of RCA Victor Distributing Corp. and local servicemen's associations. In Grand Rapids, Mich., B. & W. Distributing Co. (Motorola) says it has drawn servicemen from 100 mi. away to night classes, plans to repeat course several times in next few months. B. & W. partner J. Eugene Wright sums up color status thus: "Heretofore, programming has been one of the big obstacles in color TV sales, but this is beginning to disappear. Dealer reluctance is now one of the major obstacles. Service is the big question raised by both dealer and customer."

First British tests of NTSC color are analyzed by technical editor of London's *Wireless & Electrical Trader* in Oct. 29 issue after viewing closed-circuit demonstration of color and black-&-white sets side-by-side. He reports that monochrome reproduction of compatible color signal was excellent except for crawling dot pattern in some areas when viewed closeup; that other anticipated defects were entirely absent; that color was well rendered but lacked fine detail on live pickup. Writer also noted considerable fringing, attributed it possibly to tube, which was 15-in. RCA 3-gun mask type in Marconi circuit.

Start of color in Mexico City is reportedly due some time next year. Engineer Guillermo Gonzalez Camarena, employed by Azcarraga-O'Farrill interests, is said to have "new" system permitting reception on monochrome sets with slight modification. At height of U. S. color battle several years ago, Camarena was reported planning to put CBS-type sequential signals on air.

Special NBC-TV color film documentary *Assignment: India*, narrated by Chester Bowles, ex-U. S. ambassador to India, will be telecast 5-6 p.m. Thanksgiving Day, replacing *Pinky Lee & Howdy Doody*. Bowles served as consultant on film, edited from more than 10 hours of footage shot in India under supervision of NBC public affairs dept. producer Robert Graff.

Financial & Trade Notes: Diversification—with a vengeance!—is seen in report that leaked this week that Penn-Texas Corp., big N. Y. holding company headed by L. D. Silberstein, was looking into possibility of acquiring Hallicrafters Inc., Chicago, old-line radio, TV, communications and defense equipment manufacturing concern founded by its chairman Wm. J. Halligan. Report came out even as Hallicrafters was disclosing that it had earned \$406,146 (49¢ a share) on sales of \$25,063,463 during fiscal year ended Aug. 31, as against loss of \$940,946 on sales of \$31,054,363 in preceding year.

According to Hallicrafters pres. Raymond W. Durst, Penn-Texas is one of several companies that have "shown an interest" in acquiring or merging with Hallicrafters. After *Chicago Tribune* played up story Nov. 18, he issued statement that "we have not in any instance sought or solicited such inquiries inasmuch as we have complete confidence in our present and future prospects as an independent company."

Hallicrafters has "made no commitments in the direction indicated," the statement continued, and so will not "lend credence" to the report. Then the statement inferentially admitted something was in the wind when it went on to say that present management is committed to "no moves" unless such moves insure advantageous arrangement for shareholders, present employe seniority, perpetuation of present activities and of present distribution organization. No merger or sale of assets will be considered, it was stated, unless these conditions are assured and until stockholders approve. There's no proposal, however, on agenda for stockholders meeting Dec. 12.

Hallicrafters had loss year in 1954 for first time since 1947, according to its annual report. Business currently is excellent, said Durst, noting that on basis of new fiscal year's first two months (Sept. & Oct.) business should be at least 1½ times ahead of year just reported.

Hallicrafters annual report shows assets of \$13,450,223 as of Aug. 31 as against \$16,037,532 year earlier;

RCA's first public financing started Nov. 17 with offering to common stockholders of right to subscribe to \$100,000,000 of 3½% debentures convertible into common shares at \$50 per share and due Dec. 1, 1980. Price is 102½, thus yielding about 3.35% to maturity. Subscription rights, on basis of \$100 of debentures for each 14 common shares owned of record Nov. 17, expire Dec. 5. From a sinking fund, \$4,500,000 of the debentures will be retired Dec. 1 of each year from 1965-79. Proceeds will be added to working capital, used for expansion. Lehman Brothers and Lazard Freres & Co. head underwriting by more than 25 investment houses.

Walter E. Heller & Co., Chicago factors who have backed various independent film producers, reported in theatrical trade press to have earmarked \$5,000,000 for entertainment financing, including \$2,000,000 for backing of TV films. Firm has backed United Artists productions (currently, the profitable *Not as a Stranger*) and Sheldon Reynolds' TV series *Foreign Intrigue*. It was also identified with financing of TPA.

Oak Mfg. Co. earned \$1,158,376 (\$1.77 per share) on sales of \$16,125,239 for 9 months ended Sept. 30 vs. \$838,472 (\$1.28) on \$12,450,396 for same period in 1954. Oak recently issued one new share for each 4 outstanding, increasing common shares from 524,950 to 656,129.

* * * *

Dividends: Hazeltine Corp., 35¢ quarterly, 60¢ year-end payable Dec. 15 to stockholders of record Dec. 1; American Electronics, 12½¢ Dec. 15 to holders Dec. 1; Clevite Corp., 50¢ year-end Dec. 9 to holders Nov. 28; Aerovox, 5% stock Dec. 15 to holders Dec. 1; GE, 50¢ Jan. 25 to holders Dec. 16.

current liabilities were down to \$7,129,067 from \$10,072,925; indebtedness down to \$433,077 from \$480,852; earned surplus up to \$3,494,365 from \$3,088,219. Of 1,000,000 authorized \$1 par shares, 825,000 were outstanding, of which Mr. Halligan owns 33,700 shares and holds 140,100 as trustee for his 3 sons while Mrs. Halligan holds 27,800 and Wm. J. Halligan Jr. holds 46,700—for family total of 24.4%. Mr. Durst owns 32,900 shares. Stock is listed on Midwest Exchange.

Penn-Texas Corp., formerly known as Pennsylvania Coal & Coke Corp., has estimated assets of \$85,000,000, up from only \$4,600,000 in 1950; its sales this year will run \$80,000,000 as against \$6,000,000 in 1950. This is largely due to acquisition of new operations. Recently it acquired Pratt & Whitney Co., and currently it's acquiring Colts' Mfg. Co. (arms & instruments) and Liberty Products Corp. (aircraft parts). Its only subsidiary in electronics fields is Crescent Co., Pawtucket, R. I. (wire & cable). Other subsidiaries are Potter & Johnston Co. (automatic turret lathes); Industrial Brownhoist (heavy materials-handling equipment); "Quick-Way" Truck Shovel Co. (truck mounted power shovels); Bayway Terminal Corp. (industrial service); Tex-Penn Oil & Gas Corp.; Chandler-Evans (aircraft components); Pennco Oil Corp.; P-T Corp. (oil & gas producers); Pennsylvania Coal & Coke (bituminous coal mining); Saxon Steamship Co.; Seaborne Steamship Corp.; Seasplendor Steamship Corp. It's subject of Nov. 19 special report by McLaughlin, Cryan & Co., 1 Wall St., N. Y.

Note: Exchange of stock plan said to be under consideration would provide that Hallicrafters stockholders receive 40 shares of Penn-Texas stock for each 100 Hallicrafters. Penn-Texas has 1,886,211 shares of \$10 par stock outstanding, 868,285 of \$40 par \$1.60 cumulative convertible preferred, each 5 shares convertible to 8 common; it closed on N. Y. Stock Exchange this week at 18¼, its 1955 high having been 22⅞, low 17½. Hallicrafters closed at 6⅞.

Among "111 Growth Stocks" listed and individually discussed in 48-p. brochure with that title released by Merrill Lynch, Pierce, Fenner & Beane, 70 Pine St., N. Y., are these in TV-radio-electronics fields categorized as follows: Good Quality Wider Price Movement—Minneapolis-Honeywell, Sperry Rand. Speculative—Beckman Instruments, Motorola, RCA, Sprague Electric, Sylvania, Texas Instruments. Special, Dependent on National Defense—Bendix Aviation, Boeing, Douglas, General Dynamics, No. American Aviation, Thompson Products, United Aircraft.

General Dynamics Corp., reporting record third quarter, earned \$13,754,390 (\$2.74 per share on 4,998,259 outstanding) on sales of \$506,133,306 during 9 months ended Sept. 30 vs. \$14,161,038 (\$2.78) on \$477,829,633 in corresponding period last year. Earnings for third quarter were \$4,369,633 (87¢) on \$163,143,379 compared with \$4,320,213 (85¢) on \$154,523,974 in same period of 1954. Coincident with financial statement, Stromberg-Carlson div. exec. v.p. Gordon Holt again denied repeated rumors that old-line firm would leave TV-radio field (Vol. 11:43).

Insulated Circuits Inc., Belleville, N. J. (capacitors, printed circuits, etc.), has filed stock registration with SEC to offer 100,000 shares of 6% conv. pfd., \$5 par, through underwriting group headed by Alexander Watt & Co., 42 Broadway, N. Y.

Magnavox's proposed new issue of 120,000 of \$50 par convertible preferred stock will be voted on by stockholders at special meeting Dec. 14; it's to raise about \$6,000,000 for development and expansion.

Electronics Corp. of America earned \$295,000 (39¢ per share) on sales of \$8,549,000 during 9 months ended Sept. 30 vs. \$135,700 (16¢) on \$4,209,000 in 1954 period.

New county-by-county set census for 1956, proposed recently by both Nielsen and American Research Bureau as interim measure pending results of NARTB's own circulation survey in 1957 (Vol. 11:43-44), is unnecessary and a waste of money, in opinion of NBC research & planning director Hugh M. Beville Jr. He believes, first, that a satisfactory set of county-by-county estimates can be and will be projected by Advertising Research Foundation from figures made available recently by Census Bureau (Vol. 11:34, 39-40). Such a projection, he says, will be adequate for industry's needs until NARTB's "thoroughly tested and validated" project gets under way. Secondly, he says it would be wiser to concentrate on getting station coverage data in 250-300 selected communities "where population and TV circulation are sufficient to be of commercial importance [and] where there is a real practical need for TV station viewing data." As for the other communities, he said current engineering contour material is sufficient or the communities are too small to be of commercial importance. [Note: We still have available for our subscribers a few copies of brochure, *Television Set Count and Market Data by County and State*, tabulating county-by-county figures on total families, TV homes, population & retail sales, as published Nov. 1 by Edward Petry & Co.]

Long-overdue reforms in TV-radio station regulations, as advocated by Westinghouse stations v.p. Joseph E. Baudino at this week's NARTB regional meeting in Dallas: (1) Amend Sec. 315 of Communications Act to free station from liability for political matter which it must carry and cannot censor and to simplify regulations governing political broadcasts. (2) Extend station licensing period from current 3 to 10 years, with accompanying changes to ease work load of FCC staff. (3) Extend term of network affiliation from 2 to 5 years. (4) "Avoid by voluntary action the necessity for FCC setting limits on the amount of time in excess of option hours the network would be permitted to use."

TV has been blamed for children's eyestrain, stomach trouble, maladjustment, juvenile delinquency. Now along comes a Dr. Almon F. Halpern of Dallas and tells Southern Medical Assn. at Houston that the old family villain—the TV set—may be responsible for at least one form of the common cold. Said he: Children who watch TV while "lying on a rug" may contract "allergic" type cold if they're sensitive to mold and dust. He didn't suggest tossing out the TV set, though—merely said to spray rugs with a special chemical. Our own medical editor proposes a solution which may, under certain circumstances, be simpler: Tell the kids to get up off the rug.

Proposal for world's tallest TV tower, WHAS-TV's 2000-ft.-plus structure near Louisville (Vol. 11:8, 35), got hearing by Washington airspace panel this week after lengthy delays. In addition to originally proposed site 17 mi. southeast of city, station proposed alternate location 20 mi. east of Louisville. Because of "serious aviation questions" involved in proposal, panel deferred decision on clearance until Dec. 19.

NARTB convention April 15-19 at Chicago's Conrad Hilton Hotel will be divided—as this year—into TV, radio & Assn. "days." Registration fees will also be the same—\$25 for pre-registrants, \$27.50 for registration on arrival, \$10 for banquet tickets final evening. Broadcast engineering conference is scheduled April 16-18, management conference April 17-19. George Gayou & Co., St. Louis & Chicago, has been retained to handle exhibits.

CBS stock is among 31 issues for which Los Angeles Stock Exchange applied for trading privileges with SEC this week.

Howard K. Smith, CBS London correspondent, awarded honorary degree by Tulane U, his alma mater.

Release of more movies to TV was subject of much speculation this week after Internal Revenue Service ruled that one undisclosed movie company's outright sale of 200 films was subject to capital gains rather than regular income tax. In opinion of tax experts, ruling isn't likely to precipitate flood of old movies from Hollywood vaults because IRS termed case "unusual and isolated" and because selling company (believed to be Allied Artists) stipulated that it had no plans to repeat deal. Nevertheless, lawyers said other companies might use precedent to get rid of some old films on similar one-time basis, but revenue officials implied strongly that repetitious sales would bring quick reversal of opinion. Ruling is No. 55-706, will be released publicly Nov. 28 by Internal Revenue Service, Washington, D. C.

Relaxation of rules requiring announcement of mechanical video & audio recordings is in works with issuance of FCC proposed rule-making this week, prompted by NARTB and ABC (Vol. 11:5). NARTB seeks to limit such announcements to programs in which time element is significant, e.g., news broadcasts, panel discussions, special events, etc.; NARTB says present rules are outmoded, and there's little likelihood of deceiving modern "sophisticated" audiences by eliminating announcements on most programs. ABC seeks elimination of announcements when delay doesn't exceed time zone differential between points of origin and rebroadcast. Reply comments are due Dec. 15; copies of Public Notice 55-1136 can be obtained from FCC or we'll get one for you.

Hassles over NCAA's football TV restrictions have been occurring at the rate of one-a-week or better this season. This week's: Iowa Gov. Leo Hoegh appealed to NCAA to relax its rules and permit 4 Iowa CBS-TV affiliates to carry this week's Iowa-Notre Dame game from South Bend. Cedar Rapids' WMT-TV, only station scheduled to carry the contest, had cited "prohibitive" networking charges for a single-station telecast, wanted game also telecast by Des Moines' KRNT-TV, Mason City's KGLO-TV, Sioux City's KVTV & WHBF-TV, Rock Island, Ill. Despite fact that no football game was scheduled in Iowa same day, NCAA refused, saying such a release would be "breach of commitments and agreements."

Availability of information from govt. agencies, including FCC, is detailed in handy book published by Govt. Printing Office. Titled "Replies from Federal Agencies to Questionnaire Submitted by the Special Subcommittee on Govt. Information," book was printed for Congressional committee, is available from House Committee on Govt. Operations, House Office Bldg., Washington, D. C.

Recent power increases: WSIX-TV, Nashville (Ch. 8), Oct. 31 to 177-kw ERP from new 940-ft. tower; CKCO-TV, Kitchener, Ont. (Ch. 13), Nov. 11 to 54-kw at 651-ft.

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Television Digest

with **ELECTRONICS REPORTS**

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SUMMARY - INDEX OF THE WEEK'S NEWS — November 26, 1955

TREND TO MERGERS and acquisitions seen continuing into 1956 as smaller firms are caught in competitive squeeze and big newcomers eye electronics (p. 1).

COMMUNITY SYSTEMS' problems piling up but operators see future unclouded nonetheless; Jerrold reports new systems and rate of growth (pp. 2 & 16).

VHF DECISIONS in touchy vhf-uhf areas considered imminent despite split in FCC; telecasters lining up, preparing allocations pitches (p. 3).

GENERAL TELERADIO MERGES with RKO Radio Pictures Inc. for tax purposes. Tom O'Neil's new RKO Teleradio Pictures Inc. will have 2 divisions (p. 5).

BIGGEST FILM-TO-TV DEAL imminent as RKO Teleradio prepares to sell 600 features to Matty Fox for \$12,000,000, and to its own stations for \$3,000,000 (p. 5).

FCC NETWORK STUDY gets direction from Commission, which lists subjects to be explored, covering intimate aspects of network operations (p. 8).

COMMISSION GRANTS Buffalo uhf, Billings (Mont.) vhf, Memphis vhf educational, overrides objections on network service to Mexico border stations (p. 8).

RETAIL FORECASTS TRIMMED in wake of slight TV sales dip. RCA prospectus, analysis of Philco shed more light on how trade leaders rank in market (p. 11).

9-MONTH TV SHIPMENTS to dealers, listed state-by-state, totaled 5,174,732 while production ran 5,760,506. Shipments 16% ahead of 1954 period (p. 13).

TV-ELECTRONICS FUND, industry's first open-end investment trust, reports on assets, new stocks added, holdings dropped during quarter to Oct. 31 (p. 14).

"WAR BABY GROWN UP"—Sylvania's rise to \$300,000,000 annual sales, putting it "up with the giants," detailed in profile of expanding company (p. 15).

TV's BIGGEST WEEK in programming sees top stars in 90-min. Broadway shows, high-rated movies, documentaries—causing moviemen much concern (p. 9).

EL DORADO, ARK. gets 458th U. S. station, as new outlets in Memphis and other cities get ready to start. Reports on equipment shipments (p. 10).

OVER 65% OF OHIO FARMS have TV—highest penetration, except for northeast coast, of 38 states tabulated so far in Census county-by-county poll (p. 10).

MORE MERGERS & ACQUISITIONS IN THE WIND: This being an era of mergers and industrial giants, you can expect to see more of them develop during the next year in TV-radio-electronics fields. Hardly a week passes without news of mergers or acquisitions, usually of small or medium-sized companies joining together or being taken over by big ones -- more often than not by big companies not now in electronics but seeking to "diversify" their way into its magical realms.

The proposed acquisition of Hallicrafters by Penn-Texas Corp. (Vol. 11:47), by no means a fait accompli yet; the passing of control of Olympic Radio into new hands (Vol. 11:47); purchase of control of Webster-Chicago by Titus Haffa, who owns the big Dormeyer appliance manufacturing concern (Vol. 11:24-26) -- all are straws in the wind that really began to be felt last spring when old-line Stromberg-Carlson was merged into huge General Dynamics, of which it's now a division (Vol. 11:18, 27).

Interestingly enough, the biggest entities in television and radio -- RCA, Philco, Admiral, Motorola, Zenith, GE, Westinghouse -- have not participated to any noteworthy extent in acquisitions of smaller companies in recent years, though it's an open secret that they have been sought out and sometimes literally begged for parental adoption by many smaller companies.

Whatever their motives in rejecting opportunities to acquire such properties as Empire Coil Co., now being liquidated by Storer (Vol. 11:47), and others offered, the fact is that the big fellows are getting bigger in their own way while competing like blazes with one another. RCA, for example, will achieve \$1 billion this year, yet has even gotten out of the manufacture of ranges and has turned over its air conditioner and stove business to Whirlpool-Seeger combine in favor of the stronger TV-radio-appliance merchandising setup it acquires (Vol. 11:29-30, et seq).

Philco hasn't taken over any new operation in a long time, and Motorola has elected to expand in its own chosen fields of TV-communications-military products.

Admiral's contraction of business in the last year, largely due to loss of defense contracts, has been accompanied by an expansion of its own distributorships (18 of them now) in the face of a general trend away from company-owned distribution.

Who's next in the merger picture? It's hard to say, but it's fairly clear that the new banking interests in DuMont, who have just completed the 1-for-2½ share spinoff of telecasting from manufacturing activities (Vol. 11:20, 33, 34, 39), are not thinking merely in terms of a new president for DuMont Labs, expected to be named any day now. They've been looking into expansions by way of acquiring or merging -- though the rumored tieup with Belock Instrument Corp. apparently is out.

Purchase of Olympic Radio by the new industrial-financial group that includes Siegler Corp. chairman Wm. H. Husted is avowedly a first step toward some sort of expansion (Vol. 11:47); Siegler, manufacturer of heaters, owns Hallamore Mfg. Co., which has announced plans to manufacture closed-circuit industrial TV equipment.

Admiral's pres. Ross Siragusa told Forbes Magazine recently (Vol. 11:43) that he's thinking of diversifying into the building supply business, notably heating and air conditioning systems, and has been toying with building a master sink, complete with all appliances. It won't be surprising if 1956 is the year for such expansion.

Year ahead may well alter the face of the industry, as competition between the big fellows -- whether for the TV-radio-appliance trade, for supremacy in other electronics products, or for the all-important defense contracts -- gets keener and impels the smaller fellows to continue to go to Wall Street for help in joining up with others in order to achieve volume and financial stability.

Right now, in TV-radio at least, nearly everybody is doing very well or fairly well in a boom market. But everybody wants a hedge against the bigtime competition and against declining markets -- and some see it in mergers and in diversification under stronger financial auspices.

* * * *

Note: Federal Trade Commission economists this week forecast this year's mergers & acquisitions in manufacturing & mining would probably exceed 500, largest number since 1930 when there were 799. All-time peak was 1245 in 1929. Same trend is noted in banking, and FTC does not undertake to evaluate or give opinion except to say high rate in manufacturing & mining is a phenomenon of a high level of business prosperity. "Merger fever" is said to be such that some companies have set up research depts. devoted exclusively to exploring possibilities, while business "marriage brokers" are quite active. Some of motivations found by FTC are need for additional capital, diversification, own sources of supply and distribution, tax savings.

COMMUNITY ANTENNAS—PROBLEMS & PROSPECTS: Community antenna operators' problems seem to be coming to a head currently, but operators cheerfully refer to them as "growing pains," report business booming. Actually, reason so much interest is being focused on the wired systems is that they've become large enough to be a factor in the TV industry. Current problems line up like this:

(1) Illegal boosters: CATV operators were thrown into a tizzy when FCC examiner J.D. Bond issued his initial decision recommending unauthorized boosters not be put off air (Vol. 11:43). However, they have no doubt FCC will reverse Bond and curb their free-wheeling competitors.

Even if some sort of booster is legalized by FCC, the CATV owners still see no basic threat to their business. According to National Community TV Assn. exec. secy.-gen. counsel E. Stratford Smith, illegal boosters are already running into internal troubles: they're interfering with each other; they've occasionally gone off air while set owners passed hat to continue operations. But, basically, there just isn't enough vhf spectrum space, he says, to build sufficient boosters to supply set owners with multiple signals on non-interference basis -- whereas most CATV systems can easily furnish several signals.

(2) Govt. regulation: To date, only one state utilities commission, Wyoming's, has actually assumed jurisdiction -- though several others have talked about it. CATV operators don't like such regulation but don't consider it fatal. They believe they can persuade commissions to adopt liberal rules because of great risks inherent

in the business. In addition, they point out that the commissions always give utilities some measure of protection in exchange for regulating them -- yet commissions have no power to protect CATV systems from the competition of Federally-authorized new TV stations, station power-height increases, boosters, satellites, etc. Thus, they reason, state commissions must regulate with a light hand on reins.

FCC has shown little inclination, through the years, to get into CATV regulation. However, several telecasters have been urging NARTB to push for Federal curbs of systems on grounds CATV stymies growth of regular stations. NARTB has formed committee, is studying matter.

Most vigorous opponent of systems is Wm. Grove, operator of KFBC-TV, Cheyenne, Wyo. He says he'd like to build satellites in Wyoming communities which now get Denver signals via community systems. Currently, he's asking Wyoming utilities commission not to permit CATV system in Rawlins.

(3) Property rights: From time to time, TV stations have sought to block CATV's use of their signals on grounds that program property rights are being pirated. None of these efforts has come to a head. KOA-TV, Denver, once asked Casper, Wyo. system to sign an affiliation contract, later dropped the request. Ed Craney's KXLF-TV, Butte, once ordered Bozeman system to stop using its signals but hasn't forced issue in courts. WMCT, Memphis, once sought FCC aid on property rights matter, was turned down. KFBC-TV's Grove appears to be most militant opponent.

Latest attack on property rights question came last week when Arche Mayers, Standard TV Co., charged that CATV systems "cheat" film industry by picking up signals without paying fee (Vol. 11:47). NCTA's legal position on property rights is that CATV doesn't supply program service but is merely an antenna service doing for its subscribers something they cannot economically do themselves. Presumption is that the issue will some day be thrashed out in courts.

All other TV stations are either non-committal or actually encouraging CATV operations. For that matter, none has even complained to FCC about illegal boosters using their signals. Reason seems to be simply that they regard any increase in the size of audience as all to the good.

* * * *

Growth of CATV industry seems unimpeded, meanwhile, except in Pacific Northwest where prospective system operators are waiting for hassle over illegal boosters to simmer down and for some "ground rules" to emerge.

NCTA estimates there are 475-500 systems serving 30 or more homes each, for total of some 300,000 homes. It has 220 CATV operators as members, plus virtually all equipment makers as associate members.

Largest manufacturer of community equipment, Jerrold -- which this week purchased controlling interest in Key West system--reports that it has supplied equipment for 13 new towns in last 4 months and that growth of older systems is generally continuing at good clip (for details, see p. 16).

FCC EDGING TOWARD VHF FINAL DECISIONS: FCC's prospective action on hot vhf final decisions still isn't clear. Next week should tell the tale. This week, Commission took up Fresno Ch. 12 case (KARM was favored over KFRE in initial decision last year) but came to no final vote, passed it over until next week.

Crux of the matter is whether a quorum can be obtained to act. Comrs. Mack & Webster are key men at the moment. It's not certain whether Mack is free to vote, because he didn't hear oral argument on the case. And Webster is concerned about disturbing status quo with new vhf grants while deintermixture is being considered in general allocations rule-making (Vol. 11:46-47). However, it's said that Mack may vote if he reads the oral argument.

Current predictions are that, despite these apparent uncertainties, Commission will make the final decisions. It's assumed McConnaughey, Doerfer & Lee are ready to do so, with Hyde & Bartley urging that no CPs be issued in critical vhf-uhf areas.

First of the court appeals was filed, meanwhile, when off-air WTRI, Albany (Ch. 35), owned jointly by Harry Wilder and Stanley-Warner Theatre interests and rep-

resented by ex-FCC chairman Paul Porter and ex-FCC asst. gen. counsel Harry Plotkin, asked court to review Commission decision dropping Ch. 10 into area and to enjoin it from throwing Ch. 10 open to applications. WMGT, Adams, Mass. (Ch. 19), through McKenna & Wilkinson, also plans to file similar appeal against the drop-in next week.

* * * *

Industry is jockeying for position, more than ever, as FCC prepares to dig into whole allocations setup. Several pioneer vhf telecasters, including some of those who spoke up for themselves during Senate "Potter hearings" on uhf last year (Vol. 10:30, et seq), are planning to meet early in Jan. with aim of forming protective group. Meeting will probably be held in Washington, and some of group are urging formation of permanent setup similar to radio's Clear Channel Bcstg. Service. It would be permanent, with Washington offices, counsel & consulting engineers. Membership would include affiliates of all networks, plus independents.

Another uhf group, without formal organization, spoke up this week. Six uhf telecasters, identifying themselves as "successful uhf stations," wrote FCC Chairman McConnaughey and stated:

"In the past, we have only asked that we be permitted to pursue our objective of serving our respective markets and we have asked for no special consideration. Now, however, we find our very existence threatened and feel that we should be given some idea of the Commission's thinking and have the opportunity of presenting our views to the Commission." They requested informal meeting with FCC.

Heading group is Thomas P. Chisman, WVEC-TV, Norfolk. Others who signed the letter: Allen M. Woodall, WDAK-TV, Columbus, Ga.; Ben Baylor, WINT, Ft. Wayne, Ind.; Thomas P. Shelburne, WILK-TV, and David M. Baltimore, WBRE-TV, both Wilkes-Barre; William L. Putnam, WWLP-TV, Springfield, Mass.

New group is distinct from Uhf Industry Committee, headed by Harold Thoms, WISE-TV, Asheville, N.C. Also in process of formation is Committee for Home Town TV, sparked by Philip Merryman, WICC-TV, Bridgeport, Conn., which aims to include vhf as well as uhf stations.

It's expected some vhf operators will support deintermixture, urging preservation of uhf. During Potter hearings, they supported status quo on allocations. But now they feel deintermixture is least of several possible evils. All palliatives which propose squeezing in more vhf stations would work to their disadvantage -- by paring down their service areas and breeding new vhf competitors.

Engineers are now gearing for allocations proceeding, and though no one has asked for extension of Dec. 15 deadline virtually everyone scoffs at idea that problem can be thrashed out in month or two. Most see the affair running well into next year, and some predict hassle will still be going on in 1957.

FCC chief engineer Edward W. Allen is working hard to get himself and staff in position to answer all technical questions as Commission propounds them. He heads FCC-Industry Radio Propagation Advisory Committee, which has been tailoring new propagation curves, studying cross-polarization, power-height relationships, directional antennas, etc. But members say what they really need is indication of policy from Commission -- what its goal is in terms of numbers of stations, in cities of what size, covering what areas. (For RPAC membership, see p. 16.)

National Assn. of Manufacturers served notice on the Commission this week, through its Committee on Manufacturers Radio Use, that if FCC manages to get more vhf channels for TV from Govt. its allocations problems won't be over by any means. "This Committee," it wrote FCC, "representing the 'heavy industry' users of mobile radio communications, considers itself an interested party for the reason that TV broadcasting requires a huge portion of the available spectrum and any approach to creating additional TV channels immediately presents a threat to all the non-broadcast services, in which industry has an important and permanent interest." NAM said it is concerned about "block allocations", said this policy "freezes frequencies in localities where there is little or no prospect that they will be put to use. We know that that is true of the FM broadcast service, and we suspect that it prevails in the TV service as well." Group is already seeking to share FM band (Vol. 11:6).

RKO TELERADIO PICTURES Inc. will be new name of merged General Teleradio Inc. and RKO Radio Pictures Inc. as soon as FCC approves transfer of the TV-radio station licenses held by General Teleradio. This was disclosed this week as transfer papers were filed, along with notice that General Teleradio Inc. has acquired the slightly more than 10% stock interest held by Macy's dept. store interests, for which it's paying \$2,250,000. Thus the General Tire & Rubber Co. subsidiary will be 100% owned, and it's proposed to set up newly named company into 2 main divisions—General Teleradio and RKO Radio Pictures.

It was just 4 years ago that General Tire's expanding subsidiary, then known as Thomas S. Lee Enterprises Inc., acquired R. H. Macy & Co.'s WOR-TV & WOR, New York, along with new plant and various assets, for \$4,500,000 in cash or other assets, plus 25-year lease on studio-transmitter properties at \$315,000 a year—Macy's retaining 10% interest (Vol. 7:46). Engineered by Thomas F. O'Neil, who had taken over operation of Mutual Broadcasting System (Vol. 7:21), it was at that time the biggest station deal in history.

It was in July of this year that RKO Radio Pictures Inc., with its Hollywood plant, plus vaults full of feature films and shorts, plus world-wide distribution setup, was purchased for \$25,000,000 by General Teleradio (Vol. 11:29,30) financed by Chase National Bank loans covered by notes for \$10,000,000 (at 3¼%) and \$15,000,000 (at 3½%, reducible to 3¼%) payable at semi-annual rate of \$1,000,000 and \$750,000, respectively (Vol. 11:39).

According to FCC file, General Teleradio now owns WOR-TV & WOR; WNAC-TV & WNAC, Boston; KHJ-TV & KHJ, Los Angeles; WHBQ-TV & WHBQ, Memphis; WEAT-TV & WEAT, West Palm Beach, Fla.; radio

KFRC, San Francisco; RKO Radio Pictures Inc., which had 5 affiliated corporations, 2 of which (RKO-Pathe Inc. and Van Buren Corp.) have been merged into RKO Radio Pictures Inc.; RKO Television Corp., now inactive; Cormex, S.A., holding company owning about 30% of Mexican corporation operating studios in Mexico; Windrose Inc., owning real estate in Los Angeles. Note: General Teleradio also owns 55% of WGTH-TV, Hartford (Ch. 18) and WGTH, sale of which to CBS pends FCC approval (Vol. 11:28).

Up to their Nov. 18, 1955 agreement, 6592 (out of 7324 outstanding shares of 10,000 authorized) were owned by General Teleradio, 732 by R. H. Macy. General Teleradio's net income after Federal taxes was \$1,549,964 in 1954 and \$1,194,112 in 1953. Consolidated net loss of RKO Radio Pictures Inc. was \$418,556 in 1954 and \$3,390,205 in 1953. The merger, accordingly, will result in tax savings.

Excluding Mutual, General Teleradio's assets as of Sept. 30, 1955 were \$2,293,886 cash, \$168,556 bonds. Current assets totaled \$12,788,942, embracing \$3,670,476 for MBS, \$4,121,672 notes receivable, \$214,958 prepaid rent, \$19,150 insurance, \$2,299,744 other assets. Investments and advances totaled \$25,684,206, fixed assets \$6,123,936—for grand total of \$45,110,406.

Current liabilities were reported as \$8,924,458, long-term debt \$28,500,000, surplus \$7,685,948.

Top executives, besides Mr. O'Neil, who holds titles of pres., treas. & director, are Daniel T. O'Shea, John B. Poor, Willet H. Brown, Charles L. Glett, J. Miller Walker, vice presidents & directors (Mr. Walker also secy.); Wm. H. Clark, director; Joseph J. Lamb, asst. secy. & director. Following are also vice presidents: Walter Bramson, John Cleghorn, Wm. Dozier, Gordon Gray, Norman Knight, Robert Manby, Dwight Martin, Robert Schmid, George Steffy, J. Glen Taylor, Harry Trenner, James E. Wallen. Asst. secretaries are B. D. Bender, Robert Hawkinson, Paul J. Quinn.

Telecasting Notes: Biggest sale yet of movies to TV is about to be consummated, with veteran TV film distributor Matty Fox due to buy 600 RKO pictures plus undisclosed number of short subjects from RKO Teleradio Pictures (new corporate name of RKO-General Teleradio empire; see above) for \$12,000,000. Though deal has been reported ready for signatures, Fox told us at press time: "I'm very hopeful that something will be concluded; however, I cannot say that it has been" . . . Fox would also get first option on 150 more RKO features, presumably after their theatrical reissue. It would give him rights to syndicate the RKO movies to stations in all cities except the 6 in which Teleradio operates TV stations. GT's own stations will pay total of \$3,000,000 for the package, giving RKO Teleradio \$15,000,000 which reportedly will be used to start movie production wheels going at RKO studios . . . Matty Fox founded Motion Pictures for TV Inc., later liquidating its inventory, and is pres. of Skiatron TV Inc., exclusive licensee for Skiatron subscription-TV system. He's also large stockholder and director of C & C Super Corp., soft drink firm which now owns feature film library formerly syndicated by MPTV. In RKO deal, Fox reportedly is backed by C & C money, as well as by First National Bank of Boston and financier David Baird . . . Hal Roach Studios, which produces its own TV films and rents space to other producers, reports 1955 the biggest year in its 35 years of existence, with production of 310 TV films at cost of \$9,045,000 . . . Screen Producers Guild turned thumbs down on offers from all networks and major TV producers to participate in production of weekly film show like that done by Screen Directors Guild, saying it "feels that its prestige would be seriously damaged were it to conform to the standards and practices generally in use today in the

TV industry" . . . "Culture" can be popular: CBS-TV's Nov. 19 *Ford Star Jubilee* may have set an unofficial record for viewership of spectaculars, over top-notch competition, when "Caine Mutiny Court Martial" scored 26.6 Trendex in first half-hour opposite 15.4 for *Jimmy Durante Show*; 30.2 for second half-hour against *George Gobel's* 21.4; 31 in third period opposite *Hit Parade's* 19.3 . . . Paddy Chayevsky turns his sharp insight on telecasting industry itself in TV drama he's now preparing for Feb. exposure on NBC-TV's *Playwrights '56*, tentatively titled "The Man Who Knocked Off Ed Sullivan." It's said to have as its central character an NBC executive assigned the task of working up Sun. night program to out-rate the popular CBS-TV variety show . . . NBC's "comedy development program" may bear fruit early next year in network's attempt to knock off Ed Sullivan. After *Colgate Variety Hour* drops Sun. 8-9 p.m. spot Dec. 25, network will fill the hour with a "comedy-in-depth" program beginning Jan. 8, using large numbers of "newly discovered" comedians (see also Network Accounts) . . . Danny Kaye reported in talks with several agencies with eye on TV spectacular debut next year.

New broadcasting reference collection has been started by Library of Congress under Librarian L. Quincy Mumford with presentation of tapes typical of week's programming by NBC's WRC, Washington, in form of 140 reels. NBC v.p.-WRC gen. mgr. Carleton D. Smith said he hopes later to present a full week of WRC-TV schedule on kines.

Hollywood upgrade: With 37 theatrical films now in production, 9 on foreign location, Hollywood studios are working at highest level in 5 years, says *Hollywood Reporter*.

Personal Notes: Don Durgin, ABC Radio exec. v.p., designated ABC representative on NARTB radio board, replacing Charles T. Ayres, now v.p. in charge of NBC Radio . . . Harold P. See upped to gen. mgr. from station mgr. of KRON-TV, San Francisco, as Charles deYoung Thieriot assumes presidency of *San Francisco Chronicle* . . . Robert W. Sarnoff, NBC exec. v.p., elected to board of National Multiple Sclerosis Society . . . Ralph J. Bitzer, who recently withdrew from old Fred O. Grimwood & Co. to set up own consulting engineering practice, has opened office in 298 Arcade Bldg., St. Louis (phone Garfield 1-4954) . . . Jerome S. Boros, FCC Hearing Div. attorney, joins firm of Fly, Shuebruk, Blume & Gaguine . . . Warren C. Zwicky, ex-Scharfeld & Baron, joins law firm of ex-FCC Comr. Robert F. Jones, Perpetual Bldg., Washington . . . Charles E. Smoot, Washington attorney, appointed FCC asst. gen. counsel in charge of legislation, treaties & rules, succeeding asst. gen. counsel Richard A. Solomon, now in charge of litigation div.; J. Smith Henley, asst. gen. counsel, moves into newly created post of associate gen. counsel . . . Jack Donohue, from Chicago office, named Pacific Coast network sales mgr., CBS Radio, succeeding Bok Reitzel, now on sabbatical leave after being transferred to Detroit office . . . Henry R. Poster, ex-MBS & Headley-Reed, named ABC Radio mgr. of sales development, reporting to Gene Accas, director of sales development & research . . . Samuel Fuller promoted to director of NBC-TV special projects, Hollywood, in charge of new comedy program to replace *Colgate Variety Hour* Jan. 8, Sun. 8-9 p.m. . . . Robert F. Davis promoted to research director, CBS-TV Spot Sales . . . Bert Hauser, ex-Mutual program v.p., joins Hardy Burt Productions, 104 E. 40th St., N. Y. . . . Joseph Brandel, ex-Philips of Eindhoven, appointed European sales director for Ziv International, stationed in Paris, following return of director Ed Stern from month's survey of European capitals . . . Ben F. Hovel, gen. mgr. of WKOW-TV, Madison, elected pres. of Wisconsin Broadcasters Assn. . . . Thomas C. Sawyer, ex-WWOR-TV, Worcester, named production mgr. of WMUR-TV, Manchester, N. H. . . . Jerome A. Stone, ex-gen. mgr. of radio WNDB, Daytona Beach, has joined Voice of America as field liaison officer . . . Henry J. McMahon promoted to mgr. of Yankee Network's new retail merchandising dept. . . . John R. Porterfield, ex-Storer eastern radio sales mgr. and onetime gen. mgr. of WGLV, Easton, Pa. & WNET, Providence, joins WABC-TV, N. Y. whose mgr. Robert Stone also announced appointments of James E. Szabo, ex-Adam Young sales mgr., and Leonard E. Hammer, ex-Adam Young & MCA-TV . . . Ernest M. Walker promoted to sales mgr. of ABC Radio central div., Chicago . . . David Kittrell, ex-Katz Agency and ex-CBS Radio Spot Sales mgr. in Atlanta, joins WTVD, Durham, N. C. . . . Edward Grossman, Guild Films radio div. director, resigns to set up own business, handling financing of TV films and TV-radio stations . . . C. F. Daugherty promoted to mgr. of facilities div., WSB-TV & WSB, Atlanta; Robt. A. Holbrook succeeds him as chief engineer . . . Robert J. Dean, ex-KMJ-TV, Fresno, named gen. sales mgr. of WFIE, Evansville . . . Steve Zinn, operations mgr. of WITV, Ft. Lauderdale, returns to Tampa's WTVT as station mgr. . . . Ben K. McKinnon, v.p.-gen. mgr. of WGVL-TV, Greenville, S. C., named gen. mgr. of Birmingham's radio WSGN, by new owner Winston-Salem Bestg. Co. (Vol. 11:47).

George Frey, NBC-TV network sales v.p. and the industry's top golfer, on Nov. 21 celebrated his 31st year with NBC and its predecessor AT&T-owned WEAJ, N. Y.

Charles Shaw, news director of WCAU-TV & WCAU, Philadelphia, wins Better Understanding Award of English Speaking Union.

ADVERTISING AGENCIES: George Haight, McCann-Erickson programming director, Hollywood (*Climax, Shower of Stars*), Jan. 1 becomes v.p. in charge of TV-radio dept., N. Y., reporting to Terence Clyne, v.p. & management supervisor of TV-radio dept. . . . Julian Field promoted to senior v.p. & creative director, Lennen & Newell . . . G. Warren Schloat Jr., ex-Wm. Esty Co., named Compton Adv. v.p. in charge of TV-radio commercial production; Mrs. Jessica Maxwell, ex-Biow-Beirn-Toigo, appointed Compton TV-radio casting & dialogue director . . . John C. Williams, chairman of L. Bamberger & Co., Newark, Jan. 1 becomes pres. of United Adv. Agency, N. Y. & Newark, succeeding Emanuel London, who moves up to vice-chairman, Leonard Dreyfuss continuing as chairman; it changes name on that date to Williams & London, Advertising . . . George Lewis named TV-radio director, Rowe-Doherty Assoc., N. Y. . . . Julian Field, ex-William Esty Co. & Ted Bates & Co., appointed senior v.p. & creative director, Lennen & Newell . . . Joyce Cook, ex-Robert Maxwell Assoc. & Frank Wisbar Productions, joins McCann-Erickson as west coast TV production supervisor.

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Newly formed North Advertising Inc., 430 No. Michigan Ave., Chicago, headed by Don Paul Nathanson, ex-Weiss & Geller v.p. in charge of Toni and other accounts, names following new executives: Charles P. Hirth Jr., ex-Biow & Hearst Adv. Service, named v.p. & group supervisor in charge of Prom and Silver Curl (home permanents); Richard S. Paige, ex-NBC, director of media; Kerry F. Sheeran, ex-Weiss & Geller, Chicago, executive in charge of Tonette Children's Home Permanent and Soft-style & Spin Curlers; Robert G. Fryml, ex-Henri, Hurst & McDonald, art director; Kent D'Alessandro, ex-Benton & Bowles, media analyst & buyer; Gene DaDan, ex-NBC, Chicago, TV-radio administrative dept.

Two agency mergers: Emil Mogul Co. combines with Storm & Klein Inc. Jan. 2, new firm taking Mogul name, Edward Klein becoming exec. v.p. & treas., Charles M. Storm chairman of exec. committee, Arthur Klein TV-radio director. Also, Honig-Cooper Co., San Francisco, merges with Rhoades & Davis Adv. Jan. 1, retaining Honig-Cooper name, Robert O. Davis becoming v.p. in charge of Rhoades & Davis div., J. A. Donald v.p. in charge of L. A. office.

Examinations for jobs in all fields of advertising—TV, radio, newspapers, magazines—will be given Dec. 3 under auspices of American Assn. of Advertising Agencies at Waldorf-Astoria, N. Y. They're open to those not now employed by an agency and to seniors and other promising college students. Deadline is Nov. 29 for applications to AAAA, 420 Lexington Ave., N. Y.

Teleprompter executives will demonstrate proposed new TV "program communications network," which is backed by Western Union (Vol. 11:45), at Radio & Television Executives Society luncheon meeting Nov. 28 in Hotel Roosevelt, N. Y.

Mrs. Ned Calmer, 46, wife of the CBS news commentator, died of pneumonia Nov. 24 in hospital in Charlottesville, Va. Besides her husband, she is survived by a daughter, 3 grandchildren, her parents, 4 sisters.

Walter Bredin, 59, news editor of Hearst Metrotone News in charge of TV assignments for Television Film Service, died Nov. 22 in N. Y. He is survived by his widow and 2 daughters.

Wm. V. (Bill) Bradley, 35, newscaster of KPIX, San Francisco, formerly with CBS in N. Y. & Philadelphia, was killed Nov. 23 in auto collision in San Francisco.

Station Accounts: Signs of the TV times: Uptrend in radio as well as TV time sales, especially national spot, is noted in advance statement by Westinghouse stations national sales mgr. Eldon Campbell as executives of the 4 TV and 5 radio stations foregather Nov. 28-30 for N. Y. meetings. Westinghouse claims to be biggest non-network organization of stations, both from gross and profit standpoint, which means it claims to do more business than Storer group (7 TV, 7 AM stations). The 4 Westinghouse TV stations this year are enjoying 13.5% more gross sales than in 1954, Campbell reports; the 5 radio stations are 5% ahead "despite the serious decline in radio network revenues"; combined national spot of the 5 radio stations is 9% ahead. Local sales account mainly for radio's upsurge, with KDKA, Pittsburgh, up 19%; KYW, Philadelphia, up 18%; WBZ-WBZA, Boston, up 21%. (For lists of Westinghouse and Storer stations, see *TV Factbook No. 21*, p. 52.) . . . Good program idea: WRGB, Schenectady, recently demonstrated how public service can be integrated into commercial format of morning household program, winning bigger audiences as result. Occasion was 5-day series on area Ground Observer Corps activities woven into multi-sponsored *Home Fare* series, 9-9:30 a.m. Shows featured in-studio interviews complete with air defense equipment, with regular features of program (news, weather, household hints, etc.) re-scheduled within the half-hour. Audience response was high, and Air Force is now preparing highlights of show for other stations . . . MCA-TV, in new brochure, advises auto dealers to sponsor syndicated films, says TV is only medium to match postwar growth of auto industry, lists 60 auto dealers who have sponsored 15 MCA-TV films in last 2 years . . . Campbell Soup concentrating its soup-on-the-rocks campaign for iced soup in 10 southern markets this winter, thru BBDO . . . Hamm Brewing Co. & Oklahoma Oil Products to sponsor all home games of Chicago White Sox and Cubs on WGN-TV next year and in 1957, thru Campbell-Mithun . . . Mennen Co. buys 30-min. *Passport to Danger* from ABC Film Syndication for 30 markets, thru McCann-Erickson . . . Among other advertisers currently reported using or preparing to use TV station time: Stouffer Corp., Cleveland (Stouffer's restaurants & frozen cooked foods), thru Fuller & Smith & Ross, Cleveland and Calkins & Holden, Chicago; Sell's Specialties, N. Y. (Sell's liver pate & other meat & poultry specialties), thru Allen Christopher Co., N. Y.; Wildroot Co., Buffalo (Van hair formula), thru BBDO, N. Y.; Cook Chemical Co., Kansas City (Real-Kleen dry cleaner), thru Henri, Hurst & McDonald, Chicago; Alfred D. McKelvy Co., subsidiary of Vick Chemical Co., N. Y. (Seaforth toiletries), thru BBDO, N. Y.; International Salt Co., N. Y., thru BBDO, N. Y.; Hormel & Co., Minneapolis (Italian salami), thru BBDO, Minneapolis; Oneida Ltd., Oneida, N. Y. (silverware), thru BBDO, N. Y.; All Channel Antenna Corp., Woodside, N. Y., thru Samuels Adv., N. Y.

Rate increases: WNBC-TV, Binghamton, N. Y., adds Class AA hour (7:30-10:30 p.m. Mon.-Sat. & 6-10:30 p.m. Sun.) at \$800, 20 sec. at \$160, Class A hour going from \$600 to \$700, 20 sec. from \$120 to \$140. KFSA-TV, San Diego, raises base hour from \$600 to \$800, min. \$120 to \$160. WKTV, Utica, N. Y., Jan. 1 raises base hour from \$475 to \$550, min. \$85 to \$100. WALA-TV, Mobile, has added class AA hour (7-9:30 p.m. Mon.-Sat. & 6-9:30 p.m. Sun.) at \$450, min. at \$90, Class A hour remaining \$400. WHYNTV, Springfield, Mass., Jan. 1 raises base hour from \$300 to \$400, min. \$75 to \$100. WCHS-TV, Portland, Me., has raised base hour from \$350 to \$400, min. \$70 to \$80. Spot increases: KOIN-TV, Portland, Ore., raises Class AA min.-only rate from \$175 to \$200; WTAO-TV, Boston, base min. from \$50 to \$60.

Network Accounts: Avco (Crosley-Bendix home appliances), Andrew Jergens Co. (hair preparation) and Brown & Williamson Tobacco Co. (Viceroy) to share sponsorship of new NBC-TV comedy program, as yet untitled, which will replace *Colgate Variety Hour* starting Jan. 8, Sun. 8-9 p.m. NBC says new program will be "a showcase for new comedy talent and will feature comedy in all its forms." Respective agencies are Compton Adv., Robert W. Orr Adv., Ted Bates & Co. . . . Marital turnabout: Frigidaire, which dropped *My Favorite Husband*, is replacing it with *Do You Trust Your Wife?*, new quiz program starring Edgar Bergen & Charlie McCarthy, on CBS-TV starting Jan. 3, Tue. 10:30-11 p.m., thru Kudner . . . Armstrong Cork Co. to sponsor *Nightmare in Red*, first of NBC's "Project 20" telementaries, as substitute for its own *Armstrong Circle Theatre* on NBC-TV Dec. 27, Tue. 9:30-10:30 p.m., thru BBDO . . . Johnson & Johnson and Dow Chemical each buys 13 partic. on NBC-TV's color *Matinee Theatre* starting in Jan., Mon.-thru-Fri. 3-4 p.m., former thru N. W. Ayer, latter thru MacManus, John & Adams . . . Easy Washing Machine to sponsor Wed. 10:30-10:45 a.m. portion of *Arthur Godfrey Time* on CBS-TV starting Jan. 11, thru BBDO; Bristol-Myers adds Thu. 10:30-10:45 a.m. segment, starting Jan. 5, to its current Mon. & Wed. 10:45-11 portions, thru Young & Rubicam . . . Prudential to become full sponsor of *You Are There* on CBS-TV Sun. 6:30-7 p.m. starting next month, when Electric Companies Advertising Program drops as alt. sponsor . . . Block Drug buys 104 partic. on NBC-TV's *Today*, Mon.-thru-Fri. 11-noon, starting in Jan., thru Harry B. Cohen Adv., N. Y. . . . American Meat Institute to buy series of spots on NBC-TV next year to promote sale of pork products, thru Lennen & Newell . . . New public affairs program, *CBS Sunday News*, featuring Eric Sevareid, starts Jan. 8, 3:30-4 p.m., unsponsored as yet . . . Ernie Kovacs to have own comedy show on NBC-TV starting Dec. 12, Mon.-thru-Fri. 10:30-11 a.m. . . . New Disney show, *Walt Disney's Magic Kingdom*, starts on ABC Radio Dec. 5, Mon.-thru-Fri. 11:35-noon.

Automatic estimators, permitting timebuyers to calculate quickly audience sizes and cost-per-thousand in specific markets, were distributed this week by both NBC Spot Sales and WBNS-TV, Columbus, O. NBC's "Spot Estimator" consists of a paper disc 10-in. in diameter, with 2 scales on each side. On one side are scales headed "Number of Homes" and "Rating Points". By placing given rating for program or announcement under scale for number of homes in market, one can find in a tiny window the number of homes reached. On reverse side are scales headed "Audience Size" and "Cost Per Spot or Schedule." By placing cost-per-announcement figure under audience size, the cost-per-thousand figure will appear in window. Inquiries about it should be addressed to Morton Gaffin, mgr. of new business & promotion, NBC Spot Sales, N. Y. The "TV Cost Calculator" of WBNS-TV, devised by Blair TV's Otto Ohland and Martin Katz, is 6-in. in diameter, has calibrated figures, maneuvered by moving circle within a circle to reveal cost-per-thousand by matching program rating with number of TV homes.

New reps: WTTG, Washington, to Raymer (from H-R Television); KTVI, St. Louis, to Weed (from Radio-TV Representatives); WEAT-TV, West Palm Beach, to H-R Television (from Walker).

FCC chairman George C. McConaughy will be principal speaker at annual Sylvania TV awards dinner in the Waldorf-Astoria, N. Y. Nov. 29.

Revenue and expense figures for all TV-AM-FM stations for 1954, giving usual detailed breakdowns, will be issued by FCC week of Nov. 28.

NETWORK STUDY by FCC, undertaken by direction of Congress, is designed to explore every possible facet of the network business, as indicated by "Network Study Committee Order No. 1" issued this week—but big question is just how much zip Commission will put into the job. Few people expect a duplication of the tough network probe FCC conducted in 1938-43.

Pace of study is expected to pick up, now that objectives have been laid down. In addition, staff director Roscoe Barrow, dean of Cincinnati U Law School, has been hampered by difficulty in obtaining enough competent help. However, he expects to announce appointment of several attorneys and economists next week.

Congress gave FCC \$80,000 for the job, to last until next June 30, but it's considered likely that more money and time will be needed—and that funds will be appropriated.

In issuing "Order No. 1" (Public Notices 55M-977 & 978), Commission noted that it has made no re-evaluation of networks since 1938-43 and stated that changes in radio and addition of TV justify new study. Committee comprises Chairman McConnaughey, Comrs. Hyde, Bartley & Doerfer.

Basically, the FCC notice states, the network study "will concern itself with the broad question whether the present structure, composition and operation of radio and TV networks and their relationship with their affiliates and other components of the industry, tend to foster or impede the maintenance and growth of a nation-wide competitive radio and TV broadcasting industry." Accordingly, it sets forth these "detailed facts required":

(A) What has been and will continue to be the effect on radio and TV broadcasting of the following:

(1) Ownership and operation of both radio and TV networks by the same person, or persons affiliated with, controlled by, or under common control with the same person;

(2) Ownership and operation of radio and TV broadcasting stations by persons who, directly or indirectly, own or operate radio or television networks;

(3) The production, distribution or sale of programs or other materials or services (including the providing of talent) by various persons, both within and outside of the broadcasting industry, for (1) radio and TV network broadcasting, and (2) radio and television non-network broadcasting;

(4) The representation of stations in the national spot field by various persons;

(5) The relationships between networks and their affiliates including but not limited to those having to do with (1) selection of affiliates, (2) exclusivity, (3) option time, (4) free hours, (5) division of revenue, and (6) term of contract;

(6) The contracting for or lease of line facilities used in the operation of networks by persons who, directly or indirectly, own and operate networks;

(7) Related interests, other than network broadcasting, of persons who, directly or indirectly, own or operate networks;

(8) The ownership of more than one radio or television broadcast license by any one person.

(B) Under present conditions in the radio and television broadcasting industry, what is the opportunity for and the economic feasibility of the development of a multiple-network structure in terms of (1) the number of broadcast outlets available, (2) national advertising potential, (3) costs of network establishment and operation, and (4) other relevant factors.

(C) Under present conditions in the radio and television broadcasting industry, what is the opportunity for and economic feasibility of effective competition in the national advertising field between networks and non-network organizations in terms of (1) the number and type of broadcast outlets available, (2) national advertising potential, (3) needs of the advertiser, and (4) other relevant factors.

National Assn. of Christian Broadcasters is new non-denominational organization composed of TV-radio broadcasters and ministers and educators interested in broadcasting. Pres. is Frank Bush, Greenville, Ill., religious TV producer; v.p., G. B. Gordon, TV director, WICS-TV, Springfield, Ill.; secy., Bob Vernon, producer, KOAM-TV, Joplin, Mo.; treas., Jocelyn Dutton, ex-WXLW, Indianapolis & WLW, Cincinnati.

THREE TV GRANTS were awarded by FCC to uncontested applicants: (1) Buffalo's Ch. 59 to local group comprising attorney Richard Obletz, v.p. Richard Levy of Philco distributor W. Bergman Co. and metal salvage dealer Daniel A. Roblin (Vol. 11:40). (2) Billings, Mont., Ch. 8 to local KGH, owned by oilmen P. N. Fortin and W. J. & Kenneth L. Hancock. (3) Memphis' non-commercial Ch. 10 to Memphis Community TV Foundation, educational group.

Commission gave ABC-TV the go-ahead to transmit its programs to Tijuana's XETV, overruling long-standing opposition of San Diego's KFMB-TV & KFSD-TV. FCC said that ABC showed service is needed; that San Diego stations hadn't sufficiently justified claim they would be injured; that "maintenance of a free interchange of programs" with Mexican stations outweighs arguments of the objectors. San Diego stations are expected to file "economic injury" protests.

FCC also granted permission to Lansing's WJIM-TV to move to 980-ft. tower at new site 8 mi. southeast of city.

Triangle Publications Inc. (Walter Annenberg) asked Commission's permission to drop its application for Ch. 18 satellite at Elmira, N. Y., stating that it has found that a co-channel booster is best method to provide service from its WNBF-TV, Binghamton (Ch. 12). It said it will ask FCC to change its rules to permit the booster.

U of Nebraska and banker Byron J. Dunn, who as trustee operates university's non-commercial KUON-TV, on Lincoln's Ch. 12, asked FCC to classify channel as non-commercial and release educational Ch. 18 for commercial use. They explained that university wants to assume full charge of station, and operation on non-commercial channel would make it easier by exempting it from minimum hours of operation, helping it get films not available to commercial stations, assisting it in securing funds from state legislature, foundations, etc.

Comments on FCC hearing manual proposal (Vol. 11:43), favorite project of Chairman McConnaughey, were filed with Commission this week with 2 opposing the idea and 2 endorsing it with modifications. Washington law firms of Scharfeld & Baron and Cohn & Marks saw little merit and much potential trouble in manual, said it might be amended to remove ambiguities and confusing sections, then used only as a guidebook for new examiners and counsel. Both were opposed to proposed rule limiting argument on objections to evidence to 3 minutes, contending that specific cases should dictate time limit. Dow, Lohnes & Albertson and CBS favored adoption, but both suggested changes. Neither objected to 3-min. proposal. Manual is proposed "to promote uniformity in matters concerning the introduction and use of evidence in comparative broadcast proceedings."

Canadian Bestg. Corp. earned \$4,267,668 on income of \$34,735,788 during year ended March 31, with TV service accounting for entire profit in operations. TV earnings were \$4,479,421 on income of \$21,275,805 compared to radio's deficit of \$211,753 on \$13,459,983. Commercial telecasting increased \$2,822,559 over preceding year and advertising revenue was almost double that for radio. Annual report released Nov. 23 by A. Davidson Dunton, chairman of board of governors, placed heaviest emphasis on growth of TV, citing advancement in engineering, programming, coverage, revenue.

H. Scott Killgore, manufacturer's rep and consulting engineer, who owns radios WARE, Ware, Mass. & WKXL, Concord, Mass., has bought daytimer WKXV, Knoxville.

SPECTACULAR SUCCESS of 60-&90-min. one-shot program "specials" prompted one important movie industry publication to cry out in anguish this week that "toll TV is here—for free." In editorials Nov. 22 & 23, *Film Daily* reviewed recent and planned top-notch programs and concluded that TV is now providing more formidable competition than ever to the movie houses. Editorial Nov. 22 contained this pointed comment:

"Mark this down in your book. The TV competition which only was to come with the advent of the pay-as-you-see variety is actually here—for the mere twisting of the dial, and *no charge.*"

No longer a bold new experiment, TV's spectaculars are now an established part of the programming picture—they are "events," to be looked forward to, and to be discussed for days afterward. There is no question that the top-hole spectaculars are keeping more folks at home—particularly on the biggest going-out night, Saturday.

And there's little question that Nov. 19-27 has been TV's biggest 8-day programming triumph in its history—thanks to the 60-&90-min. "specials." Broadway cast of "Caine Mutiny Court Martial" on CBS-TV Nov. 19 (in color) was followed next day by Maurice Evans' Broadway cast in "Devil's Disciple" on NBC-TV (also in color) and by CBS-TV's "She Stoops to Conquer" on *Omnibus*. Same evening saw hilarious J. Arthur Rank film feature "Lavender Hill Mob" on ABC-TV. On Thanksgiving Day, NBC-TV's color telementary on India showed again what TV can do in field of educating public to current problems. In same vein, Edward R. Murrow's *See It Now* treats problems of raising money for schools in special 90-min. show Nov. 27. And another Broadway play was Nov. 26 NBC-TV's "Dearest Enemy," Rodgers & Hart musical (in color) featuring Cornelia Otis Skinner & Cyril Ritchard.

NBC-TV also has 2 ballets in color on its Yuletide season roster—Dec. 12 performance of "Sleeping Beauty" by Sadler's Wells Ballet and a tentative Xmas afternoon show featuring New York City Ballet's "Nutcracker Suite," during its run at New York City Center. "Thus

the nation's video audience will be seeing, again for free, a current Broadway attraction scaled at the Center up to \$3.80," comments *Film Daily*.

The movie trade paper also looks with considerable alarm at ABC-TV's plans for 90-&120-min. filmed dramas next season (Vol. 11:47). "Do you have to be told," it asks, "that to all intents and purposes, these [will] be new feature motion pictures? And of course for free . . ."

"The advent of the 90-min. dramatic show—and the looming 2-hour dramatic telefilm later—suggests a highly interesting question," Nov. 23 editorial comments. "What happens now to the value of the major studio libraries?"

Semi-annual Christopher program awards for "family entertainment," covering 6 months ended Sept. 30: "Judge Contain's Hotel" on NBC-TV's *Kraft Theatre* (Maury Holland, producer-director; Wm. Mourne, writer); "The Narrow Man" on NBC-TV's *Armstrong Circle Theatre* (David Susskind, producer; Paul Bogart, director; Anne Howard Bailey, writer); "Deal a Blow" on CBS-TV's *Climax* (Martin Manulis, producer; John Frankenheimer, director; Robert Dozier, writer); "Pajama Game" on ABC-TV's *Ozzie & Harriet* (Ozzie Nelson, producer-director; Leo Pepin, assoc. producer; Dick Bensfield, Perry Grant & Don Nelson, writers).

Judges for "Mike" awards to women in TV & radio, announced by *McCall's Magazine*: Mrs. Lorena B. Hahn, U. S. representative to UN Commission on Status of Women; Dr. Anna Hawkes, pres., American Assn. of University Women; Mrs. Bea Johnson, winner of 1953 award and women's dept. director, KMBC-TV, Kansas City; Mrs. Jean Wade Rindlaub, v.p., BBDO; Otis Lee Wiese, editor & publisher, *McCall's*. Winners will be announced in magazine's May issue.

Another hit tune built up by TV is "Love and Marriage"—from NBC spectacular *Our Town*—which was on *Lucky Strike Hit Parade* last week. Song-plugging is rampant on TV, but as yet it has created few hits. According to *Billboard*, the only others to turn the trick were "Let Me Go, Lover," "Ballad of Davy Crockett," "Hard to Get."

THE DEFICIT STORY of uhf WBUF-TV, Buffalo (Ch. 17), whose transfer to NBC has been protested by WGR-TV (Ch. 2) on "economic injury" grounds and set for hearing Dec. 19, is disclosed in detail in financial statement filed this week as requested by the FCC. It shows that the uhf outlet, which began operation in Aug. 1953, quit the air in Feb. 1955, then resumed in March when deal to sell to NBC for \$312,500 was made (Vol. 11:11), had a net operating deficit of \$363,994 as of Oct. 31, 1955. For the 9 months ended Oct. 31, its income from the sale of time was only \$33,663, operating expenses \$171,218, net loss from operations \$166,155.

On basis of the Oct. 31 balance sheet, pres. Sherwin Grossman tells FCC, if the total purchase price of \$312,500 from NBC were paid to the corporation, none of that money could be made available to the stockholders of WBUF-TV Inc. because these obligations must first be paid: current notes payable, \$25,000; purchases of equipment secured, \$103,112; current accounts payable, \$90,796; accrued accounts, \$25,424; long-term indebtedness \$123,380—for total of \$371,714.

WGR-TV, whose NBC affiliation expires next Aug., charges that the NBC acquisition promotes monopoly and asked for stay of transfer until after hearing (Vol. 11:45). Meanwhile, it has affiliated with ABC-TV while some NBC-TV programs are going to WBUF-TV. Latter has told FCC that it can't hold out beyond Dec. 31, may have to quit air again, and Commission deferred final decision until it inspects balance sheet.

A TV prize contest uncovered a murder in a real-life situation that would do credit to any mystery writer. Promotion was conducted by KONA, Honolulu (Ch. 2), which hid a replica of its new tower on the rugged slopes of Koko Head, gave rhymed clues on the air and offered \$2500 worth of cash and prizes to finder. As more than 5000 viewers combed area last week, eager searchers uncovered a grisly treasure: an unidentified corpse, shot twice through the head. Police said he had been murdered. Next day, pair of lucky Honolulu brothers found the treasure after crowd of more than 10,000 caused "worst traffic jam in Oahu history".

As part of KDKA's 35th anniversary celebration Nov. 2, Westinghouse Broadcasting Co. has published 38-p. reprint of Aug. *American Heritage's* symposium by 14 pioneers of American radio, each giving his recollections of some aspect. It's one of the best collections of radio memorabilia ever published. Authors are H. V. Kaltenborn, Wm. S. Hedges, Lyman L. Bryson, E. L. Bragdon, Dorothy Gordon, Lawrence Ashley Hawkins, Donald G. Little, Herbert Hoover, Chester H. Lang, Arthur Judson, Thomas H. Cowan, Walter C. Evans, O. H. Caldwell.

Fort Pearson, veteran Chicago announcer, realized profit of \$30,000 on sale this week of KVON, Napa, Cal. (500-watts, 1440 kc, U). Pearson bought station last February from Gibson Radio & Publishing Co. for \$45,000 (Vol. 11:8), sold it this week for \$75,000 to Jack L. & Alyce M. Powell.

ANOTHER SMALL MARKET station goes on the U. S. roster—KRBB, El Dorado, Ark. (Ch. 10), which began test patterns last week end and shortly will get NBC service. It's 54th new starter this year, bringing total to 458. Near state's southern border, located approximately 60 mi. from Monroe, La., 80 mi. from Shreveport, new KRBB has 5-kw RCA transmitter acquired from Terre Haute's WTHI-TV (Ch. 10), with 6-bay RCA antenna and 600-ft. Skyline tower. Ownership interlocks with radio KVMA, Magnolia, Ark. Wm. H. Bigley is 1/2 owner & gen. mgr.; Dudley Walker, from KVMA, western sales mgr.; W. C. Womack, eastern sales; Vernon Williamson, ex-KFDX-TV, Wichita Falls, production mgr. Base hour is \$200. Rep is Pearson.

RCA shipped multiple section (stacked) antenna Nov. 26 to Little Rock for use by KARK-TV (Ch. 4) and KTHV (Ch. 11) on new 1175-ft. Ideco tower—KARK-TV to use 6-section superturnstile unit, KTHV 12-section superturnstile. RCA also reports these superturnstile antenna shipments: 12-section, sent Nov. 1 to upcoming WDMJ-TV, Marquette, Mich. (Ch. 6), due in Dec.; 12-section, Nov. 1 to WKRC-TV, Cincinnati (Ch. 12); 6-section, Nov. 4 to WJBK-TV, Detroit (Ch. 2); 6-section, Nov. 7 to KCMO-TV, Kansas City (Ch. 5). Shipped Nov. 18 was 18-gain 240-ft. custom-built rectangular slot antenna to WHTN-TV, Huntington, W. Va. (Ch. 13). GE shipped 6-bay antenna Nov. 23 to upcoming KHPL-TV, Hayes Center, Neb. (Ch. 6), due on air in Dec.

* * * *

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

WREC-TV, Memphis, Tenn. (Ch. 3) plans to test by early Dec. and be on air regularly by Jan. 1, reports owner Hoyt B. Wooten. It has 25-kw RCA transmitter on hand, will use 6-bay antenna on 1077-ft. Ideco tower, now virtually completed. Transferring from radio WREC are Charles Brakefield, commercial mgr., and Jack Michael, program director. WREC-TV will be CBS basic, will have \$800 base hourly rate. Rep will be Katz.

KLEW-TV, Lewiston, Ida. (Ch. 3), delayed several times by bad weather, now hopes to start with test patterns by Dec. 1, reports gen. mgr. Charles R. White. GE 5-kw transmitter is installed and ready, but storms have slowed installation of 50-ft. 3-bay GE antenna on 250-ft. Fisher tower. CBS programming will start about week after test patterns. KLEW-TV is owned by same interests (headed by A. W. Talbot & Tom Bostic) as KIMA-TV, Yakima, Wash. (Ch. 29), which operate satellite KEPR-TV, Pasco, Wash. (Ch. 19), hold CP for KBAS-TV, Ephrata, Wash. (Ch. 43), are applicants for Ch. 8 satellite in Walla Walla. Base hour will be \$150. Reps will be Weed and Moore & Lund (Northwest).

WITI-TV, Glendale, Wis. (Ch. 6), with 25-kw DuMont transmitter due for delivery Dec. 15, was due to install 6-section superturnstile RCA antenna on 963-ft. Kimco tower Thanksgiving Day, according to v.p.-gen. mgr. Soren H. Munkhof. But building construction is not far enough advanced to set specific target, he advises, although Feb. date was reported earlier (Vol. 11:33). Planned as Milwaukee area independent, it expects to carry about 10 hours weekly of local live color, plus feature and syndicated TV films. Rates have not been set yet. Rep will be H-R Television.

KHPL-TV, Hayes Center, Neb. (Ch. 6), planned as satellite by KHOL-TV, Kearney, Neb. (Ch. 13), has changed target to mid-Dec., reports promotion mgr. Mrs. Violet M. Aspegren for principal owner Dr. F. Wayne Brewster, head of hospital & clinic in Holdrege. GE 5-kw transmitter has been installed and 6-bay antenna, due to

MORE THAN 65% of Ohio's farms have TV, according to U. S. Census Bureau's county-by-county tabulation just completed as part of 1954 Census of Agriculture. This is highest farm TV penetration of the 38 states whose tabulations have been released so far, except for New Jersey and the New England states. Ohio had 115,363 TVs on 177,074 farms. County-by-county picture:

OHIO					
County	Total Farms	Farms with TV	County	Total Farms	Farms with TV
Adams	2,304	1,059	Logan	2,056	1,452
Allen	2,097	1,010	Lorain	2,644	2,096
Ashland	2,048	1,311	Lucas	1,824	1,485
Ashtabula	3,376	1,955	Madison	1,249	943
Athens	1,734	755	Mahoning	1,946	1,280
Auglaize	1,963	1,251	Marion	1,417	1,139
Belmont	1,997	1,050	Medina	2,353	1,841
Brown	2,828	1,677	Meigs	1,757	990
Butler	2,331	1,910	Mercer	2,389	1,201
Carroll	1,557	870	Miami	2,253	1,861
Champaign	1,866	1,373	Monroe	1,709	580
Clark	1,723	1,405	Montgomery	2,583	2,156
Clermont	2,487	1,831	Morgan	1,469	471
Clinton	1,594	1,298	Morrow	2,085	1,550
Columbiana	2,893	1,966	Muskingum	2,584	1,427
Coshocton	1,781	606	Noble	1,457	481
Crawford	1,746	1,108	Ottawa	1,392	945
Cuyahoga	1,145	920	Paulding	1,357	687
Darke	3,885	2,880	Perry	1,388	896
Defiance	1,776	1,116	Pickaway	1,582	1,411
Delaware	2,045	1,735	Pike	1,308	645
Erie	1,151	915	Portage	2,667	2,041
Fairfield	2,514	2,168	Preble	2,216	1,605
Fayette	1,373	1,094	Putnam	2,379	1,400
Franklin	2,051	1,802	Richland	2,394	1,591
Fulton	2,354	1,580	Ross	2,176	1,440
Galla	2,212	1,105	Sandusky	1,953	1,550
Geauga	1,682	1,096	Scioto	1,321	752
Greene	1,784	1,376	Seneca	2,288	1,555
Guernsey	2,032	705	Shelby	1,926	1,496
Hamilton	1,481	1,132	Stark	3,214	2,091
Hancock	2,338	1,517	Summit	2,119	1,770
Hardin	1,883	1,225	Trumbull	2,932	1,917
Harrison	977	534	Tuscarawas	2,350	1,065
Henry	2,072	1,606	Union	1,775	1,281
Highland	2,555	1,705	Van Wert	1,800	840
Hocking	1,089	644	Vinton	984	431
Holmes	2,104	611	Warren	1,962	1,633
Huron	2,018	1,324	Washington	2,576	810
Jackson	1,427	791	Wayne	3,080	1,668
Jefferson	1,273	763	Williams	1,959	1,105
Knox	2,100	1,370	Wood	2,766	2,246
Lake	1,225	922	Wyandot	1,537	989
Lawrence	1,883	1,152			
Licking	3,144	2,327			
			State Total	177,074	115,363

Note: In our farm census table for Virginia (Vol. 11:46), totals for Washington County should read: farms, 4,317; farms with TV, 906. Elizabeth City and Warwick should be deleted from county tabulation as they are now classified as independent cities rather than counties. State totals are unchanged.

Note: Previously published tabulations—Nev., N. H., Vt. (Vol. 11:29); Wyo. (Vol. 11:29); N. D. (Vol. 11:30); Ida., Utah (Vol. 11:31); Mont., S. D. (Vol. 11:32); Colo., Minn. (Vol. 11:33); Wis., Kan. (Vol. 11:34); Okla. (Vol. 11:35); Neb. (Vol. 11:36); Iowa (Vol. 11:37); N. J., Tenn. (Vol. 11:39); Ark., Conn., Mass., R. I., Texas, Wash. (Vol. 11:40); Me., N. M., Ore. (Vol. 11:41); Ariz., Fla. (Vol. 11:42); Del., Ill., Ind., N. C. (Vol. 11:43); Miss. (Vol. 11:44); W. Va. (Vol. 11:45); Ga., Va. (11:46).

arrive Nov. 28, is to be installed Dec. 7 on 500-ft. Stainless tower. Residents of tri-state area near Nebraska's southwest border, which will get new service, contributed gifts totaling \$140,000 of estimated \$188,000 building cost (Vol. 11:39). KHOL-TV plans to increase base hour from \$200 to \$250 after KHPL-TV has been in operation 6 weeks. Rep is Meeker.

KINY-TV, Juneau, Alaska (Ch. 8), which got CP Nov. 2, expects to get on air by Jan. if equipment delivery isn't delayed, writes owner & gen. mgr. Wm. J. Wagner, who also is v.p. & 6% owner of KTVA, Anchorage & KTVF, Fairbanks, and is sole owner of radio stations KINY, Juneau; KFQD, Anchorage; KFRB, Fairbanks; KTKN, Ketchikan; KIFW, Sitka; KIBH, Seward. Antenna now is installed on 260-ft. Blaw-Knox tower, also used by KINY. Adler transmitter is due to be shipped by end of Nov. Studios being built in downtown Juneau will connect via microwave with TV-radio transmitter house. Joe Mangan will be sales mgr., coming from Wagner-owned Alaska Radio-TV Sales, rep firm which will be KINY-TV rep.

SALES FORECAST CUT; LEADERS' SHARE OF MARKET: A slight dip in retail TV sales in last month or so below last year's corresponding period has caused some revisions downward in estimates for full year. Oct. sales were 2% under Oct. 1954, and evidence accumulated so far points to a similar reduction for Nov.

Upshot is that trade's statistical pundits are scaling down their forecasts of retail sales this year to about 7,750,000 -- whereas they were talking in terms of 8,000,000 some 2 months ago. The 7,750,000 total will be a record, of course -- exceeding the previous high of 7,300,000 in 1954.

Danger of excessive inventories at year's end doesn't appear to be too strong -- despite fact that production will approximate 8,000,000 (also a record). The 2,300,000 TVs in inventory at all levels at end of Oct. are being gradually worked off as production shows seasonal tapering.

"We're not particularly alarmed by the sales dip," said marketing director of a major manufacturer. "We rather anticipated that sales would recede a little in the fourth quarter. We've been going like a house afire all year and still are. But remember that the industry sold 2,673,000 TV sets in the fourth quarter of 1954, so a slight reduction from that level isn't going to hurt anyone."

Big metropolitan centers like N.Y., Chicago and Philadelphia are said to be experiencing biggest rates of declines, with smaller communities holding their own.

Brief highlights of other major trade developments this week:

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Radio Is Red Hot: Overshadowed somewhat by TV's record 1955, radios are quietly enjoying a boom of their own this year, which may see over 14,000,000 sets produced and 13,000,000 sold at retail. Radio production has been breaking records consistently in last month or so, spurred primarily by high demands of auto industry. It's expected that 8,000,000 passenger cars will be produced this year (coincidentally, about the same number as TVs) -- and of that number, 7,000,000 will have radios installed at factory. Auto sets are currently running about 45% of all radio output. Though the 14,000,000 sets would be far under 1947's record 20,000,000, they represent a big comeback from 10,400,530 turned out last year.

Share of the Market: How the TV set makers rank on the industry ladder in terms of dollar volume and unit sales has never been officially revealed -- though it's generally acknowledged that RCA and Philco rank 1-2. After that, the picture gets cloudy, with Admiral the probable No. 3 and Motorola and Zenith vying for No. 4. A reputable research firm recently credited RCA with 18% of TV unit sales in the 15 months to June 30, 1955, giving Philco 11%, Admiral over 8%, Motorola under 8% (Vol. 11:38) -- but it did not undertake to rank them by dollar values.

Some light on RCA's position, at least dollar-wise, was shed recently when it filed SEC prospectus in connection with sale of \$100,000,000 worth of debentures (Vol. 11:47). RCA stated its TV set sales accounted for 17% of its total revenues of \$488,510,000 in first half of 1955, which would mean about \$83,000,000 at factory level. Projected for full year, assuming TV sets continue to account for 17% of RCA volume, which will exceed \$1 billion this year, the figure would go to \$170,000,000. Actually, TV set sales may account for an even higher percentage in light of statement last week by Robert A. Seidel, exec. v.p. for consumer products, that Oct. was best month in RCA history for TV-radio sales.

If factory value of entire industry's TV output runs \$1.1 billion this year, as anticipated, the RCA slice could account for a minimum of 15%, which is what the prospectus also said was its 1954 figure. This is nearest to a public figure on its TV volume ever revealed by RCA, though it must be borne in mind that the figure is dollar volume, not units. It's interesting to note that, in its reply to Dept. of

Justice civil action on its patent pool (Vol. 11:14), RCA claimed its percentages of "total electronics industry sales" were 10% in 1954; 10.5%, 1953; 10.3%, 1952; 11.3%, 1951; 12.8%, 1950. No breakdown for TVs was given for those years.

Since RCA is generally regarded as bellwether for the industry, it's significant that the prospectus also points out that 21-in. sets account for 80% of current production; that broadcasting activities (meaning NBC) accounted for 24% of first half revenues, which probably means at least \$250,000,000 for the year.

Philco's position is subject of 8-p. analysis just released by Argus Research Corp., 61 Broadway, N.Y., which states: "Philco, as a manufacturer of TV receivers, seems to account for about 11% of the total industry output at this stage." Study notes that TV accounts for 40% of Philco's volume, gov't. business 20%. Total electronics represents about 70%. Philco spokesman said company cooperated with Argus, but did not initiate the survey and doesn't necessarily agree with its conclusions.

Motorola TV sales this year are expected to be around \$100,000,000 out of total company sales of \$225,000,000. This means something like 9% of industry volume.

On-the-Cuff Prosperity: Though installment buying stood at record \$34.2 billion at end of Sept., latest month for which figures are available, there seems to be no disposition by Gov't. to ask for reimposition of direct controls on consumer credit. Federal Reserve Board appears determined, instead, to strike at all inflationary tendencies by indirect means, such as increasing discount rate to banks. This week, it raised from 2¼% to 2½% the interest on money loaned by its district banks to commercial banks, thus putting pressure on latter to curb their own lending. Economic authorities believe the increase in discount rate is a good sign -- pointing to a new business upturn following momentary pause after President's heart attack.

Spending Spiral: Commerce Dept., in Nov. Survey of Current Business, estimates that business spending for new factories and equipment this year will probably beat 1953's record \$28.3 billion and that consumer expenditures will exceed the 1954 high of \$256 billion. Other business indices from report: Employment at end of Oct. was 65,200,000, highest on record for that month, with only 2,100,000 unemployed; auto output in Oct. was "back virtually on full production schedule," with steel up to 98% of capacity, commercial construction "by far the most active on record." Labor Dept. Bureau of Labor Statistics reported average take-home pay of factory workers rose to new high of \$72.18 for those with 3 dependents, \$64.85 for single employes. Both figures rose by \$5 over Oct. 1954. Leading business services are in virtual agreement that coming months will see a continuation of economic upbeat. Comments American Institute for Economic Research: "All signs point to further gains in business activity well into next year. Demand continues strong at all levels, and inflationary pressures are increasing." Cleveland Trust Bulletin: "Favorable prospects for auto and steel bolsters near-term outlook for general business. Inventories are not excessive -- but will bear watching." Brookmire Service: "Federal Reserve Board [production] index may work higher, but chances are against any great change from present plateau."

Production: TV output tapered off to 167,137 week ended Nov. 18, compared to 171,921 preceding week and 173,042 week ended Nov. 4. It was year's 46th week and brought output for year to date to about 7,000,000 vs. 6,400,000 same 1954 period. Radio production soared to 438,651 (204,664 auto) week ended Nov. 18, compared to 403,488 (188,314 auto) preceding week and 382,527 (178,064 auto) week ended Nov. 4. For 46 weeks, radio output was 12,700,000 vs. 9,500,000 in same period of 1954.

New use for TV: "Drive-in service" for hotel registrants—which brings motorist face-to-face with desk clerk without leaving car—has been installed by DuMont at Temple Hotel, Pendleton, Ore. Novel closed-circuit system uses 2-way camera-receiver setup which enables tourist to drive to selected spot at special curbside booth where he can be seen via TV by clerk and, in turn, can see desk man as he arranges for rooms. Bellhop brings registration card and key, permitting guest to go directly to room without trouble of going through lobby in driving garb.

National Assn. of Music Merchants reappoints K. G. Gillespie, Jenkins Music Co., Kansas City, as chairman of TV-radio committee; Fielder K. Lutes, Thearle Music Co., San Diego, named vice-chairman, succeeding T. T. Leyden.

Scope of RETMA activities, including description of organization and achievements in 31-year history, is detailed in new 38-p. booklet, *RETMA Membership Services and Activities*, available free from headquarters.

Western Winter Market in San Francisco is scheduled Feb. 6-10, with TV-radio-appliance banquet Feb. 8.

Trade Personals: George K. Bryant, controller of RCA Victor TV div., promoted to operations mgr., reporting to gen. mgr. Charles P. Baxter . . . Gordon P. Hentz, ex-gen. sales mgr. of RCA Estate Appliance Corp., and Wm. P. Mackle, ex-Admiral electric range sales mgr., join Norge as regional sales mgrs. of eastern territory, headquartering in Philadelphia . . . Forrest W. Price, national sales mgr. of Columbia Records, joins CBS-Columbia as mgr. of factory branch distributing operations . . . J. V. Deacon appointed director of consumer products sales div., Westinghouse International, succeeded by J. A. Jaeger as adv. & sales promotion director . . . Morton E. Ornitz rejoins Emerson as special staff asst. to pres. Benjamin Abrams; he left firm as v.p. in 1946 to become management consultant & investment counselor . . . Frank A. Mitchell resigns as sales mgr. of Emerson air conditioning div. . . Cyrus T. Read rejoins Hallierafters as director of amateur relations, communications equipment div., having resigned in 1945 to join Montgomery Ward as buyer of electronic equipment . . . James R. Kerr, director of Avco west coast div., elected a v.p. . . Arthur H. Forbes promoted to asst. distributor sales mgr., Standard Coil . . . Hugh Englemann promoted to Motorola local adv. mgr., supervising all co-op campaigns . . . Thomas C. Andersen transferred from Schenectady to San Francisco as district sales mgr. of GE tube dept. distributor sales office, reporting to regional mgr. W. C. Walsh . . . Donald M. Strathearn resigns as engineering director of Crosley-Bendix home appliances . . . Howard Berk named to new post of adv. & sales promotion mgr., Columbia Records electronics products div. . . Bert W. Reynolds appointed mgr. of N. Cal. Electrical Bureau, San Francisco, succeeding LeRoy H. Bennett, retired . . . John C. Nash named Sperton Los Angeles district TV merchandiser by sales mgr. R. M. Marberry . . . Wm. Herrman, ex-Retailing Daily TV-radio staff, joins Hoffman Electronics as editor of company organ, *The Transmitter* . . . Frank W. Guthrie named sales mgr. of tape recorder div., Magnecord Inc. . . Maurice L. Levy, technical asst. to Emerson manufacturing v.p., promoted to director of commercial engineering div.

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DISTRIBUTOR NOTES: Admiral appoints E. T. Donohue Inc., 13 Canal St., Rochester, N. Y. (Edward T. Donohue, pres.), replacing Fay-San Distributors Inc. . . Whirlpool-Seeger appoints RCA distributor Frank Lyon Co. Inc., 208 E. Markham St., Little Rock (Frank Lyon, pres.), replacing Admiral outlet Orgill Bros. Arkansas Co. Inc. . . CBS-Columbia appoints Nash Ringel Inc., 1451 Central Ave., Albany (Morton Nash, pres.) . . . CBS-Columbia of Detroit reports resignation of gen. mgr. Wm. Rutherford, who becomes pres. of Specialties Distributing Co., Detroit, succeeding Leonard Turnbull, now chairman . . . Capehart-Farnsworth appoints newly formed Schattinger Distributing Co., 1621 Belmont St., Fresno, headed by Richard Schattinger, ex-Don Anderson Inc., Fresno (Raytheon) . . . Philco Distributors, Cleveland, promotes Frank Moore to operations mgr. . . Frank Edwards Co., San Francisco (CBS-Columbia) appoints Ralph Stoddard, ex-McCormack Corp., as sales mgr., replacing Richard Southworth, resigned . . . Appliance Distributors Inc., Chicago (Admiral) promotes Arnold Wisnie to appliance sales mgr., succeeding Jack Zink, now sales mgr. of Admiral range div. . . Main Line Cleveland Inc. (RCA) appoints James Shipley, ex-Paul Warner Adv., as adv. mgr. . . Grabell Lyons Inc., Hartford (Crosley-Bendix) extends territory to include western Mass., replacing Western Massachusetts Distributors Inc. . . Polk Bros., big Chicago retail appliance chain, reports resignation of exec. v.p. Harry Huebner; he's onetime sales mgr. of Harry Alter Co., Chicago (Crosley-Bendix) . . . Vornado Distributing Co., N. Y., appoints T. J. Hodgens v.p. in charge; he's ex-v.p. & gen. mgr. of Admiral Distributors-Boston,

Topics & Trends of TV Trade: TV shipments to dealers totaled 5,174,732 in first 9 months, when production was 5,760,506, according to RETMA state-by-state report released this week. They represent 16% increase over the 4,469,596 of first 9 months of 1954, when production was 4,733,315. New York led shipments, with 498,625; California second, 448,095; Pennsylvania third, 327,772. Sept. shipments totaled 1,019,191 vs. 605,664 in Aug. and 1,005,725 in Sept. 1954. Here's 9-month report (county-by-county tables available to members from RETMA on request):

State	Total	State	Total
Alabama	89,564	New Jersey	167,236
Arizona	27,609	New Mexico	17,825
Arkansas	57,809	New York	498,625
California	448,095	North Carolina	131,684
Colorado	39,864	North Dakota	17,429
Connecticut	71,928	Ohio	271,212
Delaware	11,710	Oklahoma	75,380
District of Columbia	48,881	Oregon	62,636
Florida	178,658	Pennsylvania	327,772
Georgia	113,265	Rhode Island	25,658
Idaho	20,233	South Carolina	72,719
Illinois	285,858	South Dakota	18,772
Indiana	137,253	Tennessee	103,183
Iowa	74,527	Texas	290,099
Kansas	65,262	Utah	18,908
Kentucky	85,782	Vermont	15,387
Louisiana	110,833	Virginia	92,824
Maine	36,854	Washington	87,697
Maryland	72,577	West Virginia	55,807
Massachusetts	144,428	Wisconsin	112,471
Michigan	213,501	Wyoming	5,164
Minnesota	86,422		
Mississippi	46,579	U. S. TOTAL	5,155,378
Missouri	135,191	Alaska	5,865
Montana	14,494	Hawaii	13,489
Nebraska	44,059		
Nevada	6,761	GRAND TOTAL	5,174,732
New Hampshire	18,893		

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Suit seeking \$11,625,000 treble damages was filed in Chicago Federal Court this week by 8 local TV-radio-appliance dealers, charging 12 manufacturers and distributors and 2 big retailers with violations of anti-trust laws. They contend that the 2 retail defendants, Polk Bros. and Grossi Bros. Inc., were granted lower prices and were furnished paid salesmen and demonstrators by manufacturers. In addition to Polk and Grossi, defendants are Philco, RCA, Westinghouse, Remco Inc., Magic Chef, Sampson Co., Graybar, RCA Victor Distributing Corp., Westinghouse Electric Supply Co., Maytag-Chicago, R. Cooper Jr. Inc., Central Appliance & Furniture Co.

Muntz TV, operating under Chapter X of Bankruptcy Act since March 1954, earned \$728,653 for year ended Aug. 31, according to trustees' report filed this week in Chicago Federal Court. Total income was \$8,377,741, including \$8,050,351 from sale of TV sets; expenses were \$7,649,088. About 70,000 sets were produced in year. Report noted that a govt. claim for \$2,700,000 was settled for about \$1,312,000 and that a large debt involving air conditioning units was also cleared.

Probe of electronic tube & component imports, requested by Eitel-McCullough, was suspended this week by U. S. Tariff Commission pending lower court decision in Md. in suit by Eitel-McCullough against Amperex Electronic Corp., subsidiary of Philips of Eindhoven. Suit charges infringement of Eimac patents.

Westinghouse will raise prices of all sets in its "Riviera" series except Model 938, a 21-in. open-face console at \$250, when it introduces its "Westinghouse Presidential" TV line in Jan. The "Westinghouse Presidential" line comprises "Catalina," "Convention" & "Riviera" series.

American Television & Radio Co., St. Paul (Albert A. Goffstein, pres.), which entered TV production earlier this year after 24 years as radio manufacturer (Vol. 11:26), introduces new 21-in. full-door console at \$495 in mahogany, walnut & blonde korina.

Meeting of phono manufacturers has been called by RETMA for Dec. 5 at Chicago's Conrad Hilton Hotel to discuss proposed statistical service covering all record playing equipment.

Financial & Trade Notes: Television-Electronics Fund Inc. net assets were \$105,847,907 (9,574,053 shares) when fiscal year ended Oct. 31, with provision for \$5,936,699 in distributions payable Nov. 30. At end of third quarter July 31, assets were \$104,639,370 (9,132,272 shares). These stocks were added during Oct. 31 quarter: 30,000 shares of General Telephone Corp., with market value of \$1,102,500; 1000 Industrial Electronics, \$25,000; 5000 Neptune Meter Co. of N. J., \$140,625; 12,000 United Aircraft rights, \$6375; \$188,000 AT&T 3% convertible debentures; \$150,000 Litton Industries 5% conv. deb.; \$100,000 TelAutograph Corp. 4% conv. deb. Also included are \$2,000,000 in Treasury notes.

Fund added to holdings in following stocks during quarter ended Oct. 31: ACF Industries, Addressograph-Multigraph, AT&T, Babcock & Wilcox, Bell & Gossett, Bell & Howell, Bullard Co., Bulova Watch, Burroughs, Carborundum, Chance Vought, Chemical Products, Cincinnati Milling Machine, Clevite Corp., Columbia Pictures, Consolidated Electronics, Corning Glass, Curtiss-Wright, DuMont "A", duPont, Eastman Kodak, Electric Controller & Mfg., Elgin National Watch, Ex-Cell-O, Federal Sign & Signal, Food Machinery & Chemical, Friden Calculating Machine, General Mills, General Tire & Rubber, G. M. Giannini, Goodyear, Hazeltine, Hoffman Electronics, Lockheed Aircraft, Mallory, W. L. Maxson, National Acme, National Cash Register, Northrop Aircraft, Oak Mfg., Otis Elevator, Paramount Pictures, Pullman, RCA, Royal McBee, Ryan Aeronautical, Servomechanisms, Square D, Stewart-Warner, Taylor Instrument, Technicolor, TelAutograph, United Aircraft, Walt Disney, Warner Bros., Zenith.

Part of holdings were sold in Admiral, Aerovox, Aircraft Radio, Allis-Chalmers, AB-PT, American Chain & Cable, American Phenolic, Bendix Aviation, Boeing, Borg-Warner, CBS "A", Douglas Aircraft, Eaton Mfg., Electronic Assoc., Electronics Corp. of America, General Controls, General Dynamics, GE, Hammond Organ, Indiana Steel Products, International Resistance, IT&T, Magnavox, Marchant Calculators, Minneapolis-Honeywell, Minnesota Mining & Mfg., Motorola, North American Aviation, Penn Controls, Philco, Raytheon, Robertshaw-Fulton Controls, Sperry Rand, Storer Bestg., Sylvania, Thompson Products, Tung-Sol, Western Union, Westinghouse Electric.

Eliminated were Fund's 6000 shares of Arvin Industries, 21,000 Theo. Gary & Co. (exchanged for General Telephone), 5500 Precision Radiation Instruments, 1200 Topp Industries, 2100 United Shoe Machinery, 75 G. M. Giannini 6% cumulative conv. pfd. (converted to common).

(For similar report on May 1-July 31 quarter, see Vol. 11:34, p. 14).

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Among officers' & directors' stock transactions reported to N. Y. and American stock exchanges in Oct.: Edward J. Noble reduced AB-PT 5% preferred holdings to 232,528 shares through redemption of 92,073 by company; Joseph A. Zock bought 2900 General Precision Instrument common, holds 18,201; Harry Landsiedel bought 25,800 Sperry Rand, holds 38,040 jointly, 13,904 directly; Bernard O. Reuther acquired 46,000 Sperry Rand, holds 56,734; Frank J. Atwood bought 3000 Sperry Rand, holds 6242; T. F. Allen bought 3000 Sperry Rand, holds 4726; J. A. W. Simson bought 5000 Sperry Rand, holds 10,332; A. R. Rumbles bought 47,688 Sperry Rand, holds 47,688; Albert H. Rumble acquired 5000 Sperry Rand, made gift of 200, holds 13,056; Arnold Facius bought 1000 Sperry Rand, holds 2000; Alfred H. Avery made gift of 6000 Electronics Corp. of America, holds 37,334.

SEC's TV-radio stock index for week ended Nov. 18 was up 1.8% over closing price of previous week—576.5 vs. 566.5, based on 1939 figure of 100.

Though still beset by strikes and a decline in first 9 months' earnings (Vol. 11:44), Westinghouse orders this year to date are 10% above last year's, treas. George Main told Cleveland Society of Security Analysts this week. While avoiding any predictions on sales or profits for 1955, he forecast that 1956 sales would top \$1.55 billion with earnings better than \$4 per share (1954 earnings were \$5.06 on sales of \$1.631 billion). Westinghouse had set sights earlier on approximating that sales figure, but with lower earnings this year (Vol. 11:31)—before the 6-week-old strike at 30 plants upset its apple cart. According to Main, 1955 consumer goods orders are up 10%, heavy apparatus up 25%, but defense orders are down 9-10%. He pointed out that company has protected itself on recent orders with "escalation"—price-at-time-of-shipment—provisions to offset price cutting and said Westinghouse next year anticipates "nice increase" in billings of general products and consumer goods, with defense orders down.

Stock dividends were declared by these TV-radio-electronics firms since Oct. 31, 1955: CBS "A", 2%; Sprague Electric, 50%; Eitel-McCullough, 10%; Corning Glass, 2½ for 1; Magnavox, 5%; Indiana Steel Products, 2 for 1; Storer, 2 for 1; General Dynamics, 100%; Electronic Associates, 100%; Raytheon, 5%; P. R. Mallory, 3 for 2; Oak Mfg., 25%; Aerovox, 5%; DuMont, one share new DuMont Broadcasting Corp. for each 2½ shares of Allen B. DuMont Labs; Airborne Instruments Lab, 5%.

Twentieth Century-Fox earnings went down to \$4,446,851 (\$1.68 per share) in 39 weeks ended Sept. 24 from \$5,732,063 (\$2.17) in corresponding 1954 period. Third quarter earnings were \$1,656,051 (62¢) vs. \$2,635,518 (\$1) in same period of 1954. Pres. Spyros Skouras reported that 7 oil wells on studio lot are producing 3000 barrels per day and that 8th is being drilled.

American Phenolic Corp. earned \$688,346 (\$1.72 per share) on sales of \$17,140,936 in 9 months ended Sept. 30, 1955 vs. \$414,361 (\$1.03) on \$18,735,166 in same period of 1954. Earnings for third quarter were \$245,362 (61¢), representing 4.61% of net sales, highest ratio since 1950.

Howard W. Sams & Co., leading industry technical publishing service, reports sales for fiscal year ended June 30, 1955 were \$3,262,161, up 16% from \$2,798,979 for preceding year. Net profit after taxes was \$140,027 (\$2.34 per share) vs. \$87,218 (\$1.09), up 60%.

Davega Stores showed net loss of \$27,114 on sales of \$12,135,548 in first half of fiscal year ended Sept. 30 vs. loss of \$242,124 on sales of \$11,568,252 in same 1954 period.

Electrical & Musical Industries (EMI) earned \$386,071 (37¢ per share) in year ended last June 30 vs. \$247,857 (25¢) in preceding year.

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Dividends: Philco, 40¢ payable Dec. 12 to stockholders of record Dec. 3; Airborne Instruments Lab, 5% stock div. Dec. 19 to holders of record Dec. 5; Sprague Electric Co., 30¢ Dec. 14 to holders Nov. 30; General Precision Equipment, 60¢ Dec. 15 to holders Dec. 5; Globe-Union, 30¢ Dec. 10 to holders Dec. 1; Sperry Rand, 20¢ Dec. 31 to holders Dec. 5; Paramount Pictures, 50¢ Dec. 15 to holders Dec. 1; 20th Century-Fox, 40¢ Dec. 24 to holders Dec. 9; Reeves-Ely Labs, 10¢ Dec. 31 to holders Dec. 15; Hoffman Electronics, 25¢ Dec. 31 to holders Dec. 12; Wells-Gardner, 20¢ quarterly (increase) plus 20¢ extra, Dec. 15 to holders Dec. 5; WJR, The Goodwill Station, 15¢ Dec. 16 to holders Dec. 7.

Sir Godfrey Ince, 64, permanent Secretary for Ministry of Labor, succeeds Maj. Gen. Sir Leslie Nicholls Feb. 1 as chairman of the nationalized Cable & Wireless Ltd., operating most of Britain's external communications.

Electronics Reports: Sylvania's spectacular rise in electronics under dynamic leadership of chairman-pres. Don G. Mitchell is cover story in Nov. 1 *Forbes Magazine* which calls firm a "War Baby Grown Up." With sales at \$300,000,000 clip for 1955 and first 9 months' earnings of \$9,556,210 already well ahead of any previous full year (Vol. 11:44), *Forbes* says Sylvania now is "up with the giants" in electrical products—GE & Westinghouse. Under the 50-year-old Mitchell, Sylvania has diversified from lamps into atomic and rocket fuels, photo flashbulbs, TV etc., now is eyeing "white goods" field with possibility of buying established line—but biggest items are picture and receiving tubes. However, *Forbes* says, these growth prospects haven't yet impressed Wall St. with quite same feeling held for GE, et al. Sylvania stock is selling at about 15 times 1954 earnings, 11 times projected 1955 earnings, while GE is bringing 21 times last year's earnings and about 18 times projected 1955 earnings. Also, Sylvania has sought fresh capital from Wall St. 7 times since World War II. However, magazine states, sheer size of firm's \$92,700,000 plant investment will solve some capital problems; depreciation and amortization amount to about \$9,000,000 yearly. Together with plowed-back earnings, this sum is considered sufficient for most expansion needs. But *Forbes* concludes there's still question whether Sylvania can finance projected expansion "without further transfusions of outside capital."

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Reallocation of 9800-13,225-mc band was proposed by FCC this week in rule-making which would: (1) Assign 9800-9900 mc exclusively to govt. use. (2) Eliminate allocation of 10,600-mc to industrial, scientific & medical use. (3) Provide 10,500-10,550-mc band for govt. and non-govt. use in emissions other than pulsed. (4) Make no change in 9900-10,000, 10,000-10,500, 10,700-13,200-mc bands. Comments are due Jan. 23.

Transistorized army field telephone "repeater"—about 1/5 size and weight of World War II tube-type counterpart and many times tougher—has been developed at Signal Corps' Ft. Monmouth labs, is expected to cost about \$30, much less than older version. Printed circuit unit is hermetically sealed in plastic, can give good performance up to 30 miles by splicing into line about every 6 miles.

United Business Service, Boston, advising its subscribers that "every investor should have some participation in this [electronics] field," lists the following as representative firms to consider: AT&T, Bendix Aviation, Boeing, Burroughs, CBS, Douglas, GE, IT&T, IBM, Minneapolis-Honeywell, Motorola, National Cash Register, North American Aviation, Philco, RCA, Raytheon, Sperry Rand, Sylvania, Thompson Products, Westinghouse. In addition, it lists these as companies "largely in electronics": Allied Control, American Electronics, Beckman Instruments, Collins Radio, Consolidated Electrodynamics, Daystrom, ElectroData, Electronic Associates, Electronics Corp. of America, G. M. Giannini, Hoffman Electronics, Laboratory for Electronics, Litton Industries, P. R. Mallory, W. L. Maxson, Norden-Ketay, Servomechanisms, Sprague Electric, Texas Instruments, Tung-Sol.

Development of metallized paper capacitors is subject of report on Signal Corps research prepared by Sprague Electric Corp, released to industry this week in 52-p. illustrated booklet titled *Investigation of Metallized Paper Capacitors*. Copies of report, PB111715, are available from Commerce Dept. Office of Technical Services, Washington, D. C., price \$1.50.

GE reports largest single order ever placed for commercial two-way radio equipment—a new contract just signed with U. S. Navy. Order includes 1100 mobile radios, 100 base stations, 500 station control units, 600 portable 2-way radios to be used at naval air stations.

Corning Glass to add 20,000-sq. ft. to its components plant at Bradford, Pa. for expansion of resistor and capacitor production. It's first step in eventual concentration of all components facilities at Bradford.

Stromberg-Carlson started construction recently on new administration headquarters and research labs north of present site in Rochester, as part of \$5,000,000 expansion program.

Charles Sumner Fess, 58, industrial specialist and expediting officer of Electronics Div. of Commerce Dept.'s Business & Defense Services Administration, died of heart attack Nov. 23 at his Arlington, Va. home. Son of the late Sen. Simeon P. Fess (R-Ohio), he is survived by wife.

Network Color Schedules
(Nov. 28 - Dec. 12, 1955)

- Nov. 28—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Nov. 29—NBC: *Howdy Doody*, 5:30-6 p.m.; *Milton Berle Show*, 8-9:30 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Nov. 30—NBC: *Howdy Doody*, 5:30-6 p.m.; *Kraft TV Theatre*, "Once a Genius," starring Eva Gabor, 9-10 p.m.
- Dec. 1—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Shower of Stars*, 8:30-9:30 p.m.
- Dec. 2—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 3—CBS: *Gene Autry Show*, 7-7:30 p.m.
- Dec. 4—NBC: *Color Spread*, Maurice Chevallier variety show, 7:30-9 p.m.
- Dec. 5—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 6—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Red Skelton Show*, 9:30-10 p.m.
- Dec. 7—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 8—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m. CBS: *Climax*, "The Passport," starring Frank Lovejoy and Katy Jurado, 8:30-9:30 p.m.
- Dec. 9—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.
- Dec. 10—CBS: *Gene Autry Show*, 7-7:30 p.m.
- Dec. 12—NBC: *Matinee Theatre*, 3-4 p.m.; *Howdy Doody*, 5:30-6 p.m.; *Producers Showcase*, "The Sleeping Beauty," starring Margot Fonteyn and Sadler's Wells Ballet, 8-9:30 p.m.

Revised edition of RCA's 35-p. brochure on color TV, profusely illustrated and ideal for explaining to laymen what color TV is all about and how it works, has been published and is available from RCA information dept., 30 Rockefeller Plaza, N. Y.

More than 100 TV technicians have enrolled in color service school of Philadelphia's big RCA distributor, Raymond Rosen & Co., which offers novel plan to stimulate interest in color set servicing. After serviceman takes course, Rosen offers him 15-in. color set for training other shop personnel; set may be paid for by picture tube purchases. Dealers are urged to knock it out of adjustment to give servicemen experience.

NBC-TV schedules colorcast of Tournament of Roses parade from Pasadena, Cal., 12:15-1:45 p.m. EST Mon. Jan. 2, followed by black-&-white telecasts of Cotton Bowl game at 1:45 and Rose Bowl game at 4:45. On Dec. 31, Blue-Gray game will be telecast at 2:15 p.m. and East-West game at 4:45 p.m., both monochrome.

Color nomenclature is treated exhaustively in new volume by Bureau of Standards' Kenneth L. Kelly & Deane B. Judd. Titled *The ISCC-NBS Method of Designating Colors and a Dictionary of Color Names*, it's 158-pp., available from Govt. Printing Office, Washington 25, D. C., \$2.

"The ABC's of Color Television," by Bell Labs' J. M. Barstow, carried in Nov. *Proceedings of the IRE*, is good roundup for students and others to whom color is new.

Demonstration of Lawrence-tube sets to industry and press is reportedly planned for near future by Chromatic TV Labs, Paramount Pictures subsidiary.

COMMUNITY ANTENNA systems continue to crop up and expand despite fact industry's "growing pains" are giving it twinges currently (p. 2). Largest equipment maker, Jerrold Electronics Corp., Philadelphia, reports it has supplied equipment for following new towns in last 4 months:

Sunnyside-Drageron, Utah; Hobart, Okla.; Del Rio & Marfa, Tex.; Cutbank, Mont.; Hancock, Iron Mountain & Iron River, Mich.; Claremont, N. H.; Cooperstown, N. Y.; Sheridan & Rawlins, Wyo.; Bend, Ore.

Commenting on rate of growth, Jerrold reports that Dubuque (Ia.) system, started last May 13, has 2145 connections, waiting list of 259; that Uvalde, Tex. operations, started June 24, has 252 subscribers; that Tupelo, Miss., began June 18, has 275. For older systems, Jerrold gives following examples of increases during last 12 months: Flagstaff, Ariz., from 325 to 834; Ellensburg, Wash., 360 to 728.

Just this week, Jerrold announced purchase of controlling interest in broadcaster (WKWF) John Spottswood's system in Key West, Fla., Spottswood to remain as pres. Jerrold plans microwave from Miami, hopping Florida keys and installing CATV systems on several of the islands. Company is planning to wire up military housing project at Key West Naval Base, expects to complete systems and microwave by end of 1956.

Radio, then and now: Tremendous audience appeal of TV was vastly underrated by radio industry 5 years ago, U. S. Chamber of Commerce's Sept. *Advertising Newsletter* reveals in reporting results of poll of broadcasters on predictions of 1950 vs. facts of 1955. Except for TV, their prognostications—substantiated by Radio Advertising Bureau figures—showed surprising acumen in peeking half-decade around corner in their own bailiwick. On percentages of nighttime audiences, broadcasters predicted 63% for radio, 37% for TV in '55; were exactly backwards, according to RAB which gives TV 63%, radio 37%. The 1950 poll found 2 out of 5 broadcasters sure TV and radio would specialize on types of advertising, but RAB opines they missed on that one, too, since most advertisers use both media. On future of radio programming, broadcasters hit nail on head with prediction that, 5 years later, materialized to great degree in NBC's *Monitor* format.

Russian TV set prices "slashed"! NBC Moscow correspondent Irving R. Levine reports 12-in. models marked down from 3000 to 2300 rubles (\$750 to \$575), 17-in. sets now \$675 and 6-in. \$400. Price cuts apparently indicate mass production by Soviet TV industry, Levine says, but set ownership still is such novelty that vast crowds continue to gape at displays in dept. stores; beyond Moscow, sets are limited to workers' clubs. Note: Visiting Soviet housing delegation recently inspected N. Y. homes and apartments, "vetoed" our TV antenna forests as "spoiling appearance" of buildings, and proposed solution in true Communist style—"collective" or community antennas.

Uruguay's first TV station, in Montevideo, is scheduled to go on air early next year. Owned by Govt., it will be operated "for educational use." The 5-kw Ch. 5 transmitter was shipped last week by International GE, will be followed by complete GE studio equipment, including 3 cameras, 16 & 35mm slide equipment. Using 6-bay GE antenna, station will radiate 32.5 kw.

Don't let kiddies watch grunt-&-groan matches on TV, because "professional wrestling doesn't teach fair play." That's advice of Minneapolis mayor Eric Hoyer. He says he's been swamped with complaints from parents. So has City Council, which is due to vote on proposal to ban wrestling from Municipal Auditorium and Armory.

Members of Radio Propagation Advisory Committee, joint FCC-industry group studying allocations problems (see p. 3): Edward W. Allen, FCC chairman; Ralph Harmon, Westinghouse, vice chairman; Wm. Boese, FCC, secy.; Harry Fine, FCC, treas.; Stuart Bailey, Jansky & Bailey Inc.; Ross Bateman, of Page, Creutz, Garrison & Waldschmidt; E. W. Chapin, FCC; J. H. Chisholm, Lincoln Labs (MIT); A. Earl Cullum, consulting engineer; A. L. Durkee, Bell Labs; A. G. Kandoian, Federal Telecommunication Labs; Dr. Frank Kear, Kear & Kennedy; J. C. McNary, Assn. of FCC Engineers; Dr. Philip Newman, Air Force Cambridge Research Center; K. A. Norton, Central Radio Propagation Labs, NBS; Clure Owen, ABC; James D. Parker, CBS; J. P. Veatch, RCA; R. P. Wakeman, DuMont; G. V. Waldo, FCC; A. Prose Walker, NARTB; R. M. Wilmotte, consulting engineer.

Puerto Rico, which has lured many industries from the mainland through tax concessions and free-plant program, is now making big pitch for film production for TV and theatres. Govt. offers to provide new modern studios, financing by private Puerto Rican investors, lower costs, complete freedom from taxes on profits or income—and promises that Mother Nature will provide Hollywood-type climate, sans smog. Paramount, RKO, Jose Ferrer and Brandt Theatres reportedly are seeking to get franchise from govt.-owned Puerto Rican Development Co.

National Lutheran Council, composed of 8 Lutheran church bodies, is setting up TV-radio dept. under its div. of public relations. It will be supervised by Rev. O. H. Hove, Minneapolis, secy. of Evangelical Lutheran Church and chairman of NCL's div. of public relations; Robert E. A. Lee, New York, exec. secy. of Lutheran Church Productions Inc.; Dr. John Bachmann, New York, head of speech dept. & audio-visual center, Union Theological Seminary.

Application to set up "scatter" TV networking service between Homestead, Fla. and Havana, Cuba, submitted by v.p. Clive M. Beckwith of Florida Micro-Communications, Miami, was returned this week by FCC as "defective." It proposed use of 5-kw transmitter at 750 mc, and said Cuban TV stations had indicated they would be interested in subscribing to the service.

Due to increased TV activity, membership in Screen Actors Guild rose from 8370 to record 9832 during year ended Oct. 31, treas. George Chandler reported this week at annual Hollywood meeting. During year, \$565,639 was distributed to members in residual payments on TV entertainment films and \$140,159 was disbursed for TV rights in theatrical pictures. Walter Pidgeon was re-elected pres.

Three Armed Forces TV stations went on air this week, all on Ch. 8, with 100 watts ERP using Dage equipment: Nov. 22, KANU-TV, Asmara, Eritrea; Nov. 24, stations at Clark Air Base, Philippines, and Guantanamo Bay, Cuba. Armed Forces TV Service now has 10 stations in operation, with 3 more due to go on air by Jan. 20.

Third AT&T TV microwave channel from Denver to Omaha was authorized this week for installation by next summer to provide adequate facilities for transmission of telecasts of Republican national convention in San Francisco next Aug.

Upcoming meetings at NARTB headquarters: Insurance Committee, Nov. 29 (Gilmore Nunn, WLAP, Lexington, chairman); Broadcast Engineering Conference Committee, Nov. 30 (Willard J. Purcell, WGY, Schenectady, chairman).

Michigan State U has scheduled its 11th annual TV-radio conference for high school & college students and teachers, March 10, 1956, under direction of TV-radio director Robert P. Crawford.