

# WEEKLY **Television Digest**

APRIL 3, 1961

© 1961 TRIANGLE PUBLICATIONS, INC.

APR 3 1961

VOL. 17: No. 14

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

## SUMMARY-INDEX OF WEEK'S NEWS

### **FCC**

**FCC STAFF URGES ANTI-TRUST RENEWAL FREEZE**, telling Commissioners more investigation is needed, and strongly questioning GE & Westinghouse character qualifications (p. 1).

**FCC'S PROMISE-VS.-PERFORMANCE HEARING** on KORD Pasco, Wash. to explore reliability, community self-expression, spot frequency, area needs (p. 12).

### **ETV**

**FCC WEIGHS DIVERTING N.Y. & L.A. VHF's** to ETV, starting "formal inquiry" to invite ideas on ways & means; cites "regrettable" lack of ETV outlets (p. 2).

### **Congress**

**DAMNED IF YOU DO OR DON'T**, broadcasters learn—again—at 3-day Senate "watchdog" hearings on equal-time behavior (p. 4).

**HARRIS-COLLINS LIAISON SET** in precedent-making House Commerce Committee plan to give NAB copies of all complaints from public on TV & radio programs (p. 16).

### **Programming**

**FALL SCHEDULES GROW FIRMER** as networks make last-minute changes in their line-ups. The schedule today (p. 6).

**CBS' NEW SHOWS IN 1960-'61 SEASON** drew rating averages that topped the newcomers on ABC and NBC. Among 43 new entries, CBS-selected shows drew 6 out of top 10 (pp. 5 & 6).

### **Film & Tape**

**PARAMOUNT HAS TV PLANS** (p. 8). **NT&T AND REPUBLIC TALK MERGER** (p. 9).

### **Consumer Electronics**

**SEARCH FOR SINGLE-GUN COLOR** is on again, with work proceeding on GE-post-acceleration tube, Philco "Apple" tube, Paramount Lawrence tube—just like 1955 (p. 18).

**HOFFMAN'S "SOUL-SEARCHING"** experience, resulting in decision to quit TV-stereo market, shows dilemma of small producer (p. 18).

**STEREO RUMORS DISTURB FCC**, which is considering issuing public notice saying that "not even a tentative decision has been reached" (p. 19).

**TV IMPORTS SELLING WELL**, Delmonico reports after first 6 months. Goal for this year is 1,000-set-a-week average (p. 20).

**THE ELECTRICAL CONSPIRACY**: April Fortune begins 2-part analysis of recent antitrust convictions of 29 electrical companies (p. 20).

**PHONO SALES SLUMPED** in January after record December, retail purchases dipping 28% below January 1960 (p. 22).

### **Advertising**

**SPOT TV'S 5-YEAR SPURT** (p. 2). **TV'S DYNAMIC DECADE** (p. 3).

**NEW NEILSEN MEDIA SERVICE STUDY** (p. 3).

**CODE SUBSCRIBERS CAUTIONED** by TV Review Board to take closer looks at commercials for beer, wine and weight-reducers—and to clean up station contests (p. 13).

**NET TV WAS UP 9% IN JANUARY** as the national ad volume pushed 5% ahead of a year ago, Printers' Ink index shows (p. 13).

### **Other Departments**

**AUXILIARY SERVICES** (p. 12). **NETWORKS** (p. 14). **STATIONS** (p. 15). **PERSONALS** (p. 17). **FINANCE** (p. 22). **TECHNOLOGY** (p. 24).

**FCC STAFF URGES TOUGHNESS ON GE-WBC ANTITRUST:** More investigation and a holdup of license renewals for GE & Westinghouse have been recommended to FCC by its attorneys, based on a preliminary study of their antitrust convictions (Vol. 17:7 p8 et seq.).

It's been learned that Commission staff submitted a tough analysis that is now getting members' attention. Citing legislative history, past FCC policy, statements of the presiding judge and the Justice Dept., the memo concludes there's "a strong presumption adverse to the qualifications of GE & Westinghouse to be Commission licensees."

"The numerous violations to which they pleaded guilty," the staff went on, "are of recent vintage, flagrant, and based on persistent unlawful acts over a period of time. The Dept. of Justice has represented that the violations were deliberate and that the defendants' measures of concealment showed a 'full knowledge of the wrongful nature of their deeds.' While this adverse presumption might be overcome by 'countervailing circumstances,' we believe that the Commission is in no position, under the circumstances here, to make any such determination without a further investigation. After such an investigation, the Commission might appropriately determine either that GE and/or Westinghouse remain qualified, or that their renewal applications should be designated for hearing.

"The circumstance that neither the GE nor Westinghouse board of directors is charged with knowledge of, or personal responsibility for, the unlawful conspiracies & acts to which the corporations pleaded guilty, does not remove the question as to character qualifications. Investigation is still pertinent to determine whether any person implicated exercises any control, direct or indirect, over the broadcast operations of these corporations. Moreover, the directors' lack of knowledge of widespread, flagrant, and persistent unlaw-

ful activities within the corporation may raise additional problems of licensee responsibility. A question may fairly be raised as to whether, in such circumstances, they would similarly be unaware of, and fail to remedy, activities in the broadcast field which are contrary to the public interest, such as payola, etc."

In the safety & special services, where GE, Westinghouse and 6 other antitrust defendants hold some 200 licenses, the staff recommended against any holdup or revocation, noting that some facilities may be used in defense-contract activities, etc.

Justice Dept. antitrust chief Lee Loevinger, on another front, took crack at RCA-NBC, urging that FCC should give Philco a hearing on its protest against renewal of NBC's WRCV-TV Philadelphia. Philco has an appeal pending, in the D.C. Court of Appeals, challenging FCC's action throwing out the protest. Last week, in an amicus curiae brief filed with the Court, Loevinger & assistant Richard Solomon (latter ex-FCC) stated:

"It may be argued that since the government had asked, as part of its prayer for relief, that the District Court revoke NBC's license for its Philadelphia stations, and since in the consent decree NBC was merely required to divest itself of its Philadelphia facilities within a fixed period, the [Justice] Department had reached a conclusion that the RCA-NBC offenses were not so serious as to warrant revocation. Any such contention is specious. The Department's interest is in enforcement of the antitrust laws. If it can secure adequate relief by consent without the expense or delay of a trial it does so. Here NBC was required to divest itself of the property allegedly illegally secured and was enjoined from future anti-competitive conduct. The government therefore determined that it would not insist upon going to trial in order to seek the additional relief of court-ordered revocation authorized by Sec. 313 of the Communications Act. Instead, the United States properly left to the Commission the question of the effect of NBC's alleged activities upon its qualifications to hold a station license."

**SPOT TV'S 5-YEAR SPURT:** Growth of national & regional spot TV, its current size & composition were delineated last week in a TvB-Rorabaugh report covering all spot advertisers having distribution in 2 or more markets. The study showed:

- (1) Gross time expenditures were up more than 50% from \$397,606,000 in 1956 to \$616,701,000 in 1960.
- (2) Largest spot-TV advertiser trebled its budget from \$17,522,450 in 1956 to \$55,084,440 in 1960.
- (3) Average spot-TV advertiser increased its spending by nearly 80%, from \$90,000 to \$162,000.
- (4) Announcements & participations increased 75%, from \$266,970,000 in 1956 to \$466,556,000 in 1960.

Versatility of spot TV was indicated by the different types of brands included in the top 10 spenders over the 5-year period—Maxwell House coffee, Alka Seltzer, Robert Hall, Bulova, Mr. Clean, to name a few. Another plus for spot, according to TvB, is "its ability to promote ideas." More than 35 different associations, councils and promotional bureaus used the medium in 1960, including those in the fields of coffee, tea, savings banks, insurance and motor boats.

**FCC WEIGHS DIVERTING N.Y. & L.A. VHFS TO ETV:** FCC threw a dilly into complicated projected sale of WNTA-TV (Ch. 13) N.Y. (see p. 8) by starting a "formal inquiry" into ways & means of getting a vhf channel in N.Y. & Los Angeles converted to ETV use. Now 14 stations instead of one will be in a stew. If the Commission finally does slice a channel off in each city, which of the 7 operators in each city will lose out?

There's no telling how FCC will move procedurally. Commission itself doesn't know; that's why it has invited comments (by May 1) "as to the methods by which one of the 7 vhf channels at Los Angeles and at New York could be duly made available for non-commercial, educational broadcasting . . ." There's no telling, either, whether FCC will finally go through with the proposal. Though Commission has legal power to do it, an awful lot of "due process" would go over the dam before it's done—and some Commissioners went along with the move quite reluctantly.

Commission said it was confining move to the 2 cities "in view of the fact that there are no other cities now lacking a vhf non-commercial educational channel assignment where there are sufficient numbers of available vhf assignments to supply this lack while still leaving at least 4 commercial vhf assignments to provide an outlet for each of the 3 national TV networks and at least one competing independent or non-network station. Moreover, in all the other TV markets . . . with at least 4 vhf assignments there is a vhf channel reserved."

Lack of ETV channels in the 2 major markets, FCC said, "is all the more regrettable in view of the abundant resources available in both those cities for ETV programming and the fact that over 13% of the total population resides within the service area of the commercial vhf stations operating in those cities."

Vote was 6-1, Lee dissenting. Though he didn't issue a statement, uhf enthusiast Lee later told us: "This could hurt our New York uhf project. It might injure ETV by holding out false hopes for vhf channels."

Reason N.Y. & Los Angeles, with 7 channels, have no ETV reservations, is simple: All channels were granted commercially before FCC ever started reserving channels.

**TV'S DYNAMIC DECADE:** "A unique & dynamic media revolution"—that's how NBC-TV terms 1950-59 TV growth as a basic advertising element. Accolade comes in "TV & Modern Marketing," a handsome new booklet presentation now being distributed to the ad world, including corporate "decision makers" (chairmen, directors, presidents, etc.). Some highlights:

(1) TV's share of ad revenue jumped from a mere 6% of national ad dollars in 1950 to 32% in 1959.

(2) Nearly half (48) of the top 100 advertisers spent more than 50% of their total media expenditure in TV in 1959.

(3) The average viewer spends about 200 minutes daily with TV, as compared to the average reader's 38 minutes with magazines, 40 with newspapers.

(4) TV's penetration easily tops magazines. On an average evening, NBC, for example, reaches "more than half" of all families in 2,756 U.S. counties. On a circulation standard of only 10%, Life magazine penetrates only 746 counties and is below 10% penetration in the rest. "A 50% penetration . . . would result in an absolutely blank map for Life but would include 97% of all U.S. TV homes for NBC-TV."

(5) Cost-of-audience rose in print but not in TV during the 1950-1959 period. Magazine CPM was 38% higher by 1959 as costs soared faster than circulation. Similarly, newspaper CPM increased 36%. TV's CPM, on the other hand, dropped to only one-third of the 1950 level by 1959.

(6) TV research has become more finite, print less so in the past decade. At first, national TV sold itself on "total audience" (one minute or more of viewing); today, TV pushes "average audience" for specific shows. Print media, by contrast, have shifted in several cases from straight circulation guarantees to the more-promotional "ad page exposure" (opportunity among all possible readers to glance at a page).

(7) Newspaper "ratings" are scarce, as compared with TV's. "Only a fraction of a newspaper's audience 'notes' a particular ad—and a substantially smaller portion of that audience actually reads the ad," said NBC. Only one out of 5 readers "notes," and one out of 12 "reads" a 1,000-line ad, say the few studies available.

**NEW LIGHT ON COMPETITION FOR THE AUDIENCE:** Surprise! Magazines & TV don't compete too pointedly for audience, even though they often slug it out in inter-media rivalry for advertising dollars. In a N.Y. preview March 27 of its Nielsen Media Service, the ad industry's biggest research firm, A. C. Nielsen, made that point clear.

Duplication can be as little as 20% of homes between a schedule in leading monthly magazines and a network TV schedule of 4 daytime quarter-hours and 2 nighttime half-hours. According to Nielsen (which worked out the figures for a beauty-product advertiser seeking to reach women), the combination would reach women via TV-only in 11.2 million homes, via print-only in 9 million homes, via print-&-TV in 4.8 million.

If a household is reading a lot of magazines, it isn't watching much TV, Nielsen discovered. And if it's a household of TV fans, it isn't reading magazines. Nielsen believes its NMS studies will be important in "the choice of media combinations to achieve specific sales objectives in terms of reaching certain kinds of homes & people . . . to select media with complementary audience characteristics."

Nielsen now checks 12 publications (magazines & weekly newspaper supplements) for its NMS studies. They are prepared for both buyers (agencies, advertisers) and sellers (magazine, supplements, reps, etc.). The publications: American Weekly, Better Homes & Gardens, Good Housekeeping, Ladies' Home Journal, Life, Look, McCall's, Parade, Reader's Digest, This Week, SatEvePost and True Story. TV data are drawn from a special NMS panel which employs the Audience & Recordimeter diaries and recording devices used by Nielsen in local TV measurements.

**VIEWING HITS RECORD HIGH:** The average U.S. TV home viewed for 6 hours, 8 minutes per day during February, breaking the previous record of 6 hours, 7 minutes set in February 1958.

During average February day, continues the A. C. Nielsen data (as released by TvB), U.S. home hours of viewing totaled 287,966,000—up 11% over the 259,675,000 of February 1958 (an increase due mostly to the growth of total TV homes).

Biggest jump was in the daytime, when all time periods showed increases over February 1960. Day-time peak, Monday-Friday, came between 5 & 6 p.m., when 39.4% of TV sets were in use.

Prime evening time peak—67.9%—was between 8 & 9 p.m.

**DAMNED IF YOU DO OR DON'T:** Much-heralded Senate "watchdog" expose of political hanky-panky by TV & radio in 1960 campaign (Vol. 17:13 p15) produced no sensations whatever last week, but did confirm what many broadcasters had learned to their sorrow: When it comes to equal time, chances are you can't win, no matter how you play it.

Dilemmas of broadcasters under Communications Act's Sec. 315—rather than misbehavior alleged in the 40-odd complaints picked for probing by Commerce Freedom of Communications Subcommittee—were pointed up in 3 days of hearing. Stations involved came out of the ordeal virtually unscathed. And so did FCC, which was in the middle between complainants & Subcommittee. If "watchdog" Chmn. Yarborough (D-Tex.) and Subcommittee counsel Creekmore Fath built up any case, it was that Congress can't write black-&-white equal-time legislation—and Commission can't provide sure-fire enforcement.

Star witness in proceedings was FCC staffer Joseph N. Nelson, who was on stand from start to finish in a virtuoso performance which Yarborough repeatedly applauded. Nelson, chief of Renewal & Transfer Div., was designated on short notice by the Commission to give all background facts on cases and answer all questions. He never faltered in solo testimony, which covered not only complaints but the legislative history of Sec. 315 which Senators hadn't heard before.

Equal-time gambles by stations and how they paid off at hearings were illustrated by these examples:

WKRG-TV Mobile played it safe in 1960 campaign by refusing to sell any time to Ala. primary candidates for U.S. Senate. Station thereby avoided airing anti-Semitic views of retired Admiral John P. Crommelin, who squawked long & loud that he'd been denied his rights. Nelson explained to Subcommittee that FCC can't force licensees to sell political time initially to anyone. Subcommittee members didn't defend Crommelin's views. But they did wonder whether any broadcaster is qualified—on his own—to determine who should be heard or not heard.

Radio WMCA N.Y. made daring play by coming out editorially for John F. Kennedy for President—first station to do so. WMCA put all its cards on table, assiduously sought out Republican spokesman for counter-statement, put Henry Cabot Lodge on air, even ran newspaper ad calling on public to listen to Lodge. But GOP National Chmn. Thruston B. Morton protested. Newspaper ad plugging Lodge wasn't as forceful as earlier ads announcing WMCA's pro-Kennedy sentiments, Morton told Subcommittee, complaining it all amounted to "clever political propaganda." Nelson pointed out Communications Act gave FCC no control over newspaper copy.

Radio KBYM Billings ran editorials during the Mont. campaign suggesting that Clyde T. Ellis, gen. mgr., National Rural Electric Cooperative Assn., was out to spread public-power propaganda against free enterprise. Outraged by this "smear & villification," Ellis indignantly rejected invitations by the station to be interviewed or to make his own taped reply. Instead, he demanded (copies to Subcommittee) that FCC either (1) take editorials off air, or (2) take KBYM off air. Nelson suggested mildly that Communications Act forbids censorship by FCC.

KXGO-TV Fargo ran documentaries on state-operated N.D. hospitals whose administration had been criticized by state Sen. Charles L. Murphy, Democratic candidate for attorney general. Documentaries didn't mention Murphy by name, but he was given time to answer, then was refused further time to elaborate. Murphy lost election, accused KXGO-TV Pres. John W. Boler of unfairness. One point at issue in the case was Boler's tardiness in answering inquiry from Subcommittee counsel Fath. Boler explained to Subcommittee he had been out shooting pheasant at time.

WBZ-TV Boston staged foreign-policy debate between Sens. Bridges (R-N.H.) & Cannon (D-Nev.) on American Forum of the Air. Dartmouth Prof. Herbert Hill, running against Bridges in N.H., asked & got free

time to match debate appearance by Bridges. Then Bridges was given free time to answer Hill. Just before election, Hill got back on WBZ-TV again to rebut Bridges. Hill lost but Bridges protested to Subcommittee that WBZ-TV's equal-time grants were carried too far in Hill's favor, that initial debate had nothing to do with state politics, anyway. And Subcommittee member Scott (R-Pa.), who used to be GOP national chmn., said he understood Sec. 315 exemptions for news programs applied to debates, too. Nelson put him straight.

Hearings settled no questions in equal-time cases, most of which had been reported before. One question was left dangling, as it has been for years: When is a speech by the President non-political? Issue was raised heatedly by Cal. Democratic Chmn. Roger Kent. He detailed circumstances of pro-Republican speech by President Eisenhower in San Francisco last October, when area TV & radio stations refused equal time for Democrats to answer, after White House tagged it as non-political. Nelson said substance of speech—not person making it—is FCC's equal-time criterion. Subcommittee offered no new litmus-paper test for political content.

All unsettled equal-time complaints were left in FCC's pending files to be brought up again by Commission at stations' renewal time. Sens. Yarborough & McGee (D-Wyo.) said it might be helpful if Congress would give Commission authority to enforce equal-time rules through a cease-&-desist order instead of citing them against stations at renewal time—after elections are over. Nelson said he favored this personally. Nelson also agreed that it would be helpful if stations were required to keep files of all broadcast editorials. Most of all, however, he agreed with Subcommittee suggestions that FCC needs more money to expand Nelson's review unit, which handles all renewal applications as well as all equal-time complaints. His staff totals 7.

**HOW THE NEW SHOWS FARED:** CBS-TV's new shows won a clear rating edge in the 1960-'61 season now drawing toward its summer finale. The Nielsen AA rating of the 14 new nighttime shows on CBS from first report for October 1960 through 2nd report for February 1961, was a 19.3. For 17 new ABC-TV shows, AA figure was 16.8 (giving CBS a 15% advantage; but this figure does not take into account ABC's shorter nighttime lineup of stations). For 12 new NBC-TV shows, the average was 15.7 (CBS was 23% higher).

Trend to network program control makes these figures more significant than usual. During the 1960-'61 season, networks were in the driver's seat in terms of programming decisions, largely because of new get-tough policies set up in the wake of the 1959-'60 quiz scandals. The new-program rating levels are therefore a fairly good index of how well the 3 networks did in anticipating viewer preferences this season.

CBS holds 6 out of top 10 places when the 43 new shows (5 of which have been axed since season's start) are ranked according to average audience (see p. 6). Only one new NBC show (Tall Man) and 3 new ABC shows (My 3 Sons, The Flintstones, Surfside 6) made the grade to the top 10. New CBS shows also rated highest in every basic program category—except Westerns, where CBS's sole new entry, Gunslinger, drew only 22nd place on the list of 43.

**STATIONS GIRD FOR ASCAP NEGOTIATIONS:** Telecasters believe upcoming dickering for new ASCAP music contract, to succeed the pact expiring Dec. 31, is a do-or-die effort—probably the last opportunity to come up with a better deal.

Negotiating committee for stations (networks have separate deal) is under Hamilton Shea, WSVA-TV Harrisonburg, Va., who points out that in 1960 ASCAP's entire income was \$32 million—and TV paid \$18 million of it. "The industry is mature now," he said last week, "and this is the big time at bat. If we miss now, we may be stuck with a pattern that's scarcely ideal."

Stations are well aware of importance of negotiations, he said, reporting that he recently asked operators for their ideas—"and I heard at length from about two-thirds of them."

Each station pays ASCAP at rate of 2.05% of its "net receipts from sponsors after deductions" plus, each month, highest quarter-hour card rate. TV didn't pay before 1949. First contract, in 1953, provided for 2.25%. In 1954, fee went down to 2.05%, was continued in 1957 contract.

Committee is going all-out, hiring top-flight legal talent (Ralstone Irvine and Joseph McDonald) and making, according to Shea, "the most thoroughgoing & intense study ever made."

If stations & ASCAP can't agree on new contract, under provisions of an ASCAP consent decree, the issue will be turned over for adjudication to N.Y. Federal District Court Judge Sylvester Ryan.

## Programming

### More about

**HOW THE NEW SHOWS RATED:** Here's the list of the 43 nighttime shows (see p. 5) new to network TV this season. They're ranked in order of average audience (Nielsen) for that part of the season rated from Oct. 1960 through Feb. 1961. NBC had 17 of the new shows, CBS 14, ABC 12. No show from the rank of 18th place down to 43rd will reappear next season—except for 2 *The Americans* (24th & 15 AA) and *The Roaring 20s* (30th & 13.2 AA). All but 4 of the top 17 will be back: *The Tom Ewell Show* (9th & 21.4 AA), *Bringing Up Buddy* (12th & 19.6 AA), *National Velvet* (14th & 18.5 AA) and *Stagecoach West* (15th & 18.3 AA).

Rank	Program	Category	Network	Avg. Aud. Rating
1.	<i>The Andy Griffith Show</i>	comedy	CBS	26.6
2.	<i>Candid Camera</i>	aud. partic.	CBS	26.4
3.	<i>My 3 Sons</i>	comedy	ABC	25.3
4.	<i>The Flintstones</i>	comedy	ABC	23.3
5.	<i>Checkmate</i>	mystery drama	CBS	22.9
6.	<i>Pete &amp; Gladys</i>	comedy	CBS	21.9
7.	<i>Route 66</i>	adventure	CBS	21.5
7.	<i>Tall Man</i>	Western	NBC	21.5
9.	<i>The Tom Ewell Show</i>	comedy	CBS	21.4
10.	<i>Surfside 6</i>	mystery drama	ABC	20.6
11.	<i>Outlaws</i>	Western	NBC	20.5
12.	<i>Bringing Up Buddy</i>	comedy	CBS	19.6
12.	<i>Thriller</i>	suspense drama	NBC	19.6
14.	<i>National Velvet</i>	comedy	NBC	18.5
15.	<i>Stagecoach West</i>	Western	ABC	18.3
16.	<i>Bugs Bunny</i>	children's	ABC	17.9
17.	<i>Sing Along with Mitch</i>	pop. music	NBC	17.2
18.	<i>The Law &amp; Mr. Jones</i>	mystery drama	ABC	16.7
19.	<i>The Islanders</i>	adventure	ABC	16.6
20.	<i>The Tab Hunter Show</i>	comedy	NBC	16.5
21.	<i>Guestward Ho!</i>	comedy	ABC	15.9
22.	<i>Gunslinger</i>	Western	CBS	15.7
23.	<i>My Sister Eileen</i>	comedy	CBS	15.4
24.	<i>The Americans</i>	adventure	NBC	15.0
25.	<i>Westinghouse Playhouse</i> (Nanette Fabray)	comedy	NBC	14.6
26.	<i>The Garland Touch</i>	adventure	CBS	14.4
26.	<i>Klondike</i>	adventure	NBC	14.4
26.	<i>Malibu Run (Aquanauts)</i>	adventure	CBS	14.4
29.	<i>Michael Shayne</i>	mystery drama	NBC	14.2
30.	<i>The Roaring 20s</i>	mystery drama	ABC	13.2
31.	<i>Harrigan &amp; Son</i>	comedy	ABC	13.0
32.	<i>Angel</i>	comedy	CBS	12.9
33.	<i>The Jackie Gleason Show</i>	comedy-variety	CBS	12.7
34.	<i>Peter Loves Mary</i>	comedy	NBC	12.5
34.	<i>The Westerner</i>	Western	NBC	12.5
36.	<i>Dan Raven</i>	mystery drama	NBC	11.4
36.	<i>Happy*</i>	comedy	NBC	11.4
36.	<i>Witness</i>	general drama	CBS	11.4
39.	<i>Barbara Stanwyck</i>	general drama	NBC	11.2
40.	<i>Dante</i>	mystery drama	NBC	11.1
41.	<i>Hong Kong</i>	adventure	ABC	11.0
42.	<i>Winston Churchill— The Valiant Years</i>	documentary	ABC	10.9
43.	<i>Jackpot Bowling</i>	sports	NBC	10.7

\*Note: *Happy* was introduced as a summer replacement in 1960 and re-introduced in the winter after the cancellation of *Dan Raven*. The audience data for *Happy* refer to telecasts since re-introduction.

**No CBS Policy Switch:** CBS's acceptance of an "outside" public-affairs show—David Wolper's pictorial special, "The Golden Age of Hollywood"—does not imply a policy reversal, insisted CBS News Pres. Richard Salant last week. "There have always been gray areas in public-affairs programming open to outside-network competition," he said. CBS would still turn down a controversial project like Wolper's "Race for Space" missile documentary, Salant insisted. Salant's no-policy-shift pronouncement is actually a re-statement of the position expressed to us in February 1960 (Vol. 16:8 p11) by then-CBS News creative projects head Irving Gitlin (now with NBC-TV). At that time, Gitlin told us CBS's closed-door policy applied only to "reportage, not entertainment." Discussing "Race for Space," then making its futile rounds of the networks, he said CBS would only go outside for "feature material" in what he termed "the fringe area."

**FALL LINEUPS GROW FIRMER:** Since we last reported on network fall line-ups (Vol. 17:11 p2), some not-so-firm shows have been bounced, several holes have been plugged, and a few shows have changed titles or time periods. The table on the opposite page has been revised from Vol. 17:11 p3 to show further changes in tentative network schedules as of late last week.

Several program series are hovering with no landing area yet assigned. ABC, for example, has an option on Steve Allen's services and may showcase him at the last minute with a 60-min. weekly series, possibly across from high-rated *Wagon Train* on NBC-TV. ABC has also given a production green light to Don Feddersen's *Tramp Ship* (a sort of motorized *Adventures in Paradise*) this spring, and is still looking for a likely berth for the 60-min. adventure show. And there's a possibility that *Asphalt Jungle* may not be back this fall on Sunday nights.

NBC has more prime time still open than any other network, but plenty of program prospects. There are at least three 60-min. shows on which NBC is virtually committed for fall—although none has been scheduled. They are: *Las Vegas Beat* (a Goodson-Todman co-production with NBC), *The House on Rue Riviera* (a foreign-intrigue type from 20th Century-Fox) and *Portofino* (a somewhat-similar package that is NBC's own). Also being whipped up as a last-minute NBC contender: a situation comedy based on "Some Like it Hot" (see p. 8).

CBS has virtually abandoned plans to use 3 shows, for which pilots were scheduled earlier this season (Vol. 17:3 p9), in its fall schedule. The trio: *Hurricane Island* (60 min.), *The Dragon & St. George* (60) and *High Time* (30). Still unscheduled at CBS is *Suspense* (CBS-TV), a 30-min. mystery anthology based on a CBS Radio series.

Thanks to a guaranteed-in-advance sponsorship from General Mills (which has persuaded Campbell Soup Co. to come in as a co-sponsor), CBS has now set *Father of the Bride* for Friday (see table), and has quietly dropped a plan to move *Route 66* to a 9-10 p.m. spot to combat 77 *Sunset Strip*. There's also some CBS talk of expanding Rod Serling's *Twilight Zone* to a full hour on Fridays (10-11 p.m.), and moving presently-scheduled *The Defenders* to a Sat. 8:30-9:30 p.m. slot, replacing *Checkmate*, which may be dropped.

**Peace (at last) on Untouchables Front:** Differences between the 2 groups which have objected strongly to Italian nomenclature in *The Untouchables* seem to have been smoothed over. The Italian-American Democratic Organizations of N.Y. (which wanted to boycott the products of the show's sponsors—Vol. 17:12 p7), and the National Italian-American League to Combat Defamation (which arranged a truce with producer Desi Arnaz providing that he eliminate fictional Italian hoodlums from prohibition-era dramas) met last week and resolved their intramural disagreement. As things now stand: (1) There'll be no organized boycott. (2) Desilu will soft-pedal the show's Mafia angles, play up Italian-American culture. (3) L&M will still leave *The Untouchables* this fall, but will remain on the show this summer. (4) Major Italian-American groups won't attack it again for a while.

**AP Membership Increases:** In its annual report, Associated Press said 2,122 U.S. TV-radio stations were AP subscribers at the end of 1960—a net increase of 80 for the year. It added that 6 national TV & radio networks in foreign countries became subscribers during the year.

# Tentative Network Program Lineups for Fall

		7:30	8:00	8:30	9:00	9:30	10:00	10:30
S U N D A Y	ABC	THE HUNTERS (20th-Fox)		LAWMAN (Warner Bros.)	BUS STOP (20th-Fox)		LAS VEGAS FILE (Warner Bros.)	
	CBS	DENNIS THE MENACE (Screen Gems)	ED SULLIVAN SHOW (CBS-Sullivan)		GE THEATER (Revue)	JACK BENNY (J&M)	CANDID CAMERA (Funt-Banner- CBS)	WHAT'S MY LINE? (CBS-Goodson- Todman)
	NBC	WALT DISNEY SHOW (Disney)		CAR 54, WHERE ARE YOU? (Nat Hiken)	BONANZA (NBC)		DU PONT SHOW OF WEEK (NBC & Outside Sources)	
M O N D A Y	ABC	THE CHEYENNE SHOW (Warner Bros.)		THE RIFLEMAN (Four Star)	SURFSIDE 6 (Warner Bros.)		ADVENTURES IN PARADISE (20th-Fox)	
	CBS	TO TELL THE TRUTH (Goodson- Todman)	PETE AND GLADYS (CBS)	WINDOW ON MAIN ST. (Temopic Ent.)	DANNY THOMAS SHOW (Marterto)	ANDY GRIFFITH SHOW (Marterto)	HENNESEY (Hennesey Co.)	I'VE GOT A SECRET (Goodson- Todman)
	NBC	THE AMERICANS (NBC)		PRICE IS RIGHT (Goodson- Todman)	87TH PRECINCT (Hubbell Robinson)		THRILLER (Hubbell Robinson)	
T U E S D A Y	ABC	BUGS BUNNY (Warner Bros.)	BACHELOR FATHER (Revue)	CALVIN & THE COLONEL (Connolly- Moshier)	THE NEW BREED (QM-Selmur)		ALCOA DRAMA (Revue) alt. weeks CLOSEUP! (ABC) alt. weeks	
	CBS	DILLON OF DODGE Gunsmoke Rpts. (CBS)	DOUBLE TROUBLE (Marterto)	DOBIE GILLIS (20th-Fox)	ICHABOD (Revue)	RED SKELTON SHOW (CBS-Skelton)	GARRY MOORE SHOW (CBS-Redwing)	
	NBC	LARAMIE (Revue)		ALFRED HITCHCOCK (Shamley)	DICK POWELL SHOW (Four Star)		CAIN'S 100 (MGM)	
W E D N E S D A Y	ABC	THE FORCE (Warner Bros.)		TOP CAT (Hanna-Barbera- Screen Gems)	HAWAIIAN EYE (Warner Bros.)		NAKED CITY (Screen Gems)	
	CBS	ALVIN & CHIPMUNKS (Format Films)	FATHER KNOWS BEST Reruns (Temopic- Screen Gems)	BEACHFRONT (CBS)		MOTHER IS A FRESHMAN (Four Star)	U.S. STEEL-ARMSTRONG (Theater Guild-Talent Assoc.)	
	NBC	WAGON TRAIN (Revue)		JOEY BISHOP SHOW (Marterto)	PERRY COMO SHOW (Roncom)		BOB NEWHART SHOW (Revue)	DAVID BRINKLEY'S JOURNAL (NBC)
T H U R S D A Y	ABC	ROOM FOR ONE MORE (Warner Bros.)	DONNA REED SHOW (Owen-Screen Gems)	REAL McCOYS (Brennan- Westgate- Marterto)	MY THREE SONS (Don Fedderson)	MARGIE	THE UNTOUCHABLES (Desilu)	
	CBS	FRONTIER CIRCUS (Revue)		BOB CUMMINGS (Cummings- Revue)	TBA		CBS REPORTS-FACE NATION (CBS)	
	NBC	OUTLAWS (NBC)		DR. KILDARE (MGM)		ERNIE FORD (Beth-Ford)	SING ALONG WITH MITCH (Marandel Ent.)	
F R I D A Y	ABC	OZZIE & HARRIET (Stage 5)	THE CHIMPS (Screen Gems)	THE FLINTSTONES (Hanna-Barbera- Screen Gems)	77 SUNSET STRIP (Warner Bros.)		THE CORRUPTERS (Four Star)	
	CBS	RAWHIDE (CBS)		ROUTE 66 (Screen Gems)	FATHER OF THE BRIDE (MGM)	THE DEFENDERS (CBS-Plautus)		
	NBC	Untitled circus variety show (NBC)		LAS VEGAS BEAT (Goodson-Todman-NBC)		DINAH SHORE-BELL TELEPHONE (Shore-Henry Jaffe)	FRANK McGEE SHOW (NBC)	
S A T U R D A Y	ABC	ROARING 20s (Warner Bros.)		LEAVE IT TO BEAVER (Gomalco)	LAWRENCE WELK (ABC-Ed Sobel)		SAT. NIGHT FIGHTS (ABC)	
	CBS	PERRY MASON (CBS-Paisano)		CHECKMATE (Jamco)		HAVE GUN, WILL TRAVEL (CBS)	GUNSMOKE (CBS-Arness)	
	NBC	WELLS FARGO (Overland Prod.)		TALL MAN (Revue)	FEATURE MOVIES (20th-Fox)			

**NASA Man-shoot Coverage:** Preparations for news coverage of the first man-in-space Project Mercury shot are under way at NASA, which says that the attempt is "tentatively scheduled for this spring." NASA reports that Cape Canaveral can accommodate only 350 newsmen and asks that each station or publication send only one man. Managers are requested to give the name of their proposed newsmen in a letter to the NASA public-information director, 1520 H St. NW, Washington. Pool coverage by networks & film "will be made available as quickly as possible for common use at the Cape press site." All 3 networks are poised to go into news orbit with live coverage of the historic event expected this month (Vol. 17:8 p5). Each network will contribute one-third of the personnel & equipment to be used by a TV pool, which will be coordinated by NBC's Roy Neal & directed by James Kitchell. Live TV cameras & mobile units will be at the launch pad, aboard Navy destroyers and on Grand Bahama Island.

**NBC's New Fall Comedy:** Billy Wilder's 1959 award-winning exercise in transvestite humor, "Some Like It Hot," is the latest movie property to inspire a potential TV series—and a new gimmick for using high-priced guest stars. Jack Lemmon & Tony Curtis, who played the movie roles of a pair of Chicago jazzmen who don flapper costumes and join Sweet Sue's All-Girl Band ("All my girls are virtuosos"), will be seen in the opening episode. This time, no mere doo-wacka-doo costume change is involved. Still on the run from Chicago mobsters, Lemmon & Curtis visit a plastic surgeon—and emerge looking just like singer Vic Damone and actor-comedian Dick Patterson. By odd coincidence, Messrs. Damone & Patterson have been signed to play the Lemmon-Curtis running parts in the series, which NBC programs-&-talent vp David Levy announced recently was "in production as a prime-time presentation" for fall. No time slot, premiere date, or sponsor is set. The series will be produced by Mirisch Video in association with Ziv-UA at Goldwyn studios.

**Civil War Buffs Rebuffed:** Turned down by networks in their efforts to get TV series about the Civil War during this centennial commemoration, Hollywood buffs are now seeking President Kennedy's aid on the problem. Speaking before the Academy of Television Arts & Sciences in Hollywood, panelists said they have requested an appointment with the chief executive to seek his aid. Speakers included Marion Hargrove and Mort R. Lewis, members of the advisory council of the National Civil War Centennial Commission, and George Giroux, vp of the Civil War Round Table of Southern California. Lewis blamed the dearth of Civil War series on lack of familiarity with the subject on the part of network programmers, fears that there isn't adequate interest and that such shows are controversial.

**TV Brings New-trial Demand:** Re-enactment by WBAL-TV Baltimore of jury proceedings which ended in conviction of Melvin Davis Rees Jr. on kidnap-murder charges (Vol. 17:13 p13) has brought a defense demand for a new trial. Judge Roszel C. Thomsen set April 6 arguments on a 6-point motion by lawyers for Rees who claimed that statements made by 9 jurors who participated in the hour-long TV show proved that the defendant's trial rights had been violated. Judge Thomsen already had postponed sentencing Rees as a result of the WBAL-TV program.

**Ziv-UA's "Malibu Run" Jumps Rating:** The CBS-TV show has almost doubled its Arbitron rating (to a present level of 14.9) and has jumped its audience-share level to 25% in the past month. Ziv-UA attributes the success to its new title (formerly *Aquanauts*) and new star Ron Ely.

## Film & Tape

**PARAMOUNT'S 5-POINT TV DRIVE:** Don't be too surprised if it should be announced at this week's (April 3) NTA stockholder meeting that David Susskind, in a financial liaison with Paramount Pictures, is the high bidder for WNTA-TV N.Y. From a source close to the movie firm, we learned last week that Paramount considers itself "very close" to the somewhat roundabout acquisition of the Ch. 13 independent outlet.

Paramount, frozen out (so far) from network schedules in the 1961-'62 season, is nevertheless determined to make a big TV impact this year. Among Paramount's near-future TV projects:

1. It is mapping acquisition of a major interest in David Susskind's production firm, Talent Associates, Susskind's services to go with the package. Paramount hopes to use him in the development of pay-TV taped specials for Telemeter, as well as to produce live, film & tape packages.

2. There'll be a consolidation of & tighter lines of administration for Paramount's TV activities—packaging of telefilm properties, operation of independent KTLA Los Angeles, tape production, pay-TV activities, etc.

3. Paramount is, somewhat belatedly, planning to acquire independent TV stations in major markets. It considers WNTA-TV N.Y. a choice plum, and is willing to go to considerable financial lengths to acquire it—including the signing of a deal with NTA to distribute part of Paramount's hitherto-uncommitted backlog of post-1948 movies. (Several distributors, including MCA, have pitched heavily for this prize, but Paramount has held its movies in reserve. Their value as a lever in a deal for WNTA-TV is enormous, with movie backlogs becoming scarcer.)

### Theatrical Cartoons as TV Pilots

4. Paramount is aware of the current trend toward nighttime adult-appeal cartoon shows (*The Flintstones*, *Top Cat*, etc.). Just as Four Star has showcased pilot films in its *June Allyson Show* and *Zane Grey Theater*, so Paramount now plans to showcase potential TV cartoon series through its theatrical cartoon releases. Paramount has a large & active N.Y. animation studio (Paramount-Famous Studios), and has recently moved into the TV orbit with a co-production deal with King Features. Cartoons will now be planned with a deliberate eye on TV. If successful in theatrical release, they'll be offered to agencies, advertisers and networks as pre-tested pilots for TV series.

5. Although the TV rights to nearly all of its pre-1948 movies passed to MCA as part of the distribution deal in which MCA licenses the library for TV showing, Paramount still holds rights in a number of pre-1948 and most of its post-1948 films. These are now being scanned by Paramount executives—in light of MGM-TV's current sales success with *Dr. Kildare*, *National Velvet* and *Asphalt Jungle*—to see which properties might make TV series.

(For news of Paramount's Lawrence tube color-TV receiver activities, see p. 18.)

There's more to Paramount's hankering for WNTA-TV than meets the eye. Paramount-owned Telemeter is now in the show-production business, stockpiling tapes for its Toronto pay-TV operation and as a production backlog for future U.S. operations. On April 2, Telemeter taped a performance of Carol Channing's revue, "Show Girl," at a N.Y. theater while feeding the show via leased lines to Toronto. Having no production facilities in N.Y., Telemeter had to hire Theater Network TV's cameras & crews to handle the remote. Owning WNTA-TV in N.Y. would



give Paramount considerable technical personnel & facilities (both studio & remote) upon which to draw for Telemeter pay-TV operations. And, in the event that an on-the-air form of pay TV became a reality, Paramount would then own outlets in the 2 cities of N.Y. & L.A. (KTLA).

None of this is likely to make Paramount's rivals for WNTA-TV particularly happy. FCC has already been prodded into an investigation of the limited opportunities for ETV channels in N.Y. and Los Angeles (see p. 2). In N.Y., John F. White, pres. of the National ETV & Radio Center (which has raised some \$5.5 million in hopes of buying WNTA-TV), expressed his "gratification" with the pending FCC probe, said he felt ETV interests were indeed entitled to "competitive" consideration. N.J. state Sen. Wayne DuMont Jr. (R-Warren County) entered the bidding act with a group of New Jersey businessmen. Previously, ex-NTA Chmn. Ely A. Landau had stated his intention of bidding for the outlet.

**Las Vegas Series 'Too Violent':** Las Vegas, site of two 60-min. series projected by Warner Bros. and Goodson-Todman Productions, wants nothing to do with either. In fact, most of the resort town's hotel owners have objected to them on the grounds that they are "too violent," and that the WB presentation glorified crime and would be bad for their city. City & county law enforcement officials have withdrawn their promise to help WB in its *Las Vegas File* venture. The Goodson-Todman pilot is entitled *Las Vegas Beat*.

Typical of the reaction is that of Riviera Hotel Pres. Ben Goffstein, who told us: "I am opposed to these series on the grounds that while we recognize we have crime, as does every city, I don't think we should advertise it. There's too much violence on TV already, and if TV doesn't watch out it's going to be legislated on this.

"I object to 2 hours of TV a week in which all that people will see of Las Vegas is crime. We are not a sin city. If that's all the writers can create, TV is in bad shape. The 17-min. Warners presentation had an extortion case & murder. There are 5 murders in the G-T pilot—that's more than we have here all year, not counting crimes of passion.

"We are not trying to censor, but we have a damn nice little town and we want to keep it that way. Nine to 10 million people come here every year, and we don't want them to get the wrong idea of what our town is like. It took years to build a city from what was just desert, and we don't want this effort destroyed just because some studios want to sell series."

**TV & Movie Co-existence at Warner's:** Telefilm and feature production at Warner Bros. will not try to overshadow each other, and both will be geared to existing audience demand. So said newly-appointed Warner production vp William T. Orr March 29. Making his first appearance at a news conference in N.Y., Orr declared that feature production would not be outranked by TV—a profitable area for WB with some 10 network shows set for fall (Vol. 17:11 p2). He noted, however, that the public "is not being lured from their TV sets today to see pictures in any large numbers." (WB, which in past years has produced up to 60 features annually, has a 1961-'62 feature production schedule under 20.) A sidelight of Orr's conference: We "will consider" U.S. pay-TV production if such a system is adopted.

**NT&T IN FERMENT:** National Theatres & TV Inc. and Republic Corp. are discussing a possible merger, we've learned from unimpeachable sources. NT&T executives and Republic Pres. Victor M. Carter are conducting the discussions, which haven't yet reached the stage in which they can be called "negotiations," we are told. It's all been hush-hush, and was not mentioned at the NT&T news conference held last week to reply to charges made by dissident stockholders waging a proxy fight against NT&T.

\* \* \*

The 2 minority stockholders who are waging the proxy battle in preparation for NT&T's April 11 annual meeting in Hollywood are Leonard Davis & Phillip L. Handsman. In notifying SEC of their proxy-fight intentions, they cited losses by the company, which last year reduced its holdings in NTA to 38% (Vol. 16:41 p20), and described NT&T's over-all financial situation as "shocking." Profits have dropped from \$21 million to \$8 million in 2 years, they charged. Cash dividends were discontinued and over \$15 million in theater properties had been sold since 1958 to cover NTA losses.

Answering such charges in a letter to stockholders, NT&T cited the small number of shares owned by Davis and Handsman, charged Davis with using NTA as "a vehicle for personal ambitions." The letter also cited managerial steps taken to strengthen the company. Previously, in an SEC registration statement (File 2-17768),

#### Suit Threatened Over WNTA-TV Sale

Davis also attacked current plans of NTA, threatening to sue if its broadcasting properties, WNTA-TV, AM & FM, are sold (see p8) without  $\frac{2}{3}$  approval of NTA stockholders. He planned to attend this week's (April 3) NTA annual meeting in N.Y. to state his case. Although NTA's proxy statement did not mention a vote on the disposition of the N.Y. stations, some word is expected to emerge from the proceedings. On the April 3 NTA agenda is a proposal to pay a \$4-million debt to NT&T in stock rather than in cash.

Last week Davis held a news conference in Los Angeles' Statler Hilton Hotel, and NT&T conducted a similar meeting in the same hotel after the Davis session.

Davis called for a probe of "self-dealing transactions" between NT&T and its directors & officers—transactions, he added, that indicate that NT&T "is run as a private club for the benefit of certain of its officers & directors."

NT&T Pres. Eugene V. Klein, buttressed by vp-treas. Alan May, secy. Laurence A. Peters and dir. Graham L. Sterling, termed this "character assassination," and said the company said it would make an offer at the April 11 meeting, giving holders of its 5½% sinking fund subordinated debentures (due 1974) the right to exchange each \$100 principal amount of the debentures for \$80 of its 7% series due 1976, plus 20 stock purchase warrants.

NT&T's management scrupulously reports its transactions.

Davis again objected to sale by NTA (in which NT&T owns 38% of the stock) of its 3 N.Y. stations, saying such a sale would not be in the best interests of the stockholders. He threatened court action to stop such a sale. (He owns 10,500 shares of NTA, 1,500 shares of NT&T.) To this Klein retorted: "We don't agree with Davis who thinks the N.Y. station is worth \$20 million. We think it's to the best interests of the company to sell it at the proper price."

Klein termed as "incorrect" Davis's charge that NT&T

has sold \$15 million in theater properties because of the aid it's given NTA. Theaters with a net book value of \$4,134,000, which had been showing an operating loss, were sold for \$5,448,000, he said.

To Davis's criticism that NT&T isn't being run by theater men, Klein replied: "Management feels that the head of our company should be a man with extensive business experience. Our theater div. is headed by a veteran theater man, Spencer Leve. We intend to have many varied interests."

Klein agreed with Davis's statement that NT&T had funneled \$14 million into NTA. NTA's troubles stem from the emergence of ABC-TV as a major network in 1958, he said. "When that happened, the market for NTA's type of product [syndicated films & old movies] shrank." ABC's entry reduced the available time for product, and every TV distributor has suffered from the same problem, Klein said.

Davis said NTA might get into the pay-TV field, at its N.Y. board meeting. Home Entertainment Inc., a new pay-TV company in which NTA director Martin Leeds has a 25% interest, may be aligned with NTA, he added. A demonstration of the system is planned by NTA in Hollywood Wednesday, April 5. Klein said he knew nothing of this situation, that it was being handled by NTA.

Klein accused Davis of being motivated by a desire to be a TV producer—"he thinks it's fun, it's glamorous." Davis had denied such motivation, but Klein said he had the letters to prove it. "I must question his motives. Is he looking to do anything progressive in NT&T, or is he looking for glory & glamor? He has no previous experience in theaters, TV, radio or in any public corporation," said Klein vehemently.

Klein said within the last 6 months NTA stock was distributed to NT&T shareholders and represented a 90¢ per share dividend; in the past fiscal year dividends included a first quarter cash distribution of 12½¢ per share and two 2% stock dividends with current market values totaling 40¢. (This was in reply to a Davis claim that NTA had stopped paying dividends.)

Klein said that although Davis criticizes NT&T for having funneled so much money into NTA, he himself proposed recently that it invest another \$1 million in NTA. NT&T has \$11 million in cash and short term govt. securities. It had a \$114,000 loss for the first 1961 fiscal quarter and a profit of \$360,000 in January, the first month of the second quarter, Klein said.

NT&T's board on March 20 had voted unanimously to oppose Davis's efforts, the executive stated.

Negotiations are now on for the sale of NT&T's Cinemiracle process, but identity of the potential buyer was not disclosed.

**20th-Fox & 7 Arts Sign Feature Deal:** By refusing to license all its post-1948 pictures to any one distributor or purchaser, 20th Century-Fox has been able to make a variety of deals. Last week, it made another—this time with 7 Arts Productions, the firm set up last year by Eliot Hyman and Louis Chesler primarily to distribute post-1948 Warner Bros. pictures. Seven Arts will now have world TV distribution rights to 88 features in the 20th-Fox backlog. Purchase price, according to 20th-Fox: \$6.4 million. Pictures include: "The Man in the Gray Flannel Suit," "D-Day, the 6th of June," "Don't Bother to Knock." 20th-Fox has already assigned a group of post-1948 (circa 1950-'53) pictures to NTA, and has sold a hand-picked group of 30 features ("How to Marry a Millionaire," "Titanic," etc.) to NBC-TV for Saturday-night exposure.

## HOLLYWOOD ROUNDUP

**Seven Arts & Stark Merge:** Corporations owned by Eliot Hyman, pres. of 7 Arts Productions, and Ray Stark of World Enterprises were merged last week in what was termed a "multimillion dollar" transaction involving an exchange of stock. The merged firms will operate under the name of 7 Arts Productions. Terms of the deal call for WE assets to be absorbed by 7 Arts, and Stark to become executive in charge of movie operations. Stark said the company is now transferring its Canadian registration to the U.S., so that stock may be offered to the public. It's planned to file with SEC for permission to sell stock. Stark and Hyman were formerly partners, and split 3 years ago, each to set up his own operation.

**Television Artists & Producers Corp. and Snowball Inc.,** cartoon producers, have signed a deal for Snowball to produce 156 color cartoons based on characters created by Robert Clampett. TAPC will finance the series which begins on ABC-TV in Jan. 1962, with Mattel Toys sponsoring. Production budget for the series is \$2 million. Bruce Eells is TAPC president.

**Revue Studio's** anthology series for Alcoa on ABC-TV next season will be a mixture of 14 half-hour & 14 hour shows . . . Warner Bros. TV has signed 23 writers to multiple writing contracts. The studio is so busy with TV & movie production that it has expanded its music dept. by signing 4 new composer-conductors: Howard Jackson, Frank Perkins, Heinz Roemheld, Milton Franklin.

**NBC-TV producer David (Bonanza) Dortort** has finished the 60-min. color pilot of *Sam Hill*, starring Claude Akins & Edgar Buchanan. Dortort described it to us as a "dramatic, action, folklore pilot, not a Western," and said it would be showcased on *Bonanza*. He resumes production of *Bonanza* for next season May 12 at Paramount.

**Writers Guild of America West** TV residuals totaled \$2,250,000 in 1960, as compared with \$343,000 only 3 years previously. Several years ago the Guild handled fewer than 100 residual checks a month; today about 700 are mailed to writers every 30 days.

**Warner Bros.** has completed production on *Lawman* for this season, soon will begin work on next season's product. Coles Trapnell produces the series which stars John Russell, Peter Brown and Peggie Castle.

**CBS-TV** is considering expanding *Twilight Zone*, the Rod Serling-produced series, to 60-min. next season. Producer-writer Serling told us he might agree "if CBS makes certain concessions."

**People:** Art Wallace, having finished production of 20th Century-Fox TV's *Hong Kong*, has been assigned as a producer on *Adventures in Paradise* . . . Don Estey has joined Jack Denove Productions as a vp & producer in charge of the firm's industrial & training film division . . . John Ireland, Hillard Elkins and Hugh French have acquired TV rights to *The African Queen*, once a Humphrey Bogart-Katharine Hepburn movie. They plan to film a pilot for the 1962-63 season . . . William Robson, ex-Paramount TV, is named story editor of *The Bob Cummings Show* . . . British film executive Paul Rotha is named European representative for the Los Angeles County-Hollywood Motion Picture & TV Museum . . . Writers Guild of America West has named Daniel S. Mark as staff administrator.

## NEW YORK ROUNDUP

Screen Gems is placing rerun episodes of *The Web* into syndication, after scoring an unusual sale for its somewhat unusual film package. The series consists of only 13 episodes, but was bought by WNBC-TV N.Y. and scheduled in network-option time at mid-season to replace NBC's *Jackpot Bowling* (Mon. 10:30-11 p.m.). This is one instance when a traditionally-troublesome short package proved an asset. WNBC-TV was able to retrieve the 10:30 p.m. period from the network for the period between *Jackpot Bowling's* demise and the fall reinstatement of *Thriller*. Produced by SG in 1957 as the summer replacement for NBC's *Loretta Young Show*, *The Web* also served as the 1958 summer replacement for *The Lincup*, under the title of *Undercurrent*.

Screen Gems has scored 8 new sales, in addition to its deal with the 5 CBS o&o's, for its post-1948 Columbia library, bringing the market total to 13. New sales include WTIC-TV Hartford, WOAI-TV San Antonio, WSYR-TV Syracuse. SG also announced the addition of "On the Waterfront" to the feature library, for release "on a delayed basis," to the 13 stations. Earliest telecast is expected in 1963.

MGM & New Orleans film processor Kalvar Corp. are forming an "equally owned" company to develop & market Kalvar photographic products in the TV, film and consumer fields. Kalvar is developing & processing film under a process by which heat is applied to the film to develop the image. Investment in the new company is said to be less than \$1 million. Pending its own hq on the West Coast, the new firm will have its work processed at the MGM studios and at the Kalvar plant.

General Artists' TV arm, GAC-TV, has set up a N.Y. dept., headed by Sam Sharber, to book TV-commercial talent. Recent GAC-TV activities include the ABC-TV Pat Boone special, CBS-TV's Ringling Bros., Barnum & Bailey Circus telecast April 20, Revlon's Bobby Darin special, a WNTA-TV N.Y. daytimer featuring Buff Cobb debuting April 10.

Ziv-UA reported last week that its fastest-growing sponsor group is banks & banking services, which now spends "over \$2 million annually on first-runs alone." This represents a 100% increase since 1957, according to Ziv-UA, which saluted "the emergence of banking from behind its conservative facade to become one of the most modern, competitive entities in the business field."

Trans-Lux plans a new, "unique" TV division—a resident film-buying service for out-of-town outlets—to be headed by Robert Weisberg, ex-gen. mgr. & chief buyer of TV Stations Inc. It's understood the venture will include other areas of station service, but details won't be announced for another month.

Magnum TV International, S.A. has acquired Latin American & South American rights to *Rocky & His Friends*, currently on ABC-TV. The General Mills-owned show, dubbed into Spanish & Portuguese, will be sponsored by 2 or 3 international firms, "soon to be announced."

TV Personalities' animated series, *Dick Tracy*, has an "angel." General Foods, for Post Cereals, is guaranteeing to stations that it'll buy spots in the 5-min. shows in all major markets. The 130-episode series has been sold in 15 markets to date, is due to start in June.

## The FCC

**Ground Rules for U.S.-Canadian Allocations:** To ease the problems of determining in advance mutually acceptable new TV allocations within 250 miles of the border, U.S. & Canada have issued a document titled "Work Arrangement for Allocations of Vhf Television Broadcast Stations under the Canadian-U.S.A. Television Agreement of 1952."

Up to now, representatives of the 2 govts. have had to negotiate each new assignment in a cumbersome fashion. The new arrangement clears the underbrush in advance for quick approval.

The complete document, available from FCC, includes 3 appendices spelling out special situations. Appendix I covers "agreed parameters for special cases which require treatment as exceptions to the terms of the working arrangement," affecting: Rochester, N.Y. Ch. 13; Pembina, N.D., Ch. 12; Ottawa, Ont. Ch. 13; Courtenay, B.C., Ch. 9; Nelson, B.C., Ch. 9.

Appendix II covers "specific station assignments which have been restricted to an extent greater than required by the terms of the working arrangement and which may utilize parameters consistent with the working arrangement." These are: Lake Placid, N.Y., Ch. 5; Utica, N.Y., Ch. 2; Pembina, N.D., Ch. 12; Cornwall, Ont., Ch. 8.

Appendix III reads: "Additional assignments consistent with the provisions of the working arrangement and which are therefore mutually acceptable as supplements to Tables A and B of the TV agreement of 1952." The following assignments are affected (full power allowed unless otherwise indicated): Alpena, Mich., Ch. 6; Grand Rapids, Mich., Ch. 13 & 11; Bangor, Me., Ch. 7 (100 kw, 500 ft.); Syracuse, N.Y., Ch. 9 (100 kw, 1,000 ft.), Ch. 5; delete Ch. 8; Cadillac, Mich., Ch. 7 & 9; Traverse City, Mich., Ch. 9; Rochester, N.Y., Ch. 8, delete Ch. 5; Hamilton, Ont., Ch. 11; Sudbury, Ont., Ch. 13; Carlyle, Sask., Ch. 7 (100 kw, 500 ft.); Harrison Brook, Que., Ch. 7 (63.1 kw, 500 ft.); St. John, N.B., delete Ch. 6; Bon Accord, N.B., Ch. 6; St. Anne de la Pocatiere, Que., delete Ch. 6; Chicoutimi, Que., Ch. 6; Pivot, Alta., Ch. 4 (63.1 kw, 500 ft.); North BaltheFord, Sask., Ch. 4 (63.1 kw, 500 ft.), delete Ch. 3; Stranraer, Sask., Ch. 3.

**FCC Calls for More uhf Bids:** The job of selecting 5,000 typical uhf receiver locations in N.Y. for FCC's experimental project is out for bids, with a closing date of April 27. Contractors will have to select locations and get permission from occupants for the installation of sets & taking of measurements. Some 500 locations are to be selected monthly, starting about Aug. 1. The Commission also extended from April 5 to April 17 the deadline for bids from those proposing to install the sets.

**Fast Move on Hearings:** Two important FCC hearings have been scheduled quickly, following Commission action designating the cases for hearing. The hearing on the order shifting KERO-TV Bakersfield from Ch. 10 to 23 (Vol. 17:13 p6) is to start May 1 with examiner David Kraushaar. The promise-vs.-performance hearing in Pasco, Wash. for radio KORD (Vol. 17:13 p2) is to begin June 5 with examiner Herbert Sharfman.

**FCC Allocations Actions:** (1) Finalized substitution of Ch. 52 for Ch. 44 in Vincennes; Ch. 44 for Ch. 52 in Princeton; Ch. 81 for Ch. 60 in Washington—all Ind. (2) Denied a request to allocate Ch. 2 for commercial use in Hamilton, Ala. by deleting it from ETV assignment in State College, Miss. and Nashville.

**FCC's Promise-vs.-Performance Hearing:** Since radio KORD Pasco, Wash. has been called on the carpet by the FCC in an important 4-3 vote for failing to program as it said it would in its application (Vol. 17:13 p2), it is worth noting precisely the issues the Commission intends to explore in the hearing to be held in Pasco:

"(1) To determine whether, in light of the substantial variance between applicant's programming representations in its application for a construction permit and its programming operations during the past license period, the Commission can rely upon the applicant's present programming representations.

"(2) To determine whether, during the past license period, the applicant has provided opportunities for local self-expression consistent with operation in the public interest.

"(3) To determine, in light of the concentration & number of spot & other announcements broadcast during the past license period, whether applicant's program service was interrupted in a manner & to a degree so as to cause a deterioration in said service contrary to public interest.

"(4) To determine whether the applicant's past & proposed over-all program service was & is designed to meet the needs & interests of the community it serves."

— ■ —

**Maverick vs. Herd:** One of 70-odd Texas candidates for Vice President Johnson's Senate seat—Democrat Maury Maverick Jr.—wants to be seen as well as heard above the others when he buys TV time. His campaign mgr. J. C. Zeke Zbranek fired off a protest to FCC when sound but no pictures came through on a paid Maverick appearance on KDUB-TV Lubbock. Reviewing the case while the Senate's equal-time "watchdog" Subcommittee was exploring other political complaints (see p. 4), the Commission agreed unanimously that the KDUB-TV mishap (failure of AT&T visual signals) was "beyond its control." Replacement time offered by the station to Maverick should satisfy requirements of the Communications Act's Sec. 315, FCC said. In another equal-time complaint, N.J. state Sen. Wayne Dumont Jr., running for the GOP nomination for gov., told FCC that WNTA-TV Newark-N.Y. (which he & others in a home-state group want to buy) refused to put him on the air to match an *Open End* appearance by a rival, ex-Labor Secy. James P. Mitchell. Also protesting Mitchell's *Open End* exposure was independent candidate Weldon R. Sheets, who seeks the Democratic nomination. The show's producer David Susskind argued that Mitchell talked about "recession & unemployment," not politics.

**Scrambled ETV for Medicos:** Educational WJCT Jacksonville has asked FCC for permission to scramble medical programs—notably surgery—for the use of physicians, *et al.* Receivers would be equipped with inexpensive & simple decoders. The station said the purpose of the scrambling is to avoid exposing the public to gory details.

**FCC Grants:** CP for Ch. 21, Hanford, Cal., has been issued to Gann TV Enterprises. The Commission also authorized WITI-TV (Ch. 6) Milwaukee to move 9 miles to the south and to increase height from 980 to 1,000 ft.

**Allocations Changes Requested:** Add Ch. 5 to Houston, by Lester Kamin; add Ch. 13 to Worcester, Mass., by WWOR (Ch. 14).

**Medford Grant Proposed:** Initial decision recommending CP for Ch. 10 to KMED Medford Ore. has been issued by FCC examiner H. Gifford Irion.

## Auxiliary Services

**HOW APPEAL AFFECTS PAY-TV SCHEDULE:** Now that theater interests have appealed FCC's decision authorizing RKO General's Hartford Phonevision Co. to conduct a 3-year pay-TV experiment (Vol. 17:9 p1), the big question is: Will the pay-TV proponent go ahead or wait for the court's decision?

An RKO spokesman said only that plans haven't changed, but that the effects of the appeal must be weighed—and a decision will be made within a couple of weeks.

FCC lawyers are wondering, too. Said one: "The chances of RKO's losing in the courts are about a billion to one. But they've got stockholders to think about before they spend \$10 million."

A court decision before next November is most unlikely. Only under "emergency" procedures could the court hear argument and issue a ruling before it quits hearing cases for the summer. It's most likely that the case will be heard in September and a decision produced in November. Should the pay-TV experimenters choose to wait for a decision, they would then not start tollcasting until about 6 months thereafter.

The appellants charge that: (1) FCC doesn't have legal authority to authorize pay TV. (2) Hartford Phonevision plans don't meet FCC requirements. (3) FCC's conditions on the test won't give it "meaningful" information. (4) Contractual relationships between Hartford Phonevision, Zenith & Teco would hamper Hartford Phonevision's exercise of its responsibilities as licensee of WHCT. (5) The test isn't in the public interest.

— ■ —

**TNT Offers Closed-Circuit Color:** Using new Norelco compatible color projectors, Theatre Network TV will offer closed-circuit colorcasts in 50 major U.S. markets, Pres. Nathan L. Halpern announced last week. The new projectors, manufactured by Philips of Eindhoven, the Netherlands, are capable of projecting an image of 200 sq. ft. (about 12 x 16 ft.), according to Halpern. They'll form the "backbone" of "TNT Colorvision" network, he said, adding that a "fleet" of them is being manufactured for TNT by Philips. The number of projectors was not specified. The new Norelco unit uses 3 Schmidt optical barrels with 5-in. tubes. Its transportable, may be operated remotely.

**Arson & Uhf Translators:** Zane W. Robinson, secy. of Phillips County TV Assn. Inc., grantee for Ch. 75 for that Montana county, writes to us: "Our first machine, UST-10BC Adler, was put on air Feb. 25, 1961 on a test license. It operated 2 days and was destroyed by arson. Due to numerous factions hostile to county-wide TV, the local authorities have at this writing been unable to apprehend the culprits. The signals from the test were most gratifying, being received at 80 miles snow free. Here at Malta, Mont., we received 2,000 microvolts at 45 miles. We are now rebuilding with non-inflammable materials."

**Hawaii Plans Telemeter Link:** A syndicate of Hawaiian industrialists is negotiating with Telemeter to bring the pay-TV system to the Hawaiian Islands. It's planned to have both English & Japanese movies simultaneously on the 3-track system for maximum coverage of the area, according to Edward Dukoff, spokesman for the group. Other members of the syndicate include Francis Brown, Robert Young, Richard Smart and Carl Hansen. Dukoff said operations could start within a year after installation of lines & equipment.

## Advertising

**Code Subscribers Cautioned:** The beer season is at hand, what with spring being here & summer approaching, and it's no time for TV stations to relax & let brewery sponsors pull any fast ones, NAB's TV Code Review Board said last week.

The Board's *Bulletin* warned all Code subscribers to take a close look at new beer commercials which may not violate Code language by showing actual drinking of the beverage—but which do subvert the Code's spirit by "implied" sequences.

"No instance of the actual on-camera consumption of the product has been brought to the Board's attention recently," the *Bulletin* reported. "However, the use of special photographic techniques which show first a full glass of beer and then an empty one seems on the increase."

The Board also noted some disturbing trends in 3 other Code categories—wines, drugs and contests—and cautioned subscribers against transgressions.

On wines: Commercials shouldn't make "covert appeals to younger people."

On drugs: Commercials for weight-reducing products shouldn't (1) imply specific results for all users "over a given period of time," (2) promise "quick & easy" results and unqualified appetite-satisfaction at the same time, or (3) encourage "self-diagnosis" without benefit of medical advice.

On contests: A "minor rash" of improper self-promotion by stations developed on the West Coast last fall and has been spreading into the Midwest. The Code forbids subscribers to "buy" the TV audience by requiring it to listen and/or view in hope of reward." But some stations have been handing out prizes to viewers who—in response to random telephone calls—are able to identify something on a show.

**New Reps:** WHP-TV Harrisburg, Pa. to Blair Television Associates March 1 from Bolling • KXAB-TV Aberdeen, S.D. to Jack Masla March 1 from Weed • KDAL-TV Duluth, Minn. to Petry April 1 from Avery Knodel • WSVA-TV Harrisonburg, Va. to Venard, Rintoul & McConnell March 6 from H-R Television • WAVE-TV Louisville to Katz June 4 from NBC Spot Sales • WTOP-TV Washington, D.C., WJXT Jacksonville, Fla. and WBTV Charlotte, N.C. to Television Advertising Representatives June 25 from CBS Spot Sales.

**Rokeach Solves an Image Problem:** How do you reestablish a "kosher public image?" This was the problem facing the new management of I. Rokeach & Sons, producers of food products for the Jewish market. In trying to broaden its consumer market, Rokeach had begun to lose a lot of its old-line trade in kosher foods. Marketing dir. Robert Grayson and ad agency Smith/Greenland decided to try a concentrated TV campaign on WNTA-TV N.Y. to reacquaint the city's large Jewish market with the Rokeach name in the pre-Passover week. A special *Passover Festival*—7 hour-long programs featuring Theodore Bikel, Sam Levine, Zero Mostel, Sam Jaffe and other Jewish personalities—was aired March 26-26, 7:30-8:30 p.m. Yiddish stage actress Molly Picon was signed to do all the commercials. Describing the public response as "fantastic," Grayson said many people bought Rokeach products "just because they liked the commercials & wanted to say thanks."

**Net TV Up 9% in Jan.:** The 1961 national ad volume got off to a good start despite the business slowdown, *Printers' Ink's* latest index shows. January advertising was 5% ahead of the year earlier month, and 1% better than the Dec. 1960 volume. (However, the January over Jan.-1960 gain more accurately reflects an increase in media costs than in ad volume, because the magazine estimates it costs an average 5% more to duplicate a '60 schedule in '61.

Major percentage-gainer in January over Jan.-1960 business was outdoor—up 12%. Increases also were posted by network TV (9%), magazine (7%), newspapers (1%). The poorest showing was recorded by network radio—down 14% from the year-ago month.

Outdoor, with a 12% gain, also paced the improvement in Jan.-1961 over Dec.-1960 business. Magazines improved 8%; network TV & radio were up 6% each. Only newspapers (down 2%) & business papers (down 3%) among the major media failed to improve or match their preceding month's volume.

Medium	Index		% Change from		1960 year Average
	Jan. 1961	Jan. 1960	1 month ago	1 year ago	
General Index .....	234	223	+ 1	+ 5	235
Total Magazines .....	194	181	+ 8	+ 7	188
Weekly .....	216	193	+11	+12	210
Women's .....	151	142	+ 5	+ 6	140
General Monthly .....	241	225	+ 4	+ 7	231
Farm .....	78	125	- 6	-38	97
Newspapers .....	206	204	- 2	+ 1	210
Network Television .....	479	441	+ 6	+ 9	462
Network Radio .....	18	21	+ 6	-14	23
Business Papers .....	227	233	- 3	- 3	246
Outdoor .....	163	146	+12	+12	160

**No Jackie Look-alikes:** Don't plan TV commercials for fall in which actresses or models are pretty, wide-eyed brunettes with a more-than-passing resemblance to Mrs. John F. Kennedy. The "Jackie Look" which has become widespread in ad photos & artwork since the election (and which has suddenly spurted the fees of several Jackie-esque brunette models) is now under the scrutiny of the Better Business Bureau. Reason: BBB was recently reminded by Theodore C. Sorensen, special counsel to President Kennedy, that likenesses of the First Lady and the President may be used for ad purposes (special charities, etc.) only with official permission. A subsequent BBB bulletin called on admen to "co-operate in the scrupulous observance" of this White House custom.

Those "beautiful 4-color" ads inserted by defense contractors in magazines & newspapers are paid for by taxpayers, and it's time to stop the "abuse," Sen. Cannon (D-Nev.) told the National Rocket Club in Washington. Participating in a panel discussion of the market outlook for missile & space enterprises, he said an estimated \$500 million spent annually by govt. contractors for advertising "could well jeopardize our entire defense program." Taxpayers "would be highly displeased" if they knew the bill was charged to them, Cannon said.

**Advertising Seeks Public Confidence:** The 4As will launch a 1961 campaign to bolster public confidence in "the integrity of advertising, and spread understanding of its vital role in the economy." The project was recommended by 4A public relations counsel Hill & Knowlton, after a 4-month public-opinion analysis. Details of the campaign will be presented to 4A members at their annual meeting April 20 in White Sulphur Springs.

**Ad People:** Harry E. Sandford elected a Doherty, Clifford, Steers & Shenfield vp . . . Howard Shank resigns as vp-creative dir., Grey Advertising . . . Richard Turnbull named senior vp, 4A.

## Networks

**No Executive Axings at NBC:** Two NBC-TV vps are leaving that network—personnel dir. B. Lowell Jacobsen and talent-relations chief Burton H. Hanft—but it isn't part of NBC-TV's annual close look at departmental budgets & excess personnel, according to the network. "Top NBC management," said a network source, "is solidly entrenched." Such executives as exec. vp Walter Scott, sales vp Don Durgin, programs & talent vp David Levy *et al.* have recently had their contracts renewed, we were told. NBC vp Jacobsen is joining Pepsi-Cola as dir. of industrial relations. Vp Hanft's plans aren't known. In its lower echelons, however, NBC is conducting a nation-wide economy survey, and personnel cutbacks have already begun at its Los Angeles studios. Network sources tell us they expect the heaviest cutbacks will be in the program dept. At the West Coast studio, the seasonal exodus is well under way. Only 2 live shows—*It Could Be You* and *Truth or Consequences*—are expected to remain during the summer, and number of program & technical personnel have already been given their notices. More than 40 technicians were discharged last month. Summer sales have been slow, and NBC-TV executives don't anticipate any other live shows this summer.

**ABC's Low CPM:** Thanks to the competitive rating levels of its nighttime program structure, and the lowest network price structure, ABC-TV is scoring some high marks this season on one of advertising's most popular yardsticks: CPM. The network's average-evening cost-per-thousand, according to the latest ABC calculations based on Nielsen data, is now \$3.39. This, ABC told us recently is "8% better than CBS and 22% more efficient than NBC." (Scores for the latter: \$3.67 and \$4.12).

Altogether, ABC has 15 evening shows (23 half-hour periods) with CPMs of under \$3.00. ABC's score represents "more programs & more half-hour time periods than the other 2 networks combined," said the network. Programs able to deliver a thousand viewing homes for \$3 or less on ABC include a wide variety; among them are *Lawrence Welk*, *The Untouchables*, *77 Sunset Strip*, *My 3 Sons*, *Lawman*, and *Flintstones*.

\* \* \*

Affiliation-switching to ABC-TV pays off in terms of boosted nighttime audience shares in major cities, ABC-TV told us recently. The network cited the affiliation changeover in Boston. There WNBC-TV (formerly CBS-TV) became an ABC-TV affiliate at the end of 1960. In Dec. 1960, its ARB average metropolitan-area audience share at night (7:30-11 p.m.) was 31.5. For Jan.-Feb. 1961 period, the share jumped to 36.0. WHDH-TV Boston (formerly ABC-TV) became a CBS-TV affiliate at the time of the WNBC-TV switch. WHDH-TV's Dec. 1960 share was 38.2. In the Jan.-Feb. period, it dropped to 32.8. WBZ-TV Boston, remaining with NBC-TV, took a slight drop in share between the 2 periods. Whether this feather in ABC's rating cap was instrumental in clinching the switch of Taft-owned WKRC-TV Cincinnati from CBS-TV to ABC-TV (Vol. 17:9-10) was something ABC didn't say.

— ■ —

**Canadian Network Hearing:** The application of Canadian Network Television Pres. Spencer W. Caldwell to operate Canada's 2nd national TV network (Vol. 17:13 p12) will be heard by the BBG in Ottawa April 13.

**CBC Showcases Graphic Arts:** N.Y. admen will get a close-up view of TV artwork done by the Canadian Bestg. Corp. April 5-26 at Gallery 303, 130 West 46 St. TV program titles, credits, illustrations, promotional slides, animations, posters, booklets, and topsheets will be displayed. "Graphic arts design in TV is a major part of the image projected to the public," said CBS graphic arts dir. David Mackay. "Because design runs through all network activities, a poor image could easily develop through slackness in any one of its graphic arts facets."

**Old Wine in New Bottle:** Are you old enough to remember an NBC radio drama series in the early 1930s called *Roses & Drums*? Well, the sponsor—Union Central Life Insurance Co.—will return to NBC this fall after a 25-year hiatus, with telebiographies of Grant & Lee.

## NETWORK SALES ACTIVITY

### ABC-TV

The Roaring Twenties, Sat. 7:30-8:30 p.m., part. eff. April & May respectively.  
*Johnson & Johnson* (Young & Rubicam)  
*Miles California* (Wade)

Hawaiian Eye, Wed. 9-10 p.m.; Silents Please, Thu. 10:30-11 p.m.; Leave It to Beaver, Sat. 8:30-9 p.m.; Hong Kong, Wed. 7:30-8:30 p.m.; Guestward Ho! Thu. 7:30-8 p.m., part. eff. April, May 25, May 26, May 24 & June 22.  
*Miles California* (Wade)

### CBS-TV

To Tell the Truth, Mon. 7:30-8 p.m., part. eff. immediately.  
*R. J. Reynolds* (William Esty)

Daytime programming, Mon.-Sat., part. eff. June & Sept. 11 respectively.  
*Johnson & Johnson* (Young & Rubicam)  
*Hollywood Brands* (Grubb)

The Twentieth Century, Sun. 6-6:30 p.m., sponsorship, fall.  
*Prudential Insurance* (Reach, McClinton)

Carnegie Hall Salutes Jack Benny, Wed. Sept. 27, 10-11 p.m., co-sponsorship.  
*Sara Lee* (Cunningham & Walsh)

The Eagle Stirred (dramatic oratorio), Sun. April 9, 10-11 p.m., commissioned by CBS News.

### NBC-TV

Thriller, Tue. 9-10 p.m., part. eff. April 4.  
*Helene Curtis* (McCann-Erickson)

Bonanza, Sat. 7:30-8:30 p.m., part. eff. April 8.  
*Procter & Gamble* (Benton & Bowles)

Daytime programming, Mon.-Fri., part. eff. April.  
*Sperry and Hutchinson* (SSC&B)

All-Star baseball games, July 11 & 31, World Series baseball games, co-sponsorship.  
*Chrysler* (Leo Burnett)  
*Gillette Safety Razor* (Maxon)

Rosebowl Game, Blue-Gray game, co-sponsorship.  
*Chrysler* (Leo Burnett)

Sing Along with Mitch, Thu. 10-11 p.m., part. eff. fall.  
*General Motors* (McCann-Erickson)  
*P. Ballantine & Sons* (William Esty)  
*R. J. Reynolds Tobacco* (William Esty)

8 feature films, one per month, full sponsorship eff. May.  
*American Gas* (Lennen & Newell)

Dr. Kildare, Thu. 8:30-9:30 p.m.; Thriller, Mon. 10-11 p.m., participations eff. fall, 1961.  
*Glenbrook Labs div. of Sterling Drugs* (Dancer-Fitzgerald-Sample)  
*Liggett & Myers* (D-F-S)

## Stations

**NAB Convention Shaping Up:** Still hoping that President Kennedy will address its May 7-10 Washington convention to cap the agenda, NAB is firming up its program. We've learned that the latest big feature, which may be finalized soon, will be a panel discussion by NAB Pres. Collins and the network chiefs—Goldenson, Sarnoff, Stanton, *et al.*

The TV sessions will include presentations by TvB, TIO and Code representatives—possibly also an address by a Cabinet member.

These are in addition to the major maiden address by FCC Chmn. Minow and the traditional FCC panel session.

The engineering conference has corralled 2 top-flight luncheon speakers—Dr. Edward Teller, “father” of the hydrogen bomb, May 10, and Maj. Gen. J. B. Medaris, former chief of the Army's ballistic missiles & space program (now Lionel Corp. pres.), May 9. A 3rd major scientific figure is considering an invitation to speak.

The engineering conference will include papers on VOA facilities, communications between engineering superiors and their assistants, FCC renewal inspections, transistorized studio equipment, color TV via black-&-white film, transistorized video amplifiers, audio system of WFAA Dallas, 8-mm magnetic sound equipment for TV, Ampex TV tape, destruction by fire of WWTW Cadillac, Mich., vhf translators, AT&T satellite work, AM remote control.

**Storer's “Standards Dept.”:** “To cope more efficiently with the multitude of standards & complex regulatory considerations facing the broadcasting industry,” Storer Bestg. Co. announced last week it has established a Dept. of Broadcast Standards. Headed by vp Ewald Kockritz, former national program dir. for TV, the new dept. will serve Storer's TV & radio operations in consolidating “matters relating to program provisions of the FCC rules & the Storer Program Manual . . . operating quality control and reviewing such matters as Storer's continuing survey of community needs & program interests in each market.” The new dept. will also be responsible for station procedures for clearance of program content & ad copy, and will set up new procedures for handling suggestions & complaints, according to operations exec. vp Stanton P. Kettler.

**Kansas Broadcasters May Get Tax Break:** The Kansas House last week recommended passage of Senate Bill 201 which would grant TV & radio stations certain exemptions from the state sales tax. Final House action on the bill is expected April 5. The bill would exempt (1) sales & purchases of electricity used for operating TV-radio transmitters, (2) all rentals of transcription libraries, record & tape services, syndicated movies, film and tape programs used by TV-radio stations. The House action reversed the decision of the Assessment & Taxation Committee, which had deleted the TV-radio provisions from the bill.

**New 35-kw high-band vhf transmitter** was introduced recently by RCA. The TT-35 retains the basic design of RCA's 25-kw transmitters, RCA said, and makes possible low-cost conversion to higher power by stations using the 25-kw units. The transmitter uses air-cooled triodes similar to the type 5762 tubes, with air-cooled linear broadband amplifiers used for the visual carrier and air-cooled Class-C amplifiers for the aural carrier.

**TIO Reviews Its Record:** TIO is now distributing to its supporters a pamphlet outlining many of its accomplishments from its establishment in Oct. 1959 through 1960.

**Broadcasting's Time Contributions:** Broadcasters & their advertisers gave major support to 76 Advertising Council campaigns in 1960, reported Edwin W. Ebel at a March 29 RTES meeting. The Advertising Council vp (who is also ad vp of General Foods) said the campaigns included such drives as “Register, Contribute and Vote,” “Stop Accidents,” the Red Cross drive and Radio Free Europe. His new message was a request for support of the Council's new “Confidence in a Growing America” campaign. Advertising must “lift the public thinking out of the doldrums and change its buying mood,” Ebel said, adding that broadcasting must report the positive facts about the economy. This year's Ad Council promotion was outlined at the same meeting by Robert M. Gray, promotion mgr. of Esso Standard div. of Humble Oil and volunteer co-ordinator of the project. Gray showed samples of promotion kits sent last week to TV & radio stations, networks and advertisers which included film spots designed to inspire confidence in the U.S. economy, and plugging the Council's free booklet, *The Promise of America*.

**Canadian TV Applications:** BBG has on its agenda for the April 11 meeting Ch. 10 at Flin Flon, Man. by CBC, and Ch. 4 at Ste. Annes Monts, Que. by T.V. Transgas-pesienne Inc. In addition, the following 5 applications for satellites will be considered: Ch. 9 at Carrot Creek and Ch. 12 at Edson, Alta. by CFRN-TV Edmonton. Ch. 7 at The Pas, Man. by CBC. Ch. 3 at Stranraer, Sask. by CFQC-TV Saskatoon. Ch. 3 at Kindersley, Sask. by CJFB-TV Swift Current, Sask. Also on the agenda are requests for boosts to 100 kw by CKRN-TV Rouyn, P. Q. and to 10.66 kw by CFAFT Moncton, N.B.

**Brown Seeks Honolulu Channel:** Kenyon Brown, ex-pres. of NAFI Corp.'s best div., heads a group which will file an application with FCC for Ch. 13 in Honolulu. The station would be independent. Brown, formerly owner of an interest in KCOP Los Angeles, currently owns radios KSON San Diego, KITO San Bernardino, KANS Kansas City, KGLC Miami, Okla., and part of KFOX Long Beach.

**Cal. Stations Sold:** Imperial Bestg. System Inc. (partly owned by Sherrill Corwin) has sold Cal. radios KPRO Riverside, KROP Brawley, KREO Indio and KYOR Blythe for a total of \$450,000. Buyers are Tom E. Foster, Tolbert Foster, Edgar B. Dyche, John Blake and Edgar B. Younger. Together, the Fosters own 30% of KGUN-TV Tucson, Dyche 11%. Blackburn & Co. was the broker.

**WONE Dayton Sold:** Radio WONE & WIFE (FM) Dayton, O., plus CP for WONE-TV (Ch. 22), have been bought for “in excess of \$2 million” by the Brush-Moore newspapers through brokers Blackburn & Co. Selling principals Ronald B. Woodyard and Lauren M. Berry will remain on the board of directors. Woodyard will also serve as a consultant.

**Payola Ban Signed:** Alpha Distributing Co. (John Holonka & Harry Apostoleris), N.Y. record firm, has agreed to an FTC order prohibiting undercover payola to TV & radio disc jockeys. FTC's complaint against the firm was filed Jan. 6, 1960 (Vol. 16:2 p7), the Commission later affirming an agreement reached between Holonka & Apostoleris and hearing examiner Edgar A. Buttle.

**Sales Approved:** FCC has authorized the transfer of WSAZ-TV & WSAZ Huntington, W.Va. to WJR, the Goodwill Station Inc. (\$5,471,862 for 89%) and KVOS-TV Bellingham, Wash. to the owners of WTVJ Miami (\$3 million) (Vol. 17:6 p12 & 16:48 p6), Comr. Bartley dissented on the latter.

## Congress

**Harris To Send Complaints To NAB:** For the first time in the long & often-tortuous history of Congressional relations with broadcasters, the House Commerce Committee has established formal—& friendly—liaison with NAB in a joint effort to improve the industry's product.

Copies of all complaints about TV & radio programs which are received by the House Committee will be referred by Chmn. Harris (D-Ark.) to NAB Pres. LeRoy Collins. In the past, such complaints have been sent along in routine by Harris to FCC, but not to NAB.

The initiative in the new House-NAB setup was taken by Harris, who had publicly applauded Collins for "candor & courage" in his rousing February speech to NAB's Board (Vol. 17:9 p8) on broadcasting's failures. Collins again brought cheers from Harris with his RTES speech last month, when the NAB pres. pleaded for less violence & more "blue-ribbon" programming on the air (Vol. 17:12).

Announcing the liaison arrangement in a March 27 *Congressional Record* statement, Harris pledged "support" to Collins for his "important proposals looking to the elimination of excessive violence on TV programs and the increase of outstanding drama, fine music, public information & educational programs during prime evening hours."

To Collins, Harris wrote that he'd always held that "the licensee and not the govt. must assume the primary responsibility for improved programming." He said he agreed with Collins that NAB "can greatly assist in bringing this about—be it through the formulation of improved codes of good conduct or through other methods such as the plan which you suggested."

"Gratefully" accepting the offer from Harris of copies of complaints, Collins added a suggestion: Why not forward copies of "favorable comments" about programs to NAB, too? They'd help NAB make "the necessary assessments for carrying out our program," Collins said. Harris agreed, but observed wryly: "Constituents usually are more ready to reach for the pen to express dissatisfaction with some occurrence than they are to convey their pleasure over a job well done."

**TV Fight Licenses Proposed:** Promoters of boxing bouts on closed-circuit TV—such as TelePrompTer in the Patterson-Johansson championship fight in March (Vol. 17:11 p14)—would have to get govt. licenses under terms of an anti-rackets bill (S-1474) by Sen. Kefauver (D-Tenn.). A companion bill (HR-6070) was introduced by Rep. Ryan (D-N.Y.). Carrying out his promise of last year—when he said Senate hearings proved the need for federal regulation of boxing (Vol. 16:51 p8)—Kefauver proposed setting up a "czar"-like National Boxing Commissioner in the Justice Dept. "Professional boxers, managers, promoters and matchmakers" would be subjected to licensing supervision by the "czar." And Kefauver emphasized that closed-circuit operators, who "wield immense power" in the fight business, would be covered: "Testimony before the [Judiciary Antitrust & Monopoly] Subcommittee disclosed that a new type of boxing promoter—the closed-circuit TV magnate—has arisen in recent years. The purses of Floyd Patterson & Ingemar Johansson in their heavyweight championship bouts were mainly derived from the closed-circuit TV revenue." In arguing for closed-circuit licensing, Kefauver also told the Senate—mistakenly—that TV networks are licensed & regulated now by the government.

**Agency 'Czar' Decried:** Sen. Carroll (D-Colo.) has told the White House that he & his Senate Judiciary Administrative Practice & Procedure Subcommittee want no part of any Presidentially-appointed "czar" to ride herd on FCC & other regulatory agencies.

Emerging from a 30-minute conference with President Kennedy, Carroll reported he had submitted a preview of a Subcommittee report which: (1) Opposes recommendations by the President's agency-advisor James M. Landis that the White House exercise tighter policy control of the agencies. (2) Recommends stiff penalties against influence peddling.

Meanwhile, Senate & House minority leaders—Sen. Dirksen (R-Ill.) & Rep. Halleck (R-Ind.)—issued a joint statement charging that President Kennedy's request to the agencies for monthly reports on their activities (Vol. 17:13 p15) constituted improper efforts to influence them.

They said the President's memorandum to agency chiefs was in "direct violation of the spirit & letter of the laws by which these bodies were created," since they are "answerable to the Congress only." Demanding that Mr. Kennedy withdraw his request, Dirksen & Halleck maintained that the agencies "always have been, and they should continue to be, above White House domination."

The Senate Subcommittee's objections to any White House agency "czar" echo criticism voiced by Carroll when Landis submitted his recommendations to Mr. Kennedy in January (Vol. 17:1 p1). Carroll said, however, that the 21-page report—not yet cleared by the full Judiciary Committee—does call for tighter White House policing power over the agencies. It recommends legislation giving the President authority to suspend or fire commissioners who violate proposed codes of ethics.

Subcommittee member Dirksen—probably joined by Judiciary Committee members Keating (R-N.Y.) & Hruska (R-Neb.)—is expected to submit a supplementary report. He has objected to proposed anti-influence legislation which would prevent members of Congress from making off-the-record approaches to agencies for constituents.

The Subcommittee report also recommends: (1) Uniform 10-year terms for agency members. (2) No general overhaul of the Administrative Procedure Act. (3) Establishment of a Conference on Administrative Procedure as a continuing body. (4) Creation of a White House Office of Administration & Reorganization to help Congress—but not a White House "czar"—to oversee agencies.

In another development on the White House-agency front last week, the House completed Congressional action on Senate-approved legislation to revive & extend (to June 1, 1963) the President's authority to reorganize federal commissions & boards (Vol. 17:13 p15). Unless his plans are vetoed by either Senate or House, Mr. Kennedy will now be able to revamp agency functions—but not to eliminate existing functions or create new ones.

**Kefauver Plans Probe:** The "full picture" of identical bidding by such manufacturers of electrical equipment as GE & Westinghouse (Vol. 17:13 p6) is promised by Chmn. Kefauver (D-Tenn.) of the Senate Judiciary Antitrust & Monopoly Subcommittee. Announcing hearings April 13-14 on practices within the industry, he said his staff has uncovered more information than that disclosed in court.

**TV Attacked Again:** Most TV programming is so bad now that it's doubtful "whether we'll be able to prevent the Soviet Union from burying us as they have announced they will," Rep. McDowell (D-Del.) told the House.



**"Harvest of Embarrassment":** Congressional furor over "Harvest of Shame" and BBC's rerun of the CBS-TV documentary on migratory farm workers (Vol. 17:13 p4) died down last week after the White House acknowledged it had been concerned about possible misinterpretations of the film by foreign viewers. President Kennedy's press secy. Pierre Salinger told reporters he had telephoned CBS News Pres. Richard S. Salant to try to make sure that BBC identified "Harvest of Shame" as a commercially-produced film—not an official U.S. govt. documentary. Salant assured him that such an announcement was included in BBC's March 21 showing of the film. Salinger's intervention with the network official followed failure of the documentary's narrator—Edward R. Murrow, now USIA dir.—to persuade BBC to cancel the showing altogether. Reviewing the incident later at an assembly of USIA employes in Washington, Murrow conceded his conduct had been "foolish & futile," as the *Washington Post* said it had been. Salinger also reported that he had been given assurances by Salant that from now on in, CBS wouldn't offer "Harvest of Shame" to foreign networks, but that offers to buy it for reruns abroad would be reviewed by the network as they came in.

**ETV Action Delayed:** The fate of Senate-approved federal-aid-to-ETV legislation in the House (Vol. 17:13 p2) was kept in cliff-hanger status last week by the House Commerce Communications Subcommittee. Chmn. Moulder (D-Mo.) stood by, waiting for a call from HEW Secy. Ribicoff before ordering the Subcommittee's hearing record closed—or the proceedings reopened. But no word came. Ribicoff had been expected to file a statement opposing proposals for govt. ETV grants—or to ask for resumption of the House hearings so that he could testify in person. It was assumed Ribicoff would tell Moulder what he told Senate Commerce Committee Chmn. Magnuson (D-Wash.)—that the Kennedy administration disapproves the legislation. But Moulder postponed any Subcommittee vote pending official word. Meanwhile, AFL-CIO legislative lobbyist Andrew J. Biemiller filed a blistering statement with the Subcommittee calling for fast enactment of the \$51-million ETV program as a much-needed antidote to commercial programming which he said was loaded with "gunslingers, private eyes and soap operas."

**Avery Reassigned:** Rep. Avery (R-Kan.), veteran member of the House Commerce Committee and its Communications Subcommittee (Vol. 17:11 p12), has been shifted by the Republican leadership to a choice spot on the powerful Rules Committee. He has been replaced on the Commerce Committee by freshman Rep. Dominick (R-Colo.). The Communications Subcommittee vacancy left by Avery wasn't filled immediately.

**Name Shortened:** The name of the Senate Committee on Interstate & Foreign Commerce will be just plain Committee on Commerce if Chmn. Magnuson (D-Wash.) has his way (and he will). He introduced a resolution (S. Res. 117) cutting out the extra words in the official name.

### **Obituary**

Mike Donovan, 48, doorman at CBS N.Y. hq (485 Madison Ave.) died March 29 in N.Y. at Knickerbocker Hospital of hepatitis. Donovan was virtually one of the tourist sights on Madison Ave., bandying Irish-style quips with top CBS executives, employes, visiting TV stars. He was occasional guest on CBS TV-radio shows and at news conferences, but preferred his fresh-air job to an inside-the-building post or a job as a performer.

## **Television Digest**

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

WALTER H. ANNENBERG, *President*

PUBLICATION OFFICE Radnor, Pa., MURRAY B-3940, TWX: Radnor 102B

JAMES T. QUIRK,  
*Business Manager*

MERRILL PANITT, *Editorial Director*  
HAROLD B. CLEMENKO, *Managing Editor*  
DAVID LACHENBRUCH, *Asst. Mng. Editor*  
HAROLD RUSTEN, *Associate Editor*  
PAUL STONE

JAMES B. DELEHANTY,  
*Asst. Business Mgr.*

WASHINGTON BUREAU  
Wyatt Building  
Washington 5, D.C.  
Sterling 3-1755  
ALBERT WARREN, *Chief*  
WILBUR H. BALDINGER  
WM. J. McMAHON Jr.

NEW YORK BUREAU  
625 Madison Ave.,  
New York 22, N.Y.  
Plaza 2-0195

CHARLES SINCLAIR, *Chief*

WEST COAST BUREAU  
6362 Hollywood Blvd.  
Hollywood 28, Cal.  
Hollywood 5-5210  
DAVID KAUFMAN

MARTIN CODEL  
*Associate Publisher*

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually. For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY  
Published March & Sept. Published Saturdays Published in January

Copyright 1961, by Triangle Publications, Inc.

**Personals:** Thomas K. Fisher, ex-vp & gen. attorney, CBS-TV, appointed vp-gen. counsel, CBS Inc., in consolidation of divisional & corporate legal staffs . . . Wally McGough, ex-WKRC-TV Cincinnati, named to new post of dir. of station operations, ABC International Div.

Lewis Shollenberger, formerly CBS Washington Associate dir. of public affairs, joins ABC News as dir. of special events & news operations, ABC News Washington bureau . . . Richard Geismar & Robert Dreyer appointed vps of renamed Metropolitan Bestg., now MetroMedia Inc. . . . William C. Gillogly, formerly sales dir. ABC-TV Central Div., named sales vp, Chicago office, succeeding James W. Beach, resigned . . . William L. Clark has resigned as ABC Films Western div. vp to join Peter M. Robeck & Co. . . . George H. Fuchs promoted to personnel vp, NBC.

Charles H. Barris named ABC-TV daytime programming mgr. . . . Theodore H. Walworth Jr., ex-WRCV-TV Philadelphia, named gen. mgr., WNBC-TV & WNBC N.Y., succeeding William N. Davidson who has been assigned to special projects for NBC . . . James A. Jurist, CNP business affairs dir., named to same post at NBC News.

Glenn Huston, ex-WEAU-TV Eau Claire, Wis., named program dir., KNTV San Jose, Cal. . . . Paul E. Yoakum named operations dir., WBNS-TV Columbus, Ohio, succeeding Arthur D. Vittur, now ad dir., Midwest Volkswagen.

Jay M. Wright, ex-KSL-TV & KSL Salt Lake City, named engineering dir., Crown stations (KING-TV & KING Seattle, KGW-TV & KGW Portland, Ore., KREM-TV & KREM Spokane), succeeding James L. Middlebrooks, resigned . . . Edward Koprivier named chief engineer, WTVN-TV Columbus, Ohio, succeeding Raymond Owen, who takes same position at WKRC-TV Cincinnati . . . Philip D. Marella named local sales mgr., WIIC Pittsburgh . . . Avery Gibson, H-R Television vp, elected to research advisory committee, TvB . . . William R. McAndrew, NBC exec. vp for news, has won Villanova U.'s St. Augustine Award for distinction in communications journalism.

Les Lindvig named sales mgr., KOOL-TV Phoenix . . . Franklin Sisson, ex-WOOD-TV Grand Rapids local sales mgr., named station mgr., radio WWJ Detroit . . . Albert J. Lubin, ex-USIA PR dir., joins Small Business Administration as asst. administrator . . . FCC Comr. Frederick Ford speaks at meeting of Kansas Assn. of Radio Bcstrs. in Topeka April 15.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**RENEWED SEARCH FOR SINGLE-GUN COLOR:** Suddenly—it's 1955. Or at least, it seems to be, judging from the frantic color activity in the labs and the color talk & plans by set makers & merchandisers—reminiscent of the color fever of 5 & 6 years ago.

There's renewed & accelerated activity in efforts to find new, simplified & cheaper approach to color. The familiar names & systems are back with us again. GE again is working on its post-acceleration tube color system (Vol. 17:13 p19). Philco is understood to be reviving work on its "Apple" single-gun tube & set. Paramount again is actively refining & reworking its single-gun Lawrence tube & set.

Every indication is that all or most major TV manufacturers will be on market with a color set—all using the RCA shadow-mask approach—by next winter. Even those which want to hold out for something different are feeling pressure from dealers & distributors for color sets. Among the next to declare their intentions may be GE, Sylvania & Philco. The latter holds its stockholders meeting Thursday, and question seems certain to be brought up.

As to new-tube research, we reported on GE last week. There are reports that Philco is working again on its Apple system, last heard from in 1956 (Vol. 12:12 p1)—but if Philco does offer color within the next year, it presumably will have to go along with the crowd and offer an RCA-type shadow-mask tube.

Paramount's Lawrence tube will be back in the news before year is out—but it's still far from production stage. Its development is now being conducted by Paramount subsidiary Autometric Corp., which is understood to be making developmental receivers at the rate of several a week. Paramount vp Paul Raibourn told us that the Lawrence tube set "could be commercialized right now," but that work is continuing to bring price down closer to black-&-white prices.

There's renewed talk about imported color sets now. Delmonico International (Thompson-Starrett Co.), the only successful U.S. importer of Japanese TV, is getting excited again about the prospects of bringing in Japanese color sets. "With the advent of the new Japanese one-piece chassis," exec. vp Herbert Kabat told us last week, "prospects & possibilities of our having color before the end of the year are extremely good." Delmonico would import color chassis made by Victor Co. of Japan, insert U.S.-made color tubes. He said he believes Delmonico can become "a big color supplier" and that Japanese color sets can be sold here "at a good price." (For details on other aspects of Delmonico's TV import operation, see p. 20.)

Summing up some of the latest developments in color: "GE's post-acceleration tube . . . won't reach production stage this year . . . [Philco's Apple system] is very interesting, shows promise, isn't ready . . . Nothing radically new this year—that seems to be the prospect—only 3-gun shadow-mask tubes. RCA currently is only manufacturer producing color tubes in quantity . . ."

The quotes above are from our issue of March 24, 1956 (Vol. 12:12). Is it any wonder that today's tune sounds vaguely familiar? But this time, it looks as if it may be for real.

**HOFFMAN'S 'SOUL-SEARCHING EXPERIENCE':** "TV pricing today is ridiculous, allowing little profit except to the volume maker & retailer. Despite the rising costs in labor, materials, taxes and so on, our prices are lower today than they were 10 years ago . . . There's another profit factor—in 1950 the industry made 7 million sets, as against only 5.4 million last year. That's a home-grown situation—we can't blame it on foreign competition, because there never was any of any consequence in TV."

With this swan-song by Pres. H. Leslie Hoffman, outlining the dilemma of the small TV maker, Hoffman Electronics formally acknowledged that is was quitting the TV & hi-fi business—a casualty of intense competition & the cost squeeze. Since it started TV production in 1948, the West Coast manufacturer had produced about a million sets. Treas. Carroll B. Underwood revealed that its 1960 production totaled 50,000 TVs.

Discussing his company's "searing & soul-searching experience" of deciding to quit the field in which it first built its reputation for quality, Hoffman disclosed the firm's consumer-products business had returned no profit in the last 3 years—although 1960 TV sales alone accounted for 20% of the company's total volume.

Hoffman will continue in the radio field, enlarging its line and going into more extensive national distribution. Some radios will be imported, but such home-manufactured specialties as Hoffman's solar-powered portables presumably will be made in the Los Angeles plant. The company also plans to go into the tape-recorder business, probably on an import basis.

Hoffman's TV-stereo manufacturing facilities in Los Angeles are being converted to military, industrial & semiconductor production, and employment there will be increased about 10% from the 100 persons now at work (out of Hoffman's 3,600 total), the company announced. "There is a greater & more profitable future for our stockholders & our employes in military electronics work, the fast-expanding semiconductor markets and the application of electronic developments for industrial customers," said Hoffman. "The changing character of our company is shown by the fact that our indicated sales volume for 1961, with no significant amount of consumer-product sales in it, will exceed the corporate volume of any year."

There'll be no dumps of Hoffman sets, vp Ray Cox predicted. TV production stopped several months ago, and "our current TV & stereo inventories have been narrowed to a relatively insignificant amount which will be distributed through regular channels."

**STEREO RUMORS DISTURB FCC:** Gyration of Crosby-Teletronics stock in recent weeks (based on unfounded rumors that FCC plans to select its stereo system) have been troubling FCC, and the agency is considering issuing a public notice to the effect that no system has been chosen yet.

It's understood that FCC staff informed the Commissioners that Crosby stock jumped from \$3 to as high as \$9 on the rumors, and that they are besieged by queries from brokers, investors, etc. The Commission has been thinking of making an announcement—perhaps this week—using language such as following:

"During the past 6 months, the FCC has received approximately 2,500 inquiries . . . Most of these letters have urged the adoption of a wide-band system of stereophonic transmission (one of 8 systems under consideration). Much of this correspondence appears to be geared to promotional campaigns & articles which have from time to time appeared in audio hobbyist magazines endorsing the same system."

Then, the Commission is considering saying, it wants "to correct apparent misinformation being circulated" by noting 3 things:

- (1) No FM stations are transmitting stereo (except for a few AM-FM stereo experiments).
- (2) FCC is studying 5 volumes of comments and 3,200 NSRC field measurements—and this takes time.
- (3) "While the matter is under active consideration and every effort is being made to expedite a decision, the Commission wishes to state unequivocally that not even a tentative decision has as yet been reached, and further, that when a decision is reached, prompt public announcement will be made."

**TV-RADIO PRODUCTION:** EIA statistics for week ended March 24 (12th week of 1961):

	March 18-24	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV .....	98,865	95,479	104,233	1,214,548	1,457,115
Total radio .....	290,853	285,464	343,023	3,328,330	4,164,015
auto radio .....	75,964	80,313	126,041	1,011,152	1,759,394

**Fight Imports With Productivity:** That's H. Leslie Hoffman's answer to the "principal problem" facing the electronics industry. In a talk last week in Palm Springs, Cal., the president of Hoffman Electronics—which has just left the TV-stereo business (see p. 18)—warned: "We in the electronics industry are going to have to raise our productivity very sharply if we hope to vie with the Japanese. Japan today has 25% more transistor capacity than we have in the U.S." He pointed out that tough foreign competition has practically eliminated American manufacture of stainless steel dinnerware & sewing machines, and warned that this could happen in some electronics fields.

**New RCA 19-in. Portables:** "New Vista" tuner is featured in 3 sets introduced last week, list prices beginning at \$169.95—\$30 below RCA's previous lowest-priced 19-in. portable. The low-end Trimette has built-in handle & telescoping antenna. Two step-up models carry no suggested list price, top-end portable having 2 speakers, front tuning.

**Tube Case Closed:** Liberty Electronics Inc., Union, N.J., and FTC have agreed to terms of a consent order prohibiting the firm from misrepresenting that rebuilt TV picture tubes containing used parts are new. The company had been accused by FTC of advertising rebuilt tubes as "fully guaranteed new" and "brand new."

**TV IMPORTS SELLING WELL:** After 6 months of importing TV sets from Japan, Delmonico International div. of Thompson-Starrett Co. is convinced there's a market for sets from abroad and is confident that its 1961 sales will average 1,000 sets a week—giving it about 1% of the TV market.

Delmonico's success so far has been on the basis of only one TV model—a 19-in. portable, which has retailed as high as \$159 and as low as \$128, possibly even lower. A new, lower-priced UL-approved 19-in. portable, 2 TV-radio-stereo combinations, a battery-operated TV set and a color set (see p. 18) feature in its plans for 1961.

Delmonico's first-quarter sales were 45% ahead of the year-ago period, exec. vp Herbert Kabat told us. TV makes up the difference.

Last week, Delmonico opened its Los Angeles plant & depot, now imports sets direct from Japan to L.A. for the Western market. As it does in its Corona, N.Y. plant, it installs U.S.-made tubes in the TV chassis made by Victor Co. of Japan.

First shipments of TV-AM-FM-stereo combinations left Japan March 25, Kabat told us, and "they'll be leaving every few days from now on." The 19-in. 6-speaker combination will list at \$299, and a step-up 23-in. set will carry no suggested list.

Production of the new, lower-priced 19-in. chassis will start May 1 in Japan, and first deliveries are expected in late May or early June. Since it will be UL-approved (U.S.-made wire & some other components are shipped to Japan for assembly), it can be sold in any city in the U.S.—and can be listed in mail-order catalogs. Kabat's silent about the latter prospect, but it seems to be a possibility since Sears Roebuck bought 4,000 of his non-UL-approved sets for sale in some of its retail outlets last winter (Vol. 16:50 p18). He declined to speculate on the list price of the new portable, but said it would serve as a promotional item in major markets, the current 19-in. serving as a step-up.

Delmonico again is thinking of importing 8-in. battery-operated TV sets, and believes current production may be of good enough quality. "We brought in a quantity last fall," said Kabat, "but they had battery & sync problems." New samples are on the way now. "If they meet our standards we will bring in a sizable amount." He hopes to sell them for "a little less" than the \$300 which has been mentioned for the competitive Sony set.

He conceded that transistor TV constitutes a specialty market. "We don't anticipate a tremendous business in them. Our growth prospects are more in vacuum-tube TV, and particularly in combinations & color."

**Australia Likes 23-in.:** That's becoming the popular screen size down under, we're told by T. H. Mudie, plant mgr. of Anodeon TV picture tubes (Electronic Industries Ltd.), Melbourne. Mudie is now in the U.S. inspecting equipment & techniques here. His firm, affiliated with TV manufacturing Radio Corp. Pty. Ltd., is currently producing Corning-type laminated tubes as well as non-laminated ones, he says. He informs us that TV sets-in-use in Australia now have passed the 1-million mark. As in the U.S., however, business is not as good as it might be. This is the result of both "natural & un-natural causes," he adds. A long, hot, dry summer season has adversely affected TV set sales, he says, and new govt. credit restrictions have cut down installment purchasing. With the cool-weather selling season now approaching, he sees evidence that sales may be "beginning to move" in the Australian TV industry.

**'The Incredible Electrical Conspiracy':** April *Fortune* begins a 2-part analysis of "the biggest criminal case in the history of the Sherman Act," which resulted in anti-trust convictions of 29 companies and the fining & imprisonment of top executives (Vol. 17:7 p18). To find answers to "pressing questions about the electrical cartel," the magazine notes, "*Fortune* has gone far beyond the court records: months were spent talking with big companies & small ones, with marketing men, economists, corporation presidents, Justice Dept. attorneys, Judge J. Cullen Ganey, and the defendants themselves.

"The story falls into two parts. Part 1 delves into what happened inside one conspiracy & one company—GE. Part 2, to be presented in the May issue, will recount how the govt. broke the case."

GE reported last week that its 15 executives sentenced in the antitrust case have left the company. "The resignations most recently made public," GE said, "were brought about by recognition that this was the only course serving the best interests of the persons involved & the company." A 16th GE executive, William H. Schiek, who is awaiting sentencing and says he'll resign thereafter, says he's already received his resignation notice: "Our resignations were all typed up and handed to us" to sign.

Westinghouse Pres. Mark W. Cresap Jr. & company attorneys have been touring the company in the last 2 months to address management meetings on compliance with antitrust laws. Since Feb. 1, 32 such meetings have been held throughout the country, attended by "more than 2,775 employes at high levels of management & marketing responsibility," the company said.

Westinghouse last week also announced that William R. Tincher, ex-associate dir. of the FTC's Bureau of Litigation, has been appointed to the company's new antitrust section, established in February "to assist employes in the strict observation of the antitrust laws." (For broadcasting implications of the antitrust convictions, see p. 1.)

\* \* \*

**GE Fights IUE Punishment:** GE told its stockholders via proxy statement recently that it is opposing 4 IUE proposals calling for additional punishment of GE executives involved in the recent price-fixing indictments (Vol. 17:10 p19). Stockholders will vote April 26 on the proposals to fire the violators, sue them for damages, recapture incentive compensations. GE said the proposals "could seriously injure the future welfare" of the company.

**Consumers are Confident:** They believe that general business conditions & their own financial situation will improve in the next 12 months—but they're still cautious about making any major purchases. These are among the conclusions reached by the Survey Research Center of the U. of Michigan in its 16th annual Survey of Consumer Finances, based on nearly 2,000 interviews last January. The number believing that "things will be better" within a year was 51% of the total replies—a record high for this question since it was first asked in 1954. The survey also reports that optimism about family finances has grown noticeably since November, and "is more widespread now than at any stage of the 1958 recession." But buying plans are down. In the "furniture & major household appliances" category, for example, buying intentions are below levels of both a year ago and 2 years ago." The survey concludes that while consumers aren't in a mood to increase their spending, "optimistic expectations and satisfaction with prices & market conditions suggest [that] consumers may be receptive to favorable stimuli."

**Mergers & Acquisitions:** Hewlett-Packard and Sanborn Co. of Waltham, Mass. "will soon begin discussions to determine whether an agreement can be reached on the terms of a combination of the 2 companies." Sanborn manufactures industrial & medical electronic equipment. Palo Alto, Cal.-based Hewlett-Packard produces electronic test & measuring equipment. Other merger news last week:

**Amphenol-Borg Electronics** will acquire FXR Inc. but at a lower ratio of stock exchange in the wake of the latter's 1960 loss of \$399,000. Under new terms approved by directors of both concerns last week, Amphenol-Borg will exchange .45 of a share of common for each of the 192,599 shares of FXR owned by that company's officers & directors. Other FXR stockholders will receive one-half share of A-B for each FXR held. The original terms, agreed upon prior to FXR's loss announcement, provided for an exchange of .55 of a share of A-B for each FXR (Vol. 17:9 p16). The new plan will be voted upon by stockholders of both firms at May 23 meetings.

**Loral Electronics** has been discussing the acquisition of **Liquidometer Corp.** for about 5 months, Loral Pres. Leon Alpert reported last week, adding: "We have not reached any agreement but it's conceivable that we may." Liquidometer, of N.Y.C., manufactures equipment for the measurement & control of liquids.

**Electronic Specialty and D. S. Kennedy & Co.** received stockholder approval last week of their proposal to merge (Vol. 17:11 p19). Electronic Specialty will be the surviving company in an exchange of 4 shares of Electronic Specialty common for each 5 shares of Kennedy.

**Paramount Pictures'** subsidiary **Autometric Corp.** is "stalled" in its negotiations to purchase **Vocaline Corp.** of America (Vol. 17:12 p18), according to a top Paramount official. Autometric, he said, is currently negotiating to acquire another firm, presumably in the electronics field.

**Ling-Temco Electronics** and **Chance Vought** decided last week to supplant the suits each had filed against the other (Vol. 17:6 p16) with a plan to merge. The boards of the 2 concerns have approved the amalgamation in principle, will submit the proposal to their stockholders in late-June meetings. Ling-Temco would be the surviving company, but with a new corporate name. Under present terms, Ling-Temco Chmn. Robert McCulloch would be chmn. & chief exec. officer of the new concern. Its president would be Chance Vought Pres. G. K. Johnson. Ling-Temco Pres. James J. Ling is slated to become chmn. of the exec. committee. Chance Vought Chmn. F. O. Detweiler would not remain with the merged company.

**Lionel Corp.** and **American Bosch Arma** confirmed last week that they had been talking merger, but report that discussions have been broken off without plans to resume.

**Packard Bell Seeks Eastern Plant:** Expansion-minded Packard Bell Electronics is "looking for an East Coast production & service facility, primarily for our computer & industrial products line, as well as a research & development center," Pres. Robert S. Bell reports, adding: "We've been looking for an electronics plant from Boston to Virginia, but so far the prices have not been reasonable." Not involved in the planned Eastern facility, he says, is the consumer-products div., which currently is expanding distribution of its products throughout the East & Midwest (Vol. 17:9 p15).

**You Can't Take It With You:** The ultimate in pilfer-proof transistor-radio displays is now being offered to dealers by Channel Master. It has a built-in burglar alarm.

**Trade Personals:** John Ryan, ex-Philco Distributors Inc., appointed to new post of sales mgr., Magnavox Radio-TV Div. . . . George R. Simkowski promoted from Webcor ad mgr. to new post of mktg. mgr., Webcor Sales Co. Edward C. Stern named Webcor/Dormeyer ad & sales promotion mgr.; he had been Dormeyer ad mgr. when Webcor acquired the firm.

Sydney L. Capell, radio-TV-electronics div. mgr., Zenith of Canada, and Roy W. Pratt, hearing-aid div. mgr., named vps . . . Harlan B. Foulke, vp of Arvin Industries, named also secy., succeeding Gordon T. Ritter, resigned. T. Earl Robinson, Arvin treas., named also vp for legal & contractual matters . . . John T. Benjamin named asst. vp, ITT . . . Robert P. Meehan named systems & procedures mgr., General Dynamics/Electronics.

J. Penn Rutherford, ex-Raytheon & GE, named exec. vp, International Resistance Co. . . . Douglas D. Milne, ex-Motorola, named to head RCA microwave-product planning & promotion . . . Robert J. Reigel promoted from distributor sales mgr. to mktg. mgr., Cornell-Dubilier tantalum capacitors & semiconductors . . . M. B. McDavitt elected a Bell Labs vp . . . A. C. DeNapoli, ex-Motorola, appointed engineering & mfg. vp, Massa div., Cohu Electronics . . . John J. Brennan Jr., Electronics Corp. of America vp, elected treas. and a director . . . Roy Raymond promoted to General Dynamics/Electronics national sales mgr. for Stromberg-Carlson hi-fi components . . . A. F. Parker named mgr. of export sales, Philco data-processing systems . . . George A. Franco, mgr. of General Dynamics/Electronics Radio Communication Lab, wins the company's annual \$2,000 Award for Science & Technology.

William F. Kaiser named PR & ad dir., Daystrom . . . Edward J. Gerrity Jr. promoted from news-services dir., ITT to area PR dir. for North America. Edward R. Wallace, ex-AP & NBC, named news services mgr., ITT. Thomas C. Flynn promoted from ITT div. PR representative to technical publicity mgr. Murray D. Kirkwood named employer-information & editorial-services mgr. . . . Daniel L. Bauch named GPL ad mgr.

**Add New-line Showings:** Packard Bell TVs will be shown to dealers late in June in Los Angeles. Westinghouse will unveil TV, radio & stereo lines at the Music Show in Chicago beginning July 16. This information should be added to last week's new-line calendar (Vol. 17:13 p20).

### **Obituary**

**Powel Crosley Jr.**, 74, who once headed the world's largest manufacturer of radios, and owned the country's most powerful radio station, died of a heart attack March 28 at his Cincinnati home. A self-made man, he organized Crosley Radio Corp. to build \$20 radios at a time when factory-produced sets still cost more than \$100. His Harko Jr., a crystal set, was followed by the vacuum-tube Harko Sr. and the Crosley Model X. By 1922, Crosley Radio had become the world's largest radio manufacturer. He established radio WLW Cincinnati in 1921, and it eventually reached a power of 500 kw. Later FCC ordered the station to reduce its power to 50 kw. Crosley expanded his activities into refrigerators & other appliances, sold his interests to Aviation Corp. (Avco) and turned to the manufacture of the Crosley automobile—which was unsuccessful. A baseball enthusiast, he had been owner of the Cincinnati Reds since 1936. He is survived by a sister, a brother, 5 grandchildren & 6 great-grandchildren.

**PHONO SALES SLUMPED IN JAN.:** Retail phono sales were back in their listless groove in January after a record December (Vol. 17:8 p16). EIA figures released last week showed phono sales to consumers nearly 28% below those of Jan. 1960, with decreases registered in both stereo & monophonic categories. The industry was watching inventories carefully, though, and factory level sales dipped even more than those at retail—almost 37% below the year-ago figure.

Here are EIA's factory & retail phono sales figures for Jan. 1961, with comparable figures for Jan. & Dec. '60:

	Factory Sales			Retail Sales		
	Mono	Stereo	Total	Mono	Stereo	Total
Jan. 1960 .....	118,400	341,329	459,729	150,688	368,964	519,652
Dec. 1960 .....	123,991	295,075	520,792	234,705	672,018	907,723
Jan. 1961 .....	80,366	211,383	291,749	105,753	271,124	376,877

**Magnavox Sues IUE:** Charging breach of contract, Magnavox recently filed a \$579,300 suit against IUE Local 748 for the walkout which began Feb. 7 at its Jefferson City, Tenn. cabinet plant (Vol. 17:9 p18). The action, filed in Greeneville, Tenn. federal court, also requests damages of \$12,000 for each day of the walkout. The strike developed out of a dispute over the reinstatement of an absent-on-sick-leave union steward. Magnavox reported more than half of the plant's 1,400 workers were back.

**Amphenol-Borg Settles Suit:** Piracy-of-trade-secrets suit filed last January by Amphenol-Borg Electronics against 4 former employes & Matrix Science Corp., Burbank Cal., has been settled out of court. The suit, which sought damages & an injunction, alleged that Matrix & the former employes had copied Amphenol-Borg trade secrets.

**GE Thermoelectric Appliance:** GE has developed a thermoelectric, no-moving-parts water cooler for offices, will key production to "market test results." Westinghouse previously announced similar water cooler (Vol. 17:31 p21).

**Obituary**

Knox McIlwain, 63, distinguished engineer, inventor and TV pioneer, died March 30 in an auto crash in Glen Lock, near Philadelphia. A witness said that McIlwain's car, in which he was alone, swerved suddenly off the road and hit a railroad abutment. He had been mgr. of the Burroughs Corp. Great Valley lab near Paoli, Pa. A native of Philadelphia, he obtained degrees from Princeton U. and the U. of Pennsylvania, worked for the Bell Telephone Co. 1921-24, taught at the Moore School of Electrical Engineering 1924-42, then became chief consulting engineer for Hazeltine Electronics. He joined Burroughs a few years ago. McIlwain held more than 50 patents, wrote many books & articles and participated in numerous industry activities. One of his greatest contributions was his work with the National TV System Committee in formulating color TV standards later approved by FCC. He is survived by his wife, son and 3 daughters.

**Common Stock Dividends**

Corporation	Period	Amt.	Payable	Stk. of Record
Daystrom .....	—	(no action taken)		
Dominion Electrohome	—	\$0.10	May 31	May 15
Lynch (Symphonic) ...	Stk.	3%	Jun. 23	Jun. 1
Movielab Film Labs A .	Q	.10	May 1	Apr. 25
A. C. Nielsen .....	Q	.12½	May 1	Apr. 10
Packard Bell Elec.....	Q	(no action taken)		
Philips Lamp .....	—	*	Apr. 5	—
Warner Bros. ....	Q	.30	May 5	Apr. 15

\* Cash dividend equal to 10% of par value and a 5% stock dividend.

**Finance**

**Admiral Met Heavy Seas In '60:** "An extremely disappointing year," was the way Pres. Ross D. Siragusa summed up Admiral's 1960 in the annual report last week. It was a record year in reverse. For the first time in its history, Admiral wound up with a net operating loss—\$1,743,371, after a tax credit of \$1,282,000. This contrasts sharply to 1959's net profit of \$4,108,450 (see financial table). The total loss for 1960 added up to \$2,493,371 with the inclusion of \$750,000 in special charges. Sales also were down—to \$187,865,196 from \$199,605,609 in 1959.

"Sales & earnings were adversely affected by the general economy & by the competitive conditions within the appliance & electronics industry," Siragusa said. He also noted "abnormally high costs & charges stemming from extraordinary development problems on govt. contracts and from the commercial electronics divisions, together with unprofitable appliance manufacturing and marketing operations."

Siragusa commented on the instability of the 1960 TV market, but noted increasing public interest in color & in TV-radio-phono combinations. Total Admiral radio sales in 1960 "were substantially higher" than 1959's volume. However, "because of price instability & heavier imports of transistor radios from countries with low wage scales, Admiral transistor radio sales were held to approximately the same level as last year."

The Admiral president's outlook for 1961 is hopeful: "Since the appliance industry was one of the first to feel the effects of the recession we believe it will be an early beneficiary of the recovery which should begin in the 2nd quarter. Continued improvement is expected in 2nd half."

Muntz TV Inc., free since last November of court supervision in its Chapter X reorganization, proposes to offer 575,989 common stock shares in exchange for \$2,303,957 in non-interest-bearing promissory notes issued under its reorganization plan. An SEC registration statement (File 2-17803) listed the exchange rate as \$4 per share.

**OVER-THE-COUNTER  
COMMON STOCK QUOTATIONS**

Thursday, March 30, 1961

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation. Note: Some quotations were not available last week because of Good Friday.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	24½	26½	Lel Inc.	8¾	10
Aerovox	9	10	Magnetics Inc.	11¾	13½
Allied Radio	23¾	25%	Maxson Electronics	28	30½
Baird Atomic	24½	26¼	Meredith Pub.	44	48¼
Control Data Corp.	99	104	Metropolitan Bcstg.	21¾	23¾
Cook Elec.	14¼	15¾	Milgo Electronics	28	30¾
Craig Systems	17¾	19¾	Narda Microwave	7¾	8½
Dictaphone	35½	38	Nuclear of Chicago	44	47¾
Eastern Ind.	21	22½	Pacific Mercury	7	8½
Elco Corp.	13½	15½	Philips Lamp	165½	171½
Electro Voice	12¾	14¾	Radiation Inc.	27½	29½
Electronic Associates	37½	40½	Sanders Associates	56½	60½
Eric Resistor	17¾	18¾	Silicon Transistor	9	10
Executone	18¼	19¾	Speer Carbon	23½	25¾
Farrington Mfg.	17¾	19¼	Sprague Electric	63¼	66½
FXR	26½	29¾	Taft Bcstg.	17¼	18½
General Devices	19	21½	Taylor Instrument	44¾	48
G-L Electronics	8½	9¾	Telechrome	15½	16¾
High Voltage Eng.	221	233	Telecomputing	7½	7¾
Infrared Industries	24	26¼	Time Inc.	99	104
Interstate Engineering	26	27¾	Tracerlab	13	14¾
Itek	59½	63½	United Artists	6½	7
Jerrold	8½	9½	Vitro	20¾	22¾
Lab for Electronics	63½	67	Wometco Ent.	16½	18

## Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Admiral Story on p. 22	1960—year to Dec. 31	\$187,865,196	\$ (3,025,371) <sup>1</sup>	\$ (2,493,371) <sup>10</sup>	—	2,407,136
	1959—year to Dec. 31	199,605,609	8,198,450	4,108,450	\$1.71	2,405,471
Columbia Pictures	1960—27 wks. to Dec. 31	—	—	1,095,000 <sup>2</sup>	.71 <sup>4</sup>	1,391,602
	1959—26 wks. to Dec. 26	—	—	1,193,000 <sup>3</sup>	.78 <sup>4</sup>	1,270,350
Dynamics Corp. of America	1960—year to Dec. 31	48,676,897	3,833,144	1,853,512	.50 <sup>5</sup>	2,787,027
	1959—year to Dec. 31	37,606,308	2,576,745	1,447,128	.36 <sup>5</sup>	2,756,683
General Tire & Rubber Story on p. 24	1961—qtr. to Feb. 28	171,902,958	—	5,304,453	.94 <sup>5</sup>	5,336,791
	1960—qtr. to Feb. 28	167,518,280	—	6,448,523	1.16 <sup>5</sup>	5,311,562
Magnavox	1960—year to Dec. 31	124,879,052 <sup>6</sup>	—	6,533,052 <sup>6</sup>	2.76	2,360,000
	1959—year to Dec. 31	107,758,670	—	4,679,458	1.99	2,360,000
Muntz TV	1961—6 mo. to Feb. 28	5,198,401	—	404,936	.34	—
	1960—6 mo. to Feb. 28	5,939,772	—	638,899	.55	—
Muter Co.	1960—year to Dec. 31	11,853,827	246,683	131,633	.15	880,461
	1959—year to Dec. 31	13,796,022	869,022	410,960	.47 <sup>6</sup>	839,523
National Union Electric	1960—year to Dec. 31	36,089,922	—	817,490	.14	5,747,479
	1959 <sup>7</sup>	—	—	—	—	—
Newark Electronics	1961—6 mo. to Feb. 28	6,691,521	—	133,211	.21	650,000
	1960—6 mo. to Feb. 28	5,664,538	—	87,776	.22	400,000
A. C. Nielsen	1961—6 mo. to Feb. 28	17,321,758	—	1,211,588	.70	—
	1960—6 mo. to Feb. 28	15,007,038	—	1,090,029	.64	—
Oak Mfg.	1960—year to Dec. 31	17,642,295	1,513,612	351,310	.54	647,794
	1959—year to Dec. 31	18,442,747	2,051,685	991,685	1.51	655,894
Reeves Bcstg. & Development	1960—year to Dec. 31	2,393,865	—	328,284	.23	1,408,893
	1959—year to Dec. 31	1,929,321	—	208,702	.15	1,408,893
Screen Gems	1960—27 wks. to Dec. 31	—	—	970,000	.43	—
	1959—26 wks. to Dec. 31	—	—	647,000	.29	—
Time Inc.	1960—year to Dec. 31	287,121,000 <sup>8</sup>	16,903,000	9,303,000	4.75	1,957,029
	1959—year to Dec. 31	271,373,000	15,838,000	9,004,000	4.60	1,955,779
Times-Mirror	1960—year to Dec. 31	112,560,118	10,297,322	4,617,628	1.15	4,019,209
	1959—year to Dec. 31	97,672,928	10,642,957	4,800,196	1.33 <sup>9</sup>	3,593,940 <sup>9</sup>
Webcor	1960—6 mo. to Dec. 31	16,697,000	—	91,000	.10	940,737
	1959—6 mo. to Dec. 31	17,879,000	—	302,000	.46	650,737

Notes: <sup>1</sup>Before \$1,282,000 tax credit. <sup>2</sup>Includes profit of \$1,617,000 (71¢ a share) on sale of land. <sup>3</sup>Includes profit of \$202,000 (15¢) on sale of land. <sup>4</sup>After preferred dividends & based on shares outstanding Dec. 31, 1960. <sup>5</sup>After preferred dividends. <sup>6</sup>Adjusted for Jan.-1960 5% stock

dividend. <sup>7</sup>Comparison unavailable because of a merger & acquisitions. <sup>8</sup>Record. <sup>9</sup>Adjusted to reflect Jan.-1960 4% stock dividend & April-1960 3-for-1 split. <sup>10</sup>Loss includes \$750,000 in special charges.

**Microwave Holdings Offered:** AB-PT & Western Union, which together own about half of Microwave Associates, plan to reduce their interests to one-quarter each through public sale of 240,000 of 483,744 common stock shares they hold. In its SEC registration statement on the secondary offering (File 2-17801), Microwave said it would be handled by Lehman Bros., Kuhn, Loeb & Co. at the market price at sale time. The market value, at recent American Stock Exchange quotations: about \$12.5 million. AB-PT, which holds 241,872 shares now (24.2%), said its "minority investment in the company has grown disproportionately large." Holding a like number of shares now, Western Union said it wants to use proceeds from the sale to help finance its construction program. In another SEC filing (File 2-17757), Microwave said it is setting aside 130,000 shares for its stock option plan for officers & key employees.

Arrow Electronics Inc., Mineola, N.Y. distributor of TV, radio and hi-fi components, is offering 165,000 common stock shares for public sale at \$5 per share through Arnold Malkan & Co., which will buy additional shares at \$2 each. Part of the proceeds will be used to acquire new sales outlets, Arrow said in an SEC registration (File 2-17861).

Wrather Corp., Jack Wrather's Beverly Hills organization whose diversified interests run from Stephens Power & Sail Boats to 22.15% of Transcontinent TV Corp., plans some Disneyland Hotel additions. It has registered 350,000 common stock shares with SEC (File 2-17838) in a public offering by Lee Higginson Corp. to raise money for the hotel projects. They include \$500,000 for construction of convention facilities and installing a cocktail lounge at the Disneyland monorail station. Wrather also said \$1.4 million of the stock-sale proceeds would be used to pay off Wrather Hotel Inc. debts to stockholders.

Packard Bell Electronics expects that fiscal-1961's 2nd quarter (ended March 31) will produce a net loss about equal to the \$365,969 deficit recorded in the initial quarter (Vol. 17:5 p20). Pres. Robert S. Bell also said that sales in the 2nd quarter will trail slightly the \$8.7-million volume of the preceding quarter and result in a total of about \$16 million for the half. He attributed the first-half loss to a slack market for Packard Bell's TVs & radios, high write-offs on a new computer, a gap in the deliveries of military goods. Bell said that sales of all divisions are now trending upward, but it's still too early to forecast full 1961 results.

Reports & Comments Available: Arvin Industries, discussion, Pershing & Co., 120 Broadway, N.Y. 5 • Lab for Electronics, report, Boening & Co., 1529 Walnut St., Philadelphia 2 • Stanley Warner, report, A. M. Kidder & Co., One Wall St., N.Y. 5 • Siegler, discussion, Van Ralstyne, Noel & Co., 52 Wall St., N.Y. 5 • Beckman Instruments, prospectus, Lehman Brothers, One William St., N.Y. 4 • Renwell Electronics, prospectus, William, David & Motti, 50 Broadway, N.Y. 4 • General Instrument, analysis, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • Transitron, memo, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4.

**RKO General, TV-radio subsidiary of General Tire & Rubber,** reported a profit decline in fiscal 1961's first quarter (ended Feb. 28) to \$1,881,002 from \$2,416,917 in the year-earlier period (see financial table). The decrease resulted from a provision for income taxes. None was required in the 1960 quarter because of a loss carry-forward. The company anticipates that "net income of RKO General will probably not continue at the same high first-quarter rate for the entire fiscal year, due to seasonal variations and because only a portion of the first quarter's income of 1961 required a tax provision."

**Metropolitan Bestg. Changes Name: MetroMedia Inc.** was approved as the new name for Metropolitan Bestg. Corp. by stockholders at the March 28 annual meeting. Chmn.-Pres. John W. Kluge explained that the former name no longer describes the nature of the company because broadcasting now represents only about half of the company's over-all business. Metropolitan expanded into the outdoor ad field a year ago through the acquisition of Foster & Kleiser (Vol. 16:32 p16). Stockholders also voted to increase the authorized shares to 3.6 million from 2.5.

**General Precision Equipment Corp.,** now embroiled in a court action against any takeover by 19.27% owner Martin Co. (Vol. 17:9 p19), plans a new stock issue of 150,000 common shares on an all-or-none public sale basis through First Boston Corp. and Tucker, Anthony & R. L. Day. An SEC registration statement (File 2-17816) said the price would be based on market quotations at sale time. Proceeds would be used to repay \$5-million short-term borrowings. Of General Precision's 1,131,539 outstanding shares, 8.94% are held by management officials as a group.

**Motorola plans public sale of \$30 million of debentures due 1986 through Halsey, Stuart & Co. and Goldman, Sachs & Co., \$20 million of the proceeds to be advanced to Motorola Finance Co. to retire part of current bank loans, the balance to be used by Motorola itself for retirement of 4¾% bank loans. Motorola advised SEC (File 2-17807) that the interest rate, offering price & underwriting terms of the debenture offering would be supplied in an amended registration statement.**

**A. C. Nielsen Acquisition: Automated Preference Testing,** Chicago developer & producer of opinion-gathering mechanisms, will be acquired July 31 by A. C. Nielsen for a sum still subject to an audit of APT's assets. The Chicago concern has developed a system for obtaining customer reactions to new products, packaging and marketing techniques via self-contained, consumer-operated recording machines installed in supermarkets, other outlets.

**Telectro Suspension Extended:** SEC has ordered an additional 10-day suspension—to April 5—in trading of Telectro Industries Corp. common stock, pending clarification of the company's financial status (Vol. 17:12 p20).

## Technology

**Space Combine Proposed:** AT&T & other U.S. industrial giants seeking to be first in space with a satellite-communication system (Vol. 17:13 p7) should get together on plans for a single operation, FCC suggested in starting a new inquiry into its administrative & regulatory problems.

Asking for comments from all interested parties by May 1 (with 49 copies of each filing), the Commission said it needed answers to such questions as these in the assumption that "authorization of a single or limited number of satellite systems will best serve the public interest":

What's the best participation plan? Should makers of satellite & launching equipment participate? What would be the financial & operational arrangements for ownership & use of the system? Does FCC need more legal authority to implement any plan? Would a space combine run afoul of existing antitrust laws?

FCC added: "In instituting this proceeding, the Commission wishes to make it perfectly clear that it is mindful of the scope & complexity of the international problems inherent in the field of space communications. It is recognized that international cooperation & agreement on frequency allocations & other essential matters are required if a truly useful & efficient satellite communication system is to be realized."

**ABC Adds Fi to AM:** ABC Radio last week unveiled the "Dynamic Equalizer," a studio device that gives the effect of improving the frequency response & tone of small AM radios in the home. As explained & demonstrated by John Preston, dir. of engineering facilities, and Emil Vincent, chief audio-facilities engineer, the Equalizer automatically samples the program material, determines the frequency content and applies correction, emphasizing high and/or low frequencies to transmit a balanced signal. The Equalizer has 3 separate amplifiers—for high, middle & low frequencies—resulting in an essentially flat response from 50 to 5,000 cycles, regardless of the nature of the input material. As demonstrated, using phono records & radio programs, output of a small plastic table radio appeared to be significantly improved in tone on musical material, and speech became more intelligible. Radio WABC N.Y. will use the Equalizer for a test period.

Electronic court reporting is "feasible & practical," dir. Warren Olney III of the Administrative Office of U.S. Courts decided after a trip to Alaska to see how the system is working there. Soundsciber equipment was installed in Alaska's federal courts last year when they had trouble finding enough stenographers & stenotypists to keep transcripts of proceedings. "When the service provided by conventional shorthand reporters is inadequate, overly expensive or otherwise unsatisfactory, electronic sound recording is a practical alternative, Olney reported.

**Satellite Site Chosen:** Andover, Me. will be the location of AT&T's \$7-million ground station for its upcoming satellite communications tests. Construction begins May 3.

## Foreign

**French Networks Struck:** Employees of the state-run French TV & radio networks were called out on an Easter weekend strike by the executive committee of the Broadcast Workers' Union following govt. refusal to grant wage demands. Network program scheduling was limited to recorded music plus 3 daily news bulletins for the 3 days.



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

**WITH THIS ISSUE:** First-Quarter 1961 Index to Television Digest Newsletters  
 The Television Network & American Society—an address by Robert W. Sarnoff.

## SUMMARY-INDEX OF WEEK'S NEWS

### Auxiliary Services

**NTA's PAY-TV SYSTEM** unveiled. Negotiations on with prospective franchisers in New Orleans, Hawaii, Mississippi, and Midwest (p. 3).  
**NAB BACKS FCC's CATV BILL**, seeking Commission regulation "in minority of cases" where CATV-station conflicts arise (p. 4).  
**ADMAN ROASTS PAY TV** in Pittsburgh address. F&S&R senior vp Arthur Duram charges flatly that pay TV is a "myth," that it can serve up little that's new . . . and only at high cost (p. 3).

### Programming

**LATE NIGHT SHOWS** mapped by ABC and WBC. ABC to try news, possibly movies. WBC to try Paar-like variety formats (p. 6).  
**ABC SAYS ITS NEW SHOWS** this season have sometimes gotten off to slow starts because of time squeeze in 2-channel markets, but have gained faster than those of CBS, NBC (p. 7).

### Film & Tape

**NTA REPORTS LOSS** of over \$7 million for the fiscal year, but hopes for brighter future in "specialized programming" and pay TV. There's still no sale of WNTA-TV N.Y. (p. 9).

### Stations

**NAB's GOV. COLLINS** 'encouraged . . . hopeful,' as he reviews first 3 months. Aims for "concerted" action by networks, stations, sponsors (p. 2).

### Networks

**ABC's LATEST LATIN DEAL** is with Difusion Contemporanea, due to start telecasting on Ch. 11 in Buenos Aires in June (p. 8).

### Consumer Electronics

**ELDRIDGE JOHNSON'S** estate totaled \$34 million, accounting last week discloses. Founder of Victor Talking Machine Co. sold his firm to RCA for \$40 million in 1926 (p. 17).  
**WESTINGHOUSE STOCKHOLDERS** defeat proposal to oust top management for its role in recent antitrust conspiracy (p. 18).  
**RETAIL TV SALES** picked up in February from January but still ran behind a year ago, EIA reports. Radio pushed ahead of Feb.-1960 sales by some 55,000 sets (p. 17).  
**PHILCO DROPS INTO RED** in 1961's first quarter as it feels effects of recession & severe winter weather (p. 18).  
**BEST HOPE FOR UHF** receivers is coaxial transistor mixer, FCC-sponsored report finds, but in near future the crystal mixer will continue to find acceptance (p. 16).

### Advertising

**LANDIS UNWRAPS NEW WEAPON** against "exorbitant" TV commercials, proposes law empowering FTC to ban advertising as soon as monitors regard it as suspect (p. 1).

### FCC

**FCC PROGRAM FORM ATTACKED** by Philco which doubts broadcasters' "candor," asserts NBC's WRCV-TV Philadelphia is an example (p. 5).

### Other Departments

**FOREIGN** (p. 4). **CONGRESS** (p. 5). **ETV** (p. 11). **STATIONS** (p. 12). **TECHNOLOGY** (p. 13). **ADVERTISING** (p. 14). **PERSONALS** (p. 15). **FINANCE** (p. 19).

**LANDIS UNWRAPS NEW WEAPON:** President Kennedy's regulatory-agency advisor James M. Landis, who had kept himself under wraps after mounting a 30,000-word assault on govt. commissions & boards in January (Vol. 17:1 p1 et seq.), wheeled out a big anti-TV gun last week.

Suspect TV commercials should be banned from the air by FTC ukase as soon as that police agency's monitors think advertised claims may be false or misleading, Landis told antitrust section of D.C. Bar Assn. He said Congress should pass new legislation giving FTC power to issue orders prohibiting commercials even before FTC completes formal investigations of truth or falsity of claims.

Fast & peremptory bans are "needed to deal with exorbitant & untrue claims that flash across our TV screens & dot our newspapers," Landis said at session with lawyers in FTC meeting room. As things stand, he went on, it sometimes takes years for FTC to decide whether or not it should do something to tone down commercials. Landis said FTC sanctions are "extremely weak" and need broadening.

FTC spends too much time on fact-finding in advertising cases now, Landis maintained. He said procedures should be streamlined so that when cases get into hearings, FTC can cut down on number of pro-&-con witnesses testifying on meanings of particular ads.

Legal precedents for interim stop-orders against commercials can be found at ICC & CAB, which are

empowered to suspend proposed increases in rail, bus and air fares, Landis argued. And he urged that FTC draw up specific before-the-fact rules to tell advertisers just how far they can go before running into trouble.

Landis didn't say he had President Kennedy's endorsement for his new proposals, and indications were that he was speaking—as usual—only for himself. White House has not yet followed through on his initial agency recommendations with message to Congress calling for any new laws. And so far President has been non-committal on his own views about what should be done to improve efficiency of agencies, including FCC.

**NAB'S GOV. COLLINS 'HOPEFUL':** "I'm very encouraged," said NAB Pres. LeRoy Collins last week, as he reviewed for us his first quarter in office. "The great majority of broadcasters," he added, "have reacted highly favorably to what I've said & done."

Gov. Collins has 2 more major speeches on tap for near future, to round out basic premises he outlined in 2 previous speeches to NAB board and RTES (Vol. 17:3 p3 & 17:12 p2). First will come at 4A meeting April 22 at White Sulphur Springs, V. Va.; 2nd during NAB convention May 7-10.

"We want the cooperation of all entities directly associated with broadcasting," Gov. Collins said. "We must bring the advertisers in. They need quality programming. They're deeply dependent on quality.

"My NAB convention speech will be my first opportunity to talk to the whole membership. It will leave no question where I stand & what I believe are broadcasting's proper mission & responsibilities. I hope I can convey the feeling in my heart & spirit that I'm a broadcaster—not here to make a personal impression.

"We need a unified industry. We need the networks, affiliates and sponsors to work in concert on the objectives with which they agree—what I have called 'blue ribbon programming,' elimination of violence-for-the-sake-of-violence, and so on. I'm hopeful about it. I believe it's an indication of strength & responsibility to recognize our weaknesses and make an open dedication of effort to correct them."

As for relations with govt., Gov. Collins said: "I start with the premise that broadcasters are deeply concerned with the public interest and that there is adequate ground for accommodation with FCC & Congress. At times, FCC & we may clash—but we have no predisposition to oppose FCC. When necessary, we'll fight, and they'll know they've been in a fight."

Asked about his activity in the Peace Corps, for which he's a national advisor (see p. 15), and other national affairs, Gov. Collins said: "I have a tremendous interest in govt. & a tremendous interest in this administration. If called upon, I will do anything to be helpful that isn't inconsistent with my work here. Such activities are natural for me. I've been in public life too long to be otherwise. I wouldn't have taken this job for 3 times the salary if I didn't think I could make a contribution to the industry & to the country."

He spoke at length & with great warmth of the growth of educational facilities in Florida during his tenure as governor—e.g., establishment of 16 two-year junior colleges, close to students' homes and inexpensive to attend—and he noted with pleasure that the state's ETV system is one of the nation's most extensive.

**THE CASE FOR THE NETWORK:** You are receiving with this issue a special supplement setting forth the talk by NBC Chmn. Robert W. Sarnoff last week to the Annenberg School of Communications at the U. of Pennsylvania in Philadelphia.

This supplement should be useful addition to your files not only for the historical information on the evolution of the networks, both in TV & radio, but for its delineation of the network's place & function in American society.

In an era of industry defensiveness about programming, another section of the address comes as a neat & too infrequently-mentioned reversal of the tired charge of "mediocrity" in programming. Pointing to the volume of cultural & informational material supplied to the mass audience, Sarnoff concludes:

"Some observers would have us believe that the general effect of TV on our society is to lower our taste, blunt our sensibilities, sap our intellect. But all the evidence is quite the contrary. In the decade since the U.S. began to feel the impact of television as a national medium, our population has gone up 20%. But the publication of books has gone up more than 100%; publication of juvenile books is up about 200%; library circulation is up 50%; the number of museums has grown by nearly 80%; the number of symphony orchestras has doubled; the sale of classical phonograph records is up 50%; college enrollment is up 46%. Now, I do not suggest that TV is necessarily to be credited for all of this upsurge in cultural vitality. At the very least, however, it is hard to see how it is dealing us a cultural blow."

## Auxiliary Services

**NTA'S PAY-TV SYSTEM UNVEILED:** NTA, after introducing its pay-TV system (Vol. 17:14 p19) in Hollywood last week, immediately began negotiations with a number of prospective franchise-holders. The system is available under a license agreement signed by NTA with developer Home Entertainment Co. Inc.

NTA Pres.-Chmn. Oliver A. Unger and NTA director Martin Leeds, who is president of HE, were in discussions with potential franchisers representing New Orleans, Mississippi, CATV groups, Midwest Video and Edward Dukoff, who heads a Hawaiian syndicate which has been discussing pay TV with Telemeter (Vol. 17:14 p12).

In charge of the demonstration were Leeds, Unger and H. W. Sargent, electronics engineer who developed the system. Unger hailed the system as the "beginning of a new era in our industry," and predicted pay TV would be a national institution before long—with several pay-TV systems "sharing the burden & the costs."

HE, like Paramount's Telemeter, uses closed-circuit wire transmission, but Leeds contended that it is simpler & more economical than any toll-TV setup yet seen, costing less to manufacture, install and maintain.

The system operates with a low-cost (\$600) master control center, a coaxial cable which can be carried by existing telephone poles, and a home installation by which users are charged for programs. Unlike Telemeter, which has a coin-in-the-slot installation on the TV set, the HE unit has a meter outside the house which records charges on a card which is to be collected monthly.

Program costs are registered when a customer punches a button on a channel selector, which sends an impulse to the master-control box to indicate what programs are wanted. There are 2 programming channels, a "preview" channel, and a fourth channel for control purposes.

A simple control unit is plugged into a wall jack in the subscriber's home, and there are no connections or alterations made on his TV set. The channel selector is wired into the home like a telephone installation. A punch card in the meter box records the amount of entertainment used.

### Subscriber Pays Only for Programs Viewed

The system does not deprive the viewer of seeing free TV if he wishes. The cost to franchise holders licensed by NTA will be approximately \$40 for each of their subscribers, but the cost to subscribers will be only for the entertainment viewed. However, Leeds said there would probably be a minimal charge of about \$1 a month to the subscriber, to insure the franchise-holder that use is being made of the system. There is to be no charge for repeats.

Program costs will vary from 10¢ for cartoons to \$1.50 for promised first-run movies or Broadway plays. Baseball games were also promised.

Leeds estimated that when the system had one million subscribers it would be in financial position to bid for Broadway shows & championship fights. First-run movies are available now, as are most other events, said the ex-Desilu productions vp.

Unger said NTA plans to begin operations modestly, probably in smaller communities, and utilizing CATV systems. All programming is to be in color. NTA will be exclusive distributor and will furnish some of the programming, Unger added.

Leeds said the system could go into operation, "in 3 months," that negotiations are now being concluded with several manufacturers, and that no one company will be

given the entire contract to produce necessary equipment.

NTA does not plan to float a public stock issue in connection with the system; financing will be undertaken by each franchise holder. The franchise holder or telephone company will install the cable system, depending on the local situation. Leeds contended phone cable costs would not be exorbitant, saying this had been borne out in Telemeter's Canadian test.

CATV systems are ready-made for the HE system because the coaxial cable used on CATV is compatible with the NTA system cable requirements, according to NTA. Both systems use the same bandwidth; other systems are not compatible because they require cable of greater bandwidth acceptance, the company said.

A family with 2 sets, could be tuned into the same pay-TV program, but only a single charge would be made.

The demonstration at the Glen Glenn Sound Studios in Hollywood on Wednesday was followed by others during the week. There'll be more this week (April 10 & 11).

Among those at the first demonstration were a representative from Telemeter, Matthew J. ("Matty") Fox of Tolvision Inc., KTTV Los Angeles Pres. Richard Moore, KCOP Los Angeles vp & gen. mgr. Alvin Flanagan, producers Don Sharpe and Warren Lewis, and NT&T Pres. Eugene Klein.

Other NTA activity last week included election of officers. Unger was re-named pres.; Ted Cott, vp for o&o stations; Berne Tabakin, sales vp; E. Jonny Graff, East Coast sales vp; Peter Rodgers, West Coast sales vp; Leonard S. Gruenberg, sales development vp; Justin M. Golenbock, secy. At the April 3 meeting, Messrs. Unger, Tabakin, Golenbock and Graff were named to the NTA board. Also elected: M. N. Leeds, S. P. Norton and D. J. Melamed.

**'WHO NEEDS PAY TV?' ASKS ADMAN:** Pay TV got a clobbering last week from a well-known N.Y. agencyman, senior vp Arthur E. Duram of Fuller & Smith & Ross. Addressing a luncheon meeting of the Pittsburgh Radio-TV Club, adman Duram lined up his pay-as-you-look target and let fly with some choice Madison Ave. buckshot:

On big-name stars: "My relatively honest count is some 14 men & 12 women who would be worth a buck in the home slot machine just to have them show up. But these people, tax-wise and energy-wise, would never make more than 2 shows a year, even for pay TV. The result—one hour per week of new & valid attractions."

On pay-TV sports, special events: "Under pay TV you will get to see the 2 annual heavyweight championship fights which are now blacked out, and you will see the professional football games . . . then stop counting."

On top-grade TV writers for pay-TV shows: "Does he write any better at a quarter of a million fee than he does at \$12,500? Of course he doesn't. There are few fine writers in all of America, and the businessmen from Zenith do not automatically create more simply by raising the fee. Do you think that any fee would force a Tennessee Williams or a Lillian Hellman to write material fit for the whole family?"

On the "grand illusion" of pay TV: "The great hoax that the pay-TV boys would work on us is the illusion of untouched entertainment worlds. [But] it still has to appear on the same old 24-in. TV screen. Regardless of who provides our programs, the idea is still to see the offerings in your home, where the taboos of moral issues & censorship must remain strict."

On pay-TV's history & development: "Then & now the intention was to make a financial success and not to solve any particular programming problem. With so many people willing & so many uninformed enthusiasts talking about [pay TV] as though it were a good thing—why is it still fighting for its life in experimental markets?"

On "mature" programming in pay TV: "Intellectuals project their own tastes, values and yearnings on the masses who unfortunately do not share them. They can't bring themselves to accept the fact that when audiences pick their favorite entertainment, they again and again pick the frivolous over the serious, the trivial over the important. When you couple this fact with the cost of producing . . . you realize that our 'intellectual' segments just never are going to get catered to. Minority groups are served best by . . . interesting shows outside of prime evening time. There is not a vast reservoir of talent & material ready to silence the critics & entertain the public."

On pay TV's meaning to advertisers: "There is no legitimate basis on which print media compares in any way to TV. If [free TV] is taken away from us, in whole or in part, on the flimsy excuse of making a handful of people rich, I'd hate to be the one who explains [it] to my clients."

**Etobicoke Gets Broadway (for \$1.50):** Playing to an invitation-only theater audience in N.Y., and to a Telemeter pay-TV audience in suburban Toronto, Carol Channing stepped downstage to the footlights of the Eugene O'Neill Theatre April 2 to make a little curtain speech. The occasion, she said, was "history-making." She'd just completed the first on-stage telecast of a current Broadway success, "Show Girl," to a paying home TV audience. The production was handled for Telemeter by Theatre Network TV Inc. The show was the regular performance, there were no cameras onstage, lighting was a bit brighter than theatrical levels, and concessions for TV were limited to such things as a blue tux shirt for supporting star Jules Munshin (although a couple of mildly-blue numbers remained in the show, TV or no TV). Results so far in Etobicoke, according to Telemeter: "We're waiting until our experience with several different types of entertainment enable us to make estimates on a comparative basis."

**Govt. Network Planned:** All federal civilian agencies in 50 states, Puerto Rico and the Virgin Islands will be serviced by a unified Federal Tele-communications System under 3-year plans developed by the General Services Administration and Office of Civil & Defense Mobilization. Inter-connected with existing commercial & military systems, FTS will include voice, teletypewriter, data and facsimile communications. GSA administrator John L. Moore & OCDM Dir. Frank B. Ellis said FTS "will incorporate engineering features of great value in a national emergency."

**Pentagon TV Readied:** Installation by Foto-Video Electronics Inc. of a closed-circuit color-TV system at Air Force hq in the Pentagon, where 5 weapons-board panel rooms & 7 conference rooms will be linked, is nearing completion. Foto-Video will maintain equipment in initial operation of the system.

**Station-CATV Conflict Ends:** The protest of KXLJ-TV Helena, Mont. against the grant of a microwave to Capital City TV Inc. to serve a CATV system in Helena has been dismissed by FCC after the settlement of their differences by the contestants.

**Vhf Booster CPs Granted:** Ch. 10 & 12, Baker, Mont., to Baker TV Booster Inc.

**NAB BACKS FCC'S CATV BILL:** "To clarify the NAB position," NAB Pres. LeRoy Collins has announced support of FCC's proposed CATV regulation bill S-1044 (Vol. 17:8 p10).

In letters to FCC Chmn. Minow and Commerce Committee Chairmen Sen. Magnuson (D-Wash.) & Rep. Harris (D-Ark.), Collins stated:

"NAB does not advocate government regulation merely for the sake of regulation. But, as broadcasters committed not only by law but by conviction to serve the public interest, we recognize there are instances when that public interest—which must be the overriding consideration of us all—requires the protection of governmental regulation soundly predicated . . .

"The majority of CATV systems provides a valuable service to the public, bringing TV signals to certain areas where, because of geographic or economic realities, free-TV reception is not available. In these cases no serious incompatibility exists between the free-TV broadcasters, the CATV operator and the public interest.

"In a minority of cases, however, the interests of CATV operators and of free-TV broadcasters seriously collide. And we are convinced that this collision actually operates without warrant to deprive certain areas of local free-TV service. It is in these instances where we regard it essential that the FCC be given statutory authority to determine the extent of necessary CATV regulation . . . It is the position of the NAB that the legislation proposed by the FCC will not create an undue burden on the development & operation of CATV systems."

## Foreign

**Sweden's American Radio 'Pirate':** Anchored 4 miles outside Sweden's territorial waters, an American owned & equipped floating radio station is beaming music & commercials into Stockholm, in defiance of the country's edict against both TV & radio advertising. In retaliation for the bootleg broadcasts, which began March 8, Sweden has barred the ship, the *Bonjour*, from its ports except in dire emergency.

The *Bonjour* is registered to Nord Establishments, a Liechtenstein company which Robert F. Thompson of Dallas says he owns. The ship is equipped with \$300,000 of radio broadcast & studio equipment installed by Visual Electronics Corp. of New York City. Visual export mgr. Bert Kupperman said last week that the vessel carries two 10-kw transmitters and a combiner, to permit 20-kw operation during daytime broadcasts and 10-kw at night. He reports that the radio "pirate" has been deluged with more advertising than it can handle, the majority of it from West German auto & radio manufacturers.

The floating station broadcasts on 606 kilocycles in the 495-meter medium-wave band. Its programs & commercials are taped in weekly batches on 14-in. reels in a Stockholm studio. The reels are delivered to the ship & transmitted from a machine that can operate for 9 hours unattended.

Such has been the success of the Stockholm pirate station that Nord Establishments reportedly is planning similar radio ships for operation off Goteborg and Nice.

**British TV Writers' School:** Britain's commercial TV, running into a shortage of TV-trained writers, has formed its own training school, backed by 3 ITV companies (ABC, A-R, and ATV).

## The FCC

**FCC PROGRAM FORM ATTACKED:** Philco found little to commend in FCC's proposed changes in its program forms (Vol. 17:9 p2), and it used its comments last week as another forum to attack NBC, whose Ch. 3 Philadelphia (WRCV-TV) it seeks. (See below.)

Basically, Philco believes that the Commission's proposal to allow stations to give a "narrative" statement of their program proposals is an invitation to obfuscation.

Philco said it very much doubts that "broadcasters have a compulsion to candor which heretofore has been detected by neither the public nor the Commission." It proceeded to analyze some of WRCV-TV's public-service programs, as described in the station's 1960 renewal application, and noted that some of them were presented between midnight & 8 a.m. but that the time of telecast wasn't mentioned in the application.

Philco offered several suggestions which it said would give FCC a better basis on which to judge a station's performance—including more definite description of programs.

**FCC vs. Justice Dept. on Philco Protest:** FCC is sticking by its guns in the much-litigated case in which Philco seeks a hearing to air monopoly charges against RCA-NBC. Philco, which is seeking to wrest away NBC's Ch. 3 (WRCV-TV) Philadelphia, had protested the station's renewal. FCC threw out the protest without giving Philco a hearing, saying the protest didn't fill the requirements of former Sec. 309(c) of the Communications Act. Philco is appealing the Commission action.

The Justice Dept. recently agreed with Philco, filing an *amicus curiae* brief in the Court of Appeals (Vol. 17:14 p2). Last week, FCC responded to the brief, asserting again that Philco's allegations against RCA-NBC weren't sufficient to warrant a hearing. Justice had argued that the then-pending antitrust litigation against RCA-NBC—which ended with a *nolo contendere* plea requiring NBC to dispose of WRCV-TV—was enough to warrant an FCC hearing. Said FCC last week:

"A consent decree would add nothing to allegations otherwise insufficient. It does not in any sense resolve the issues in the antitrust case and, in the absence of adequate allegations by a protestant of conduct warranting a hearing, does not itself call the qualifications of a licensee into question. As the Department's own memorandum indicates, a consent decree is merely the end result of a bargaining among the parties, government & private . . .

"The Dept. of Justice, we believe, has primarily directed itself to broader questions than those before this Court, questions which need not be resolved here."

The Commission made it clear that it wasn't indifferent to antitrust matters, saying: "In deciding that the Philco protest was inadequate, the Commission, of course, did not rule or decide that it would in no context consider 'antitrust' questions concerning NBC."

**Vhf Translator CPs:** Ch. 4, Lovell, Wyo., to Lovell Byron Cowley TV • Ch. 11, Clay Center, Kan., to City of Clay Center (temporary authority) • Ch. 12, Worland, Wyo., to Farmers TV Assn. (temporary authority).

**FCC Allocations Actions:** (1) Denied petition to substitute Ch. 4 for Ch. 13 in Flagstaff, Ariz.; (2) proposed addition of Ch. 34 to Blythe, Cal.; (3) added Ch. 15 to Madison, Wis., substituting Ch. 76 for Ch. 15 in Richland Center.

## Congress

**Contest For Consumers:** Sens. Neuberger (D-Ore.) & Javits (R-N.Y.) are competing for the title of No. 1 Congressional champion of the consuming public. Mrs. Neuberger has a head start with 14 co-sponsors of a resolution (S. Res. 115) setting up a select committee on consumer interests. She told the Senate it would explore such "major problems" of buyers as that posed by FTC's case against TV commercials for analgesic preparations (Vol. 17:12 p8). Javits, with only 4 other Senators lined up on his side, submitted a rival measure (S. Res. 119) establishing a select committee on consumers. Meanwhile, there was talk—but so far no action—at the White House about setting up a cabinet-level consumers dept. in the govt. Outlining administration plans in an April 7 message to the Council on Consumer Information, President Kennedy said only that such agencies as FTC are taking "appropriate action" to protect consumers.

**ETV Report Postponed:** HEW Secy. Abraham Ribicoff asked House Commerce Communications Subcommittee Chmn. Moulder (D-Mo.) for more time last week to draft an administration statement which is expected to criticize a half-dozen pending, aid-to-ETV proposals (Vol. 17:14 p17). Ribicoff said in a letter to Moulder—who kept his hearing record open—that he hadn't had time yet to complete his study of the House measures. They are similar to a Senate-passed bill (S-205) by Sen. Magnuson (D-Wash.) which Ribicoff opposed. Moulder also was awaiting word from Commerce Committee Chmn. Harris (D-Ark.) & ranking minority member Rep. Bennett (R-Mich.) on their choice of a Communications Subcommittee replacement for Rep. Avery (R-Kan.), who was reassigned to the Rules Committee.

**Alford Heads Ad Unit:** Rep. Alford (D-Ark.) is the new chmn. of the Advertising Subcommittee of the House Small Business Committee headed by Rep. Patman (D-Tex.). Replacing Rep. Brown (D-Mo.), who was defeated for re-election, Alford will have jurisdiction in any inquiries into broadcast time-selling practices affecting smaller advertisers. Back in 1959 Brown promised a "pains-taking & factual" investigation into TV & radio advertising (Vol. 15:12 p4), but the proposed hearings never got started, and Alford has no plans yet to pick up where Brown left off. Other members of his Subcommittee (full name: Subcommittee No. 6 on Advertising & Growth Opportunities for Small Business) are Reps. Evins (D-Tenn.), Roosevelt (D-Cal.), Avery (R-Kan.), Robison (R-N.Y.).

**Moss Gets Into Act:** Chmn. Moss (D-Cal.) of the House Govt. Operations Information Subcommittee which investigates govt. censorship practices, has injected himself into the *Untouchables* controversy (Vol. 17:14 p6). In a letter to Federal Prisons Dir. James V. Bennett, he asked for an official justification of Bennett's threats to oppose renewals of FCC licenses of stations which carried Al Capone episodes on ABC-TV's bang-bang show (Vol. 17:3 p 14 *et seq.*). Moss (who also is a member of the Commerce Communications and Regulatory Agencies Subcommittees) announced no plans for any hearings on the *Untouchables* case, but said he wanted to look over the record.

**Lee Speech Reprinted:** The text of FCC Comr. Lee's March 7 speech to the N.Y. State Bestrs. Assn., calling on Albany legislators to activate uhf ETV CPs (Vol. 17:11 p7), was inserted in the April 3 *Congressional Record* by Sen. Schoeppel (R-Kan.).

## Programming

**ABC & WBC MAP LATE-NIGHTERS:** With prime-time availabilities in short supply, TV programmers are tuning their attention to what used to be dismissed as "marginal" time. Due to be widely discussed in the near future among station operators and TV admen are after-hours show plans of ABC-TV at the network level and Westinghouse Bestg. Co. in the syndication field. Actually, they are closely related.

Plans at ABC-TV to invade late-night networking moved ahead last week with the announcement of *ABC Final Report*, an 11-11:12 p.m. Monday-through-Friday news series with "a new format & approach to TV news-reporting." A 3-minute local weather report will round out the quarter-hour segment.

The show, developed by John Madigan (ABC News dir.) & William McSherry (National TV News editor), will debut in N.Y. & Washington under Sun Oil sponsorship next week (April 17), but will be expanded to the full network in the fall. The show's premiere will follow the completion of the Oscar Awards telecast.

The series will borrow more from NBC-TV's relaxed, Huntley-Brinkley newscast techniques than from the more formal style once practiced by CBS-TV. There'll be "use of living-room language conversational approach" for news delivery, commentary, seminar discussions, and visual techniques (split-screen, rear-screen projection, newsfilm, animated charts, etc.).

ABC has had late-night programming in the blueprint stage for some time. Among plans considered: (1) Reruns of 60-min. film shows from Warner Bros. and other suppliers. (2) A low-budget, live variety show something like Jack Paar's. Of the 2 plans, the former is closer to reality.

### WBC Syndication Plans

On the syndication front, Westinghouse Bestg. Co. is tackling the late-night program problem from another angle. Most non-NBC stations combat that network's *Jack Paar Show* with feature films in late-night slots. Last week, WBC Productions—the station firm's recently-formed production offshoot—was busily pitching another formula: A syndicated video-taped pair of programs called *PM-East* and *PM-West*. Running time for the pair is 90 min. nightly, as long as the average feature movie.

The East show will be taped in N.Y. and will feature Mike Wallace as host with Canadian telepersonality Joyce Davidson as a regular. The West portion, featuring *San Francisco Chronicle* columnist Terrence O'Flaherty as host and "hungry i" proprietor Enrico Banducci as talent coordinator, will be taped at WBC-owned KPIX San Francisco. Both shows will have special feature segments, guest stars, and will act as "a stage for performers of professional but unexposed talent," according to WBC exec. producer Ben Park.

The shows will replace current late-night shows on the 5 WBC stations (2 of which, incidentally, are affiliated with NBC and carry the Paar show). Tapes, or film transfers, will be offered for syndication in non-Westinghouse markets following a 2-week show tryout in Boston starting May 22. In N.Y. the most-likely outlet is Metro-Media's WNEW-TV. Elsewhere, ABC affiliates are a likely customer group; most are lightly-stocked on feature films (at the urging of ABC-TV) and ABC will soon be providing its late-night newscast that would provide a good lead-in to the WBC series.

**Networks Set Sports Specials:** There was a sudden flurry of activity on the TV sports front last week as ABC-TV announced a new sports feature & NBC concluded negotiations for an old one.

An "exclusive" 20-part series of amateur & professional world sports events will be a Saturday-afternoon fixture on ABC-TV, April 29-Sept. 9. Titled *ABC's World of Sports*, the network hopes it will be at least a partial solution to the summer-season programming problem of heavy schedules of film reruns. Events will include: France's Le Mans car race, Moscow's U.S.-Russian track & field championships, the British open golf championship, the Japanese All-Star baseball game, and Jack Kramer's tennis tournament from Mexico City.

"Virtually all events will be produced live or on tape and presented the day of the event or as soon after as possible," said ABC programming vp Thomas W. Moore. Slated to follow ABC's major league baseball games (5-7 p.m. in the East), the events run from 90-min. to 2½ hours each. ABC has already sold nearly half of the series to R. J. Reynolds and General Mills, and anticipates no problem in disposing of the rest of the time. Lauding the series as "a step toward global TV" (see p. 12), Moore said a 140-station line-up would reach 92% of U.S. TV homes. Jim McKay will host the series and each week a sports expert will appear, "including such people as Stirling Moss, Arnold Palmer, Bill Veeck and Jack Kramer."

With an eye toward the fall of both 1961 & 1962, NBC again copped one of the sports world's most coveted events—the National Football League championship game. The network outbid CBS, Sports Network Inc. and TelePrompTer, for TV-radio rights. An NBC event since 1955, the new 2-year contract price of \$615,002 per game is triple what the network had been paying the League. TelePrompTer's bid is thought to be the first pay-TV effort at optioning the championship game.

**TV Plea Fails:** Convicted kidnaper-slayer Melvin Davis Rees Jr. has lost his argument in federal court that reenactment of jury deliberations by WBAL-TV Baltimore was grounds for a new trial (Vol. 17:14 p8). Judge Roszel C. Thomsen sentenced the jazz musician to life imprisonment April 6 after denying defense pleas that the guilty verdict be upset because the one-hour TV show indicated that the jury had debated issues not introduced at the trial. Rees was accused of killing at least 5 persons, but was tried only for the deaths of a woman & her daughter.

**Texas Debate Proposed:** Free time for a 30- or 60-min. run-off election debate has been offered to Texas Senatorial candidates William A. Blakley (D) & John Tower (R) by the 4-station West Tex. TV Network. Pres. W. D. (Dub) Rogers, whose KDUB-TV Lubbock was involved in a paid-time hassle with losing Democratic candidate Maury Maverick Jr. (Vol. 17:14 p12), said Blakley & Tower could set their ground rules, so long as they appear in person.

**77 Upset:** *Way Out*, CBS-TV's new dramatic series replacing *The Jackie Gleason Show* (Fri. 9:30 p.m.), outstripped the last half of ABC-TV's formidable *77 Sunset Strip* in Arbitron competition at its March 31 premiere. Scores were 19.7 for the new show over *Sunset Strip's* 18.1. The series deals with tales of the macabre, unusual and supernatural, and is hosted by Roald Dahl.

**U.S. Steel is 8th-Season Sponsor:** TV's oldest continuing 60-min. dramatic series, *The U.S. Steel Hour*, will be back again this fall (Vol. 17:14 p7) for its 6th year on CBS. It debuted on ABC-TV in October 1953.

**HOW NEW SHOWS RATED (Cont.):** Top honors in the Nielsen sweepstakes may go to CBS-TV when average-audience levels of the 43 shows new to network TV this season are calculated for October 1960 through February 1961—but they only tell part of the story, according to ABC-TV. The situation, ABC-TV officials told us last week in N.Y., is something like a horse race that's being judged by the average speed of the horses around the whole track rather than the entries' positions as they whip across the finish line. ABC's view of what's going on behind "average audience levels for the season" (Vol. 17:14 p5) includes these points:

(1) Taking only the October-December 1960 period (roughly, the start of the season), CBS's new shows were ahead of ABC's by 9% (18.3 AA vs. 16.7 AA). ABC's new shows, in turn, were 13% ahead of NBC's entries (16.7 AA vs. 14.8).

(2) Jumping ahead to the January-March 1961 period, Nielsen figures show that CBS was still in the lead and even gained somewhat (to 19.1 AA), but ABC moved up (to an 18.4 AA) and whittled CBS's advantage to 4%. NBC's new shows fell behind, improving ABC to a 28% rating advantage (18.4 AA vs. 14.4 AA).

(3) The slow-start, strong-finish situation is caused, said ABC, by several factors, chiefly: (a) ABC-TV has "pioneered" with network use of some unusual program types, such as animated-cartoon situation comedy, and thus the network "requires more time for its new programs to catch on." (b) Station managers in 2-station markets "initially balk at off-beat new ABC series." Hence it's "difficult for ABC's new shows to jump off to as quick a start as CBS's on a full national basis."

(4) A good example of this last problem, said ABC, was *The Flintstones*. Last October, it had a line-up of 128 stations (92.1% coverage), a Nielsen AA of 18.2 and an audience share of 31.8. As its popularity grew, so did its line-up—and ratings. In March 1961, the station line-up had grown to 170, coverage had increased to 96.0%, rating had hopped to 27.3 and share to 43.3

(5) In the 50 Nielsen-measured cities where there's equal-facility competition among the networks, and no slugfests for prime time availabilities on split-affiliation outlets, ABC has been strong since last fall. "Over the full season to date—October through March—ABC's new shows led CBS by 12% and NBC by 38%," said ABC.

**Day Attacks TV-radio News:** Pressure from Washington, Madison Ave. and broadcasters themselves is "sabotaging" TV-radio news, charged John F. Day, ex-CBS news vp who resigned Feb. 4 after a news-dept. shakeup (Vol. 17:6 p11). In a WBAI-FM N.Y. broadcast, Day accused the govt. last week of "making demands upon or criticisms of broadcasting that it would never think of directing at newspapers or magazines." Sponsors & agencies have "a more subtle influence," he said. "They can & do complain that a news program is too heavy, dealing too much with ideas and not enough with human interest." And, he added, "there is a never-remitting pressure to have newsmen endorse the product, deliver the commercials or use lead-ins or introductions." The most serious offenders are TV-radio industry leaders, Day said. "The drive of so many station & network owners to squeeze out the very last penny of profit, the concept of TV-radio as show business and the desire to avoid controversy are the foremost reasons why broadcasting has not realized its potential.

**Latest Fall-Schedule Information:** Although about 9 out of 10 regularly-scheduled fall shows are now locked in with network time periods and/or sponsors, some changes have been made in the 1961-'62 schedules since our last report (Vol. 17:14 p6). Admen who have pinned up their "Tentative Network Program Lineups for Fall" chart should therefore make the following changes on it:

ABC-TV: The 20th-Fox 60-min. show scheduled for Sun. 7:30-8:30 p.m., *The Hunters*, has been ditched, reportedly because of network worries about possible African controversy (see p. 10). No show is firmly scheduled, although another 20th-Fox show, *Follow the Sun* (not yet piloted), is being discussed. Also scratched (because of opposition from Nevada hotelmen & civic officials—see p. 10), is Warner Bros.' *Las Vegas File*, Sun. 10.11 p.m. In its place will go *Adventures in Paradise*, shifting from the Mon. 10-11 p.m. slot. What fills the Monday opening thus created isn't certain. Possibility: Warner Bros.' *Solitaire*. Warner Bros. *Room for One More* has been abandoned, with *Ozzie & Harriet* taking over the Thursday 7.30-8 p.m. time. *The Racers*, an ABC Films package complete with sponsor (Auto-Lite), moves into the Friday 7.30-8 p.m. period.

CBS-TV: *Checkmate*, the Jack Benny-CBS-Revue 60-min. show which has been holding down the Sat. 8:30-9:30 p.m. slot, was included in our chart. Early last week, the word from CBS-TV was that the spot would be filled by Plautus Productions' *The Defenders* and that *Checkmate* was definitely scratched—a real oddity, considering that it was 5th-highest-rated among 43 new shows which debuted last season (Vol. 17:14 p6). Never underestimate MCA-Revue salesmanship, however. By mid-week, *Checkmate* was suddenly given a new lease on fall life, shifting to a Wed. 8:30-9:30 p.m. period, replacing CBS-TV's own package, *Beachfront*. CBS present plan is to fill the Friday 10-11 p.m. slot vacated by the rescheduled *The Defenders* with a back-to-back pair of hair-raisers—Rod Serling's *Twilight Zone* (which apparently will stay in its 30-min. form) and the network's own recent rating success, *Way Out*. The blank spot in the Thursday-night CBS schedule, 9-10 p.m., has been filled with *The Investigators*, a Revue package.

NBC-TV: Of the 3 networks' fall schedules, NBC's seems to be firmest. Only one change is on the horizon at the moment—and even that may not go through. Just as ABC and Warner Bros. have been pressured by Las Vegas innkeepers, so has been NBC and the Goodson-Todman *Las Vegas Beat*, currently blueprinted for Fri. 8:30-9:30 p.m. NBC's official answer last week was "we are still considering" the G-T show. However, also being "considered" by NBC-TV are *Villa Portofino*, an NBC package, and *House on Rue Riviera*—possibly since Mediterranean hotel proprietors are far less likely to gripe.

**Hope's High-Budget NBC Specials:** A series of 60-min. Bob Hope specials for next season was under discussion last week between NBC-TV and James Saphier, Hope's agent. "There is a great deal of sponsor interest," said an NBC spokesman, pointing to the "record-breaking ratings" won by this season's Hope Buick specials. Rumored price for the Hope shows, of which there'll probably be 6 to 8: about \$350,000 each. In another area, Hope is in negotiation with MCA which has offered him \$1 million for 38 acres he owns next to its Revue studios. He bought the land 18 years ago he told us, for \$16,500 "as a favor to my brother," who was entering the real estate business.

## Networks

**Ole! Another ABC Latin Deal:** The latest TV agreement south of the border, announced last week by Don Coyle, pres. of ABC International TV Inc., is a "business relationship" with Difusion Contemporanea, Buenos Aires.

The Argentine firm, of which Norman Pentreath is pres., hopes to start commercial telecasting on Ch. 11 in Buenos Aires (800,000 TV homes) in June. Under the ABC-Difusion Contemporanea agreement: (1) ABC will provide "financial, programming & administrative assistance" to the station. (2) ABC International will act as sales rep for the station in N.Y. (3) ABC won't hold a minority interest in the station; that's forbidden by Argentine law.

As things now stand, ABC International has business liaison with 12 Latin-American TV outlets in 8 countries: Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua (the 5-station Central American TV network); Venezuela (the 5-station VeneVision network); Ecuador (Primera TV Ecuratoria, S.A.); Argentina.

ABC is not the only network with an eye for Argentine TV deals. NBC Enterprises has "assisted financially" (i.e., loaned money at modest interest) to Compania Argentina de Television—known as CADETE. CBS Stations Div. has an Argentine TV holding, not in a station, but in Proartel, a production concern which provides sales & program services to the Ch. 13 TV outlet in Buenos Aires. With the ABC deal, all 3 U.S. networks are now TV-represented in some manner in Buenos Aires, 8th-largest city in the world.

### Network Television Billings

January 1961

(For Dec. report, see TELEVISION DIGEST, Vol. 17:10 p6)

**January up 7.1%:** Network TV's Jan. 1961 gross time billings totaled \$61.8 million, compared with \$57.7 million in Jan. 1960. TvB's latest compilation shows ABC-TV to be the biggest percentage gainer, with January billings of \$15.9 million—up 19.9% over the same month last year. NBC-TV led in monthly dollar volume with a 9.6% rise to \$23 million. Traditional leader CBS-TV slipped behind NBC as its billings declined 2.3% to \$22.9 million from \$23.5 million a year earlier.

#### NETWORK TELEVISION

	Jan. 1961	Jan. 1960	% change
ABC .....	\$15,898,310	\$13,260,010	+19.9
CBS .....	22,930,402	23,477,358	- 2.3
NBC .....	23,003,680	20,980,897	+ 9.6
Total .....	\$61,832,392	\$57,718,265	+ 7.1

Note: These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on basis of one-time network rates or before frequency or cash discounts.

**NBC Absorbs Participation Unit:** The latest re-alignment of NBC-TV's organizational structure concerns the network's Participating-Programs Unit, which has been responsible for sales & programming of the *Dave Garroway-Today Show* and the *Jack Paar Show*. Mostly, it's a bookkeeping shuffle. The unit's special sales squad will now report to the network's sales dept.; the program staffers will report to the NBC program dept. One result of the move: Participating-programs vp Jerry A. Danzig announced his resignation.

## NETWORK SALES ACTIVITY

### ABC-TV

The Roaring Twenties, Sat. 7:30-8:30 p.m., participations eff. April and May respectively.  
*Johnson & Johnson* (Young & Rubicam)  
*Watchmakers of Switzerland* (C&W)

Leave It to Beaver, Sat. 8:30-9 p.m., part. eff. April.  
*Colgate Palmolive* (Ted Bates)

Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. April.  
*General Mills* (Dancer-Fitzgerald-Sample)

### CBS-TV

Summer Sports Spectacular, Thu. 7:30-8:30 p.m., co-sponsorship eff. April 27.  
*Joseph Schlitz Brewing* (JWT)  
*Bristol-Meyers* (DCS&S)

Malibu Run, Wed. 7:30-8:30 p.m., part. eff. June 14.  
*Warner-Lambert Pharmaceutical* (L&F)

Daytime programming, Mon.-Fri., 10-12 p.m., part. eff. May 15.  
*S. C. Johnson & Son* (FC&B)

Father of the Bride, Fri. 9:30-10 p.m., co-sponsorship eff. Sept. 29.  
*General Mills* (BBDO)  
*Campbell Soup* (BBDO)

1961 Miss America Pageant, Sat. Sept. 9, 9:30-12 p.m.  
*Philco* (BBDO)  
*Pepsi-Cola* (BBDO)  
*Toni* (North)  
*General Motors* (D. P. Brother)

### NBC-TV

Tales of Wells Fargo, Sat. 7:30-8:30 p.m.; Thriller, Mon. 10-11 p.m., part. eff. fall.  
*American Tobacco* (SSC&B).

Reynolds Aluminum Hour-Dick Powell Mystery Theatre, Tue. 9-10 p.m., co-sponsorship eff. fall.  
*Reynolds Metal* (Lennen & Newell).

Dr. Kildare, Thu. 8:30-9:30 p.m., part. eff. fall.  
*Singer Sewing Machine* (Young & Rubicam)  
*Warner-Lambert Pharmaceutical* (L&F)  
*Colgate-Palmolive* (Ted Bates)

Dinah Shore Show, Fri. 9:30-10:30 p.m., co-spon. eff. fall.  
*American Dairy Association* (no agency)

Circus Show, Fri. 7:30-8:30 p.m.; Your Saturday Night Movie, Sat. 9-11 p.m., part. eff. fall.  
*Seven-up* (J. Walter Thompson)  
*Noxzema Chemical* (SSC&B)

The Americans, Mon. 7:30-8:30 p.m.; Michael Shayne, Fri. 10-11 p.m.; The Shirley Temple Story Book, Sun. 7-8 p.m., part. eff. May 1.  
*Walt Disney Productions* (no agency)

Thriller, Tue. 9-10 p.m.; part. eff. May 8 & July 4 resp.  
*Colgate-Palmolive* (Ted Bates)  
*Pepperidge Farms* (OB&M)

**One-Day Walkout at CBS:** 300 CBS-TV stagehands staged a N.Y. live show of their own when they walked off the job Sunday April 2. The stagehands—members of Local 1, International Alliance of Theatrical Stage Employees—were protesting the CBS dismissal of 3 TV lighting directors—a "necessary personnel cutback," according to the network. CBS supervisory personnel replaced the strikers on Sunday. By Monday, lighting directors & stagehands were back at their posts, "pending the outcome of CBS-IATSE negotiations." By Tuesday the dispute had been resolved "amicably & to the satisfaction of both parties," according to CBS. "The men are all working and everything's in the best of harmony," IATSE told us Wednesday.



## Film & Tape

**STATE-OF-THE-UNION AT NTA:** It's been tough sledding recently for NTA because of current trends in the network & syndication film markets, but things should get better before long. So reported NTA Chmn. Oliver A. Unger April 3 at the firm's annual shareholders' meeting in N.Y., a meeting held on the eve of a Hollywood demonstration of a new pay-TV system proposed by NTA (see p. 3).

Financially, NTA was in the uncomfortable position of having what might have been a profitable income nullified by heavy write-downs of film inventories and annual interest rates of some \$2.5 million on owed money. Result: A loss of more than \$7 million during fiscal 1959-'60 (Vol. 17:8 p20; see financial table for fiscal 1961's first quarter).

Debt-reduction, however, could well be as much as \$6 million on an \$8 million sale of WNTA-TV N.Y., Unger told stockholders. Contrary to expectations, he did not reveal whether any of the several bidders for the Ch. 13 independent (Vol. 17:14 p9) had been successful—although David Susskind & Paramount Pictures, regarded as having an inside track in the bidding, proceeded last week with plans of their own (see next column).

Two NTA shareholders, Leonard Davis & Phillip L. Handsman, who are having a proxy fight with former NTA parent NT&T (Vol. 17:14 p9), extended their battle to the NTA meeting. Davis's attorney, Edward R. Aronow, stated that Davis (who holds 5,000 NTA shares) would demand that NTA secure the approval of two-thirds of its stockholders before selling WNTA-TV, which Davis considers a major asset of the firm. NTA management stated that no such permission would be sought.

### Feature "Glut" Drops Prices

As for the state of the feature markets, Unger reported that NTA had faced a "glut" of bulk-sold feature packages from competitors which had "disrupted the market" and forced prices down. In the telefilm area, things were no better; "expansion of network schedules & the continual flow of reruns have not only depressed the market but utilized the greater part of available time," said Unger. The trend to 60-min. shows on networks also hasn't helped syndication. NTA's best bet for the future in TV program distribution, according to Unger, was in "development of specialized programming aimed at a . . . limited segment," such as the firm's financially successful *The Play of the Week*.

Unger disclosed that NTA has renegotiated its 20th-Fox deal for distributing movies to TV. The new deal provides for a reduction in NTA's \$9,260,000 debt to 20th-Fox and for a return of distribution rights to 20th of 100 movies. Unger told us in Hollywood that this did not portend any cooling off of relations with 20th. "At the moment," he said, "we're taking a deep breath and they are, too. Our relations with 20th are excellent."

**Sinatra & Arnaz Feud Over "Untouchables":** Frank Sinatra, proud of his Italian ancestry, is the latest to criticize Desilu's *The Untouchables* for its use of Italians as heavies (Vol. 17:12 *et seq.*). The singer took the issue up personally with Desilu Pres. Desi Arnaz in Palm Springs, and the argument became so heated they nearly came to blows, according to associates. As a result, Sinatra is moving his Essex Productions from the Desilu Gower studios. Essex will film its movie "X-15" at the lot, but only because it must contractually, a Sinatra associate said.

**Paramount, Susskind in Alliance:** There's now an official partnership between Paramount Pictures and the David Susskind-Alfred Levy TV production firm, Talent Associates, confirming negotiations we reported in Vol. 17:14 p9.

Under the deal: (1) Paramount will acquire a 50% interest in TA. (2) The services of Susskind & Levy, exec. vp & pres. respectively of TA, will be devoted "exclusively" to TA. (3) Paramount TV production (film, tape, cartoons) will be integrated with TA production to avoid overlap. (4) TA will be featured in future plans for Telemeter pay-TV productions, and possibly in the area of Paramount features. (5) TA will also feature in the operation of WNTA-TV N.Y.—if Paramount & TA acquire it.

The financial position of TA is "sound," Paramount reported last week, with TA having "cash in excess of \$1 million and with no bank or funded debts outstanding." TA assets include all TV programs & films produced by the company since its inception in 1949. Gross TA income in 1960: "Approximately \$5.5 million." Details of the Paramount buy-in weren't disclosed; Paramount stated only that Susskind & Levy had "received cash & an unspecified number of shares of Paramount Pictures Corp. common stock." It's believed, however, that Paramount paid about \$300,000 in cash and in the area of 12,000 Paramount shares—valued at \$943,500 at the April 6 closing price of \$78.62½ a share on the NYSE. Announcement of the Paramount-TA liaison came jointly April 7 from Paramount Pres. Barney Balaban, and from the TA executives.

**612 New Hollywood Post-1948s:** There are (or soon will be) exactly 612 post-1948 Hollywood-produced movies in station syndication (new since last fall) from 5 major disistributors. This figure does not include: (1) Over 1,000 post-1948s now in TV circulation produced by Hollywood independents (such as "African Queen," "Moulin Rouge," "High Noon," and nearly 300 B-grade Westerns and action films) not affected by the talent-union TV freeze prior to 1960. (2) Nearly 900 post-1948s as recent as 1959-60 produced by British major studios & independents ("Pursuit of the Graf Spee," "Breaking the Sound Barrier," "Great Expectations," etc.). (3) Over 200 various independently-produced films from foreign sources or U.S. distributors handling foreign films (such as "Rififi," "Rodan," "La Strada," etc.). These figures, added to the 612, produce a grand total in excess of 3,000 movies available to stations.

Here's the made-in-Hollywood TV-feature roster at a glance:

**7 Arts:** Has 122 post-1948 Warner Bros. pictures, has released 40, plans to spring 40 more at the forthcoming NAB meeting. Seven Arts has also acquired 88 post-1948s from 20th Century-Fox.

**Screen Gems:** Is tapping an available-to-TV backlog of 275 post-1948 films made by (or with) Columbia Pictures.

**NTA:** Has a group of 61 post-1948 films from 20th Century-Fox now in distribution.

**MGM-TV:** Has played it close to the vest so far, but is planning to spring a post-1948 MGM package of 40 films at the NAB convention. Unlike Paramount, Warner Bros. and 20th Century-Fox, MGM has preferred to syndicate its backlog without the aid of an outside distributor.

**United Artists Associated:** A pioneer in the field, UA is also planning to unwrap a package of 26 post-1948 UA films at the NAB meeting.

## HOLLYWOOD ROUNDUP

**Odds Now Against Las Vegas Series:** Last week Warner Bros.' *Las Vegas File* was quietly dropped as a potential fall series by ABC-TV, and NBC-TV was not at all certain it would proceed with Goodson-Todman's *Las Vegas Beat*, for which it financed the pilot. Las Vegas businessmen had complained vociferously (Vol. 17:14 p9) that the projects contained too much violence, and would be bad for their city's reputation.

The Chamber of Commerce wired a protest to NBC-TV terming the *Beat* pilot "brutal" and said if the series became libelous, businessmen would take "appropriate legal action" to stop showings. G-T production vp Harris Katleman denied that the series would picture Las Vegas as a "sin city," as charged by Riviera Hotel Pres. Ben Goffstein. Emphasis was not on crime in the city of Las Vegas, he said. Then attorney Royal E. Blakeman warned the C. of C. against "interference" with G-T's property rights in business and contractual rights & relations.

At NBC-TV, Felix Jackson (West Coast program vp), unperturbed by the conflict, told us that *Las Vegas Beat* was one of 3 series being considered for the 8:30 p.m. Fri. slot next season, and added: "I don't think pressure will be the deciding factor. There is always the possibility we can call the show something else." On the WB-ABC-TV project, an ABC-TV executive commented, "How can you make a Las Vegas series without showing their hotels & casinos?" (Las Vegas hotel owners had said they would deny access to their facilities for any series.)

**Ziv-UA Steps Up Syndication:** Ziv-UA, which lost all 4 of its network series this season, has sold one for next season, but plans to emphasize syndication, with 7 series planned. Maurice (Babe) Unger, exec. vp in charge of production, told us that Ziv-UA-Mirisch Co.'s *Some Like It Hot* has been sold to NBC-TV for next season. Ziv-UA's stepped-up syndication production will comprise *King of Diamonds*, *Ripcord*, *The Case of the Dangerous Robin*, *Lockup*, *Sea Hunt*, *Crime at Sea* and an untitled documentary. The company has also, with CBS-TV, made a pilot, *Everglades*, for that network, but it is not yet decided whether that show will go network or into syndication. The Ziv network series which were axed were *Klondike*, *Acapulco*, and *The Aquanauts* (later retitled *Malibu Run*). And *Bat Masterson* is not on NBC-TV's fall schedule.

**Selmur Into TV Film:** ABC-TV has assigned its interests in 2 Quinn Martin-produced series, *The New Breed* and *Sky Fighters*, to its film-&-tape subsidiary, Selmur Productions. As a result QM Productions will turn out the 60-min. *Breed* for next season in association with Selmur. Selmur vp Leon Mirrell will service QM for business affairs. Production on *Breed* begins in early June, and Martin and Mirrell are now shopping for a studio. *Fighters*, a half-hour pilot, hasn't yet been set for '61-'62.

Potentials of video-tape production will be demonstrated before the Society of Technical Writers & Publishers at its annual convention in San Francisco this week (April 13-14). Robert Fierman, sales mgr. of KTTV Los Angeles commercial tape productions, will head a panel discussion. A 20-min. presentation showing uses of tape for TV-commercial production will be shown.

**Add Syndication Sales:** MCA-TV has sold its off-network, mystery-adventure series, *M-Squad*, to 12 more stations (upping markets to over 40), including: KGW-TV Portland, WOAI-TV San Antonio, WBNS-TV Columbus.

**ABC-TV Ejects "Hunters":** Just recovering from the criticism of its Italian heavies in *The Untouchables* (Vol. 17:12 *et seq.*), ABC-TV has removed 20th Century-Fox-TV's *The Hunters* from its fall schedule for fear that it might offend Negroes. Studio sources told us the Africa-located series might be "too controversial" because of the current political strife on that continent, although it has nothing to do with politics and is a straight action-adventure project. Said a studio spokesman sadly: "Actually, this series would have given work to a lot of Negro actors."

**MCA Gets "Hot" Cut:** MCA will receive \$500 per episode on the TV series, *Some Like It Hot*, being produced by the Mirisch Co. and Ziv-UA (Vol. 17:14 p8). MCA owns the rights to the title of the original Paramount movie made years ago, and acquired by MCA when it assumed the TV sale of the Paramount pre-1948 backlog. In fact, the Mirisch Co. had to pay MCA for the use of the title for its own movie of the same name, produced in 1959 with Marilyn Monroe, Jack Lemmon and Tony Curtis.

Revue Studios' *Nanette Fabray Show* will continue in production although it is being axed by Westinghouse. Studio sources tell us the sponsor had bought 26 films, but 13 more will be shot so that 39 can be offered for syndication . . . Television Enterprises Corp. plans 2 series, *Mahalia Jackson Sings*, and a 60-min. adventure show, *Sebastian*. Irving Townsend will produce the Jackson series and Ted Post will produce-direct *Sebastian*.

Screen Extras Guild's annual membership meeting will be held June 9. Ballots in the annual election have been mailed to members, and must be returned by April 30. Fourteen of the candidates for terms on the board were chosen by SEG's nominating committee, and 3 filed independent nominating petitions.

Warner Bros.' production vp William T. Orr will be host-narrator for the initial episode of the studio's *Solitaire* series . . . *Peter Gunn* in a 60-min. version is being negotiated for next season with the networks by Don Sharpe, partnered with Blake Edwards.

20th Century-Fox TV is preparing production on a new 60-min. adventure series, *Follow the Sun*, tentatively scheduled for ABC-TV next season at 7:30 p.m. Sun. Guy Stockwell has been tested for one of 2 leads, a pair of adventure-bent newspapermen.

Revue Studios is considering construction of a new office building, which would include a commissary.

**People:** Charles Russell, ex-20th Century-Fox TV producer, is named producer of MGM-TV's *Cain's Hundred* series which stars Mark Richman . . . David Bloom is appointed gen.-sales mgr. of Hollywood Television Service, Republic Corp. subsidiary . . . MGM-TV production vp Robert Weitman has returned from a 10-day trip to N.Y. to finalize the sale of *Cain's Hundred*, *Dr. Kildare* and *Father of the Bride* . . . Samuel A. Peeples has been named producer-story editor of Revue Studios' *Frontier Circus* . . . William F. Wallace elected president of International Video Tape; Richard M. Rosenbloom, named vp, and Don Patton added as co-ordinator of production sales . . . Howard Browne has joined 20th Century-Fox TV as exec. story consultant . . . Perry Lafferty, producer-director, has signed a new 3-year deal with CBS-TV.

## NEW YORK ROUNDUP

Trans-Lux has no plans to create a N.Y. film-buying service for small stations, contrary to our earlier report (Vol. 17:14 p11). Just what the planned new T-L operation will be, neither Pres. Richard Brandt nor sales vp Richard Carlton would say last week, other than that it would be "completely apart from [our] other activities." The new Trans-Lux div. will be headed by Robert Weisberg, until recently the mgr. of the buying dept. of TV Stations Inc., a N.Y. firm headed by Herb Jacobs which acts as a centralized film screening-&-purchasing office for 105 member-owner stations. Weisberg's background includes film production, consultation and TV syndication.

Sturm Studios Inc., until now a N.Y. firm specializing in higher-budget, animated & live-action commercials, is undergoing a reorganization-expansion program aimed at making it a strong contender in program production & syndication as well. Harold Hackett, for 19 years TV-radio vp of MCA and more recently chmn. of Official Films, has been named pres. of Sturm Studios. Raymond Junkin, another ex-Official Films executive and recently pres. of Program Sales Inc. was named exec. vice president. William Sturm, who founded the Sturm Studios some 12 years ago, will continue as its commercial creative head in a vp post. Among planned projects: (1) Development of cartoon series for network & syndication sale. (2) Purchase of outside film properties. (3) Establishment of "full syndication sales & service operations." (4) Development of live & film dramas.

Seven Arts has sold its post-1950 Warner Bros. feature-film library in 70 markets to date, with new sales including WDAF-TV Kansas City, WJBK-TV Detroit. It will announce its sales strategy for the 88 newly acquired post-'48 20th Century-Fox features (Vol. 17:14 p10) "after the May 7-10 NAB meeting." Seven Arts has also disclosed that its distribution fee on the 8 films is 40% of gross revenues. It will pay Twentieth 50% of the remaining profits, in addition to the original \$6.4 million paid for 10-year TV rights.

ITC proved again last week there was plenty of residual income in old film shows. *Fury*, on NBC-TV since October 1955 and in syndication as *Brave Stallion* since 1959, has netted \$6.8 million for ITC, vp William P. Andrews disclosed. *Susie*, reruns of Ann Sothorn's original TV series, currently in 183 U.S. markets & 37 foreign countries, has racked up almost \$4 million since 1956 when, as *Private Secretary*, it left the CBS-TV lineup.

Screen Gems-Hanna-Barbera cartoon character Fred Flintstone began a "public appearance" tour last week. Fred, a life-size, moving-talking statue made by the Silvestri Art Mfg. Co., appeared on 3 WBKB Chicago shows, then moved on to WITI-TV Milwaukee. More than 50 other ABC-TV affiliates have requested the Fred promotion for their stations, SG said.

Bill Ward, ITC production chief, will produce the 13 episode, 60-min. *Jo Stafford Show* at the recently-completed Elstree Studios in England. ITC hopes to sell the show as a series of specials to a U.S. network.

People: Kirk Torney, ex-managing dir. of CBS Ltd., has been named 7 Arts dir. of station representative sales. . . . Norman B. Katz, TV industries dir. & vp of international operations, left last week for a month's tour of South & Central America, to market RKO feature films.

## Educational Television

**IERT Convenes This Month:** The 31st Institute for Education by Radio-Television will be held April 26-29 at the Deshler-Hilton Hotel, Columbus, Ohio. Program highlights: April 26—Luncheon of the American Council of Better Broadcasts, addressed by TIO Dir. Louis Hausman; keynote dinner, addressed by 20th Century Fund Dir. August Heckscher. April 28—NAEB-IERT luncheon, addressed by RCA Pres. John L. Burns; reports on Hagerstown & airborne-ETV projects; Institute Awards dinner, announcement of TV & radio winners. Registration & program information are available from I. Keith Tyler, IERT, 154 N. Oval Drive, Columbus 10.

**U. of Texas Produces Science Films:** A series of 6 half-hour color films on U.S. archeological research, produced by the U. of Texas TV-radio dept. and supported by a \$90,700 grant from the National Science Foundation, will go into production this summer. It is scheduled to be completed in 1963 and will be available without charge to educational & commercial U.S. TV stations as NET has gained TV distribution rights in exchange for a \$5,653 grant to underwrite production costs. Secondary schools & colleges may rent or buy the films.

**TV Internship Program:** Northwestern U. has teamed with Chicago's WNBQ, WGN-TV and educational WTTW on a summer TV course that will feature internship of 30-40 hours weekly at the stations. Students will rotate through programming & production operations, meet regularly for discussions with stations' administrative personnel. For additional information on the internship program and other TV, radio and film courses & workshops in the summer session, write the Dept. of Radio, TV and Film, School of Speech, Northwestern U., Evanston, Ill.

**TV Driver Training:** N.Y. driver-education courses will be televised on WPIX N.Y. (the Regents Educational TV Project) beginning next September. The 30-hour course, presented twice daily at 12:30 & 2:30 p.m., will take the place of classroom instruction in 700 high schools in the state, and will be supplemented by 14 hours of actual driving instruction to be provided by the schools. The State Education Dept. and Dept. of Motor Vehicles are developing the program.

**Wilmington ETV Backed:** Del. Gov. Elbert N. Carvel has joined forces with educational WHYY-TV (Ch. 35) Philadelphia in its efforts to win FCC assignment of Wilmington Ch. 12 for ETV use in Del., Pa., and N.J. He's asking the state legislature to petition President Kennedy & Congress to intervene in the case, in which MetroMedia Inc. (formerly Metropolitan Bestg. Corp.) & Rollins are commercial applicants for Ch. 12 (Vol. 17:13 p6).

**ETV Convention Televised:** Fla. Education Assn.'s recent convention in Jacksonville was telecast live to a 5-county audience. The telecast was handled by educational WJCT Jacksonville, one of the state's 5 ETV stations. Some of the cameras and other gear required for the remote pickup of major convention sessions were furnished by Jacksonville's commercial TV stations.

**NAEB Directory Out:** A new roster of the National Assn. of Educational Bestrs., listing 168 active TV & radio member stations, 116 associate members and 650 individual members, has been published. Copies at \$2 each are available from NAEB hq, 119 Gregory Hall, Urbana, Ill.

## Stations

**Engineering Conference Lineup:** NAB's speaker list for broadcast engineering conference sessions (Vol. 17:14 p15) at the 39th annual convention May 7-10 in Washington: May 8, a.m.—Opening remarks, NAB Pres. LeRoy Collins & conference Chmn. Virgil Duncan (WRAL-TV Raleigh-Durham).

May 8, luncheon—Henry Loomis (VOA). May 8, p.m.—“The Technical System of the Voice of America,” George Jacobs (VOA). “Semi-Conductor High Voltage Power Supplies for Transmitters,” Robert Morris (ABC). “Problems Involved in Communicating Operational & Maintenance Information to & from the Technical Staff,” George Hixenbaugh (WMT-TV Cedar Rapids-Waterloo). “FCC Broadcast Station Renewal Inspections,” George S. Turner (FCC). “The Effect of Transistorization on Broadcast Studio Equipment Design,” John Wentworth (RCA).

May 9, a.m. (TV)—“Use of Color Field Redundancy for the Simplification of Color TV Transmission Systems,” William L. Hughes (Ia. State U.). “Progress Report on Automation at NBC,” Richard H. Edmondson (RCA). “An Economical 20-Milli-Microsecond Pulser, and a Transistorized Distribution Amplifier,” Ben Wolfe (WJZ-TV Baltimore). “Design & Installation of a Large Station Audio System,” A. C. Angus (GE) & D. E. Easterwood (WFAA-TV Dallas). “The Application of 8-mm Magnetic Sound Equipment in TV,” Kenneth LiDonnici (Fairchild). “Time Base Stability in Video Tape Recorders,” L. W. Weiland (Ampex). May 9, a.m. (radio)—“The Effect of SWR on Cross-Modulation of FM Multiplexed Signals,” A. H. Bott (RCA). “Power Dividers for Directional Systems,” P. S. Bush (Gates). “FM Antenna Problems,” John Caraway (Collins). “Interesting Aspects of Acoustical Design & Practical Improvements in Studio Characteristics,” Warren L. Braun (WSVA Harrisonburg, Va.). “Practical FM Broadcast Engineering Service,” Bernard Wise (Industrial Transmitters & Antennas).

May 9, luncheon—Maj. Gen. J. B. Medaris (Lionel). May 9, p.m.—Equipment exhibit inspections.

May 10, a.m.—Joint meeting with management & ownership delegates.

May 10, luncheon—Dr. Edward Teller (U. of Cal.). May 10, p.m.—“A Computer Control System for Program Switching,” Adrian B. Ettlinger (CBS). “How to Burn a Fireproof TV Station Bldg.,” Gene Ellerman (WWTW Cadillac, Mich.). “Vhf Translators,” Bernard Nadler (Adler). “Global Satellite Communications,” Jean Felker (AT&T). “Experience in Remote Control Operation of AM Plants,” Ogden L. Prestholdt (CBS).

————— ■ —————

**Sarnoff Asks “Satellite TV”:** The United Nations should start considering plans for programming a satellite TV channel to reach viewers globally with telecasts of Security Council & Assembly deliberations. So urged RCA Chmn. Brig. Gen. David Sarnoff before a U. of Detroit convocation April 5. Said the RCA chmn.: “Global TV as a channel for freedom will be shackled (as jammed radio broadcasts are) unless we begin to plan now some radically new approaches for its use.” Satellite-beamed telecasts of UN sessions, summit meetings and international conferences of world figures offer “a bright new promise for moving the world closer to civilized harmony,” he added. “In the tradition of dictatorships, the Soviet government's primary fear is the effect on its own people if the truth were permitted to reach them.”

**Payola Drive Ending:** FTC's anti-payola campaign, which got off with a bang in Dec. 1959, then subsided after 100-odd record manufacturers & distributors had been cited for illegal promotion payments to TV & radio disc jockeys (Vol. 15:49 p12 *et seq.*), is just about over. FTC hearing examiner Abner Lipscomb is expected to endorse recommendations by FTC attorneys that the Commission abandon further proceedings in the cases, in which more than 90 record firms have signed consent orders. The staff lawyers argued that FTC litigation is no longer needed to stop payola practices, since they are banned under criminal penalties by the FCC-administered Harris-Pastore Act enacted last September. If the full Commission approves—and FTC sources told us that it probably would—the agency's payola books will be regarded as closed and any further legal action will be up to FCC and the Justice Dept. No FCC payola cases have been started since the Communications Acts amendments went into effect.

**Radio Board Winners:** These broadcasters have been elected to NAB's Radio Board by mail balloting from a field of 27 nominees to fill 13 vacancies in 2-year terms starting May 10: District 1—Carleton D. Brown (WTVL Waterville, Me.). District 3—John S. Booth (WCHA Chambersburg, Pa.). District 5—James L. Howe (WIRA Fort Pierce, Fla.). District 7—Hugh O. Potter (WOMI Owensboro, Ky.). District 9—George T. Frechette (WFHR Wisconsin Rapids, Wis.). District 11—Odin S. Ramsland (KDAL Duluth). District 13—Boyd Kelley (KRRV Sherman, Tex.). District 15—B. Floyd Farr (KEEN San Jose). District 17—Ray Johnson (KMED Medford, Ore.). Large stations—John S. Hayes (WTOP Washington). Medium stations—Willard Schroeder (WOOD Grand Rapids). Small stations—Dan B. Sanders (KICD Spencer, Ia.). FM stations—Ben Strouse (WWDC Washington).

**International Communications Workshop:** The 16th annual International Communications Workshop for TV, radio, news and film media, sponsored by the National Council of the Churches of Christ in the U.S.A. and other religious organizations, will be held June 5-16 at the U. of Southern California. Registration applications & workshop information are available from John Groller, Registrar, International Communications Workshop, 1521 Wilshire Boulevard, Los Angeles 17.

**FM Survey Planned:** For the first time, NAB is polling 250 independently-operated FM stations to obtain data on revenue, expenses and profits as a part of its annual financial surveys. NAB gathers such information from AM stations which have FM operations, but they rarely calculate FM figures separately.

**FM Day programming May 7,** opening day of NAB's Washington convention, is being arranged by Everett L. Dillard (WASH Washington) & Fred Rabell (KITT San Diego). Dillard heads NAB's FM committee; Rabell is National Assn. of FM Bestrs. president.

**National Radio Month in May** will be promoted by the National Council of Catholic Youth in co-operation with NAB, which has supplied 5,500 bulletins for distribution to branches of the organization. NAB has distributed radio-month kits to 2,300 member stations, with singing jingles.

**French-language Quebec City TV application** will be filed by CBC. At present that city is getting service from (French) CFCM-TV (Ch. 4) and (English) CKMI-TV (Ch. 5) which have Famous Players Canadian Corp. as the principal stockholders.

**NEW & UPCOMING STATIONS:** CKCD-TV (Ch. 7) Harrison Brook, P.Q. began operation late in March after the license was received on March 17 from the Canadian Dept. of Transport. It's a piggy-back satellite, operating as an unattended automatic repeater of CKAM-TV (Ch. 12) Campbellton, N.B., which in turn is a satellite of CKCW-TV (Ch. 2) Moncton, N.B. It has RCA equipment and a 75-ft. Micro tower. It's included as a bonus, along with CKAM-TV, to CKCW-TV, which has a \$400 hourly rate. New starter raises the Canadian operating total to 88 outlets.

\* \* \*

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

**KCXO (Ch. 2) Portland, Ore.** has a fall target, according to grantee Fisher Bestg. Co., which also controls KOMO-TV Seattle, Wash. The station hasn't ordered equipment or begun construction, however.

**WPTT (Ch. 10) Augusta, Me.** hopes to begin tests by August and programming next fall as an educational non-commercial outlet, says Frank O. Stred, secy. of the Alumni Assn. of Bates College. The college acquired the CP last summer from Richard S. Robie. The CP will be transferred later this year to a corporation owned equally by Bates, Colby and Bowdoin colleges, and the station will operate as a satellite of WENH (Ch. 11, educational) Durham, N.H. which repeats programs of educational WGBH-TV (Ch. 2) Boston. It has ordered an RCA equipment package which includes a tower & a 25-kw transmitter.

**CHAT-TV-1 (Ch. 4) Pivot, Alta.** hasn't set a specific target day for a start as a satellite of parent CHAT-TV (Ch. 6) Medicine Hat, reports Sid Gaffney, CHAT-TV chief engineer. It had a building ready for the 2-kw Canadian GE transmitter, which was scheduled to arrive April 7. Work on a 500-ft. Wind-Turbine tower started March 24 and the antenna is scheduled for installation shortly. The station will be sold as a bonus to CHAT-TV which has a \$120 base hour.

**Sale of WNCT (Ch. 9) Greenville, N.C.:** A new company which has J. B. Fuqua as 80% owner and A. Hartwell Campbell, WNCT gen. mgr., as 20% stockholder, is acquiring WNCT and its 30% interest in WECT (Ch. 6) Wilmington, N.C. for \$2,445,000. The sale has been approved by the directors of Carolina Bestg. System Inc., licensee of WNCT, but requires confirmation by approximately 300 Carolina stockholders, as well as approval by FCC. Fuqua is 100% owner of WJBF (Ch. 6) Augusta, Ga.

**Collins Is AWRT Keynote:** NAB Pres. LeRoy Collins will address the opening session of the 10th anniversary convention of American Women in Radio & TV May 4-7 in the Statler-Hilton Hotel, Washington. Another feature of the meeting will be a dramatization by George Washington U. students of work by past AWRT presidents.

**AMST Meets:** Annual full-membership meeting of AMST will be conducted May 7 at the Shoreham Hotel, Washington, in conjunction with the NAB convention. Its technical committee meets in Washington April 13.

**WALA-TV (Ch. 10) Mobile, Ala.** has set an Aug. 1 target for its move to a new site near Nalbia, Ala. where it will have a 1,197-ft. tower.

**WTVY (Ch. 4) Dothan, Ala.** has become a primary CBS-TV affiliate after operating since 1955 as a CBS Extended Market Plan station.

**TvB Sets 18 Sales Clinics:** TvB's 4th annual series of clinics devoted to local selling by stations begins May 2 in Pittsburgh. "The growing interest in the use of TV by retailers is evidenced by the dramatic expansion of TV fashion shows and the use of the medium in many other new ways by stores," said TvB local sales vp Howard P. Abrahams. "This requires an evaluation of techniques and further development & improvement of retail TV advertising," he added. The clinics, to be held in 18 cities, will run through June 22, as follows: May 2, Pittsburgh, Penn Sheraton. May 4, Washington, Marriot Key Bridge. May 9, Buffalo, Statler-Hilton. May 11, Boston, Sheraton Plaza. May 16, Salt Lake City, Hotel Utah & Motor Lodge. May 18, Portland, Ore., Multnomah. May 23, San Francisco, Mark Hopkins. Cincinnati, Sheraton Gibson. May 25, Los Angeles, Sheraton West. St. Louis, Bel Air Motor Hotel. May 30, Jacksonville, Robert Meyer. June 1, Charlotte, Barringer. June 6, Minneapolis-St. Paul, Leamington. June 8, Chicago, Ambassador. June 13, Omaha, Sheraton Fontenelle. June 15, Oklahoma City, Skirvin. June 20, San Antonio, Granada. June 22, New Orleans, Royal Orleans.

**Broadcasters Briefed:** About 500 TV & radio newsmen from stations across the country massed in Washington April 3-4 for invitational off-the-record foreign-affairs briefings by President Kennedy, Secy. of State Dean Rusk and other top govt. officials. Meeting in the State Dept. Auditorium, they heard reports & analyses which, under the rules of the background sessions, couldn't be quoted directly or attributed by name to the officials. The State Dept. had first planned to put the briefings on the record for later broadcasts, but Rusk adopted the off-the-record format in the belief that the broadcasters would get more candid reports from the participating officials. Newspapermen will be given similar briefings April 24-25.

## Technology

**EIA Sets Up Microwave Service:** A weekly information service to furnish makers & users of microwave equipment with technical data essential to system design, installation and operation has been evolved by EIA in consultation with FCC. The service will be rendered on a subscription basis by Seabrooke Printing, 514 Tenth St., NW, Washington 4. EIA Microwave Section Chmn. Richard G. Jones, explaining the need for the service, noted that "a great amount of technical data is required to produce & install microwave systems which will operate efficiently without interference in a given geographical area." At the present time, "such information is not available from FCC in usable form and manufacturers must either contact users for it or rely upon their salesmen's knowledge of area operations." Seabrooke, a subsidiary of the radio engineering consulting firm of Silliman, Moffet and Rohrer, will use a standard form for compilation of all necessary technical data.

**ABC's New Signal Synchronizer:** ABC has developed a synchronizing system for TV signals which it expects will have "worldwide importance" with the growth of international TV. Engineering vp Frank Marx said the system uses ultra-precise measurement of time—one part in 10 billion—to produce quick transcontinental (and eventually international) switches without roll-over or picture instability. He explained that the synchronizing system will use the govt.'s universal time signal, which is transmitted around the world on very low frequencies and already is used by labs & space scientists throughout the world.

## Advertising

**SUCCESS STORY—CHAPTER 4:** At the retail level, TV is a working partner in the \$10.85-billion-annually home-appliance & house-furnishings industry. Examples of sales productiveness for this industry's retailers through use of their local stations are reported below in a continuation of our series on local TV successes (Vol. 16:48; 17:8 & 10).

**WCAX-TV Burlington, Vt.** A 500% home-appliance sales increase in only 3 years, using TV as "our major ad medium," was reported by the Vt. Electric Co-operative to this station. "We believe that the station . . . has been in large part responsible for our steady growth," said Roger Jones, mgr. of VEC's appliance div. He cited a 3-day TV schedule for a special sale which sold "60 major appliances, ranging from \$99 to \$429 . . . for a total of \$18,000."

**WTVN-TV Columbus, O.** A furniture store 35 miles from Columbus scored a 100% sales volume increase over a 2-year period. "TV advertising on our station was the exclusive ad medium," program dir. Joseph A. Jenkins told us. In addition to the sales jump, the store also widened "its actual trading area from one county to the entire coverage area of our station."

**KTTV Los Angeles, Cal.** Using this station almost exclusively from 1952-'56, the Al Terrence Carpet Co., a single-store advertiser, ran its "annual sales in that period from \$200,000 to almost \$2.5 million," reported station-promotion vp Jack O'Mara.

**KDAL-TV Duluth-Superior, Minn.** A local household-furnishings store, long a heavy newspaper advertiser, decided to try TV, reported promotion mgr. Don Le Masurier. "They began with spots. They have since added *Late Movies*, *Shock Theater* and a Class-AA 30-min. program. Sales results have been direct & outstanding, and the store has dropped all newspaper advertising. The entire budget is now on KDAL-TV."

**KTUL-TV Tulsa, Okla.** "Three years ago the Longs Carpet Co. began advertising on our station with a 10-sec. ID," said vp William D. Swanson. "Using us exclusively ever since, the store has greatly expanded and is now one of our largest local advertisers."

**KOB-TV Albuquerque, N.M.** American Furniture Co. recently entered its 3rd year with this station, using the successful format of 20 announcements per week to feature 2 items of merchandise. "The store automatically stocks up on the week's featured merchandise—and consistently sells out," KOB-TV promotion & PR dir. Paul Bain told us.

### U.S. Station Rate Increases

Stations	Base Hour	Minute	Date
WFAA-TV Dallas	\$1300 to \$1400	\$325 to \$350	April 1
WGR-TV Buffalo	1400 (no change)	300 to 320	1
WSIX-TV Nashville	825 to 1000	185 to 220	April 1
WNEM Bay City, Mich.	800 to 900	160 to 176 <sup>2</sup>	April 1
KONO-TV San Antonio	700 (no change)	190 to 200	1
WKBT LaCrosse, Wis.	400 to 450	80 to 100	April 1
WLBZ-TV Bangor, Me.	375 to 425	75 to 85	April 1
WAPA-TV San Juan, P.R.	325 to 405	90 to 112	1
KROC-TV Rochester, Minn.	300 to 400	60 to 90	1
KKTV Colorado Springs	250 to 300	65 (no change)	1
WJPB-TV Weston, W.Va.	225 to 250	40 to 45	March 31

<sup>1</sup>Not reported. <sup>2</sup>20 Sec.

### Canadian Rate Increases

CFCN-TV Calgary, Alta.	300 to 375	80 to 95	April 1
CHEK-TV Victoria, B.C.	230 to 300	50 to 75	Jan. 1

**Dr. Kildare's Lucrative Practice:** If a movie could grow into a theatrical "series" for MGM 2 decades ago because of strong box office reaction, the same property updated might well turn the same trick in TV. This is, essentially, the theory on which several major TV advertisers are placing fall bets. Last week, 3 more signed aboard as-yet-untested *Dr. Kildare*, a 60-min. package co-produced by MGM-TV and NBC-TV. The deals jumped the show into the network's list of sold-out shows for the 1961-'62 season. The sponsors: Singer Sewing Machine Co. (via Y&R), Warner-Lambert Pharmaceutical Co. (via Lambert & Feasley), and Colgate-Palmolive (via Ted Bates). Previously, Glenbrook Labs. div. of Sterling Drug Co. and Liggett & Myers Tobacco Co. had purchased what totaled about 50% of the show's availabilities.

**SEC Plans Ad Curbs:** "Testimonials of any kind" in advertising promotion by investment advisors would be prohibited under a new rule proposed by SEC, which set a May 15 deadline for comments. Acting under a 1960 amendment to the Investment Advisers Act, SEC said the proposed regulation is designed to prevent advertising which is "fraudulent, deceptive or manipulative." In addition to banning testimonials, it would forbid misuse of market graphs and offers of "free" analyses which aren't free. An SEC spokesman said the rule would be aimed particularly at investment ads in newspapers, magazines and circulars put out by market advisors.

**FTC's Dixon in Debut:** New FTC Chmn. Paul Rand Dixon will make his first public appearance before an industry group next week. He is listed as the April 17 luncheon speaker at the April 16-19 spring meeting of the Assn. of National Advertisers in the Sheraton Park Hotel, Washington. Other govt. officials participating in the sessions will include Treasury Secy. Douglas Dillon, who will be a closing-day panelist on U.S. economic problems, and Asst. Commerce Secy. Hickman Price Jr., who will address an April 18 session on administration policies.

**Newspapers Woo Admen:** Newspapers are aggressively pitching for ad dollars, reported *Printers' Ink* April 7, pointing to a trio of 1960 developments: (1) A series of "successful presentations" to agencies & admen by newspapers in conjunction with the Bureau of Advertising and the American Newspaper Publishers Assn. (2) A growing system of newspaper ad discounts. (3) An increase in services such as improved color facilities & new research studies. "But many agencies remain wary," said *PI*.

**Timebuyers Due SRA Honors:** "Timebuyers of the Year" luncheons will be held simultaneously in N.Y. and Chicago May 3, to honor "the men responsible for placing millions of dollars of TV-radio time." Ballots have been mailed to 1,500 SRA members, who will select the 2 Silver Nail award recipients. A Gold Key award will also be presented to a former timebuyer currently active on another level of the industry.

**Ad People:** Hal Rover named Sullivan, Stauffer, Colwell & Bayles vp . . . William E. Conner elected a BBDO vp . . . Sherman J. (Jack) McQueen, TV-radio program & talent negotiation dir., Foote, Cone & Belding's Los Angeles and San Francisco offices, named a vp . . . Carl Spielvogel, former *N. Y. Times* ad columnist, named personnel dir., N.Y. offices of Interpublic Inc., including McCann-Erickson, McCann-Marschalk and Communications Affiliates. He continues as Interpublic PR dir. and a McC-E vp . . . Norman H. McMillan and Jerry N. Jordan elected N. W. Ayer vice presidents.

## Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.  
WALTER H. ANNNENBERG, *President*

PUBLICATION OFFICE Radnor, Pa., MUrray 8-3940, TWX: Radnor 1028

JAMES T. QUIRK, *Business Manager*  
MERRILL PANITT, *Editorial Director*  
HAROLD B. CLEMENKO, *Managing Editor*  
DAVID LACHENBRUCH, *Asst. Mng. Editor*  
JAMES B. DELEHANTY, *Asst. Business Mgr.*  
HAROLD RUSTEN, *Associate Editor*  
PAUL STONE

WASHINGTON BUREAU  
Wyott Building  
Washington 5, D.C.  
Sterling 3-1755  
ALBERT WARREN, *Chief*  
WILBUR H. BALDINGER  
WM. J. McMAHON Jr.

NEW YORK BUREAU  
625 Madison Ave.,  
New York 22, N.Y.  
Plaza 2-0195

CHARLES SINCLAIR, *Chief*  
WEST COAST BUREAU  
6362 Hollywood Blvd.  
Hollywood 28, Cal.  
Hollywood 5-5210  
DAVID KAUFMAN

MARTIN CODEL  
*Associate Publisher*

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually.  
For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY  
Published March & Sept. Published Saturdays Published in January

Copyright 1961, by Triangle Publications, Inc.

**Personals:** Alex Tovar promoted from controller to business mgr. & exec. controller, KTLA Los Angeles.

John M. Otter named special-program sales dir., NBC-TV, succeeding Edwin S. Friendly Jr., recently named program-administration vp . . . H. Needham Smith, ex-WTRF-TV Wheeling, W. Va., named local sales mgr., WKRC-TV Cincinnati. George Diab promoted from news & sports dir. to operations mgr., WTRF-TV. Cyril J. Ackermann promoted from regional sales mgr. to national sales mgr., succeeded by C. Kirk Jackson.

Robert A. Davis named acting station mgr., KPLR-TV St. Louis . . . Ted W. Cooke promoted from program mgr. to TV operations dir., KOIN-TV Portland, Ore., succeeded as program mgr. by Luke L. Roberts, formerly production & public-affairs dir. . . . Duff Browne, ex-WYES-TV New Orleans, joins NET. For the next 6 months he'll be a NET consultant on national ETV in Washington.

Grant Price promoted to news dir. of WMT-TV & WMT Cedar Rapids-Waterloo, Ia., succeeding the late Charles Worcester, who was killed March 21 in an automobile accident . . . William M. Alexander promoted to commercial mgr. of WFMY-TV Greensboro, N.C. . . . Norman F. Cissna promoted from local sales mgr., WNBQ Chicago, to asst. gen. sales mgr., succeeded by Jack Hauser.

Harold C. Lang, ex-CBS, named finance dir., Midland Capital Corp. . . . Dr. David S. Ruhe, U. of Kan. Medical Center audio-visual dir., will represent Council on Medical TV at May 15-27 International Festival of TV Arts & Sciences in Montreux, Switzerland . . . LeRoy Collins receives Amvets award for achievements accomplished when NAB pres. was Fla. gov.

Joseph W. Fitzpatrick promoted from internal audit & systems dept. dir., AB-PT, to asst. to the comptroller, succeeded by John J. Brennan . . . Les Lindvig appointed sales mgr., KOOL-TV Phoenix, Ariz. . . . Nick Zapple, communications counsel of Senate Commerce Committee, is father of 3rd son, 6th child, born April 7.

Thomas F. O'Neil named chmn., General Tire & Rubber Co., succeeding his late father, William F. O'Neil. L. A. McQueen, exec. vp, named also honorary chmn. & exec. committee chmn. Frank W. Knowlton, secy. & gen. counsel elected a vp . . . Harold Cowgill, retiring chief of FCC's Broadcast Bureau, given sendoff at April 7 luncheon attended by Chmn. Minow and several other commissioners.

**Cowan Heads Brandeis Project:** A Communications Research Center for study & analysis of communication's function in modern society has been established by Brandeis U., Waltham, Mass. Louis G. Cowan, formerly president of CBS-TV, will head the long-range project as director. Henry Morgenthau III, educational WGBH-TV Boston TV-projects mgr., has been named associate director. Cowan said the Center will work with academic centers, agencies and foundations here & abroad to analyze specific areas of communication affecting contemporary life—from politics & international relations to education & group attitudes.

**Peace Corps Advisors:** A 32-member Peace Corps advisory council appointed by President Kennedy includes NAB Pres. LeRoy Collins, Mrs. Robert E. Kintner (wife of NBC's pres.), Pres. Oveta Culp Hobby of the *Houston Post* (KPRC-TV), Pres. Murray D. Lincoln of Nationwide Insurance Co. (whose People's Bestg. Co. operates KVTU Sioux City & 5 radios), IBM Pres. Thomas J. Watson Jr. Supreme Court Justice William O. Douglas & Vice President Johnson are council chairmen.

**NAB Promotes Bartlett:** Acting mgr. of NAB's engineering dept. after mgr. A. Prose Walker leaves May 16 to join Collins Radio (Vol. 17:8 p15) will be George W. Bartlett, who has been Walker's asst. since Sept. 1955. The promotion was announced by NAB industry affairs vp Howard H. Bell. Before joining the NAB staff, Bartlett was chief engineer of radio WDNC Durham for 9 years and served as consultant to several TV stations & applicants.

**Cottone & Scheiner,** Washington TV-radio law firm, is dissolving. Benedict Cottone continues with the same offices, Arthur Scheiner becomes a member of the firm of Lyon, Wilner & Bergson. Cottone is former FCC general counsel; Scheiner former chief of the Commission's Rules & Standards Div.

**Russell P. May and John H. Battison,** Washington consulting engineers, join to form May & Battison, located at May's expanded offices, 711 14th St. NW (Republic 7-3984).

### Obituary

**Marian Jordan,** 62, distaff member of radio's *Fibber McGee & Molly* team for more than 20 years, died of cancer April 7 in Encino, California. She is survived by her husband Jim, who played Fibber. A TV adaptation of the radio series had a short run on NBC-TV in 1959, but the principal characters were not portrayed by the Jordans. The team began in radio on WIBO Chicago in 1927, starred in a soaper, *Smackout*, 1931-'35, and in 1935 began the highly successful McGee show on NBC. They quit in 1958. Also surviving are a son, TV director Jim Jordan Jr., and a daughter, Kathryn, wife of Dr. Victor Newcomer. Internment is to be in Holy Cross Cemetery, Inglewood, Cal.

**Clarence Worden,** 64, public-affairs dir. & asst. to the gen. mgr., WCBS-TV N.Y., died April 4 of a heart attack in Le Roy Hospital, N.Y. Worden entered broadcasting in 1938 as publicity dir. for Major Bowes, joined radio WCBS in 1947 as public-affairs dir., moved to WCBS-TV in 1950. He was known as a pioneer in public-affairs programming, was responsible for WCBS-TV's documentary *Camera 3*. Surviving are his wife and a son.

**Troy R. McDaniel,** 57, gen. mgr. of KGBT-TV & KGBT Harlingen, Tex. and 10% owner & secy.-treas. of operator Harbenito Bestg. Co., died April 1 in Nix Hospital, San Antonio, following a heart attack. Surviving are his wife, a son and a daughter.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**BEST HOPE FOR UHF—TRANSISTOR TUNERS:** If uhf is here to stay, the best possibility for improving uhf sets lies in the use of new transistor types in tuners—but this development is still several years away, and no major changes are due in uhf tuners for the next few years.

These are the general conclusions of a special study of "receiving techniques suitable for uhf-TV reception" conducted by Airborne Instruments Lab div. of Cutler-Hammer Inc. on a \$9,000 grant from FCC to evaluate tuner-design prospects in connection with the Commission's upcoming N.Y. uhf experiments. The study covered present & futuristic uhf tuning devices, including crystal mixer, tunnel diode, parametric amplifier, parametric beam tube, vacuum tube amplifier and transistor.

One of biggest stumbling-blocks to uhf set improvements is lack of incentive. Fewer than 8% of TV sets now being produced contain all-channel tuners (Vol. 17:8 p16), and because of this low demand, most manufacturers are conducting very little research on uhf improvements.

Biggest challenge in improving uhf tuners lies in reducing noise level. Crystal mixer systems, used in most commercial uhf tuners today, have noise level varying across the tuning band from 10.5 db to 12 db, AIL's study notes. The best military crystal mixer units with associated IF components have a noise level of about 8 db. With better quality components, therefore, AIL concludes that "significant improvement" can be obtained in crystal mixer technique. AIL makes these evaluations of other proposed uhf reception devices:

Tunnel diode mixer: Dynamic range & noise-figure properties of present tunnel diode mixers "are inferior to those of an optimum conventional crystal mixer." Developmental problems make it unlikely "that such devices will become useful within the near future."

Junction-diode parametric amplifier: Although it can provide "excellent noise performance," present commercially available unit can cover only 10% of the uhf band, and because of extremely high costs, the "economic factor is likely to prohibit the use of such devices long after the necessary technical requirements have been met."

Parametric beam tube: Uhf bandwidths are impractical at present time. "Not considered suitable for uhf-TV use, and it is not believed likely that limitations will be overcome in the near future."

Tunnel diode amplifier: Power gain decreases & noise level increases with increasing frequency; stability & reliability for TV are in doubt. Holds little hope for the near future.

Vacuum-tube amplifier: Grounded-grid triode, such as the 6280, is best suited as RF uhf amplifier, and could result in an over-all noise figure as low as 7.5-to-10 db across the uhf band—but "the use of the 6280 does not appear justified in view of its present (and possible future) high cost and forced-air cooling requirement, especially since its performance is similar to that of an improved crystal mixer."

Transistor amplifier: New coaxially encapsulated common-emitter transistor (M2107) developed at Bell Labs shows promise of providing nearly constant gain with somewhat more than 5.5 db of noise across the uhf band. Similar Philco transistor (L-5431) is believed to have only about 4 db noise over most of the uhf-TV band. "It appears that transistors will provide good noise performance in the uhf-TV band consistent with adequate bandwidth & stable operation. When such devices become commercially available, they will probably be used in uhf-TV receivers. Since the fabrication of these transistors is suitable for production-line techniques, this seems a reasonable assumption."

Survey of 6 manufacturers—3 makers of uhf-TV sets & 3 tuner makers (all unidentified)—by AIL seems at least partially to back up the report's assumption. Asked to list the "most promising device" for 1962 and for 1965 & after, the 3 set makers and 2 of the 3 tuner makers saw only the present crystal mixer in 1962



(the other tuner maker selected electron tube). For 1965 & later, one set maker selected transistor, the 2nd chose transistor or tunnel diode and the 3rd picked parametric amplifier. The 3 tuner makers replied that what is used in 1965 depends strongly on what is available at competitive prices.

For the forthcoming N.Y. uhf tests, the AIL report recommended use of an improved, or optimum, crystal mixer (presumably of military standards), as offering performance which eventually can be achieved in commercial TV sets. However, if "lowest practical receiver noise figure is desired," AIL suggested use of the sum-frequency parametric amplifier, but cautioned that because of its complexity and the need for high quality components, it may "never find a place in commercial TV sets."

AIL's govt.-sponsored research reinforces the conclusion, reported in these pages since 1953, that there is no inherent technical reason why uhf receivers must continue to be less sensitive than vhf sets.

**TV-RADIO PRODUCTION:** EIA statistics for week ended March 31 (13th week of 1961):

	March 25-31	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV .....	98,225	98,865	121,039	1,312,773	1,579,447
Total radio .....	267,770	290,853	300,559	3,596,100	4,465,706
auto radio .....	70,581	75,964	103,680	1,081,733	1,863,094

**TV-RADIO OUTPUT & SALES:** Retail sales & production of TV sets picked up briskly in February after a woeful January (Vol. 17:12 p16). But they still lagged markedly behind the last year's totals. EIA reported last week that the TV industry produced 59,000 fewer TVs in February compared with Feb. 1960. And sales dropped off the year-ago pace by approximately 55,400 sets. Total TV sales for 1961's first 2 months added up to 852,073 units, trailing the 1,098,540 TVs retailed in Jan.-Feb. 1960.

Radio played a happier tune. Sales & production were up in February from January. February sales were also ahead of Feb.-1960's pace—by nearly 55,000 sets, but production was cut back by more than 327,000 units from a year ago. Year-to-date sales: 1,246,908 vs. 1,414,867 in Jan.-Feb. 1960.

Here are EIA's official TV-radio production & retail sales statistics for 1961's first 2 months, with 1960 comparisons:

**TELEVISION**

Month	Total Production		Uhf Production		Retail Sales	
	1961	1960	1961	1960	1961	1960
January .....	367,935	526,494	25,270	50,119	399,791	590,867
February .....	444,418	503,453	24,514	43,537	452,282	507,673
<b>TOTAL</b> .....	<b>812,353</b>	<b>1,029,947</b>	<b>49,784</b>	<b>93,656</b>	<b>852,073</b>	<b>1,098,540</b>

**RADIO**

Month	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1961	1960	1961	1960	1961	1960
January ....	1,090,073	1,355,788	387,136	632,461	580,680	803,388
February ....	1,115,029	1,442,368	307,973	596,872	666,228	611,479
<b>TOTAL..</b>	<b>2,205,102</b>	<b>2,798,156</b>	<b>695,109</b>	<b>1,229,333</b>	<b>1,246,908</b>	<b>1,414,867</b>

FM radio production (1960 figures in parentheses): Jan. 50,421 (33,816), Feb. 41,357 (56,515). Two-month total: 91,778 (90,331).

**Ampex Wins Class II Oscar Award:** Ampex Professional Products Co. has been voted a Class II award by the Academy of Motion Picture Arts & Sciences board of governors. It will receive a plaque at the annual Oscar awards April 17. Ampex won "for the production of a well-engineered multi-purpose sound system, combining high standards of quality with convenience of control, dependable operation and simplified emergency provisions," said the Academy. This system provides facilities for reproducing optical & stereophonic magnetic sound tracks from either 35-mm or 70-mm film.

**Eldridge Johnson Left \$34 Million:** There are still some oldtimers in Camden, N.J. who ruefully recall being offered stock by the late Eldridge R. Johnson for a smidgin of cash to meet the weekly payroll of his Victor Talking Machine Company. Johnson died in 1945, at 78—19 years after he sold his company to RCA for \$40 million. Last week, the first & final accounting of his estate was approved. It revealed these points of interest:

His estate was valued at \$34,147,172. A 1945 inventory listed \$1,112,862 in cash, stocks with a cash value of \$25,132,714, bonds worth \$6,639,481. Included in the inventory: A volume of *Alice in Wonderland* valued at \$14,988 & a Rembrandt painting worth \$7,500.

Johnson's will, probated Nov. 27, 1945, established 5 trusts for his heirs, including his widow, Mrs. Elsie Reeves Fenimore Johnson, who died 3 months ago (Vol. 17:2 p18). Mrs. Johnson, their son Eldridge R. Johnson and 3 grandchildren were named in one trust of \$3,686,668. Inheritance taxes totaled \$15 million.

**Motorola's New Radio Line:** Eight transistor radios ranging in list price from \$19.95 to \$49.95 have been added by Motorola. Included: "The smallest, lightest American-made transistor radio ever assembled"—a 6-transistor, 2-in. speaker, 7 oz. model ticketed at \$19.95. The new line embraces 3 miniature receivers, 3 larger pocket sets, and 2 personal portables. Consumer-products vp S. R. Herkes noted that Motorola's sales of transistor radios last year jumped 10% over 1959's record volume.

**Merger & Acquisitions:** Loral Electronics and Liquidometer have discontinued their merger exploration (Vol. 17:15 p21) after 5 months of discussion • Telex, Minneapolis maker of electronic components & equipment, has purchased for undisclosed cash & stock Elco Electronics, a Michigan manufacturer of portable & console phonographs. Elco sales in its last fiscal year approximated \$2.5 million, are expected to rise to \$4 million this year.

**Fairchild Expands Overseas Marketing:** Fairchild Camera & Instrument's Du Mont International Div. has been renamed Fairchild International Div. and assigned responsibility for the world marketing of numerous product lines of the parent company & subsidiaries. Division hq will continue at 515 Madison Ave., N.Y., under gen. mgr. Ernest A. Marx.

**Stockholders Back Westinghouse Leaders:** A proposal to oust Westinghouse's top management for its role in the recent antitrust conspiracy (Vol. 17:7 p18) was soundly defeated by stockholders at the annual meeting last week. The resolution to fire Chmn. Gwilym A. Price, Pres. Mark W. Cresap and exec. vp John K. Hodnette was introduced by stockholder C. A. Olsen, onetime president of a Westinghouse subsidiary. Olsen charged that if the 3 executives really didn't know about the conspiracy, "they have demonstrated their incompetence."

Cresap later indicated that Westinghouse expects to avert some potential civil damage suits growing out of the antitrust convictions by offering "voluntary restitution" to customers presenting valid claims for damages. "If the facts in any case convince us that a customer actually is entitled to some adjustment, we will voluntarily offer restitution," he said, adding later: "I expect that there will be quite a few such settlements because of the desire among customers to avoid costly litigation."

On a financial note, Cresap told stockholders that Westinghouse "hopes" 1961 sales "will be at the same level" as 1960's \$1.956 billion, and "possibly slightly higher." He anticipates that "the tighter squeeze on earnings . . . will continue and may intensify in the early quarters of 1961" because of the "low state of the market & little let-up in the cost-price squeeze." The outlook, however, is for an upturn in the 2nd half of 1961.

\* \* \*

**Court Extends Antitrust Deadline:** Five electrical-equipment manufacturers were given an extension to June 15 last week to answer a \$12-million civil damage suit filed jointly by the govt. & the Tennessee Valley Authority (Vol. 17:12 p18). The 5 companies are charged with overcharging on prices of circuit breakers, in connection with the antitrust electrical conspiracy. The extension was granted in Philadelphia by U.S. District Judge J. Cullen Ganey to Westinghouse, GE, Allis-Chalmers, I-T-E Circuit Breaker and Federal Pacific Electric.

\* \* \*

**Westinghouse Praised, GE Hit:** Attorney General Robert F. Kennedy said last week that he was "impressed with the general attitude" of Westinghouse Pres. Mark W. Cresap in declaring that the company must take responsibility for the price-fixing scandals. This "responsible" attitude, Kennedy pointed out, is "far different" from GE Pres. Ralph J. Cordiner's that "the company didn't know anything about it" and that lower-echelon officials were entirely responsible. Kennedy said that price-fixing would get "priority" attention from the Justice Dept.'s antitrust div., with investigations reaching into "every section of the country."

\* \* \*

**GE Retains Clark Clifford:** Onetime White House aide Clark Clifford, who heads the Washington law firm of Clifford & Miller, has been retained by GE to deal with legal problems arising from its involvement in the electrical antitrust scandal. Clifford said his job is to "counsel & advise top company officials regarding the legal problems that will confront the company for some time to come." Attorney General Robert F. Kennedy, queried on the Clifford appointment, said he saw no reason why the Eisenhower-administration adviser shouldn't work for GE. "There's no question in my mind," he said, "that if Mr. Clifford felt he was being hired to peddle influence he would not have accepted the job. I will welcome him here as a friend, but will treat him like any other lawyer."

**PHILCO DROPS INTO RED:** Things have gone from bad to worse for Philco since its "disappointing & difficult" 1960 (Vol. 17:10 p22). Stockholders at the annual meeting last week received another less-than-cheery message from Pres. James M. Skinner Jr.: Philco was in the red for 1961's first quarter. He declined to estimate results for the period, attributed the decline from 1960's first-quarter profit of \$1.6 million to the recession & the severe winter weather.

Skinner said it was too early to forecast 1961 performance, but noted: "We believe the economy is near the bottom of its decline and the 2nd quarter should see gradual increases in our consumer business. We are endeavoring to improve our profit margins to a point where earnings will be at a more acceptable level by the end of 1961."

One stockholder, with particular reference to TV & radio, asked why Philco had "lost its ability to merchandise in competition with some of its more prominent adversaries." Skinner conceded that Philco had sagged in TV sales last year but "not as badly as the question indicates." He told the stockholders: "Perhaps we have not done as good a job as we should have, but we're trying hard and won't concede that we have taken a nosedive." He said that Philco increased its position in radio steadily for the past 4-5 years. Asked about computer business, he estimated that it would be 1963 or 1964 before the computer div. "breaks into the black."

— ■ —

**Saga of Philco's Predicta:** Philco's Predicta TV sets, which debuted in 1958 (Vol. 14:23 p10) and were buried the following year, were cited April 5 by a *Wall Street Journal* article on fanfared products that have fizzled.

"If distinctive appearance guaranteed brisk sales, the Predictas seemed destined for success," noted the publication. "They were unusually slim, utilizing a picture tube considerably shallower than any previous type. Some models featured a screen unit—little more than a picture tube with a metal base—that was separate from the rest of the set." [One of our 1958 comments: "It defies description, must be seen."] "Editors were inclined to agree that Philco's innovations were indeed bold & striking and they said so in a rash of copy acclaiming the Predicta line.

"But the public apparently was unimpressed. Though an initial burst of dealer enthusiasm led Philco to double production at the start of 1959," the account continued, "orders began to dwindle by the middle of that year. They kept falling, and last year—long before such a basically revamped product line could normally be expected to expire—Philco stopped shipping Predicta models to dealers. The Predicta line, for which Philco had exceeded development & retooling budgets by 25% and on which profits had been negligible, was clearly a flop."

Why did Predicta fail? Philco product development vp Armin E. Allen recalls that "for the first time, we had designed TV sets as instruments, distinct from furniture." The *Journal* also quoted the merchandising manager of a retail chain that went heavy on Predictas: "The price was too high and the design was too extreme. People said the sets were nice to look at, but they wouldn't want to have them in their own homes."

Why didn't Philco pre-test Predicta styling, get a sampling of consumer interest & buying plans? Explained Allen: "The one true test of a product is to price it, put it on the market place and then—and only then—will you get an idea of what the public is buying."

**Trade Personals:** Ely Francis named planning dir., RCA's international div. . . . Jack O'Brien, RCA Distributing Corp.'s merchandising vp, named also to head the company's Chicago branch on an interim basis succeeding J. A. Curl, who has been reassigned to the Distributing Corp. hq.

William H. Moore, from Defense Dept., joins EIA staff as military products div. vp . . . Arthur J. Seiler named vp, Reeves Soundcraft. He is pres. of Alloy Surfaces Co., which was recently acquired by Soundcraft . . . Alfred J. Pote named an Itek vp . . . David D. Mason, formerly pres., Link Aviation div. of GPE, elected exec. vp of subsidiary National Rejectors.

Frederick R. Lack named to new post of senior vp for research, Sprague Electric, in a division of the company's research & engineering operations. Dr. Wilbur A. Lazier named senior vp for engineering . . . George Konkol named gen. mgr., Sylvania microwave-device operations. Eugene E. Broker appointed gen. mfg. mgr., Sylvania parts div. and Dr. Donald B. Brick is named mgr., Sylvania's new information-processing group at the applied research lab.

Gordon S. Jones, ex-DuMont Labs, named mfg. engineering supervisor, Adler Electronics operations div. . . . George T. Scharffenberger named exec. vp, Litton Systems, continuing as Westrex div. president.

Martin W. Lyon, ex-National Semiconductor Corp., named Midwest region semiconductors sales engineer, CBS Electronics . . . Thomas P. Leddy, ex-vp, ITT's Kellogg div., named exec. vp, Elgin National Watch Co.

### Obituary

Walter E. Ogilvie Jr., 68, treas. of ITT subsidiary Federal Radio, died April 6 in Hackensack Hospital. He is survived by his wife, 2 sons and a daughter.

**Japanese Products Identified:** Dialand Electric Sales Corp., Rochester, N.Y. firm which also operates Diamond Electric Co. & Elkee Corp., has agreed to an FTC order forbidding it to misrepresent Japanese origin & manufacture of products the firms sell. In a complaint issued in Nov. 1960, FTC charged that Diamond Electric advertising falsely implied that Japanese imports were U.S.-manufactured. In another FCC case involving Japanese imports, hearing examiner Edward Creel recommended that Oxwall Tool Co., N.Y., be ordered to stop selling foreign-made wrenches, pliers, etc., without clearly identifying their source.

**Patent Misuse Charged:** Defense contractors are getting "unearned bonuses" from the Pentagon through private use of marketable inventions developed through research financed by govt. money, the Senate Judiciary Patents Subcommittee charged in a report. Headed by Sen. McClellan (D-Ark.), the Subcommittee said the military services are spending billions "irresponsibly" by failure to provide for public use of patents resulting from contracts. The report cited 3,700 patents obtained by 75 big research contractors in 1949-59. Release of the report was criticized by Sens. Wiley (R-Wis.) & Hruska (R-Neb.), who said the Pentagon & companies should have been called first to offer any rebuttal to the charges.

**Reports & Comments Available:** P. R. Mallory, review, A. M. Kidder & Co., One Wall St., N.Y. 5 • AT&T, analysis, David J. Greene & Co., 72 Wall St., N.Y. 5 • Siegler and Decca Records, discussions, Oppenheimer, Neu & Co., 120 Broadway, N.Y. 5 • Erie Resistor, review, Freehling, Meyerhoff & Co., 120 S. La Salle St., Chicago 3 • Columbia Pictures, memo, Hayden, Stone & Co., 25 Broad St., N.Y. 4.

## Finance

**MALLORY IS OPTIMISTIC:** Although its business may be off somewhat in this year's first & 2nd quarters, big components-materials-&-battery manufacturer P. R. Mallory & Co. expects a good year and sees this year's 2nd half as "promising from every corner." Mallory's 1960 net profit of \$4,367,403 (\$2.84 a share) set a record for the company, although its sales of \$83,586,283 were below 1959's mark (Vol. 17:6 p20).

Mktg. vp Harold C. Buell told us that Mallory's electrolytic capacitor, resistor and volume-control business for this year's first 2 months have been very little lower than last year, and battery business is about the same as last year. Mallory is in an unusual position for a parts maker—it has felt Japanese competition very little, according to Buell. The parts in which it specializes aren't in the areas where the Japanese have made the greatest inroads. Even in the battery business, there's been little impact from foreign-made items, since Mallory now specializes in mercury & manganese batteries, while imports have mainly been concentrated in the carbon-battery category. "The answer to imports," he said, "is ingenuity, not tariff barriers."

Probably the biggest difference in the parts business this year is that customers are playing their cards much closer to the chest. Cycles are shorter—manufacturers are ordering for 2-to-4-week delivery, where they ordered formerly in 4-to-6-week cycles. Thus customers are now, in effect, requiring the parts supplier to keep the industry's inventory, Buell said.

What are the near- & far-term trends in the component business? As are many of his colleagues in the business, Buell is most excited about micro-miniaturization. How long before these techniques are applied to consumer products? He estimates the modular type of micro-miniature circuit will begin to show up sometime between 2 & 5 years from now, the more sophisticated molecular concept in 5 to 10 years. As was the case with transistors, the first consumer-product application of micro-miniaturization will probably be in hearing aids.

Micro-miniaturization "will put the component manufacturers a little more into the subassembly business and the end-product people into the component business," Buell predicted. But he sees plenty of room for this realignment. "Electronics hasn't nearly reached its full stature yet."

Mallory's newest product aimed at the TV business is a self-holding resonant-reed relay designed for remote-control circuits, which Buell thinks will reduce costs & improve quality. Its application is in RF-type, rather than sonic type, remote circuits.

ITT shareholders will vote May 10 on the creation of 300,000 shares of a new cumulative preferred stock to facilitate acquisitions of other companies. The new stock would be issued in specific classes as required. The first proposed issue is a 5.25% series for acquiring Jennings Radio Mfg., "world leader in the development & manufacture of high-power vacuum capacitors & switches" (Vol. 17:7 p19). ITT's acquisition of the San Jose, Cal. concern will require initial issuance of either 40,000 shares of the new preferred or 85,107 shares of ITT capital stock, plus a balance of 170,213 shares of capital stock. Additional payments of capital stock will be required over a 5-year period if Jennings earnings reach specified levels.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Cohu Electronics	1960—year to Dec. 31	\$ 7,135,022	—	\$ 459,029	\$0.32	1,415,821
	1959—year to Dec. 31	8,112,655	—	853,791	.60	1,414,141
GPE	1960—year to Dec. 31	244,427,566	11,512,692	5,312,692	3.46 <sup>1</sup>	1,129,494
	1959—year to Dec. 31	215,588,430	8,968,200	4,198,200	2.63 <sup>1</sup>	1,126,625
Gross Telecasting	1960—year to Dec. 31	2,454,103 <sup>2</sup>	1,284,715	639,715	1.60	400,000
	1959—year to Dec. 31	2,562,605 <sup>3</sup>	1,307,392	672,418 <sup>4</sup>	1.68	400,000
Hoffman Electronics	1960—year to Dec. 31	54,271,837 <sup>5</sup>	(1,963,400)	(968,400) <sup>6</sup>	—	1,529,254
	1959—year to Dec. 31	46,359,832	4,130,165	1,990,165	1.31	1,513,955
Magnavox	1960—year to Dec. 31	124,879,052	13,117,052	6,533,052	2.76	2,365,168
	1959—year to Dec. 31	107,758,670	9,419,458	4,679,458	1.99	2,351,602
NTA Story on p. 9	1960—qtr. to Dec. 31	5,166,943	—	(104,700)	—	1,627,572
	1959—qtr. to Dec. 31	5,205,590	—	(854,000)	—	1,627,572
A. C. Nielsen	1961—6 mo. to Feb. 28	17,321,758	2,540,935	1,211,588	.71	1,710,000 <sup>13</sup>
	1960—6 mo. to Feb. 29	15,007,038	2,448,335	1,090,029	1.91	570,000
Reeves Soundcraft	1960—year to Dec. 31	5,896,485	113,208	58,208 <sup>7</sup>	.02 <sup>7</sup>	3,054,815
	1959—year to Dec. 31	5,369,408	(336,110)	(201,110) <sup>8</sup>	—	3,018,690
Republic Corp. Story below	1961—qtr. to Jan. 28	7,094,067	—	559,677	.23	2,004,190
	1960—qtr. to Jan. 28	7,205,719	—	488,084	.19	2,004,190
Screen Gems	1960—27 wks. to Dec. 31	—	2,067,000	970,000	.43	2,250,000 <sup>9</sup>
	1959—26 wks. to Dec. 26	—	1,147,000	647,000	.29	2,250,000 <sup>9</sup>
Stanley Warner	1961—26 wks. to Feb. 28	64,867,714	4,451,828	2,346,828	1.16	2,026,374
	1960—26 wks. to Feb. 28	63,521,518	3,950,913	2,075,913	1.02	2,026,974
	1961—13 wks. to Feb. 28	31,516,560	1,631,213	876,213	.43	2,026,374
	1960—13 wks. to Feb. 28	31,155,122	1,410,465	865,465	.43	2,026,974
Terminal-Hudson Electronics	1960—year to Dec. 31 <sup>10</sup>	6,992,477	—	209,700 <sup>11</sup>	.22	963,304
	1959 <sup>12</sup>	—	—	—	—	—
Wells-Gardner Electronics	1960—year to Dec. 31	25,342,358	1,877,141	877,141	2.08	422,400
	1959—year to Dec. 31	24,259,901	1,557,728	747,728	1.77	421,800

Notes: <sup>1</sup>After preferred dividends. <sup>2</sup>Broadcast revenue, before \$126,009 other income. <sup>3</sup>Broadcast revenue, before \$89,272 other income. <sup>4</sup>After \$41,026 tax credit. <sup>5</sup>After \$995,000 tax credit. <sup>6</sup>Record. <sup>7</sup>From operations, before \$922,645 (30¢ a share) from sale of stock. <sup>8</sup>From operations, after \$135,000 tax credit and before \$64,485 settlement on fire claim.

<sup>9</sup>Outstanding Dec. 31, 1960. <sup>10</sup>Represents operations of Terminal Electronics and Terminal Radio International for 9 months to Sept. 30 and combined operations in Oct.-Dec. 1960 of all companies now comprising Terminal-Hudson. <sup>11</sup>Before special credit of \$91,800. <sup>12</sup>Unavailable. <sup>13</sup>Reflects 3-for-1 split.

Republic Corp. stockholders last week approved the entry of the onetime moviemaker into home appliances by okaying the acquisition of Utility Appliance Corp., Los Angeles maker of ranges, air conditioners and water heaters (Vol. 17:9 p16). Their approval covers acquisition of 80% or more of Utility's outstanding common for not more than 450,987 unissued shares of Republic common. The proposed stock exchange is in the ratio of one share of Republic common for each 1.45 shares of Utility. Republic Chmn.-Pres. Victor M. Carter told the annual meeting that the company hopes that earnings from home appliances will be running at a rate of \$1 million annually within 12 months. Stockholders also approved an increase in authorized common to 6 million shares from 2,750,000. The company reported a profit increase for fiscal 1961's first quarter ended January 28 (see financial table) and Carter said that earnings for the 2nd quarter (ending April 30) are running ahead of a year ago.

Audio Devices has registered 117,405 common stock shares with SEC (File 2-17895), 100,000 for use in its employes' stock option incentive plan, 17,405 to be offered on the market by holders of warrants.

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, April 6, 1961

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	24 1/2	26 3/4	Maxson	28	29 7/8
Aerovox	9 1/2	10 1/2	Meredith Pub.	45 1/2	49 7/8
Allied Radio	23	24 1/2	MetroMedia	23 1/2	25 1/2
Astron Corp.	1 1/2	2 1/2	Milgo Electronics	26 1/2	29 3/4
Baird Atomic	25	27	Narda Microwave	8 1/4	9 1/4
Control Data Corp.	107	113	Nuclear of Chicago	43 1/2	47 1/2
Cook Elec.	13 1/2	15	Official Films	3 1/2	4 1/2
Craig Systems	17	18 1/2	Pacific Automation	5 1/2	6 1/2
Dictaphone	35 1/2	38 1/2	Pacific Mercury	7 1/4	8 1/2
Digitronics	32 1/2	35 1/2	Philips Lamp	162 1/2	168 1/2
Eastern Ind.	22 1/2	23 1/2	Pyramid Electric	2 1/2	3-1/16
Eitel-McCullough	18 1/2	19 1/2	Radiation Inc.	27	29 3/4
Elco Corp.	14 1/2	16	Howard W. Sams	45 1/2	48 1/2
Electro Instruments	31	34	Sanders Associates	57 1/2	61 1/2
Electro Voice	12 1/2	14 1/2	Silicon Transistor	9 1/2	10 1/2
Electronic Associates	37	39 1/2	Soroban Engineering	64	69 1/2
Erie Resistor	17	18 1/2	Soundsciber	13 1/2	15
Executone	24	25 1/2	Speer Carbon	22 1/2	24 1/2
Farrington Mfg.	17 1/2	19 1/2	Sprague Electric	64 1/2	67 1/2
Four Star TV	19 1/2	21 1/2	Sterling TV	3	3-11/16
Foto Video	4 1/2	5 1/2	Taft Bestg.	19	20 3/4
FXR	23 1/2	26 1/2	Taylor Instrument	44 1/2	48 1/2
General Devices	19 1/2	21	Technology Inst.	7	8 1/2
G-L Electronics	8	9 1/2	Tele-Broadcasters	1 1/4	1 1/2
Gross Telecasting	22	24 1/2	Telechrome	15 1/2	16 3/4
Hallicrafters	44	47	Telecomputing	7 1/2	7 3/4
High Voltage Eng.	218	231	Time Inc.	100	105
Infrared Industries	23 1/2	25 1/2	Tracerlab	13 1/2	15 1/2
Interstate Eng.	25 1/2	27 1/2	United Artists	6 1/4	7 1/4
Itek	59	63	United Control	22 1/2	24 1/2
Jerrold	8 1/2	9 1/2	Universal Trans.	1 1/4	1 1/2
Lab for Electronics	67	70 1/2	Vitro	23 1/2	25 1/2
Lel Inc.	9 1/2	10 1/2	Vocaline	2 1/2	3-7/16
Magna Theater	3 1/4	3-11/16	Wells-Gardner	29	32
Magnetics Inc.	12	13 1/2	Wometco Ent.	18 1/2	20 3/4

Corporation	Common Stock Dividends		Stk. of Record
	Period	Ant. Payable	
E.M.I.	—	\$0.04 Apr. 17	Apr. 10
Republic Corp.	Q	.15 May 15	May 1

## The Television Network and American Society

An Address by Robert W. Sarnoff

*Chairman of the Board, NBC*

To the Annenberg School of Communications at the University of Pennsylvania  
Philadelphia, Pa., April 6, 1961

When I was at college—and that doesn't go back any farther than the campus days of the President of the United States—communications barely figured in the curriculum. Today it is the subject not merely of courses but of full departments and whole schools. This is a development that delights me as a working member of the profession. Apart from its importance in training the professionals of the future, it represents a deeply needed channel of communication between the intellectual community and the world of communications itself. It was intellectually fashionable too long to treat the popular media with scorn, cynicism and righteous superiority. In varying degrees, perhaps they may invite such attitudes; but first they deserve to be understood in their full character and purpose. Toward such understanding, I welcome this opportunity to discuss "The Television Network and American Society."

The title of my talk was well chosen by those who assigned it, for the television network is peculiarly an institution of our American society; and its nature and function, its values and shortcomings reflect the character of that society. We live in a society built on freedom—free expression, free choice, free competitive enterprise. It is a pluralistic society, with a wide and complex diversity of groups and interests, and a tradition of accommodation and compromise. It is an acquisitive, commercial society, with a premium on abundance and growth. It is a society of the rule of the majority—and the rights of the minority. It is a society at once dedicated to fulfilling the individual and to the sometimes conflicting goal of serving the common good. All these characteristics, with the blessings and dilemmas they imply, find expression in our system of broadcasting and its daily outpouring of entertainment and information from the cathode tube in nearly 50,000,000 homes.

### Network is the Balance Wheel

That system of broadcasting consists, of course, of a variety of elements other than the network. But the network is the balance wheel around which all the intricate machinery of the system turns. It is the network operation, a communication and business phenomenon quite without comparison in any other field, which made radio broadcasting a feasible enterprise in the United States, and which stimulated its vast growth. It is the network operation which established the television industry as well, which made it flourish so spectacularly and which maintains the medium today as a comprehensive national program service unmatched in scope and variety anywhere else in the world.

In part, the network idea is simply the result of geography: it is the only physical means of effecting simultaneous national transmission of radio and television in a country as large as the U.S. But the idea also sprang from practical necessities of programming and economics.

There was no such thing as a network for six years after the first radio station went on the air in 1920. In

those years, radio squawked through a turbulent infancy. Stations sprang up on all sides; there were 600 by the end of 1922 and 1400 by the end of 1924. Then the novelty of hearing from a distant location seemed to wear off. Listeners defected for lack of programs worth hearing; and stations had no regular source of income. They began folding as swiftly as they had sprung up. By 1926, more than half of them had gone dead, and the whole new enterprise of broadcasting seemed headed for collapse.

In 1926, the National Broadcasting Company was created to meet the needs of the situation through the innovation of national networking. NBC's opening program, on November 15, 1926, was carried by 25 stations as far west as Kansas City. It started a regular daily program service for the first time in history. Two months later, the network reached from coast to coast. Within a year, a second network was launched by CBS, and soon afterward Mutual formed a third.

The network idea caught on and thrived because it provided the twin functions required for the survival and growth of free-enterprise broadcasting: a regular national program service and a means of supporting it through advertising. To perform these functions meant organizing a complex of business relationships. The network companies had to set up arrangements with independently owned stations across the nation; with the advertisers who bought the combined circulation of the stations; with producers, writers and performers who created the programs; with the telephone company for the interconnection of the stations. They also had to assume the costs of studios, equipment, staff before a single program went on.

Through this initiative, the network service created a vast national audience which provided a foundation for building hundreds of new stations. The whole broadcasting enterprise that had faltered and slipped was able to take hold and move forward. The growth of the radio audience enabled unaffiliated as well as network-affiliated stations to operate, and it also furnished a base for local and national spot advertising.

Throughout the '30s and '40s, radio continued its development, while experimentation proceeded on the new medium of television. Again, it was networking that ushered in the television era. NBC launched the first television network in 1947 when there were only six stations in operation and only 14,000 television sets in the whole country. Year after year, NBC and later other networks poured millions of dollars into programming and facilities for a new service and a new industry.

The first season of network programming included the *Kraft Television Theater*, the *World Series*, the *Theater Guild* dramatic series, *Howdy Doody* and the *Louis-Walcott* fight. The next year brought Milton Berle and coverage of the national political conventions. It was the availability of network programming of this kind that put stations into operation, sets into homes and television in the most spectacular growth curve in industrial history. Set circulation grew to 1,000,000 by the end of 1948; in suc-

cessive years, it leaped to 4,000,000, then 10,000,000, then 16,000,000. Expanding at the same time were the hours and scope of programming. The same cycle of growth has been taking place in color television, though at a slower pace since color represents an addition to an existing medium rather than a basically different one.

In the meantime, radio has gone through a tortured readjustment. With the shift of the mass audience to television, network radio lost the economic support to maintain a full-fledged national service of varied programming. Today, although there are specialized radio services in the major population centers, the bulk of radio programming consists of standardized local programs, principally music and news. Within this pattern, network radio has found its place—a limited but useful one—in covering national special events and providing national features, news and information services. But radio as a whole—for most Americans—has become a supplementary medium to television, reduced in scope and public attraction.

Over years of mushrooming change and shifting fortunes, television has become an industry of many organizations and services—-independent packagers, film distributors, spot representatives, syndicators, talent agencies. But the basic functions of the network have remained unique. It offers the only national program service organized for balance and diversity; encompassing all program categories; transmitted on a daily, continuing basis; and drawn from all available sources including its own creative resources. In addition, it alone performs the specialized advertising function of selling in a single transaction the national television circulation of a specific program. Moreover, it provides the audience base that supports virtually all of the country's \$1.5 billion a year in television advertising, national and local. And television's commercial function is not merely a service to advertisers. As a highly effective instrument of mass marketing in a nation that consumes its way to prosperity, it is a catalyst of economic growth that benefits the whole country.

#### A Few Hours Determine Profit or Loss

Fulfilling the unique functions of a television network entails burdens of singular magnitude. Networking is an enterprise of huge financial commitments, imposing risks and ferocious competition. The swing between profit and loss can be determined by only a few hours of program failure out of some 90 hours in a full week's schedule.

It is the network which is committed to provide its independently owned affiliates with continuing daily programming, and which therefore assumes the risk of failing to obtain sponsorship to cover program costs totaling some \$140 million for a year's schedule. If a program is unsponsored, the network bears the full cost. If a program has to be sold for less than its cost, the network bears the loss. In addition to direct program costs, the network must spend many millions of dollars a year for program development and administration and the services that support its huge program output.

As a result of these heavy risks and the obligation to maintain a well-rounded schedule, a major network's program costs exceed its program sales by tens of millions of dollars a year. This huge deficit must be made up out of the revenue that the network receives from the sale of time, its only other source of income.

In the face of such hazards, it might be convenient if there were substance to the fashionable idea that the networks are seats of monolithic power and control. The facts are quite opposed to this fancy. A network is rather the focal point of a complex interplay of forces, exerting its own influence but also conditioned by the influence of others—its affiliates, its competitors, its advertisers, its program sources, its critics, the government and, far from least, its viewers.

For example, a network's program requirements are so enormous that no single organization can fill them. As a rule, the networks produce most of their non-fiction pro-

grams themselves; two of the networks make it a policy to produce all of their own programs involving reporting and interpretation of public issues. But the networks obtain most of their entertainment shows directly or indirectly from independent production organizations, which have become a major new element in television.

Regardless of the interplay of forces within the industry and the pressures from outside, it is the network's function to decide what programs will be scheduled and when they will be shown, for only the network can be responsible for the total schedule. And in fashioning its schedule, the network must accommodate a welter of varying and sometimes conflicting considerations to the overriding standard of the public interest.

The "public interest" is, of course, the legal standard for broadcasting, but the meaning of this broad standard can be construed with as many variations as there are differences of taste and interest in the public itself. In defining it, many are given to special pleading; they project their own desires and interests as the standard for a medium serving the total public.

NBC's concept of a television service in the public interest recognizes that the total public is made up of many different publics. It calls for a service that gives reasonable satisfaction to the varying interests of the main audience elements; which does so by proportioning its program structure in general to the relative weights of these varying elements; which does not allow majority tastes to suppress a fair reflection of minority interests and does not frustrate majority interests by converting a mass medium into a specialized one.

We also believe there is an obligation not only to satisfy the public but to lead it, by providing information that stimulates new interests and offering opportunities to broaden and cultivate tastes. In leading the audience, however, the broadcaster cannot be so far ahead that his service is rejected by the majority. That would defeat both the purpose of such leadership and the nature of a mass medium.

Essentially, this is a doctrine of reasonable treatment of all segments of the public, so that each viewer in varying degrees can find in the schedule something he favors—and something that favors him. The doctrine recognizes that viewing preferences are not rigid, for the patterns of audience taste, like our society, are fluid and changing.

Popular entertainment, in a variety of forms, will represent the bulk of any program service based on these premises, because it is what most people want most to see. In addition, a responsible service should include entertainment in the more cultivated arts that have not yet established appeal on the same scale; and should give significant recognition to programs in the field of news, information, public affairs and education, even though these appeal to smaller audiences. It is not any one of these program types that uniquely serves the public interest. Rather it is the proportioned blend of programming that meets this standard, because only such a blend meets the varying and conflicting interests of the total public that relies on broadcasting.

If the task of programming for a total public places certain obligations on the network, it places a parallel obligation on the individual viewer. It is the obligation of selectivity, because there is no single viewer who will find *every* program satisfying to him. But conversely, any selective viewer, whatever his tastes or interests, can find more worth watching in the course of a week than he probably has time to devote to it.

I believe it is difficult to find fault with this concept of programming in the public interest. I know it is easy to find fault with the execution, which always raises questions of degree. Does the public get enough of certain types of program material to meet its varying interests? Does it get too much of some program types? Are the various programs placed suitably in the schedule to serve the convenience of viewers, which varies almost as widely as the

variations in viewer tastes? Does television show enough initiative in leading the audience? And if the medium today can satisfy the individual selective viewer, can its programmers take satisfaction in its effects on the general mass of viewers, on our society as a whole?

These questions all involve subjective judgments. The answers will never be unanimous. Indeed, any consideration of such questions from the standpoint of network responsibility is further complicated by a fact that is often ignored. That is the fact that a network has no power to reach viewers directly on a national basis with its full balanced schedule. The affiliated station determines which elements of the network schedule it will carry and what programs it will use from other sources. As a result, what the public sees via the station is rarely an accurate reflection of the planned network schedule.

Yet it is customary to lay the shortcomings of television at the door of the networks. Neither television as a whole nor the network operation is free of blemishes and failures. No conscientious spokesman for our system of broadcasting would suggest that the status quo represents the ultimate, even within the framework of a mass medium's function. Certainly, however, the state of the medium is not as bleak and calamitous as many observers of television would have us believe.

I do not question the sincerity or motives of those who find almost nothing but fault in television; but I believe most of them reflect specialized tastes and didactic temperaments that will never be satisfied with the output of any mass medium. And in some cases, their criticism seems to be based on a failure to recognize the role and requirements of such a medium.

Let us examine some of the major charges that stem from television as a whole, but are indiscriminately leveled against networks. One is the depiction of excessive violence, with its presumed effects on children and juvenile delinquency. Although there is little or no reliable evidence that television disposes children to delinquency or any other corruption of values, the showing of violence for its own sake is a matter of real concern. On the ground of taste alone, there is no excuse for it, and responsible networks maintain systematic control procedures to keep it off the home screen. At NBC we have recently intensified our efforts toward this end, for we recognize a problem that calls for continued vigilance with the multiplicity of program production sources. In this connection, it is worth noting that if it were not for the balance contributed by responsible networks, the kind of program that is prone to violence would be far more in evidence on the TV screen.

Another frequently heard charge is that television is controlled by advertisers and ratings. This stems from misconceptions and misinformation. The typical advertiser of mass-produced package goods seeks a program that will appeal to the largest possible audience. This objective is consistent with one of the major public-interest criteria of broadcasting. The largest possible audience is a natural goal and a basic attribute of a mass medium.

But this objective does not dictate the network program schedule as a whole—or even the sponsored part of it. Advertisers themselves have requirements other than size of circulation. They may seek a substantial audience, but they may also want to be identified with special quality and prestige. They may seek an audience attracted by cultural or information programming, such as the *Bell Telephone Hour*, the Hallmark series of outstanding dramas, the Equitable Life Assurance Society's series dramatizing events in American history, and the wide range of special programs and series in the news, public affairs and documentary field sponsored by such advertisers as Gulf, Bell & Howell, Texaco and Prudential.

Apart from the diversity represented by such sponsored offerings, a responsible network plans and presents programs needed for a balanced service whether it has a sponsor or not. Often it commits a program to the schedule and then looks for a sponsor. Sometimes the network finds

him; sometimes it doesn't. In some cases, it declines to carry programs brought to it by advertisers because they do not fit into the overall requirements of a balanced schedule or fail to meet proper standards of program quality.

As to ratings, they provide an estimate of audience trends and an analysis of audience characteristics, both in general and as they pertain to individual programs. They also define the circulation sold to advertisers—a business requirement necessary to attract the expenditures that support our system of broadcasting. But it should be obvious from the makeup of the total network schedule that the size of audience indicated by ratings is only one yardstick of decision-making, not the be-all and end-all of programming.

Still another charge commonly leveled against television and, by association, the networks, is that of mediocrity. Often, the word is loosely used merely as an epithet for a program or a service that fails to match the observer's preferences, though it may be enjoyed by many millions of viewers. Used in its more precise sense as a measure of craftsmanship and artistic skill, it means simply the state of being ordinary, as distinct from the outstanding. In this sense, it is one of the facts of life—in books, movies, the theater and politics as well as in television; for no enterprise dependent on human talent succeeds in being consistently excellent in all its activities. Certainly no broadcaster tries to put on a poor show or even an ordinary show. The sheer volume of creative effort needed to fill some 18 hours a day, every day of the year, imposes a challenge unparalleled in the history of human expression. Yet I believe television's average is at least as good as that of any other form of expression.

#### Answering the Complaint of Mediocrity

The complaint of mediocrity is frequently linked to the charge that television has abandoned the bright promise of its starting years and has been going steadily downhill. It is true that innovation, experiment, and pioneering excitement marked television's early years; so much was happening for the first time that all was new, apart from the novelty of the medium itself.

But over the decade in which television has grown so dramatically in size of audience, its programming has shown a degree of improvement in scope, stature and technique unmatched by any other medium. If you will review a typical network schedule of ten or eleven years ago, it will seem pale and primitive in comparison with the program structure of today. Since those early days, television has created and adapted a great diversity of entertainment forms, and developed high skills of craftsmanship. The improvement is striking within every program category: Consider, for example, the gulf between the simple *Hop-along Cassidy* shows of yesteryear and today's *Wagon Train*, with its story values, stars, depth of characterization and physical resources, or compare the slapdash variety show of a decade ago with the polish and professionalism of the Perry Como and Dinah Shore shows, which have literally traveled the world over for fresh talent, material and backgrounds.

Perhaps the most impressive accomplishments of television as a social force have been made possible by a phenomenon unique to broadcasting. That phenomenon is the exposure of viewers to material that they would normally have little chance or desire to see. This is the characteristic of broadcasting that so often creates irritation and resentment among viewers of specialized tastes when confronted in their own homes with programs fashioned to popular tastes. By the same token, however, this phenomenon has enabled network TV to confront millions with cultural and intellectual opportunities they do not ordinarily seek and would not otherwise have experienced.

Progressively, during these brief dozen years, network television has opened new horizons of taste and interest for a vast national audience. It has given Shakespeare, the opera and the ballet the biggest audiences in history.

More Shakespearean productions have been visible on television in the last dozen years than on Broadway.

Network television has given the same kind of mass circulation to works by virtually every other outstanding dramatist, living and dead. It has brought the Metropolitan and the New York Philharmonic, special productions of opera in English, Britain's Royal Ballet and Russia's Moiseyev Dancers to thousands of communities that never had contact with these cultural institutions before.

It has also given the American people unparalleled opportunity to become familiar with the thinking and character of the leading personalities of our time; with the events that are shaping our future; and with the issues that engage us all. The suspense of a political convention, the surprises of a Congressional investigation, the pageantry of a Royal wedding, the tension of a United Nations debate, the sweep of a State visit—all these have been brought into the living room.

I believe we have made striking progress in recent seasons in both the quality and quantity of informational programming, and in presenting it increasingly during evening viewing hours. Currently, 23% of the NBC television schedule is devoted to informational programming and, as some reflection of the extent to which this represents leading the audience, these programs draw only 13% of NBC's viewers. Such programs as *Project Twenty* have set new standards of creativity. Such presentations as *CBS Reports* and *NBC White Paper* have developed an awareness of major problems with an impact and circulation beyond the capacity of any other medium.

Last month one of the country's most distinguished journalists took unusual recognition of television's growing use of its power to inform. In a column from the Middle West, James B. Reston, Washington correspondent of *The New York Times*, reported that the press and politicians of the region were generally lagging behind the public in their acceptance of change. He added: "Television is clearly a large factor in this contrast. For while many of the most powerful organs of the press continue longing wistfully for a past they know will never come again, television is showing the revolution in Africa, the revolution of the cities and races of America, the revolution of automation in the big industries."

In its coverage of political conventions and campaigns, and in "The Great Debate" between the Presidential candidates in 1960, network television has stimulated the interest of the American people in their own government and injected fresh vigor into the democratic process. It is significant that in each of the three national elections since the advent of television on a network basis, a greater percentage of eligible voters went to the polls than ever before.

Some observers would have us believe that the general effect of television on our society is to lower our taste, blunt our sensibilities, sap our intellect. But all the evidence is quite the contrary. In the decade since the United States began to feel the impact of television as a national medium, our population has gone up 20%. But the publication of books has gone up more than 100%; publication of juvenile books is up about 200%; library circulation is up 50%; the number of museums has grown by nearly 80%; the number of symphony orchestras has doubled; the sale of classical phonograph records is up 50%; college enrollment is up 46%. Now, I do not suggest that television is necessarily to be credited for all of this upsurge in cultural vitality. At the very least, however, it is hard to see how it is dealing us a cultural blow.

It is important to recognize that network television could not have made its cultural and informational contributions to our society on such a massive scale if it were not for two things. One is the underwriting provided directly or indirectly by the commercial base of an advertiser-supported medium. The other is the popular entertainment fare that has created, nurtured and maintained an audience-in-being almost as large as our population itself. Without this predominance of popular fare, it would be

impossible to attract so many millions of viewers for exposure to new cultural and intellectual experience. This very point was made 25 years ago by an informed observer in connection with radio and in anticipation of TV:

"The high-minded do not like to face the actual situation in radio, which is that all of its desirable effects are based on the habit of listening which was created largely by programs trivial and banal in themselves. . . . The audience which listened to the radio debate on the Supreme Court was created in the first place by Ed Wynn, Rudy Vallee, Amos 'n' Andy and Kate Smith." Then, looking ahead, he added: "I have a feeling that the most important thing for television is to make sure of its own popularity. Like the moving pictures and the radio, television would act against its own nature if it did not try to be virtually a universal entertainment." These were the words of Gilbert Seldes, who is now Dean of the Annenberg School of Communications.

Television has made sure of its own popularity; it has won the swiftest and widest acceptance of any new product or service in history. This season the time spent watching television climbed to an alltime peak. This warm embrace by the American people has been bestowed during a period of unprecedented competition for leisure-time activity. Their use of television represents billions of individual free choices every day of the year, as they select, from hour to hour, the programs they choose to view or not to view, as well as the alternative of leaving the set dark. It is these billions of daily individual choices that underlie the bulk of what is offered on the television screen.

The popularity that television has won through these never-ending elections is more than a means to the end of leading a mass audience to new cultural horizons. It is also its own justification as a faithful reflection of the multiple tastes and interests of a free, pluralistic society.

#### Four Roles of the Network

Television has been able to serve this function only through the operation of the network system of broadcasting. Summing up the unique role of the network and its relationship to American society, I would make these points:

1. The network serves an affirmative social value by organizing and maintaining a national program structure which reflects the diversity of interests within our society. At the same time, this program service offers mass audiences continuing opportunities for new cultural and intellectual experiences.

2. The network serves the national interest by making it possible for the government to be in direct and immediate contact with the total public. It is the only communications medium that fulfills this function so indispensable in a democratic society.

3. The network is the keystone of the whole complex of the broadcasting enterprise. Its programming and facilities have created and maintained a nationwide audience which underlies the development of stations, production organizations, talent, and the various forms of broadcast advertising.

4. The network, as a uniquely efficient national advertising medium in itself, contributes enormously to the effective mass marketing which is essential to a constantly expanding free-enterprise economy. It is only through such an economy, which consumes its way to prosperity, that our society can meet its obligations and preserve its freedom.

It is my conviction that in both scope and impact on the public, the past growth of television on the foundation of the network service is the best token of the medium's vitality and the best promise of its continued progress. Like the American society of which it is so representative a part, the television network is imperfect. Like our society, it is dedicated to the ideal of improvement. Like our society itself, it is, I believe, preferable to anything else of its kind in the world.



---

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

---

### SUMMARY-INDEX OF WEEK'S NEWS

#### **Congress**

**KENNEDY GOES EASY ON AGENCIES** in a 5,300-word special message to Congress on regulatory reforms. FCC is scarcely mentioned; no "czar" is suggested by President (pp. 1 & 5).

**BROADCAST POLITICS CHARTED** for Congress by FCC in monumental 103-table statistical survey of 1960 (p. 6).

#### **Programming**

**FOURTH WESTINGHOUSE PUBLIC SERVICE CONFERENCE** in Pittsburgh hears pleas for better programming (pp. 2 & 11).

#### **Film & Tape**

**JAPAN DROPS TELEFILM RESTRICTIONS** as of April 1. Price ceilings are removed from U.S. TV-film imports; frequency-of-use limitations are dropped (p. 2). Dept. (p. 12).

#### **FCC**

**FORD REPEATS PROGRAMMING & SALES CONCEPTS:** tells broadcasters to help write program form (p. 3).

**REPRINTS OF FCC PROGRAM-FORM SUPPLEMENT** available to subscribers as May 1 comment deadline nears. Limited quantities without charge (p. 3).

**COWGILL ALERTS BROADCASTERS,** tells Illinois group to bone up & get affairs in shape because they may be first & hardest hit as their licenses expire in December (p. 4).

#### **Networks**

**ABC, EXPANDING ITS STATION-BREAKS,** gets protest from Young & Rubicam which charges "violation of NAB Code" (p. 7).

#### **Consumer Electronics**

**GE GOES COLOR,** will show sets to distributors next month for marketing in August. Sets will use RCA shadow-mask tube. Only 4 major makers remain undeclared (p. 15).

**WOOLWORTH TESTS JAPANESE TV** which could sell below \$100, but officials say odds are against any deal. U.S. manufacturers may have better chance (p. 16).

**PITTSBURGH BONDED TUBE** scheduled for first production run this week by National Video. Lower-cost TV deflection system announced (p. 16).

**WELLS-GÄRDNER GROWS,** bucking consumer-electronics trend with sales & profit increases in 1960, its all-time record TV-radio-phonograph year (p. 17).

**RETAIL SALES SLUMP** in phonos continued in February, dipping 36% below Feb. 1960; factory sales 50% below year-ago (p. 18).

#### **Stations**

**NAB BOOKS KENNEDY** for appearance at opening May 8 convention session in Washington, where Marine Band will play. HEW Secy. Ribicoff billed for May 10 luncheon (p. 8).

**TELEGLOBE PAY-TV TEST** in U.S. by Bartell Bcstg. is reported imminent. Test in Aruba may come first (p. 9).

**NCTA UNHAPPY WITH NAB** endorsement of CATV-control bill; says it encourages "governmental economic intervention" (p. 10).

#### **Other Departments**

**TECHNOLOGY** (p. 5). **ADVERTISING** (p. 13). **PERSONALS** (p. 14). **FINANCE** (p. 19).

---

**KENNEDY GOES EASY ON AGENCIES:** President Kennedy sent to Congress last week his long-awaited reform recommendations. They were watered-down paraphrases of the milder sections of the blistering indictment of regulatory agencies filed in Jan. by White House advisor James M. Landis (Vol. 17:1 p1).

Scarcely mentioned in the President's special message was FCC, which had borne the brunt of the angry attack on agencies by Landis, who had accused Commission of non-feasance & worse. And significantly missing from JFK's 5,300-word message was any suggestion that a White House overseer—or "czar"—should be set up to ride herd hard on agencies, as Landis had proposed.

Message got big buildup from White House day ahead of its delivery on Capitol Hill April 13. All day long April 12 Washington news tickers carried advisory bulletins—emanating from Landis office—on outlook for advance release to reporters & briefing session conducted by Landis himself. About 100 newsmen crowded into White House "Fish Room" at 8 p.m., time finally set for hold-for-release copies & briefing. It was a big letdown for them at end of day when the Russians had put their astronaut into orbit.

FCC had been singled out in the original Landis report as a terrible example of agency maladministration. But President's message contained only one specific reference to FCC operations & policies. Kennedy said "a coordinated effort is underway to provide a better method for the allocation among govt. & non-govt. users of the radio spectrum, and to improve the regulation over the method of their use." Congress can "naturally" expect to hear from White House later on recommendations in spectrum field, President added.

Specific criticism of regulatory administration was confined by President to FPC. He proposed reforms (including enlarging FPC to 7 members from 5) intended to cut down on that agency's 4,000-case backlog and put more brakes on natural-gas rate increases for consumers.

White House recommendations otherwise were general—and relatively non-controversial. Kennedy called for: (1) More administrative authority for agency heads. (2) Delegation of case work to panels of agency members & staff boards. (3) More pay & prestige for hearing examiners. (4) Formation of an Administrative Conference of the U.S. for continuing review of agency processes—organization of which was started in Eisenhower administration by Court of Appeals Judge E. Barrett Prettyman (Vol. 16:36 p5 et seq.). President outlined its structure & functions in executive order (see p. 5).

JFK's mild message helped dispel suspicions on Hill that White House & Landis were plotting to assume dictatorial control of agencies, which Congress regards as its creatures—bad or not (Vol. 17:14 p16). President said placatingly that Congress has "final responsibility to determine from time to time the extent of the influence that these agencies should exert." As for President, his "responsibilities require him to know & evaluate how efficiently these agencies dispatch their business," Kennedy said.

"In general, sound," was comment on message by Sen. Schoepel (R-Kan.), ranking minority member of Commerce Committee. "In general, very commendable," echoed influential Sen. Keating (R-N.Y.), Judiciary Committee member. Relieved Democrats in Senate & House had no reason to object.

**PITTSBURGH SOUL-SEARCHING:** Despite the strong upbeat this season in the quality & quantity of public-affairs shows, both network & local, serious-minded broadcasters & a sector of the viewing public believe that TV is not meeting its basic national responsibilities. And, they think, TV had better do something about it in a hurry before:

(1) The higher-IQ segment of the viewing audience abandons TV to the mass audience & the mass mediocrities of routine programming.

(2) FCC and other govt. agencies start throwing their legislative & regulatory weight around.

(3) The most creative types of network programming, in the entertainment area as well as public affairs, are abandoned in favor of assembly-line escapist programming, ground out in Hollywood.

These problems were not the stated theme of what was officially billed as The Pittsburgh Conference on Local Public-Service Programming staged in the Steel City last week (April 9-12) by Westinghouse Bcstg. Co. True, the 350 delegates & guests attending the session had their choice of various instructive (in the nuts-&-bolts sense) panel sessions & demonstrations concerning local public-affairs programming. But in speech after speech & panel after panel, the soul-searching concerning TV's destiny went on (see p. 7).

**JAPAN DROPS TELEFILM RESTRICTIONS:** Wide-open-door policy for U.S. telefilm imports was effected by Japan last week after 3 years of restrictions & barriers that made the budding Japanese TV market anything but a bonanza for American film producers. Effective with its new 1962 fiscal year, which began April 1, Japan:

(1) Eliminated all price ceilings on U.S. telefilm imports. Heretofore, Nippon broadcasters were restricted by law from paying more than \$500 per 30-min. TV film from the U.S.

(2) Dropped all frequency-of-use limitations on American film imports. Before the open-door policy, Japanese TV stations were limited to 10 half-hour U.S. film programs a week.

(3) Increased by a minimum of 50% its fiscal-1961 allocation of \$2 million for U.S. TV entertainment films. There are no budget limits on feature films, newsreels and public-affairs programs for TV use.

Eradication of TV-film barriers was negotiated by John G. McCarthy. He is pres. of TV Program Export Assn. which was formed last year by 11 program producers as telefilm's first overseas lobby group (Vol. 16:22 p4). We caught McCarthy on the fly Friday as he was leaving for England on an extended effort to duplicate there the "major breakthrough" achieved in Japan.

Japanese govt. also has pledged to remove all dollar limits on budget allocations for entertainment films at the start of its 1963 fiscal year (beginning next April 1), he told us. "The sky's the limit now for U.S. TV-film producers in Japan," he said. "U.S. exporters will now be able to sell their TV films at prices that conform with value & market demand." He pointed out that U.S. telefilm producers have virtually no made-in-Japan competition because Japanese program producers concentrate almost exclusively on live programming. The new Japanese agreement actually was completed last month, following a month of on-the-scene negotiations in September by McCarthy.

"Breaking the U.K. telefilm barrier represents a problem of another magnitude," McCarthy told us. "The major barrier to an American breakthrough there," he said, "is extreme nationalism and fear of Americanization of TV programming." The principal hurdle is a union-backed quota system that requires 86% British film on ITV, 90% British on BBC-TV. However, McCarthy, onetime U.S. Minister for Economic Affairs in Paris, already has held exploratory discussions with British leaders, and he is optimistic that the problem is negotiable.

**FORD REPEATS PROGRAMMING & SALES CONCEPTS:** FCC Comr. Fred Ford, who sparked many major Commission actions in his short tenure as chairman before stepping aside for Minow, reiterated principles behind several of them last week. In a speech prepared for delivery before the Kansas Assn. of Radio Bcstrs. in Topeka April 15, he got into programming, program forms, station sales, radio clear channels and daytime radio broadcasting.

Ford quoted at length from Commission's policy statement on programming, issued last July (Vol. 16:31 p1)—which we described as "no shocker"—and he said:

"There has apparently been an attempt to obfuscate & confuse the purpose of the Commission in its proposed [program] form, by imagining all types of disastrous eventualities. I am sure you will not be confused by these efforts, but will accept the adopted policy of the Commission as expressed in its July 29, 1960 report as the basis for this form." Ford noted that very few radio broadcasters, as contrasted with TV, had appeared in FCC's big programming hearing. "Although radio broadcasters did not speak out at that time in any number," he said, "I am hopeful that their comments on the proposed form will be more helpful on the application of the policy than they were in its formation."

"I am convinced from my discussion with broadcasters," Ford said, "that the policy statement by the Commission embodies sound broadcast business practice, as well as a guaranty of as complete freedom as possible for a broadcaster to serve the public interest as he, not the Commission, finds it in his service area. It is my hope that the comments which we receive on the proposed program form will enable us to improve it so as to properly reflect the manner in which stations have met their obligations, not in the sense of a firm contractual commitment but with the reasonable flexibility which must be maintained at all times."

• • • •

Of FCC's proposal to tighten up on station sales (Vol. 16:50 p1, et seq.), Ford stated: "Generally speaking, if one does not expect to operate a station for at least 3 years, his motives for entering this public-service area should be subjected to close scrutiny. I am hopeful that in our own self-interest you will not listen to the blandishments of those who tell you that the Commission wants to force you to remain a broadcaster and that you should be as free to buy & sell stations as cans of tomatoes. Dedicated broadcasters who know the public interest of their areas should support the efforts of those who would eliminate the fly-by-night from your number. How many of your broadcaster friends have told you of their experiences with competitors who literally bought an audience with prizes & giveaways only to unload on the inexperienced newcomer?"

• • • •

Turning to radio clear channels, Ford said: "I am hopeful that . . . the proceeding can be resolved in such a way that those channels which engineering studies show can best provide the needed service will not be duplicated at night, but will be reserved for future use to provide an acceptable grade of wide-area skywave service to rural & remote areas of the U.S."

• • • •

Of the daytimers' quest for longer operating hours: "The substantive arguments advanced by daytime broadcasters for extended hours are very appealing to me, and I would be more than happy to support a program for extended hours if it were sound from an engineering point of view. I cannot agree to a program which would destroy present nighttime service without at least a corresponding increase in service. Moreover, as appealing as the arguments presented by the daytime broadcasters are, almost all of them can be met by FM. A few years ago such a statement would have sounded frivolous, but when you consider that there are presently 13 to 16 million FM receivers in the hands of the public, it becomes more valid."

**REPRINTS OF FCC PROGRAM-FORM SUPPLEMENT:** With May 1 deadline for comments imminent, broadcasters have been asking us for more copies of our handy, full-text supplement reprinting FCC's proposed revision of its program form (Vol. 17:9 p2). We had run out, so we've reprinted it—and as a

service to subscribers offer limited quantities without charge from our Radnor, Pa. publication offices. Bulk quantities are available at a nominal rate.

Original deadline for industry comments was April 3, with replies due April 17. However, at NAB's request, Commission extended dates to May 1 & 10 respectively.

## The FCC

**Cowgill Alerts Broadcasters:** Freshly retired as chief of FCC's Broadcast Bureau, Harold Cowgill warned his home-state Illinois Bcstrs. Assn. last week to get their affairs in shape.

"The policy of minimum governmental interference with private enterprise," he said, in an April 12 Springfield speech, "has been eroding rapidly." Illinois broadcasters may be particularly hard hit, he warned, because their licenses expire next December, and "it could be that Illinois will receive the first full impact of the new program of surveillance of licensee stewardship." He suggested that licensees take the following actions:

"Immediately obtain & read a copy of the Sept. 13, 1961 amended Communications Act.

"Read the current FCC rules & regulations and check station compliance therewith in detail.

"Hold staff meetings with programming, engineering and sales people so that all may be familiar with the new Section IV requirements.

"Study prior promises to FCC reprogramming and compare with present operation.

"Either correct performance to agree with promise, or prepare to justify differences.

"Make a current study of needs of station community.

"Urge non-member Illinois broadcasters to join the Ill. Bcstrs. Assn.

"Urge the officers of the Ill. Bcstrs. Assn. to inaugurate a program of collecting & distributing information of general interest to all broadcasters in a manner similar to that followed recently by the Florida state association."

**Status of All-Channel-Set Bill:** FCC's recommended legislation to require the manufacture of all-channel sets (Vol. 17:13 p6) is still in the hands of the Budget Bureau, but Commission sources say there's no evidence that the administration is holding it up because of its opposition to the measure. They point out that several other substantial pieces of FCC-suggested legislation—such as those allowing the Commission to split into adjudicatory panels and to adopt a summary judgment procedure—were submitted to the Budget Bureau about the same time as the receiver bill, in February, and these haven't been sent to Congress either. FCC's information is that the Bureau "is simply giving the matters very careful study." It's assumed that the Bureau is getting comment from other govt. departments, such as Justice. Major measures submitted by other regulatory agencies are getting the same kind of extended consideration by the Budget Bureau.

**Fresno Dual Operation:** FCC has granted Triangle Stations' KFRE-TV Fresno permission to operate on both Ch. 12 & Ch. 30 until June 1, turning down the station's request for a 90-day extension before it closes down Ch. 12. "Such further limited use of Ch. 12," FCC said, "should not have a significant adverse effect on deintermixture of Fresno or on the Fresno uhf stations, and should give Triangle ample time to accomplish the purposes upon which its original request was based.

**ENRIGHT ON FCC HOT SPOT:** Admitted quiz-fixer Daniel Enright—*21 & Tic Tac Dough*—finally faces an FCC renewal hearing on radio WGMA Hollywood, Fla. After a long investigation (Vol. 15:44 p10, *et seq.*), the Commission voted 4-3, Comrs. Hyde, Lee & Craven dissenting, for a hearing to determine Enright's qualifications as a licensee, in light of the quiz-rigging revelations of the Harris committee.

Enright owns 50% of WGMA, his associate Jack Barry the other 50%. The Commission made no complaint against Barry. The owners have filed an application to sell the station for \$265,000 to Kingsley Murphy and Carroll Crawford. The FCC has refused to approve the sale—though at one time 3 Commissioners reportedly were in favor of renewing the license with the condition that the station be sold. A 4th Commissioner is said to have been willing to renew the license, apparently exonerating Enright—but he wouldn't go along with the idea of sale-condition.

FCC also got rough last week, in a unanimous vote, on radio CP-holder WMPP Chicago Hts., Ill. It ordered a revocation hearing on charges that the principals concealed from the Commission a transfer of control. The owners are William S. Martin, Eugene H. Dibble III, Charles D. Buford and Charles J. Pinckard. The Commission also charges Martin with concealing the fact that he had been arrested on "various criminal charges." FCC plans to conduct the hearing in Chicago. The grantee is one of the very few with Negro owners.

**Uhf for Scatter:** FCC proposes to allow use of uhf TV band 800-830 mc in Alaska by Alaska Telephone Corp. for tropospheric scatter communications between Annette Island & Trutch Island, B.C. The Commission said it was making the proposal with the condition that no interference be caused to any broadcast service "in order to meet a national defense requirement with the minimum delay, and because it is extremely unlikely that the entire uhf TV band will be required for TV within interference range of the area in question." A slice of uhf was sought on 2 other fronts: U. of Ill. asked for reconsideration of FCC's ruling that rejects its proposal to use Ch. 37 for radio astronomy; and The International Assn. of Fire Chiefs and International Municipal Signal Assn. asked that a "high" uhf channel be allocated for use by "public safety entities."

**Melpar Wins FCC Uhf Contract:** FCC has finally awarded the transmitting antenna contract for its N.Y. uhf project, granting it to Melpar Inc. and calling for installation & checkout by Nov. 10 at a cost of \$248,000. The antenna will comprise 4 units, one near each corner of the Empire State Bldg. TV tower base. Each unit will be a vertical metal waveguide about 45 ft. long, with slots and with a 6 x 12-in. rectangular cross section. In addition, each waveguide will have 2 externally-attached vertical metal strips about 12-in. wide at an angle to each other, forming what engineers term a "horn."

**Drop-in Sought:** Ch. 25, Huntsville, Ala., by radio WFUN.

**Agency Conference Set Up:** President Kennedy followed up his message to Congress on regulatory-agency reforms last week (see p. 2) by issuing an executive order officially setting up the Administrative Conference of the U.S.—along lines laid out during the Eisenhower Administration.

To “ensure maximum efficiency & fairness” by FCC & other agencies in carrying out their functions, the President said he would name an 11-member council to direct the conference. One of the council—presumably Court of Appeals Judge E. Barrett Prettyman—will be designated conference chairman.

The general membership of the conference (number unspecified) will be composed of persons designated by federal executive depts. & agencies, practicing lawyers—“and other persons specially informed by knowledge & experience with respect to federal administrative procedure.” Members of Senate & House, designated by Vice President Johnson & Speaker Rayburn (D-Tex.), will have floor privileges at plenary sessions.

The President listed these conference functions: (1) “Conduct studies of the efficiency, adequacy and fairness of procedures.” (2) “Report to the President any conclusions reached by its members based on such studies.” (3) “Make a final report to the President no later than Dec. 31, 1962.” (4) Recommend whether the conference should be continued after 1962.

\* \* \*

**Landis Talks Again:** President Kennedy’s regulatory-agency advisor James M. Landis will address a D.C. Bar Assn. dinner April 18 in Washington’s Shoreham Hotel.

**Stereo Approval Date Uncertain:** Though there’s speculation that FM stereo standards will be adopted before the May 7-10 NAB convention, best informed Commission sources say that the date is still very much up in the air. FCC members haven’t met to discuss the subject formally since December. If they meet on it within the next week or 2, it’s unlikely that they’ll issue a final decision immediately. It takes several sessions to nail down major decisions.

**Youngstown Sale Okayed:** The transfer of WKST-TV (Ch. 33) & WKST Youngstown-New Castle has been approved by FCC. Sellers: S. W. & Wanda E. Townsend. Buyers: Communications Industries Inc., operators of radio WACE Chicopee, Mass. & WEOK Poughkeepsie, N.Y., headed by Lazar Emanuel, Paul Smallen and Blair Walliser. Price: \$975,000 for 81.2%, plus \$200,000 to Townsend as 10-year consultant, plus an option to buy the balance for \$225,000.

**Allocations Shift Proposed:** The substitution of Ch. 32 for Ch. 51 in Louisville has been proposed by FCC at the request of Ch. 51 grantee WKLY. The switch would require the substitution of Ch. 26 for Ch. 32 in Richmond, Ch. 83 for Ch. 26 in Anderson, Ind., Ch. 66 for Ch. 25 in Madison, Ind., Ch. 32 for Ch. 26 in Knoxville, Ch. 26 for Ch. 32 in Oak Ridge, Tenn.

**“Influence” Examiner Selected:** FCC chief examiner James Cunningham has been appointed to conduct the hearing on the Jacksonville Ch. 12 *ex parte* case, in which former Comr. Mack is alleged to have gone outside the record. WFGA-TV won the channel in 1956 (Vol. 16:32).

**Uhf CP Grant Proposed:** Ch. 25, Columbia, S.C., to First Carolina Corp., in an initial decision by FCC examiner Isadore A. Honig. Uhf translator granted: Ch. 82, Carroll, Ia., to Carroll Area TV.

**NBC Derides Justice Plea:** FCC is absolutely right in objecting to Philco & Justice Dept. demands for a hearing on antitrust charges against RCA & NBC in the WRCV-TV Philadelphia license-renewal case (Vol. 17:15 p5), NBC contended—not unexpectedly—last week.

In another in a long series of filings in the complex case, NBC told the Court of Appeals in effect that the Justice Dept.’s antitrust div. had no legal legs to stand on when it filed an *amicus curiae* brief agreeing with Philco, which wants to take away NBC’s station.

Reviewing the Philadelphia story since FCC threw out Philco’s protest against the 1957 renewal of WRCV-TV, NBC pointed to consent-decree settlement of the govt.’s RCA-NBC antitrust case, requiring the network to divest itself of the station.

“Now the antitrust division suggests that the Commission should hold a hearing to consider allegations which the govt. had made before it settled this litigation,” NBC said in its Court of Appeals brief, adding:

“It may seriously be questioned whether the division—in good conscience to either the Commission or to NBC—can now ask to have the Commission determine the antitrust allegations initially referred to the division by the Commission but which the division itself advertently settled after extended negotiations with NBC.”

NBC argued that the Justice Dept. “erroneously disregards the fact that the Commission has already resolved these charges favorably to NBC, overlooks the division’s own recognition of NBC’s qualifications in the decree for the very license period involved . . .”

**Kenneth Cox, new FCC Broadcast Bureau chief** who started work April 10, reports he’s suffering from the current Washington ailment—house hunting. His infection is particularly acute because his wife and their 3 sons, aged 11, 7 & 4, will remain in Seattle until August—and he’s got the unenviable job of selecting a house that he hopes his wife will like. As Cox took office, FCC took elaborate precautions in connection with Cox’s former representation of J. Elroy McCaw’s radio WINS N.Y. Commission released an exchange of letters in which Cox suggested he have nothing to do with the pending WINS renewal. Chmn. Minow agreed & expressed appreciation of Cox’s concern.

**Old Pay-TV Request Rejected:** The application of grantee WSES (Ch. 29) Philadelphia, filed in 1957, seeking to test pay TV, has been turned down by FCC. The Commission noted that the station’s CP has been canceled for failure to build and that its application didn’t comply with FCC ground rules for toll-TV tests.

**Vhf Translator CPs:** FCC has granted Ch. 10, Sidney, Mont., to Richland TV Club; Ch. 13, Ft. Benton, Mont., to Ft. Benton TV Club; Ch. 9, Thayne, Wyo., to Star Valley TV System Inc.

**TV Applications Filed:** Ch. 19, Cleveland, by radio WDOK; Ch. 32, Montgomery, by First Alabama Corp. (prospective assignee of WCIV Charleston, S.C. and Ch. 25 applicant for Columbia, S.C.).

## Technology

**WBC into Space:** An application for experimental land-based space communications transmissions has been filed by Westinghouse Bestg. Co. which seeks the use of 5499-5501 mc, 2-kw into the antenna, at Friendship Airport near Baltimore.

## Congress

**HOW STATIONS HANDLED POLITICS:** Given their choice, most politicians from President Kennedy down to con-stables prefer TV to radio for their election-campaign pitches. Yet it's more than twice as hard for them to get on radio, whether they pay for appearances or finagle the time free.

This paradox is one of many nuggets of information which members of Senate & House Commerce Committees could extract from a monumental statistical study—*Survey of Political Broadcasting*—which FCC submitted to Congress last week.

The mass of detailed FCC questionnaire data, including 103 tables in a 16 x 10½-in. format, documented & expanded Commission testimony on 1960 TV & radio equal-time practices which was presented last month to the Senate's Freedom of Communications Subcommittee (Vol. 17:14 p4) and at earlier hearings in the Senate & House. The roundup report had been called for in a Congressional resolution (S. J. Res. 207) which suspended equal-time requirements for Presidential tickets last year.

State-by-state breakdowns and summary charts prepared by FCC from "timely & generally usable" questionnaire answers received from 4,202 stations (3,099 AM, 633 FM, 470 TV) showed what broadcasters did—and didn't do—in White House, Senate, House and governorship contests.

Windup Table 103 ("AM & TV Stations: General Policy with Respect to Political Broadcasting") showed that only 43.2% of AMs (1,338) sold political time & announcements and made free time available vs. 95.7% of TV stations (450) which did all 3.

Moreover, 51.1% (1,584) of the AMs vs. only 4% (19) of the TV stations observed a political policy of selling spots and time for speeches but refusing free time to anybody. And 15 AMs vs. just one TV station refrained from any political broadcasting whatever. Political spots only were sold by 125 AMs. Paid spots & free time—but not paid speech-making time—were offered by 37 AMs. No TV station placed itself in the last 2 categories.

Another table in FCC's statistical masterpiece exposed the extent—and lack—of political editorializing by broadcasters last year. Only 2 TV stations (vs. 53 AM, 7 AM-FM, 4 FM) came out editorially for any candidate. "Reply" statements were broadcast by 23 of the editorializing AMs, but by neither of the TV stations, 28 of the AMs and one TV station reporting they'd put no "replies" on the air but had tried to get them. Two AMs and the other TV station admitted they not only didn't broadcast "replies" but made no effort to "encourage" them.

In none of the charts was any station identified.

**"Right to Know" Advocated:** Wider public access to records of FCC & other regulatory agencies is proposed in a bill (S-1567) introduced by Sen. Carroll (D-Colo.) and co-sponsored by Sens. Hart (D-Mich.), Long (D-Mo.) and Proxmire (D-Wis.). The measure would amend the Administrative Procedure Act to require the agencies to "publish all their rules" and—with few exceptions—"define public records to include all records & documents submitted." Describing it as a "right to know" & "freedom of information" bill, Carroll said it's needed to open up agency channels which have become "tighter & tighter."

**Winchell Probe Threatened:** Columnist Walter Winchell, who doubles as commentator for ABC-TV's much-criticized *The Untouchables* (Vol. 17:14 p6), has been threatened with a Congressional investigation. Rep. Anfuso (D-N.Y.), a leader in boycott movements against the show's characterizations of Italian gangsters, demanded that Winchell apologize—or face a probe—for something he wrote in his April 3 column. Winchell's item said President Kennedy had by-passed 100 Italian-Americans for appointments because of their "Big M [Mafia] control or link," adding cryptically: "Characters right out of *The Untouchables*." Anfuso wrote Winchell: "If you wish to treat this matter lightly, let me advise you that I will sponsor a Congressional investigation of such un-American activities as these." Anfuso also said that his bill (HR-4502) banning derogatory references to any ethnic groups on TV & radio (Vol. 17:9 p12) "can easily be amended to cover the situation at hand to expose all of the destructive influences in our country." Anfuso sent copies of his letter to the White House and to the Attorney General.

**TV Subsidies Supported:** Sen. Neuberger (D-Ore.) has joined a Congressional campaign to set up a govt. kitty to help Senate & House candidates pay for election-campaign broadcast time. She introduced a bill (S-1555) authorizing candidates to collect half their TV & radio expenses from the U.S. Treasury, so long as time bought on a single station doesn't exceed 15 minutes on TV & 30 on radio during primaries and 30 on TV & 60 on radio during general election campaigns. In a similar move, Senate Majority Leader Mansfield (D-Mont.) has proposed \$1-million reimbursements to Democratic & Republican parties for TV & radio campaign expenses (Vol. 17:13 p15). Mrs. Neuberger submitted a chart of time charges by stations across the country to "demonstrate clearly the financial problem that any candidate must face in an effort to reach the voters of his district." Sens. Douglas (D-Ill.), Morse (D-Ore.) and Clark (D-Pa.) co-sponsored her bill, which revived legislation proposed in the last session by her late husband Sen. Richard L. Neuberger (Vol. 16:4 p12).

**Automation Costs Jobs:** A House Labor Committee report prepared by Rep. Holland (D-Pa.) from answers to questionnaires sent to unions asserts that automation has spread unemployment widely through the TV & radio broadcasting & manufacturing industries. Holland said union estimates of job losses included these: (1) TV station jobs were cut 25% in 1958-'60. (2) Radio station jobs were reduced by 3,900 in the same period. (3) Set manufacturers reduced payrolls by 50,000 in 1950-'60. "Where 200 men were required to assemble 1,000 radios a day, the job can now be done by 2 men."

**A Break on Overtime:** TV & radio stations in areas where population is 50,000 or less would be exempt from paying wage-hour-law overtime to announcers, news editors and chief engineers, under legislation nearing a final vote in the Senate. The broadcasting exemptions are among non-controversial features of the Senate Labor Committee's substitute for a House-passed minimum-wage bill (HR-3935). A Senate vote on the bill—which must go back to the House if approved—may come April 18.

### Obituary

Bertram O. Wissman, 50, chief clerk of the Senate Commerce Committee in 1953-'54 and a member of its staff until 1959, when he was named ICC Congressional liaison officer, died of lung cancer April 11 in the Washington Hospital Center. Surviving: His wife, 4 sons, 2 daughters.

## Networks

**STATION-BREAK EXPANSION STIRS UP STORM:** ABC-TV will increase the station-break time between nighttime programs from 30 to 40 sec., effective at the start of the 1961-'62 season. But the policy revision (stated in a February 1 letter from ABC network sales vp William P. Mullen to advertisers & agencies) drew a loud protest last week from, among others, Young & Rubicam Pres. George H. Gribbin.

"Arbitrary, uncalled for, a disservice to the public, and the ad & broadcasting industries," said Gribbin in an April 13 telegram to ABC-TV Pres. Oliver Treyz. CBS, NBC and NAB received copies of Gribbin's protest, which also charged ABC with "a direct infringement upon responsible use of the free airwaves and a violation of the spirit, if not the letter of the NAB Code." From an ad standpoint, continued Gribbin, "the program-time reduction is, in effect, an increase in network rates for the national advertiser, who is not being compensated by a proportionate decrease in charges."

CBS-TV also came under Gribbin's attack for an April 7 letter to agencies from sales administration vp William H. Hylan. "It may be necessary for us to accede to our affiliates' demand for a similar expansion," said Hylan. CBS "might adopt" a 42-sec. break in lieu of the present 30-sec. one or a 70-sec. break at the end of 60-min. programs sold on a participating basis. Gribbin "urged that the change not be made."

ANA also voiced its disapproval of ABC's policy. "We feel it is against the best interests of broadcasting," said Board Chmn. Howard Eaton, who is also Lever Brothers media dir. "The resulting commercialization will jeopardize the public's trust & confidence in the industry," he said. "We urge ABC to consider reversal of this policy at the next meeting of its affiliates."

No compromise was forthcoming from ABC, at least. In an April 13 reply to Gribbin, Treyz said his network "is now firmly committed to advertisers, agencies and affiliates to proceed with the revised policy." He emphasized that the revision was announced "prior to ABC's receipt & acceptance of orders for the new season, save for 2 half-hours which will continue to have a 30-second break." The new policy is "directly in the public interest," Treyz told Gribbin. "The entire extra revenue produced by the slight increase in commercial time (1/2%) goes to the local station, thus providing a broadened & stronger economic base for the station to finance improved TV service."

Therefore, said Treyz, "your controversy is with the other networks who are attempting retroactive changes by proposing to alter terms & conditions of business already placed & accepted by them."

**35 More Network Advertisers in 1960:** 376 advertisers used network TV in 1960, breaking the previous record of 341 set in 1956, according to TvB. New-to-TV advertisers totaled 53, of which 26 had gross time billings over \$100,000. The biggest 1960 spender was Procter & Gamble, with gross time expenditures of \$46,406,679, followed by American Homes Products (\$33,376,057), and Lever Brothers (\$28,613,140). The next 7: General Motors (\$22,985,033), Colgate-Palmolive (\$22,511,280), General Foods (\$18,623,648), R. J. Reynolds (\$15,891,416), Sterling Drug (\$15,358,919), General Mills (\$14,651,707), Brown & Williamson (\$12,533,149).

**Medical Network Proposed:** Senate Commerce Committee Chmn. Magnuson (D-Wash.) foresees the TV day when medical schools & practitioners will be linked by a special coast-to-coast network. In a talk to the 3rd annual meeting of the Council on Medical TV at the National Institutes of Health, Bethesda, Md., he said: "Such a network would interconnect medical schools & research centers, and reduce informational obsolescence by the rapid dissemination of new developments. Such a concept would also offer scientists & practitioners a mechanism for nationwide information storage & retrieval by reference to a centralized documentation computer." And ultimately, Magnuson added, "a worldwide biomedical communication system" may be needed.

## NETWORK SALES ACTIVITY

### ABC-TV

- My Three Sons, Thu. 9-9:30 p.m., full-sponsorship eff. immediately.  
*General Motors* (Campbell-Ewald)
- Bus Stop, Sun. 9-10 p.m., part. eff. fall.  
*Brown & Williamson Tobacco* (Ted Bates)  
*Alberto-Culver* (Compton)  
*Singer Sewing Machine* (Young & Rubicam)
- Hong Kong, Wed. 7:30-8:30 p.m.; Cheyenne, Mon. 7:30-8:30 p.m.; Roaring Twenties, Sat. 7:30-8:30 p.m.; Hawaiian Eye, Wed. 9-10 p.m.; Stagecoach West, Tue. 9-10 p.m., part. eff. July.  
*Mennen* (Warwick & Legler)
- American Bandstand, Mon.-Fri. 4-5:30 p.m., part. eff. April.  
*Warner-Lambert Pharmaceutical* (Lambert & Feasley)

### CBS-TV

- The Freshman, Wed. 9:30-10 p.m., full-sponsorship eff. fall.  
*General Foods* (Young & Rubicam)
- Double Trouble, Tue. 8-8:30 p.m., full-spon. eff. Oct. 3.  
*Procter & Gamble* (Benton & Bowles)
- Red Skelton Show, Tue. 9:30-10 p.m., part. eff. May 9.  
*Sinclair Refining* (Geyer, Morey, Madden & Ballard)
- Pro. Golfers Assn. Tournament, Sat., July 29, 5:30-6:30 p.m., participations.  
*Williamson-Dickie* (Fuller & Smith & Ross)

### NBC-TV

- The Dean Martin Show, Tue. April 25, 10-11 p.m., full-sponsorship.  
*Procter & Gamble* (Benton & Bowles)
- Hazel, Thu. 9-10 p.m., full-sponsorship eff. fall.  
*Ford Motor* (Kenyon & Eckhardt)
- Daytime programming, Mon.-Fri., part. eff. July 1 & Oct. 3.  
*General Motors* (Campbell-Ewald)  
*Thomas Leeming* (William Esty)
- Laramie, Tues. 7:30-8:30 p.m., Michael Shayne, Fri. 10-11 p.m., part. eff. May 12.  
*Procter & Gamble* (Benton & Bowles)
- Tab Hunter Show, Sun. 8:30-9 p.m., This Is Your Life, Sun. 10:30-11 p.m., Barbara Stanwyck Show, Mon. 10-10:30 p.m., part. eff. May 7.  
*Foster-Grant* (Donahue & Coe)
- Your Saturday Night Movie, 9-11 p.m., part. eff. Sept.  
*Thomas Leeming* (William Esty)  
*Union Carbide* (William Esty)  
*R. J. Reynolds* (William Esty)  
*Noxzema Chemical* (SSC&B)
- The Joey Bishop Show, Wed. 8:30-9 p.m., co-spon. eff. fall.  
*Procter & Gamble* (Benton & Bowles)

**AB-PT in Broadcast-Gear Business:** ABC's parent, AB-PT, last week put itself in the broadcast-equipment business—indirectly—when it concluded an agreement to make a long-term loan to Visual Electronics Corp., with rights to purchase up to 40% of Visual's stock.

Operating on both the domestic & international scene, Visual is sales representative for manufacturers of broadcast & communications equipment and a developer of TV automation equipment. It also has a closed-circuit operation for business meetings and the like (Vol. 17:15 p4).

AB-PT Pres. Leonard Goldenson, in announcing the agreement, said: "Our association with Visual has particular significance to our company's operation. Visual will provide technical resources of its sales & engineering departments in the expected development of automation in the TV industry and to our expanding activities in the foreign TV field." Visual is headed by James B. Tharpe.

No financial details were announced. AB-PT also holds minority interests in 3 electronics firms—Microwave Associates, Technical Operations, Dynametrics Corp.

**2nd Canadian Network Stalled:** The BBG reserved decision last week on the application of Canadian Television Network to establish the Dominion's 2nd coast-to-coast network (Vol. 17:13 p12). Major point of contention: CTN's inability to guarantee 10 hours of programming weekly by the Sept. 1 starting date, as stipulated by BBG. Network Pres. Spencer Caldwell said he was confident the necessary programming would be committed by Sept. 1. BBG's decision may be forthcoming next week. The BBG also reserved decision on the application of CFTO-TV Toronto for a temporary Toronto-Ottawa-Montreal TV network to carry Canadian professional football games. CFTO-TV is one of the station groups represented in the CTN network application. The Ch. 9 station's Pres. Joel Aldred also announced the "largest sports package deal in Canadian TV history," involving the weekend telecasting of home & road baseball games of the Toronto Maple Leafs. CFTO-TV also is in final negotiations to telecast U.S. pro football games of Baltimore Colts or Pittsburgh Steelers.

**What Directors Want:** The TV-radio directors contract, due to expire Mon., April 10, was extended until midnight, April 14, as networks and the Directors Guild of America continued their lengthy hassle. DGA, which represents 900 directors, asst. directors and stage managers, is demanding a status change for its members—from salaried employes to freelance agents. Under the present contract, directors receive \$190 weekly plus commercial fees & overtime. DGA would put its members under contract for payment of \$630 weekly for a minimum of 23 weeks work out of each 26, or 46 weeks out of the year, eliminating overtime pay. The networks have been arguing that this type of contract, used in motion pictures, is not applicable to TV. Although no agreement had been reached at week's end, a strike seemed unlikely.

**NBC's Spring Trimming:** The annual survey of departmental budgets & excess personnel got into full swing at NBC-TV last week with the releasing of 2 daytime program executives and 2 network salesmen. "There'll be a lot of names added to the list before the clean-up is over," said a network spokesman, adding that recent resignations of 3 vps—B. Lowell Jacobsen, Burton H. Hanft (Vol. 17:14 p14) and participating programs vp (*Today & Tonight*) Jerry A. Danzig—"were not part of the general cut-back."

## Stations

**NAB Books Kennedy:** President Kennedy will make an appearance at the opening general session of the 39th NAB convention May 8 in Washington's Sheraton Park Hotel.

He will be introduced to more than 2,000 delegates by NAB Pres. LeRoy Collins, who carried a convention invitation to the White House last month (Vol. 17:13 p14) and received an acceptance April 8.

Mr. Kennedy is expected to speak briefly during the convention's starting ceremonies, at which the U.S. Marine Band will play and Judge Justin Miller, former NAB pres. & chmn., gets NAB's 1961 Distinguished Service Award.

The administration also will be represented in the May 7-10 convention program by HEW Secy. Abraham Ribicoff, who will address the May 10 owner-management luncheon. Collins will be the keynote speaker at the May 8 luncheon. FCC Chmn. Minow addresses the May 9 luncheon.

Presiding at the opening general assembly during Mr. Kennedy's participation will be Dwight W. Martin of WAFB-TV Baton Rouge. It will be the President's 3rd appearance before a media group within 3 weeks. Kennedy will speak to the American Society of Newspaper Editors in Washington April 20. He will be in N.Y. April 27 to address ANPA's Bureau of Advertising.

**Payola Order Approved:** FTC has accepted a February consent order negotiated by hearing examiner Loren H. Laughlin to settle a payola complaint against Era Records, which operated in Hollywood until May 1959. Era partners Herbert Newman, Louis J. Bedell and Max Newman, who now manufacture records under separate corporate identities, agreed that they would not make illegal payments to disc jockeys. FTC is in process of closing its record in all payola cases (Vol. 17:15 p12). In a related move, SEC scheduled an April 25 hearing for Roulette Records on questions of whether a suspension order against the firm, temporarily lifting its stock-registration exemption, should be dropped or continued. SEC had accused Roulette of failing to mention its FTC payola troubles in a "false & misleading" stock-promotion circular. Dismissal of complaints against Columbia Record Sales Corp., Capitol Records Distributing Corp. and Dot Records Inc. has been recommended by FTC examiner Abner E. Lipscomb.

**Tips on Labor Language:** "The Critical Clauses in Your Labor Agreements" will be defined for broadcasters by a guest expert—labor counsel Frank O'Connell of Olin Mathieson Chemical Corp.—at a May 10 labor clinic at NAB's Washington convention (see above). O'Connell will give TV & radio management delegates advice on what language they should negotiate & reject in union contracts. Chmn. Ward L. Quaal (WGN-TV & WGN Chicago) of NAB's Labor Advisory Committee will report on efforts to obtain better liaison between stations, networks and advertisers in AFTRA & SAG negotiations. Other participants in the clinic will include ABC vp Richard Freund and NAB staffers James H. Hulbert & D. L. Doughty Jr.

**"Operation Alert":** Announcing the annual civil defense training exercise scheduled April 26-28, including a Conelrad drill (Vol. 17:11 p11), OCDM Dir. Frank B. Ellis said: "It is the firm intention of the agency, under the direction of President Kennedy, to bring home to the American people their spiritual obligation to prepare for survival & to aid in the survival of others. Operation Alert 1961 therefore takes on new dimension as one of the basic training exercises for . . . the civilian population . . ."



**Storer Sets Radio Record:** "The greatest March radio billing period in our 34-year history" was posted by Storer Bcstg., although over-all first-quarter earnings were down from a year ago (see financial table), Chmn. George B. Storer told the annual meeting last week. He said the TV-radio chain viewed the balance of 1961 with cautious optimism, regarded the March billings surge as "an encouraging sign, not only for radio, but for all advertising." He conceded that Storer's TV sales "have been off slightly during the first quarter of 1961 as compared to 1960, particularly in the automotive area," but said that "immediate & long-range future billings give us no great cause for alarm or gloom." He emphasized that "radio reflects the broadcasting business & the over-all economy more quickly than TV" because advertisers can effect changes in radio budgets & schedules "within a matter of hours." The chairman said that Storer's cash position is strong, all tax bills are paid, and the company has no senior securities or bank loans ahead of the common stock.

**Black-&-White "Color":** More than 1,000 viewers wrote WNEW-TV N.Y. to say they had seen color on a recent black-&-white broadcast. The cards & letters, mostly from young viewers, were in response to an illusion demonstrated on the station's *Wonderama* show—an illusion which has been used previously on TV in Britain, Japan & Mexico, but which, to our knowledge, received its first U.S. airing on the N.Y. station. A wheel with alternating black & gray designs was spun before the cameras, and viewers responded that they saw red, yellow, orange, purple, blue, green & pink. A similar illusion was demonstrated last year at the NAB convention by Mexican TV engineer Guillermo Gonzalez Camarena, who said he plans to use the system for commercials (Vol. 16:15 p10). The British had beaten him to it however, by using the "subjective" color system for Oxo spot commercials, in which the flickering bouillon-cube carton was supposed to show up red (Vol. 12:43 p8). The Japanese, too, reportedly have aired subjective color commercials. The apparent colors result from eye fatigue caused by the flickering images.

**WAVY-TV Sale Deal:** Negotiations are understood to be nearly completed for the sale of WAVY-TV Norfolk-Portsmouth for approximately \$5 million to the Gannett interests, in a deal through broker Blackburn & Co. The sellers are 67 stockholders headed by Pres. J. Glen Taylor. The Gannett organization owns WHEC-TV & WHEC Rochester, N.Y., WINR-TV & WINR Binghamton, radios WENY Elmira & WDAN Danville, Ill., plus its large chain of newspapers (see TV FACTBOOK No. 31, p. 165). The price is reportedly \$4.5 million cash, with the sellers also to get accounts receivable, etc., to bring total to \$5 million.

**Crosley Eyes Rep Field:** Crosley Bcstg. Corp. is the latest major station group to entertain rep firm ambitions. The idea is "in the thinking stage, and may be discussed at the May 2 Management Planning Committee meeting," a company spokesman said. Crosley, whose o&o's are WLW-T Cincinnati, WLW-C Columbus, WLW-D Dayton, WLW-I Indianapolis, WLW-A Atlanta and radio WLW Cincinnati, would handle some non-Crosley stations as well. If the idea gains management approval, Crosley will join the growing roster of station-group rep firms which already includes Westinghouse (TvAR and AM Radio Sales), and Storer Bcstg. Companies (Vol. 16:50 p12).

**WSJS-TV Sets up Standards Committee:** The Winston-Salem station's ad standards committee, comprising several station staff members, will screen films both for telecast & ad purposes.

## Auxiliary Services

**TELEGLOBE AHEAD OF PHONEVISION?** The purchase of a "substantial" minority interest in Teleglobe Pay-TV System Inc. by Macfadden Publications Inc.—which in turn is controlled by Bartell Bcstg. Corp.—gives rise to the interesting speculation that the simple Teleglobe system may get a full-scale, on-the-air test even before Zenith's Hartford Phonevision experiments start.

Although Bartell officials say they are negotiating with U.S. TV stations in "4 or 5 different areas" for an FCC-controlled test, and that Bartell may even acquire an American TV outlet of its own for the purpose—Bartell appears to have a ready-made situation for a broadcast pay-TV test which would require neither FCC supervision nor tightly-controlled conditions.

Bartell Bcstg. owns 4 radio stations in the U.S., and TV stations in Haiti and the Netherlands Antilles (Curacao & Aruba). Although company officials declined to comment, one of these areas could conceivably be selected for a sort of pre-FCC test.

Of these 3, the logical one is the island of Curacao, where Bartell's PJC-TV (Ch. 8) Willemstad is now said to be serving more than 9,000 TV receivers. The wealthy oil-refining island might be a logical pay-TV test site for more reasons than one—it could provide a delightful expense-account trip for TV, entertainment & electronics industry officials who wish to inspect the system.

### Teleglobe Transmits Soundless TV

The Teleglobe system is perhaps the simplest pay-TV technique proposed to date. No installation is made on the customer's TV set. For pay-TV programs, the video is simply transmitted—unscrambled, in the usual way—but without any audio. The sound is provided by wire leased from the telephone company. Teleglobe officials say that exhaustive tests have shown that TV without sound is virtually intolerable and that the soundless TV picture provides the best come-on or "barker" to induce viewers to pay for the complete program. Under the Teleglobe system, the audio wires would also be used to transmit billing information (telling which sound systems customers have turned on) to a central point.

"The Teleglobe system is now ready for commercial use," announced Gerald A. Bartell, president of both Macfadden and Bartell Bcstg., "and we will seek FCC approval of a test in a major U.S. market area soon." His statement, however, did not preclude an overseas test first—which may be likely particularly if Bartell's U.S. station negotiations or FCC proceedings become protracted.

The amount of Macfadden's investment in Teleglobe wasn't revealed. A top Teleglobe official, however, said the pay-TV company intends to sell more stock as its needs for capital increase, but that "no public offering is planned—although the picture could change in a month or so."

Teleglobe is headed by Solomon Sagall, founder of Scopphony Ltd., one of Britain's pioneering TV firms. Associated with him is J. R. (Jack) Poppele, well-known broadcasting industry figure, former General Teleradio engineering chief & top official of Mutual Bcstg. System, founder & first pres. of the old TV Bcstrs. Assn. and former director of the Voice of America. Teleglobe has opened new offices in Room 1010, 400 Madison Ave., N.Y. (Eldorado 5-0010).

Bartell once owned uhf WMTV Madison, Wis., but sold it in 1957 to a group headed by Mitchell Wolfson, pres. of Wometco Enterprises (WTVJ Miami).

**NCTA UNHAPPY WITH NAB:** NAB's endorsement of FCC's proposed legislation giving it the power to regulate station-CATV conflicts (Vol. 17:15 p4) encourages "governmental economic intervention," according to NCTA Pres. William Dalton.

"A long time ago," he said, "NAB's attitude toward the CATV industry might have been defensible when occasional problems existed between a few broadcasters and CATV systems in isolated areas. These conflicting situations have been largely resolved in the proper forum—at the conference table.

"Today, therefore, a plausible case cannot be made for governmental economic intervention in broadcasting & CATV reception, and economic intervention is what this bill introduces.

"I expect all thoughtful broadcasters, network executives and CATV operators would be jointly concerned over the prospects of legislation that could usurp the management function and might lead to limitations on the public's privilege of TV-program selection."

**NT&T Buys 3 CATV Systems:** Purchase of 3—and perhaps 4—CATV systems by NT&T was disclosed last week by Pres. Eugene Klein at its annual stockholders meeting. (Later Samuel Norton, pres. of the National Amusement div. of NT&T, told us that the cost was \$1,865,000.) Klein said he thought pay TV presented considerable potential and that NT&T's CATV operations "may well be the pilot for such a system."

The systems purchased are Bluefield TV Cable Co., serving Bluefield, W. Va. & Bluefield, Va.; Durfee's Inc., representing 6 systems headquartered in Man & Logan, W. Va.; and Perfect Video Inc., representing 2 systems in Hattiesburg, Miss. and Ferriday, La. NT&T is also completing purchase of an unidentified CATV system in Michigan. Adding to this list the firm's Williamsport, Pa. system gives NT&T 27,000 subscribers—"the third largest CATV company," Norton said.

**CBC & CATV Control:** The willingness of CBC to go along with the Canadian govt.'s watchful-waiting proposal on controls for CATV & wired pay-TV systems (Vol. 17:10 p8) has been explained to us by the network. CBC's concurrence is not based on a belief that wired- & pay-TV are not yet a major factor in influencing public opinion, as we reported. Rather, in the words of CBC Pres. Alphonse Ouimet: "I believe the question of regulations will come up at a particular stage in the development of these systems. At the moment they represent only a small percentage of the total number of homes served by TV. I think it is something on the order of 5%. I believe a case can be made for leaving these systems, for the moment, without any regulations..."

## Programming

**TV's EFFECT—CHAPTER 487:** The TV series that never ends—The Effect of TV on Children & Everybody Else—bubbled busily along last week. From at least 4 quarters came new voices to reveal more effects:

From California came the findings of the Stanford University Institute for Communication Research in the shape of a volume entitled *Television in the Lives of Our Children*, by Wilbur Schramm, Jack Lyle, and Edwin B. Parker (Stanford University Press, 336 pp., \$6). The average U.S. child (ages 3 to 16) spends a sixth of his waking time watching TV, asserted this 3-year study of 6,000 children, 2,000 parents and 300 teachers in 10 communities. This is the same amount of time the child spends in school. TV, said the study, was "one of several factors" which contribute to juvenile delinquency. In their summary the surveyors wisely advised parents who are troubled about the low intellectual content of some TV to do their own selecting of programming.

From London—forwarded by TIO—came a reprint of *Television and the Child*, a study by Hilde T. Himmelweit, A. N. Oppenheim, and Pamela Vince sponsored by the Nuffield Foundation. If you don't already have this 52-page booklet, you may want to write TIO, 666 Fifth Ave., New York 19, N.Y. Concludes the study: "The final picture of the influence of TV on children's leisure, interests, knowledge, outlook, and values proves to be far less colorful & dramatic than popular opinion is inclined to suppose. Effects occur in each one of the various fields, but not to such a degree that the children would have been fundamentally changed. TV, then, is not as black as it is painted, but neither is it the great harbinger of culture & enlightenment which its enthusiasts tend to claim for it. If TV is a window on the world, it gives a view not very different from that provided in books, comics, films and radio programmes. Similarly, its capacity for broadening a child's horizons is not spectacularly different from that of any of the other mass media."

From Geneva came the view of Prof. T. C. N. Gibbens of London Institute of Psychiatry, expressed in a paper entitled *Trends in Juvenile Delinquency* which was published by the World Health Organization. There is still no evidence, said Prof. Gibbens, to prove that scenes of crime & violence on TV make viewers more aggressive than non-viewers, and, although TV may influence the type of offenses committed by juvenile delinquents, there is no reason to think that TV provides the motive for such offenses. Said the professor: "TV, radio, press and cinema have often been held responsible for the increase in crime & violence. They are easy to accuse because any member of the public can form an opinion by merely turning a knob, while it will take some time to experience the effect of any particular club or cafe."

And from the American Library Assn. came word of a booklet being prepared there entitled *A Handbook of TV-Library Co-operation*. ALA is apparently satisfied that "TV has been a positive force in the national swing to libraries," reported Marie Torre after a talk with Virginia Mathews, chmn. of the bestg. committee of ALA. Said Miss Mathews: "Seeing what TV can do & has done to stimulate reading, we look upon it as a tremendous motivational force. And we haven't even scratched the surface." Miss Mathews mentioned the "large demand for the Churchill and World War II books" as a result of ABC-TV's *The Valiant Years*.

### TELEVISION FACTBOOK NO. 32 OUT IN JUNE

Our completely new, 1,078-page Spring-Summer edition of TELEVISION FACTBOOK will be distributed to all TV-service subscribers of TELEVISION DIGEST in June.

Additional copies of this greatly expanded issue, featuring TV-station area coverage & circulation, may be ordered now through our Radnor business office at our special preprint rates of \$10 per copy or \$8 per copy on orders of 5 or more.

**More about**

**WBC's CONFERENCE—SALINGER'S WARNING:** President Kennedy's press conferences are "not a network show," and they shouldn't be withheld from affiliates, Pierre Salinger, White House press secy., said last week to the 350 broadcasters, program officials, educators and others gathered for the Fourth Westinghouse Public Service Conference in Pittsburgh.

Having won entry to hitherto-non-broadcast Presidential news sessions, networks now have a public-affairs tiger by the tail and should "weigh carefully" any ideas of dropping conference coverage if the novelty wears off, Salinger cautioned. He said the White House was "beginning to get letters from areas where local stations are no longer carrying [the Kennedy conferences]," and termed as "show business" talk any fears by broadcasters that President Kennedy is suffering from "over-exposure" on TV. "They're talking about over-exposing a juggler, or a comic, but they can't be talking seriously about the President."

\* \* \*

WBC officials made little attempt to push the discussions back to local-level problems. As WBC Pres. Donald H. McGannon explained to us, after one panel session where local problems were briefly touched upon and delegates were still discussing some hot questions that had been raised concerning network programming: "We don't think it's important any more to tell stations how to produce a local documentary. What's needed today, and what this conference is doing here, is to get people thinking conceptually, and to re-examine the whole question of program responsibility."

Turning the neat trick of being simultaneously very funny & very serious, comedian-raconteur Sam Levenson proved the surprise hit of the conference, at an April 11 luncheon address, with a stinging rebuke to programmers which drew a standing ovation. "You can't teach down-the-middle to the mass . . . They are not all created equal," he warned, "You must challenge them with a little more so that tomorrow they will understand."

"We must stop saying, 'what harm does it do?' We must have a sense of responsibility. If shows are bad for my child, they are bad for all children. On the other hand, you can't just throw Shakespeare at people who never went beyond the 8th grade . . . You must prepare people . . . simplify culture for people who cannot make the leap themselves," Levenson told the delegates.

Then, Levenson told the broadcasters: "You have got to lead—or Storm Troopers will. Here, in our hands, is the greatest medium for instruction. Either you will bring up the level of culture . . . or someone will bring it down."

Other conference highlights:

Garry Moore suggested that the TV industry was "splitting into camps of Thackeray vs. *Gunsmoke*," said the average viewer can grasp any idea you can make understandable.

CBS-TV program vp Oscar Katz: "Programming should appeal to most of the people most of the time—I see nothing wrong with that."

CBS producer Albert McCleery sounded a call-to-arms urging stations to find the moral courage to lead & create program style. Said he: "Rise affiliates! You have nothing to lose but your networks! I didn't know we had gotten into a push-button democracy where 51% are always right. It is not our duty necessarily to express the will of the majority."

**CBS, NBC Called 'Imitators':** The caller was ABC-TV Pres. Oliver Treyz April 12 in a speech before the Cincinnati Ad Club. Labeling his competitors "old-line networks," Treyz blamed them for "a shrinkage in TV's overall scope & diversity." The leaders of yesterday "have become the followers," he said. "They have simply pursued the paths pioneered by ABC since it emerged as a strong competitive force."

Pointing to the "abandonment of live drama, variety and comedy shows" as an attempt to parallel ABC's format, Treyz deplored the CBS-NBC "obsession with safety & predictability." What is needed instead, is "a balanced diet of contrasting program appeals," he said. "Imitation is the sincerest form of flattery but the poorest kind of programming."

■

**Networks Spotlight Russian Spaceman:** In high gear for live TV coverage of Project Mercury, the first U.S. man-in-space shot (Vol. 17:14 p8), all 3 networks did a double-take last week. A series of April 12 specials followed, within 24 hours, the official Russian announcement that they had successfully orbited the first astronaut. ABC-TV pre-empted the last *American Bandstand* segment (5-5:30 p.m.) to do "Soviet in Space," with science reporter Jules Bergman's analysis, recordings of the official Radio Moscow announcement and the astronaut's voice as he passed over Africa. CBS-TV pre-empted *Malibu Run* (7:30-8:30 p.m.) for "First Man into Space," with Charles Collingwood as anchorman. The 60-min. report included international reactions and interviews with U.S. & Russian space scientists. The Fri. (10:30-11 p.m.) *Eyewitness to History* program, "Down to Earth," also dealt with the Russian achievement. NBC-TV presented "Man into Space" April 12 (10:30-11 p.m.). Narrated by Edwin Newman, the program included a report from Moscow correspondent John Chancellor, filmed reports on international reaction and interviews with 2 Soviet scientists. The *Dave Garroway Today* show (7-9 a.m.) also highlighted the history-making event.

**News Bias Alleged:** TV & radio executives have a "heavy responsibility" to see to it that pro-Democratic prejudices of reporters don't color news programs, the Ohio Assn. of Bcstrs. was told by Taft Bcstg. Co. secy. Robert Taft, son of the late GOP Senator. Speaking at White Sulphur Springs, W.Va., Taft asserted that about 90% of working newsmen "probably" are aligned with the Democrats. Republicans have had to cope with the problem for several years, said Taft, who is Republican floor leader of the Ohio House of Representatives. Moreover, he added, reporters for newspapers and TV & radio stations are too prone to "accept handouts, inadequately investigate facts and jump to unwarranted conclusions." His own company's stations are WKRC-TV & WKRC Cincinnati, WTVN-TV & WTVN Columbus, WBRC-TV & WBRC Birmingham, WKYT Lexington, WBIR-TV & WBIR Knoxville.

**"Ev & Charlie" Get Raves:** Weekly TV network performances by GOP floor leaders Sen. Everett M. Dirksen (Ill.) & Rep. Charles A. Halleck (Ind.), which have been deplored by some liberal Republicans as unrepresentative of their party (Vol. 17:13 p15), seem assured of a long run. Halleck asked for—and won—a unanimous vote of confidence from the 32-member House GOP policy committee in the *Ev & Charlie Show*. "Keep up the good work," the House policy-makers told Halleck in effect, rejecting criticism by Sen. Case (R-N.J.) & others that the duo act doesn't reflect majority Republican opinion on policy.

## Film & Tape

**COUNTING VOTES IN NT&T FIGHT:** Following a spirited stockholders meeting of NT&T in Los Angeles last week, votes were still being tallied at week's end, to determine whether the bid of dissident stockholders seeking 2 board posts would be successful (Vol. 17:14 p9, *et seq.*). The meeting was recessed until 10 a.m. Wednesday (April 19) when a final tally is expected.

NT&T stockholder Leonard Davis, who precipitated the proxy fight to win board seats for himself & Phillip L. Handsman, claimed he had 600,000 shares (of 2,816,247 outstanding) committed to him by dissatisfied stockholders, and told us he was certain of victory.

NT&T Pres. Eugene Klein said management had control of 1,900,000 shares, and predicted "we will get a minimum of 75% of the votes cast—perhaps more. If there is a 75% vote for management, I'll be satisfied." He acknowledged that dissidents might get one or even 2 seats.

Davis accused Chmn. & ex-Pres. B. Gerald Cantor at the stockholder meeting in the Fox Wilshire Theater of engineering the "NTA debacle," wherein NT&T lost millions. He repeated charges made at the NTA stockholders meeting and criticized the pending sale of WNTA-TV N.Y. (Vol. 17:15 p9).

Another dissident, attorney Sidney M. Wolf, asked Cantor "why did NT&T get involved with NTA?" He urged an exhaustive, independent investigation of NT&T's affairs of the past 2 years. Cantor, one of the slate of 12 directors placed in nomination by management, was asked to withdraw his nomination by other dissidents.

### Cantor Refers Answers to Courtroom

At first reluctant to speak, Cantor took the floor to tell Davis: "You have filed a stockholders suit against myself & other directors of the company. The questions you have asked will be answered in the courtroom. You have chosen that arena, and therefore I cannot answer the questions here." (Davis & Handsman and stockholder Joseph Best have filed suits against NT&T in Delaware.)

NT&T secy. L. A. Peters said: "There's nothing mysterious about the NTA situation. An independent investigating committee recommended that we buy into that company in 1958—and we did. It turned out to be a headache—something none of us could foresee." Davis had alleged that NT&T had spent \$26 million on NTA. Klein, in opening the meeting, told stockholders that NT&T had largely separated itself from NTA, "to reverse the conditions of 1960." This, he said "gives NTA greater independence, and avoids the possibility that NTA would continue to drain your company's earnings."

Klein said that while final figures for the second fiscal quarter are not yet available, he estimated that NT&T had net earnings approximating \$700,000 in the 3 months ended March 28 (25 cents a share). Of the estimator net profit \$625,000 (22 cents a share) resulted from operations, and \$75,000 (3 cents a share) from capital gains. In contrast, the second fiscal quarter of 1960 brought a net loss of \$1,237,000 (45¢ a share). Movie theater operations in that quarter produced earnings of \$371,000 (13 cents a share).

Klein predicted NT&T would continue as a profitable operation for the rest of its fiscal year. He said the firm is tightening purse strings on administrative expenses, and has subleased 10,000 square feet of its home-office building in Beverly Hills. Subleases from this building will save the firm \$100,000 annually eventually, he asserted.

## HOLLYWOOD ROUNDUP

**ONLY 14 PILOTS SOLD TO DATE:** Hollywood TV-film producers who turned out almost 200 pilots this season have sold only 14 to date. Although the buying season isn't over, the figure is disappointing even for the hazardous business of pilot-making.

Leading pilot-seller is Revue Studios with 5: *The Bob Cummings Show*, *The Investigators*, *Plain & Fancy* (formerly *Ichabod*), *Frontier Circus* and *87th Precinct*. Next is MGM-TV with 3: *Cain's Hundred*, *Father of the Bride* and *Dr. Kildare*. Tied at 2 each are Four Star Television (*The Freshman* and *The Corrupters*), Screen Gems (*The Hathaways* and *Hazel*), and Marterto Productions, *The Joey Bishop Show* and *Double Trouble*.

20th Century-Fox TV may land 2—*Bus Stop* and *Follow the Sun*—and more pilots will be sold, it's expected. The unsold pilots do not represent a total loss; some companies have showcased pilots in current anthology series, thus recouping most if not all of their production costs.

\* \* \*

**Screen Gems Sells 12 Series:** Columbia Pictures' Screen Gems has 12 series set for next season, one a rerun, according to William Dozier, vp for West Coast activities. He reports returnees as *Dennis the Menace*, *The Donna Reed Show*, *The Flintstones*, *Route 66*, *Naked City*, *Yogi Bear*, *Huckleberry Hound* and *Quick Draw McGraw*. And CBS-TV will again show reruns of *Father Knows Best*. New sales are *Top Cat*, *the Hathaways* and *Hazel*.

**Hollywood Museum Bill Signed:** Cal. Gov. Edmund G. Brown last week signed a bill allowing the Los Angeles county board of supervisors to go ahead with plans to establish the Hollywood TV & Motion Picture Museum, which will cost an estimated \$4 million. The state Senate had approved the measure 31-0.

**La Lanne Lauded:** Jack La Lanne, who does setting-up shows on TV, has been hailed in the House as "a welcome fixture in households from coast to coast." Boasting that La Lanne is a constituent, Rep. Corman (D-Cal.) said he wanted to "commend his counsel & his programs to all my colleagues."

CBS-TV's *The Gunslinger* lost the fight. The 13 films made will be rerun this summer, after which the show will leave the air. Post-mortems *Gunslinger* producer Charles Marquis Warren: "We did our best in the short time given us, but 5½ weeks notice is not enough time to prepare a new show."

Screen Gems had 118 writers & 51 directors working on its series during the current production season.

**People:** Sol Saks signed by Four Star Television as producer & head writer for *The Freshman* series, starring Gertrude Berg & Sir Cedric Hardwicke . . . Fenton Earnshaw, who produced the presentation of Warners' *Solitaire*, is doing several segments of the studio's 77 *Sunset Strip* . . . Arthur H. Singer signed by MGM-TV as associate producer on its *Cain's Hundred* series . . . Elliott Lewis signed as producer-director-writer and Lois Green as story editor by Desilu Productions . . . David Victor named associate producer on MGM-TV's *Dr. Kildare* series. Production begins late in May.

## NEW YORK ROUNDUP

**Film Spots to Push Classic Books:** Westinghouse Bestg. Co.'s newest public-service project is to produce a series of 60-sec. film announcements to stimulate book reading by children. The spots will be offered to stations without charge using the "animated picture" technique already seen this season on NBC's *Project 20* shows. The announcements are, in effect, "teasers" for such classic children's books as *Robinson Crusoe* and *Alice in Wonderland*. Artwork seen in the films is based on illustrations generally associated with the literary works. A preview screening of the announcements was held at the Pittsburgh Public Service Conference staged last week by WBC.

**TV Marketers,** a 4-month young independent packager based in N.Y., hopes to "put the small distributor back in business," according to Pres. Wynn Nathan, ex-MCA syndication sales vp. The company's only property to date is *The Adventures of the Sea Hawk*, a 26-episode, 30-min. series starring John Howard, shot on location in the Caribbean, and produced by Eugene Solow and Brewster Morgan. Offices have been opened in Hollywood & Chicago and, according to Nathan, negotiations are nearing completion for other first-run properties.

**USIA's TV Expands:** TV films distributed abroad by USIA now are seen in 51 countries, the agency reported in its 15th semi-annual report to Congress. "In many of these countries, where TV is so new as to be a novelty, TV programs are viewed with fascination by all who have a set or can get near one," the report observed. USIA's special TV service, started in 1958, also supplements film distribution with video-taped *Panorama Panamericano* news shows shown weekly in 24 cities in 15 Latin American countries.

"The most general complaint [in my mail] is from Distressed Mother, who sends me the sexy play-by-play of some boudoir bit from *The Late Show*, or quotes indelicate banter on the Jack Paar caper and sniffs: 'What does a mother tell her 10-year-old daughter when she wants these things explained? I was shocked!' Well, I'm shocked too. I'm shocked at the mental equipment of any parent whose child is still in the living room at that time of night."—Paul Molloy in *Chicago Sun-Times*.

**Add Syndication Sales:** MCA-TV's 4 off-network series, *Riverboat*, *Suspicion*, *Cimarron City*, and *Overland Trail*, have been sold in 31 markets to date . . . Ziv-UA has sold its first-run, 30-min., Broderick Crawford series, *King of Diamonds*, in 33 markets to date.

ITC's Canadian subsidiary reports first quarter 1961 sales up 62% over the same period last year. From Jan. 1-March 31, 1961, ITC of Canada Ltd. scored 45 station sales of 20 properties, according to ITC vp Abe Mandell. Sales were made to both French & English CBC stations.

**Film Service International,** N.Y.-based film-buying rival of TV Stations Inc., now has 33 members scattered from N.Y. (WKBW-TV Buffalo) to Hawaii (KHVH-TV Honolulu).

**People:** Murray Oken has been named Trans-Lux Eastern div. mgr. . . . Karl von Schallern named Midwestern operations & sales vp, Peter M. Robeck Co. (film distributing firm).

## Advertising

**Madison Ave. Natives Restless:** Three accounts switched agencies last week, taking with them over \$5 million in billings. Bulova Watch Co. (watch billings estimated at \$4 million), will end a 6-year McCann-Erickson association in July to join Sullivan, Stauffer, Colwell & Bayles. That agency already handles Bulova's radios and phonographs and, according to Bulova marketing exec. vp R. H. Whidden, "it is our desire to consolidate our account at one agency." (McCann-Erickson remains the agency of record for Bulova's 2 upcoming TV specials—the April 20 Pat Boone show on ABC and the May 12 Arthur Godfrey show on CBS). The \$1-million Argus Camera account, 10 years at Young & Rubicam, will go to the Kudner roster in July. The Sylvania subsidiary's move is also a consolidation effort, as Kudner now has \$8 million of General Telephone & Electronics business. Martinson's Coffee, a division of Beech-Nut Life Savers, has shifted billings valued at \$500,000 from Al Paul Lefton to Grey, which lost the Chock Full O'Nuts business early last month.

**FTC Confirmation Lags:** Justice Dept. attorney Philip Elman, tagged in February by President Kennedy as an FTC member (Vol. 17:7 p3), was still waiting last week for the Senate Commerce Committee to pass on his nomination. The Committee had planned to vote on Elman April 11 (Vol. 17:13 p8), but didn't get around to it at a session taken up with FPC appointments. Next scheduled Committee meeting: April 25. There was no reported opposition to Elman, who calls himself a political independent.

**Ad Probe Proposed:** Sen. Hart (D-Mich.) has been designated by Chmn. Kefauver (D-Tenn.) to head a study of consumer pricing & advertising by the Judiciary Anti-Trust & Monopoly Subcommittee. Hart said no hearings have been planned, but that he intends to conduct an "in-depth" survey of "deceitful & misleading practices of the marketplace."

**Ad Deductions Proposed:** A 1959 Treasury Dept. ruling that expenditures for advertising & other lobbying against legislation can't be deducted as business expense from a company's income tax would be nullified by bills (S-1613 & HR-640) by Sen. Capehart (R-Ind.) & Rep. Boggs (D-La.). Supporters of the legislation argue that the Treasury ruling imposes a "censorship tax."

**Dixon to Address AFA:** FTC Chmn. Paul Rand Dixon will address a May 30 luncheon session of the 57th annual Advertising Federation of America convention in Washington May 28-31. Speakers at other sessions will include Gen. Alfred Gruenther, who heads the American Red Cross, and Harvard U. advertising prof. Dr. Neil H. Borden.

**New rep:** WAVE-TV Louisville, Ky. to Katz July 1.

**Ad People:** Victor G. Bloede, Ken McAllister and Lee Rich appointed senior vps, Benton & Bowles . . . Graeme MacLeod and Frank M. Leonard named Dancer-Fitzgerald-Sample vps . . . Curtis Berrien named to new post of senior vp & creative dir., Lennen & Newell.

### U.S. Station Rate Increases

Stations	Base Hour	Minute	Date
KOMO-TV Seattle	\$1350 (no change)	\$380 to \$400	March 1
KTUL-TV Tulsa	650 to \$750	170 to 200	April 1
WTVM Columbus, Ga.	400 (no change)	90 to 100	March 1
WFAU-TV Eau Claire, Wis.	300 to 375	60 to 75	March 1
KGUN-TV Tucson	300 to 325	77 to 85	March 1
WJHG Panama City	175 to 250	35 to 50	April 15

## Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.  
WALTER H. ANNENBERG, President

PUBLICATION OFFICE Radnor, Pa., MUirroy 8-3940, TWX: Rodnor 1028

JAMES T. QUIRK,  
Business Manager

MERRILL PANITT, Editorial Director  
HAROLD B. CLEMENKO, Managing Editor  
DAVID LACHENBRUCH, Asst. Mng. Editor  
HAROLD RUSTEN, Associate Editor  
PAUL STONE

JAMES B. DELEHANTY,  
Asst. Business Mgr.

WASHINGTON BUREAU  
Wyott Building  
Washington 5, D.C.  
Sterling 3-1755  
ALBERT WARREN, Chief  
WILBUR H. BALDINGER  
WM. J. McMAHON Jr.

NEW YORK BUREAU  
625 Madison Ave.,  
New York 22, N.Y.  
Plaza 2-0195  
CHARLES SINCLAIR, Chief

WEST COAST BUREAU  
6362 Hollywood Blvd.  
Hollywood 28, Cal.  
Hollywood 5-5210  
DAVID KAUFMAN

MARTIN CODEL  
Associate Publisher

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually.  
For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY  
Published March & Sept. Published Saturdays Published in January

Copyright 1961, by Triangle Publications, Inc.

**Personals:** George B. Storer Jr., TV vp, elected pres. of Storer Bestg. Co., succeeding his father who becomes chmn. Two new Storer directors were elected: Terry Lee and Detroit lawyer-businessman George Haggarty. The younger Storer's duties will be assumed by Lee and William Michaels . . . Richard N. Goldstein, of the legal dept., named NBC dir. of labor relations . . . John B. Babcock, gen. mgr. of WLWI Indianapolis, named a Crosley Bestg. vp; Walter Bartlett, gen. mgr., WLWC Columbus, and George J. Gray, gen. mgr., WLWD Dayton, also named Crosley vps.

Elizabeth S. Carpenter, wife of *Variety's* Washington correspondent Leslie E. Carpenter, sworn in as exec. asst. to Vice President Johnson . . . Courtney M. Kirkeeng, ex-mgr. of Columbia TV Inc., operator of CATV systems in Kennewick & Pasco, Wash., appointed public relations & promotion mgr. of Antennavision Inc., Phoenix CATV operator and equipment maker. His duties at Columbia TV will be taken over by Pres. Newell Pries and chief engineer Clayton D. White.

Burke W. Ormsby named promotion dir., KOGO-TV San Diego. He is also program dir. . . Lee E. Franks, ex-WUFT Gainesville, Fla., program dir., named asst. dir. of station relations, National Education TV & Radio Center.

Merle S. Jones, pres. of CBS TV stations Dir., recuperating at Columbia Presbyterian Hospital, Neurological Institute (Ft. Washington Ave. & 168th St., N.Y.), after an attack of diverticulitis.

**"Happy Birthday, Dear Maggie":** A bi-partisan chorus of praise on the Senate floor greeted Commerce Committee Chmn. Magnuson (D-Wash.) on his 56th birthday April 12. Noting that the Senate's chief FCC-TV-radio monitor has spent 24 years in Congress (7 in the House, 17 in the Senate), Sens. Jackson (D-Wash.), Pastore (D-R.I.), Schoepel (R-Kan.), Mansfield (D-Mont.), Kefauver (D-Tenn.), Church (D-Ida.), Bartlett (D-Alaska), Cooper (R-Ky.), Keating (R-N.Y.), McNamara (D-Mich.) and Neuberger (D-Ore.) took turns lauding "Maggie."

Pierson, Ball & Dowd, Washington TV-radio law firm, reports the retirement of Ralph L. Walker, the advancement of William S. Green to junior partnership, and the naming of Peter D. O'Connell, John McD. Corn and Robert A. Levettown as associates.

**Meetings This Week:** Assn. of National Advertisers spring meeting (April 16-19). Sheraton Park Hotel, Washington, D.C. • Radio & Television Executives Society Peabody Awards luncheon (18). Hotel Roosevelt, N.Y. • American Film Festival (19-22), sponsored by Educational Film Library Assn. Barbizon-Plaza Hotel, N.Y. • American Assn. of Advertising Agencies annual meeting (20-22). The Greenbrier, White Sulphur Springs, W. Va. • Ala. Bcstrs. Assn. spring convention (20-22). The Holiday Inn Riviera, Dauphin Island, Ala. • National Assn. of Educational Bcstrs. Region II annual meeting (21-22). Hotel Thomas Jefferson, Birmingham, Ala. • Intercollegiate Bestg. System national convention (22). Carnegie Institute of Technology, Pittsburgh • IRE Los Angeles section, 6-week lecture series on "Recent Advances in Electron Devices" begins (18) at Cal. Polytechnic College Auditorium, Pomona and (19) at Rodger Young Auditorium, 936 W. Washington, Los Angeles.

**Meetings Next Week:** Neb. Bcstrs. Assn. convention (April 24-25), Blackstone Hotel, Omaha • IRE 7th region technical conference (26-28). Hotel Westward Ho, Phoenix, Ariz. • Institute for Education by Radio-TV (26-29). Deshler-Hilton Hotel, Columbus, Ohio • Ga. Assn. of Bcstrs. management conference (27). Dinkler-Plaza Hotel, Atlanta • Ariz. Bcstrs. Assn. spring meeting (28). Wild Horse Ranch Resort, near Tucson.

**Another Indictment for Guterma:** Ex-MBS Pres. Alexander L. Guterma, who had more than his share of troubles last year (Vol. 16:45 p8), was hit with another indictment last week. Now serving a 4-year, 11-month sentence in Atlanta, Guterma was indicted with 11 others by a federal grand jury in N.Y. for an alleged securities fraud involving the issuance of more than 8 million unregistered shares of Shawano Development Corp.

Best. Advertising Club of Chicago is donating \$1,500 to Northwestern U. to assist students in the TV-radio dept. of the School of Speech. Last year's grant was \$750.

### Obituary

William S. Cherry Jr., 56, prominent broadcaster & merchant, died April 13 at St. Francis Hospital, Miami Beach. At the time of his death, he was chairman & principal owner (85%) of WBDO-TV & WBDO Orlando, Fla. He had been president & principal owner of WPRO-TV & WPRO Providence, which were sold in 1959 to Capital Cities Bestg. Co. He headed a group of businessmen which bought radio WNEW N.Y. in 1949 and sold it in 1954 for \$2.1 million—at that time the biggest radio-station-sale deal in history. He was principal officer & stockholder in Cherry & Webb Co., which operates women's-wear stores in New England, and he owned Orlando's Cherry Plaza Hotel. He is survived by his wife, a son, a daughter, a stepson & a stepdaughter.

J. E. O'Neill, 67, who recently sold his KJEO (Ch. 47) Fresno (Vol. 17:10 p13), died of a sudden coronary attack in Palm Springs, Cal. April 10. Business interests of the prominent Californian included cattle ranching, meat and cottonseed oil processing. He was a former national president of the American Automobile Assn. Surviving are his wife, 2 sons, 2 daughters.

Paul W. Long Sr., 64, former chmn. of the Huntington Publishing Co. which owned WSAZ-TV & WSAZ Huntington, W. Va., died April 9 of a cerebral hemorrhage. He had sold his holding in the publishing company & stations last August. Surviving are his wife and 6 children.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**GE WILL SHOW COLOR SETS NEXT MONTH:** GE joined the color parade last weekend, announcing it will re-enter the field with a line of 21-in. shadow-mask sets which should be on the market in August. Distributors will see them beginning May 22 in Louisville, and it's good guess that production will be under way in June.

Weighing market research against electronics research, GE has decided to come out with a conventional color receiver using RCA tube—and come out with it quickly—rather than postpone its color line for the 2 or 3 years needed for the development of its own tube & associated circuits. As we reported last month (Vol. 17:13 p19), GE is back in color set & tube research with both feet, is working again on its post-acceleration tube in a single-gun version. But dealer & distributor pressure cast the deciding vote, so GE is going in the market with the circuits now available.

GE may beat Zenith to the retail counters with color. The sets will be made at GE's Electronics Park plant in Syracuse. According to TV-receiver dept. mktg. mgr. S. Martin Fassler, they will feature "a color-balance stabilizer developed & patented by the TV receiver dept." This circuit is said to overcome the "problem of color hue changing as picture brightness changes." No other details were revealed.

Official GE explanation: "We have been on record for several years as acknowledging our obligation to our distributors & dealers to supply them with products that permit them to remain competitive. The TV receiver dept. is fully aware of the increasing interest being shown in color TV and [the increase in] color broadcasts. GE's decision to re-enter the field at this time is based on the belief that color TV is now entering the initial phase of mass-market acceptance which eventually will put it in a major position in the TV market."

Mindful of consumer wariness over color service problems, GE pointed out that its service technicians are experienced in color, and at the same time announced a new color-TV servicing advisory service—DOT (Diagnosis Over Telephone). This plan, says GE, "permits every serviceman in the country [independent or GE] to call on factory-trained color-service experts for immediate service consultation."

RCA issued its customary statement of gratification as GE joined 7 other manufacturers in color.



Question now isn't "who's in color?" but who's not in color?" Running down the major brand names, only Philco, Motorola, Sylvania & Westinghouse are uncommitted. Here are our educated guesses on these:

Philco is silent, intensifying its own color research, possibly hasn't yet decided on color for this year, but odds are that it will be showing RCA-type color before year is out.

Motorola says "no, no, no, no, no," was burned badly in last color go-round. Our guess is that it won't go color this year unless forced into it by dealers & competition.

Sylvania says it hasn't made up mind yet, but decision is imminent. We think it's possible that pilot color-set production has already started, that Sylvania will show a color set at next month's distributor convention, or at latest, at the Chicago summer Home Furnishings Market or Music Show. Sylvania Tube Div. isn't producing color tubes—at least not yet—so first Sylvania sets may well use RCA tubes.

As to Westinghouse, consumer-products vp Chris Witting isn't very bullish on color. "As we look at it," he told us, "circumstances are no different today from several years ago. There's little additional color-TV programming, the prices of sets haven't come down, and our own surveys within the last 6 months indicate

that the frequency of service calls is about the same as 2 years ago. The only change is that a couple of manufacturers have announced they're going to sell color sets.

"Our position is unchanged: When there's evidence of a market for color, we'll have a color set. We don't see any evidence yet—in fact, we only recently dissipated our inventory of color sets. Although we're doing extensive research, we see no major improvement in color TV on the horizon—but when & if the public wants color sets, we'll have 'em."

Note: Curtis Mathes Co., small Dallas-based TV & stereo manufacturer, also reported last week that it will add color sets to its line.

**WOOLWORTH TESTING JAPANESE TV:** The Japanese haven't slackened in their efforts to break into the U.S. TV markets—and they plan to use the same offbeat marketing methods which helped win them the lion's share of the U.S. battery-radio business.

For example, take the dime store—F. W. Woolworth, the granddaddy of them all. Woolworth, which has never mass-marketed TV in its retail stores, currently is testing some Japanese TV sets. Company officials say the probability is that Woolworth won't sell TV, but they don't completely rule it out.

What's attractive to Woolworth about the Japanese TV set is that it could be sold at the company's stores without violating its firm policy of "nothing over \$99.95." What is particularly unattractive, according to a top official, is the service problem. "Woolworth has no plans to get into the service business," he told us.

The set under test is understood to be an AC line-cord model with an 8-in. screen & magnifier stepping up the image to an apparent 14-in. size. The name of the manufacturer is being kept secret. Although one Woolworth official said a decision on the TV set would be made "within a couple of weeks," another company spokesman indicated that enterprising U.S. TV makers may have a better chance. "We check thousands of items every week that we never put in our stores," he told us. "When & if we go into TV, it will probably be with an American make."

Several of Woolworth's competitors have been expanding into appliance sales; some of them handle TV, console stereo and even refrigerators and other white goods.

**PITTSBURGH BONDED-TUBE OUTPUT STARTING:** First production run of picture tubes using Pittsburgh Plate Glass's laminated implosion plate—a competitor to Corning's bonded shield—is scheduled to begin late this week. Big Chicago independent tube maker National Video Corp. will turn out an initial run of 1,500 of the tubes in 19- & 23-in. sizes. Although its customer or customers for the new-type tube are unidentified, it's now likely that at least a smattering of 1962 TVs will use the tube, after all.

National Video, which supplies a large number of Midwest TV manufacturers, made news on another picture-tube front last week, when it announced (jointly with Advance Ross Electronics Corp.) a new TV deflection system which may make possible substantial cost reduction in TV sets (see below).

Pittsburgh's lamination system, which uses new machine and modified standard tube-laminating equipment to affix curved safety plate glass to tube face (described in Vol. 17:5 p15), has been refined & improved and is under close study by all tube & set makers. Some RCA Tube Div. topkicks are known to be enthusiastic about it, and it's understood RCA will offer set manufacturers a version of its color tube with Pittsburgh laminated plate (Vol. 17:11 p16).

Pittsburgh Plate Glass engineers will closely supervise National Video's first run of the new laminated tubes. Will it have a price advantage over the Corning type? "That's one thing we're trying to find out," says National Video Pres. Asher Cole. "We're going to keep very careful controls on this run, and when we're through, we should have the answers." Cole expects the 19-in. version to be attractive for portables because of its relatively light weight.

Lightest-weight approach of all—the Du Pont-sponsored bonded Mylar shield—is also getting attention from National Video, which has made enough Mylar-shielded tubes to sample customers. Said Cole: "It may be an inexpensive system if it works. It's certainly worth evaluating."

The new TV deflection system, demonstrated recently to 10 Midwest TV manufacturers—including Admiral, Magnavox, Motorola & Zenith—is said to reduce picture-tube power requirements by about 40%, making possible less expensive sets and/or better contrast & focus. For the demonstration, National Video



developed a 19-in. tube with 92-degree deflection angle and neck diameter of 1 1/8 in. (Standard 92-degree 19-in. tubes have 1 1/8-in. neck diameter, while 110-degree 19-in. tubes use the 1 1/8-in. neck.) New deflection yoke was developed for the tube by Advance Ross Electronics, Chicago.

Tube demonstrated was one inch shorter than standard 19-in. 92-degree tube, 2-in. longer than 19-in. 110-degree tube. As explained to us by Cole and National Video engineering vp A. D. Giacchetti, bringing the yoke closer to the picture-tube gun provides greater flux density, permitting appreciable reduction in requirements of chassis power supply, horizontal & vertical output tubes and horizontal & vertical output transformers, and lowering the pulse voltages in the high-voltage systems. Amount of saving depends on receiver manufacturer's requirements & design. No estimates of the amount of potential savings were available at press time.

New tube & yoke are now being sampled to set manufacturers, and are scheduled to be demonstrated to Eastern receiver makers this week.

Note: Sylvania announced last week that it had started sampling set makers with 19- & 23-in. bonded-shield tubes using Corning's new "Velvetone" anti-reflection safety glass, which permits better picture resolution than the previous non-reflective Corning cap (Vol. 17:10 p17).

**TV-RADIO PRODUCTION:** EIA statistics for week ended April 7 (14th week of 1961):

	April 1-7	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV .....	93,530	98,225	106,149	1,406,303	1,685,802
Total radio .....	275,842	267,770	301,196	3,871,942	4,766,311
auto radio .....	92,677	70,581	104,946	1,174,410	1,968,160

**Wells-Gardner Grows:** Like Magnavox, Wells-Gardner Electronics Corp. bucked the consumer-electronics trend last year by reporting an increase in both sales & earnings over 1959 (see financial table, Vol. 17:15 p20). In fact, the Chicago private-brand TV-radio-phono maker reported its consumer-product sales at an all-time high last year.

The industry's largest private-brand manufacturer, Wells-Gardner has a list of big customers that includes Montgomery Ward, Western Auto, Gamble-Skogmo—and its stockholders include ITT, which recently purchased about 10% of the company in an "engineering & manufacturing assistance" deal (Vol. 17:12).

In the annual report, Wells-Gardner Pres. Robert S. Alexander notes that the 1960 total sales of \$25,342,358 have been exceeded only once before in the company's history, and that net profits in 1960 rose 17% to \$877,141 (\$2.08 a share) from \$747,728 (\$1.77) in 1959.

Alexander credited the 35-year-old firm's continued growth in rough-&-tumble 1960 to its "constant search for cost-reduction programs and continual striving to exceed the quality standards of the industry." In the non-consumer field, the company has combined its industrial & military electronics activities into a single division, and "in the future, Wells-Gardner plans to concentrate upon those military-procurement opportunities that favor a company of Wells-Gardner's size & strength, rather than attempt to compete with the large electronics manufacturers . . . Because of Wells-Gardner's skills as a low-cost manufacturer, the company plans to seek out subcontract work from large prime contractors."

As to the future: Alexander said the firm is searching "actively" for acquisition possibilities. The ITT agreement, under which Wells-Gardner will supply assistance to ITT's overseas TV-radio manufacturing, should "assist us substantially in our diversification efforts."

In consumer products, "additional growth . . . is expected from several relatively new customers who have worked with Wells-Gardner for only a year or two. Current plans of these new customers indicate that they will become important buyers of private-label items in the future."

The company is buying a 65,000-sq. ft. plant adjacent to its main factory for added space to permit more economical layout of assembly lines.

For 1961, said Alexander, "the present outlook appears favorable." He added: "In spite of the economic climate, our principal customers have been able to maintain low levels of inventory in entertainment electronic products. Future orders in normal quantities can be anticipated when new product lines for the year are selected." The company's early-1961 backlog of orders totaled \$4,295,000, down from \$6,265,000 at the same time last year.

At the end of last year, Wells-Gardner's assets totaled \$9,848,002, including current assets of \$8,873,273, while current liabilities totaled \$2,798,140.

**S-C Aims at Mass Market:** With the introduction of a popular-priced line of stereo consoles, General Dynamics announced last week that it has "aimed its sights" at becoming "the nation's largest supplier . . . in the home-electronics market." The new 7-model line of phono instruments ranges from \$199.95 to \$249.95 (AM-FM tuner \$80 extra). General Dynamics produces no TVs and offers no TV-stereo combinations.

General Dynamics/Electronics vp-gen. mgr. Arthur J. Hatch told a news conference in N.Y. that the company's policy would remain the same—"selected franchising, powerful merchandising with favorable pricing to the customer, a favorable discount structure to the dealer, and sensible warranty policies." He said that Stromberg-Carlson consumer-product sales increased about 100% in 1960 over 1959. "Our sales during the first quarter of 1961 are 2 1/2 times those of the same period last year," he added, "and indications point toward a sound economic system."

**Western Electric Sues Transitron:** A suit charging Transitron Electronic with infringements of 5 separate Bell System semiconductor patents was filed by Western Electric last week in U.S. District Court, Boston. The action seeks injunctive relief plus undisclosed money damages.

**AFL-CIO Opposes Boycotts:** "Buy American" campaigns by labor unions can do serious damage to U.S. industries and workers themselves, AFL-CIO Pres. George Meany said in a letter spelling out its official position on anti-import movements. In an implied rebuke to such unions as IBEW which have proposed boycotts of Japanese products (Vol. 17:12 p13), Meany advised a local union-label committee in Des Moines that "we must support more—not less—foreign trade." He said the AFL-CIO will do what it can to deal with "real harm to American workers & U.S. industries that may result from large-scale foreign imports of certain products." But Meany cautioned: "The U.S. cannot hope to sell goods on the world market unless we are willing to buy goods from other free nations."

**Japan Ends Check Prices:** Discontinuance of the govt.'s \$11 check price (or floor price) on 6-transistor radios is expected to give imported transistor radios a further advantage over U.S. sets, according to a roundup in *Home Furnishings Daily*. Actually, the old \$11 check price had had little real effect (except as a base for computing duty), and actual export prices for 6-transistor sets start at about \$7. Nevertheless, duties had been based on the \$11 check price, and if the govt. approves export licenses for sets at the \$7 price, importers will realize a saving of about 50¢ per set in the 12½% *ad valorem* duty. Japan's quota for export of 6-transistor sets to the U.S. this year is 4.1 million—about the same number shipped here last year—with 40% of this number slated for the first 6 months.

**"Operation Snowball" Promotions:** Two major phases of the Corning Glass TV-promotion campaign are due to get under way soon. The first shopping-center promotion is slated April 19-29 at the huge Northshore Shopping Center in Peabody, Mass. Themed to the slogan, "Double Your Family Viewing—Make Your 2nd Set a Portable," the campaign will have participation by all 56 stores in the center. Portable TVs will be given away to lucky shoppers, and free live entertainment will be provided. Corning also is launching a double-holiday promotion kit to encourage gift-buying of TVs for Mother's Day (May 14) & Father's Day (June 18). Each TV manufacturer is being offered 1,000 promotion-idea kits for distributors & dealers.

**Hi-Fi Component Ad Drive:** Institute of High-Fidelity Manufacturers will spend \$159,000 during the next 12 months for an ad campaign promoting the idea of component hi fi in national magazines. The long-brewing promotion drive (Vol. 16:47 p19) was unanimously accepted by IHFM's membership last week at a special meeting at the Los Angeles High-Fidelity Show. Newspaper ads may also be used on a market-test basis. Ads won't mention specific brands, will contain coupons for further information. Each subscribing IHFM member company will contribute an annual fee depending on its volume of business.

**Capehart Shelves TV Plans:** It won't have a complete TV line this year, sales vp Seymour Mintz told us last week, but will continue to offer stereo combinations incorporating Wells-Gardner TV chassis. Capehart, which specializes in fine-furniture stereo consoles, had originally planned to expand its TV activity to include portables, table models & TV-only consoles (Vol. 16:29 p14). Mintz said that his company had no plans to add color TV to its stereo combo line. Capehart's new stereo & TV-stereo line will debut at the Music Show in Chicago next July.

**History of Wireless:** Capsule year-by-year 50-year chronology of developments in electronics is featured in the April golden jubilee issue of *Wireless World*, London.

**FEB. PHONO SALES DOWN 36%:** Total retail sales of phonos in Feb. 1961 were the lowest for any month since July 1960, according to official EIA figures released last week, and they were 36% below the sales of Feb. 1960. For the first 2 months of 1961, unit sales were 31% below 1960. Inventory-trimming continued, factory sales in February being only half the year-ago figure. EIA's phono sales figures:

Month	1961			1960		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	80,366	211,383	291,749	118,400	341,329	459,729
February .....	50,710	204,638	255,348	92,649	324,666	417,315
<b>TOTAL .....</b>	<b>131,076</b>	<b>416,021</b>	<b>547,096</b>	<b>211,049</b>	<b>665,995</b>	<b>877,044</b>

Month	1961			1960		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	105,753	271,124	376,877	150,688	368,964	519,652
February .....	61,646	255,722	287,368	102,063	347,860	448,128
<b>TOTAL .....</b>	<b>167,399</b>	<b>496,846</b>	<b>664,266</b>	<b>253,876</b>	<b>715,699</b>	<b>969,575</b>

\* \* \*

**Picture & Receiving Tube Sales:** February factory sales of both picture & receiving tubes trailed the Feb. 1960 volume both in units & dollars. EIA reported last week that February sales of picture tubes totaled 728,989 units valued at \$14,395,981, vs. 741,233 kinescopes at \$14,495,480 a year earlier. February receiving-tubes sales slipped to 25,803,000 units at \$21,865,000 from Feb. 1960's 32,734,000 tubes at \$27,881,000. EIA's figures:

Month	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January .....	707,835	\$14,430,755	26,343,000	\$22,227,000
February .....	728,989	\$14,395,981	25,803,000	\$21,865,000
<b>Jan.-Feb. 1961 .....</b>	<b>1,436,824</b>	<b>\$28,826,736</b>	<b>52,146,000</b>	<b>\$44,092,000</b>
<b>Jan.-Feb. 1960 .....</b>	<b>1,536,483</b>	<b>\$30,326,910</b>	<b>64,101,000</b>	<b>\$54,753,000</b>

**Trade Personals:** Amory Houghton Jr. appointed pres., Corning Glass Works, succeeding William C. Decker, now chmn. & chief exec. officer. Decker succeeds Amory Houghton Sr., who becomes exec. committee chmn.

Carlisle P. Myers, Westinghouse gen. counsel & corporate secy., elected a vp . . . George K. Bryant, formerly RCA consumer-products mgr., appointed operations vp, Esterbrook Pen Co. . . . John E. Meegan named sales-promotion mgr., Admiral Sales Corp.

John W. Carley named product mgr., Stromberg-Carlson automotive products . . . Robert A. Donner, ex-Telectro Industries, named sales vp, Datom Industries consumer-products div. He'll head sales for their Jewel radio line . . . James J. Cassidy, associate managing editor of McGraw-Hill's *Electrical Merchandising Week* and onetime associate editor of TELEVISION DIGEST, will join *Home Furnishings Daily* in new post of coordinator of hard-goods depts.

Richard T. Orth, ex-RCA & Westinghouse, now operations vp of Eitel-McCullough, elected to Eimac's board; Gould Hunter, Eimac administration vp, elected secy., succeeding E. E. McClaren, who has joined Telsta Corp., Redwood City, Cal. . . . Richard P. Gifford, mgr. of GE communication products dept., named to the EIA-IRE Joint Technical Advisory Committee (JTAC) to fill the vacancy created by the death of John V. L. Hogan.

Tucker Madawick named mgr. of industrial design, RCA Sales Corp.; he formerly held same post with RCA Victor TV Division . . . George B. Estes, management consultant, named mgr. of Sorenson & Co. and other industrial operations units of Raytheon's Commercial Apparatus & Systems Division . . . George F. Houlroyd promoted from plant mgr. to mfg. vp., Foto-Video Electronics.

**Admiral's Transistor Line:** "Smallest all-American shirt-pocket radio ever produced" highlights the eight 1962 sets announced last week. The 6-transistor set weighs 5 oz., measures 3 3/8 x 2 7/16 x 1-in., lists at \$24.95. Also in the line are 7- & 8-transistor pocket sets at \$34.95 & \$44.95, three portables beginning at \$34.95, an 8-transistor 3-band portable at \$99.95 and a 9-transistor, 9-band "All World" portable at \$275.

**Donald Parris,** electronics chief of the Commerce Dept.'s Business & Defense Service Administration, who left March 29 for Hong Kong & Tokyo, is scheduled to return about May 15. His mission is to discuss exports, imports, technical developments, etc. On April 14, he was to address the Tokyo chapter of the Armed Forces Communications & Electronics Assn., discussing U.S. electronics.

**Galvin Left \$13 Million:** The estate of Paul V. Galvin, founder & chairman of Motorola, who died in Nov. 1959 (Vol. 15:45 p17), totaled \$13,095,644, according to an inheritance-tax return filed in Chicago court. He left nearly \$2 million to 9 relatives, half of the remainder to his widow, and the other half in trust for scientific, educational, religious & charitable endeavors.

**Finance**

**Magnavox,** which produced peak sales & profits in 1960 (Vol. 17:15 p20), opened the new year still on the rise. First-quarter sales were up 11.6% to a record \$32 million from \$28.7 million in Jan.-Mar. 1960. Earnings were slightly higher than the 54¢ a share reported for the year-ago quarter. Pres. Frank Freimann reported that "we anticipate strong gains for sales & earnings for the balance of 1961." Orders for TVs & stereo-hi-fi-radio-phonographs were up 10% for the quarter, although shipments approximated the year-ago volume. The govt. & industrial electronics div., which produced about 40% of total 1960 sales, recorded a sales gain of nearly 50% in the first quarter, compared with a year ago. Freimann also noted last week that Magnavox will consider splitting its stock or authorizing a stock dividend at the May 4 board meeting. The common was split 2 for 1 in November 1959, and a 5% stock dividend was paid in April of that year.

Admiral sales slipped in 1961's first quarter to about \$42-43 million from \$48.4 million in Jan.-Mar. 1960, but operations are expected to be in the black. Pres. Ross D. Siragusa told the annual meeting last week: "This represents a reversal of the historic trend [in which] the first 3 months run substantially behind the previous quarter [1960's 4th-quarter sales: \$42.8 million]. The trend displayed during the past 3 months seems to point to the business recession having passed its lowest point." Siragusa noted also that inventories at both factory & distribution levels were at their lowest point in 7 years, down 20% from a year earlier.

**Hallcrafters** plans a 100% stock dividend, contingent on stockholders approving at a special meeting May 4 a proposal to double the authorized shares to 3 million. The company currently has 1,108,400 of its 1.5 million shares outstanding.

**Rumor of the Week:** A West Coast movie trade paper reports Paramount Pictures is negotiating to buy Litton Industries. Litton's sales for the fiscal year ended July 31, 1960 totaled \$187.8 million. Paramount's 1959 sales: \$111.9 million. Paramount vp Paul Ralibourn's reaction to the report: "Ridiculous. Forget it."

**GT&E's Record 1960:** The 249,000 holders of General Telephone & Electronics shares last week received the annual report—and confirmation of February's cheerful preliminary financial statement (Vol. 17:9 p20). Profit & sales in 1960 set records (see financial table). Sales rose 9% to \$1.18 billion from \$1.08 billion. Earnings increased fractionally to \$72.4 million from \$72.3 million.

Net sales of GT&E's manufacturing group, led by Sylvania, slipped 1% to \$701,287,000 from 1959's \$705,926,000. The decrease reflected the "lower demand in certain product lines because of the business adjustment," explained the annual report. However, sales & revenues from telephone operations rose 27% to \$477,188,000 from \$375,130,000—and "increased earnings more than offset lower total income of the manufacturing group caused by the reduced sales & intensified competition in some fields."

The manufacturing group in 1960 employed more than 40,000 of GT&E's total 90,000 workforce. Its U.S. facilities comprised 53 manufacturing plants & 26 labs in 45 communities in 15 states. Approximately 80% of 1960 manufacturing sales came from consumers & industrial customers; the remaining 20% from defense business. At year's end, property, plant and equipment of the manufacturing group totaled \$233,091,000—up 11% from the 1959 valuation of \$209,608,000. Telephone-operation property, plant and equipment totaled \$1,815,072,000—up 31% from \$1,380,821,000 in the preceding year.

**Wometco Enterprises** posted a 33% increase in gross income to \$3.5 million in 1961's first quarter, compared with a year ago. Pres. Mitchell Wolfson told the annual meeting last week. He said Wometco plans to expand its TV, theater and vending divisions this year.

**Warner Bros.** is setting aside 122,700 common stock shares for use in its stock option plan for key employees, according to an SEC registration (File 2-17953).

**OVER-THE-COUNTER  
COMMON STOCK QUOTATIONS**

Thursday, April 13, 1961

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	24 1/4	26 1/2	Maxson Electronics	30 3/4	33
Aerovox	9	10 1/4	Meredith Pub.	42	45 3/4
Allied Radio	26	28 1/4	MetroMedia	23 3/4	25 3/4
Astron Corp.	1 3/4	2 1/8	Milgo Electronics	26 1/4	28 1/2
Baird Atomic	23 1/2	24 3/8	Narda Microwave	6 1/4	7 1/8
Control Data Corp.	131	139	Nuclear of Chicago	45	48 3/4
Cook Elec.	13	14 1/2	Official Films	3 7/8	4 3/8
Craig Systems	16 1/4	17 3/4	Pacific Automation	5 1/4	6
Dictaphone	34 3/4	37 1/4	Pacific Mercury	7	8 1/8
Digitronics	33 1/2	36 3/8	Phillips Lamp	161 3/4	167 1/2
Eastern Ind.	21 1/4	22 3/4	Pyramid Electric	2 1/2	2 7/8
Eitel-McCullough	18	19 3/4	Radiation Inc.	29 1/2	31 1/2
Elco Corp.	15 3/4	17 1/2	Howard W. Sams	49 3/4	53
Electro Instruments	27	30 3/8	Sanders Associates	57 1/2	61
Electro Voice	12 1/4	13 3/8	Silicon Transistor	7 3/4	8 1/8
Erie Resistor	17 1/4	18 3/8	Soroban Engineering	67 1/2	72
Executone	23	25 1/2	Soundscribe	17	18 3/4
Farrington Mfg.	21 3/4	23 3/8	Speer Carbon	22 1/2	24 3/8
Foto Video	6 3/4	7 3/8	Sprague Electric	64 3/4	68
Four Star TV	20 1/2	22 1/4	Sterling TV	3 1/2	4 1/8
FXR	22	25 1/2	Taft Bestg.	21 1/2	23
General Devices	19 1/4	21	Taylor Instrument	45 1/2	48 3/4
G-L Electronics	9 1/2	10 3/4	Technology Inst.	7	8 1/8
Gross Telecasting	24 1/4	26 1/2	Teledrome	16	17 1/4
Hallcrafters	52	56 3/8	Telecomputing	67 1/2	71 1/2
High Voltage Eng.	217	232	Time Inc.	98	102 1/2
Infrared Industries	23 3/4	25 3/8	Tracerlab	12 3/4	14 1/4
Interstate Eng.	27	29 1/4	United Artists	6 1/2	7 3/8
Itek	59 1/2	64	Universal Trans.	1 3/4	2 3/8
Jerrold	8 1/2	9 1/4	Vitro	24	25 3/8
Lab for Electronics	64 1/4	68 1/2	Vocaline	2 3/4	3-1/16
Magna Theater	3 1/2	3-9/16	Wells-Gardner	29 1/2	32
Magnetics Inc.	10 3/4	12	Wometco Ent.	20	21 3/4

## Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AT&T	1961—year to Feb. 28	\$8,001,146,000	—	\$1,226,746,000	\$5.56	220,708,000 <sup>4</sup>
	1960—year to Feb. 28	7,484,129,000	—	1,127,782,000	5.27	213,876,000 <sup>4</sup>
	1961—qtr. to Feb. 28	2,028,852,000 <sup>2</sup>	—	304,018,000 <sup>2</sup>	1.36	223,602,000 <sup>4</sup>
	1960—qtr. to Feb. 28	1,908,089,000	—	283,226,000	1.32	214,733,000 <sup>4</sup>
Audio Devices	1960—year to Dec. 31	6,562,992	280,308	142,308	.17	831,652
	1959—year to Dec. 31	5,719,762	(420,445) <sup>5</sup>	(195,445)	—	806,796
Capitol Records	1960—6 mo. to Dec. 31 <sup>6</sup>	25,420,280	2,213,187	1,079,787 <sup>7</sup>	2.27	475,817
	1959—6 mo. to Dec. 31 <sup>6</sup>	26,177,243	2,671,665	1,348,807	2.83	476,167
Clarostat Mfg.	1960—53 wks. to Dec. 31	8,487,850	—	222,932	.49	451,753
	1959—year to Dec. 31	8,998,940	—	265,512	.60	437,867
Erie Resistor	1960—53 wks. to Dec. 31	25,902,646	1,160,187	616,517	.66 <sup>1</sup>	798,806
	1959—52 wks. to Dec. 27	24,506,569	679,002	359,340	.35 <sup>1</sup>	768,083
GT&E Story on p. 19	1960—year to Dec. 31	1,178,475,000 <sup>2</sup>	—	72,430,000 <sup>2</sup>	1.01	69,000,000 <sup>4</sup>
	1959—year to Dec. 31	1,081,056,000	—	72,253,000	1.13	62,990,000 <sup>4</sup>
IBM	1961—qtr. to Mar. 31	389,062,378 <sup>2</sup>	99,176,669	48,826,669 <sup>2</sup>	2.67	18,318,918
	1960—qtr. to Mar. 31	339,852,677	72,028,509	35,178,509	1.92	18,280,759
MGM	1961—28 wks. to Mar. 16	75,778,000	—	6,684,000	2.65	2,521,529
	1960—28 wks. to Mar. 17	65,147,000	—	3,739,000	1.47	2,539,988
	1961—qtr. to Mar. 16	45,686,000	—	4,507,000	1.78	2,521,529
	1960—qtr. to Mar. 17	37,514,000	—	1,887,000	.76	2,539,988
Movielab Film Labs	1960—year to Dec. 31	5,046,889 <sup>2</sup>	—	198,663 <sup>2</sup>	.64	312,500
	1959—year to Dec. 31	4,221,300	—	149,660	.60	250,000
Pacific Mercury Electronics	1960—6 mo. to Dec. 31	10,976,609	—	130,808	.19	700,000
	1959—6 mo. to Dec. 31	12,723,525	—	258,345	.37	700,000
Raytheon	1961—qtr. to Mar. 31	138,158,045	—	1,365,000	.33	3,855,045
	1960—qtr. to Mar. 31	134,752,000	—	2,160,000	.56	3,714,418
Storer Bcstg. Story on p. 9	1961—qtr. to Mar. 31	—	—	1,055,417	.43	2,474,950
	1960—qtr. to Mar. 31	—	—	1,423,079	.58	2,474,750
Thompson-Starrett <sup>8</sup>	1960—year to Dec. 31	13,950,568	—	(654,033)	—	2,666,363
	1959—year to Dec. 31	13,126,342	—	328,525 <sup>9</sup>	.10	2,630,265
Trans-Lux	1960—year to Dec. 31	—	1,040,109 <sup>10</sup>	502,217	.90	554,900
	1959—year to Dec. 31	—	744,786	332,288	.60	554,900

Notes: <sup>1</sup>After preferred dividends. <sup>2</sup>Record. <sup>3</sup>Including \$991,567 net loss on sale of subsidiary. <sup>4</sup>Average. <sup>5</sup>Before \$225,000 tax credit. <sup>6</sup>From SEC report. <sup>7</sup>Includes \$246,000 in extraordinary items. <sup>8</sup>Includes Del-

monico International Division. <sup>9</sup>Before special credit of \$108,849. <sup>10</sup>Includes \$46,290 net gain on sale of copyright & lease.

Reports & Comments Available: Philco, review, Goodkind, Neufeld Co., 400 Park Ave., N.Y. 22 • Avnet Electronics, report, Hemphill, Noyes & Co., 15 Broad St., N.Y. 5 • TelePrompTer, discussion, Bear, Stearns & Co., One Wall St., N.Y. 5 • Dynamics Corp. of America, review, Courts & Co., 11 Marietta St. N.W., Atlanta 1 • Capital Cities Bcstg., discussion, Sutro & Co., Van Nuys Bldg., Los Angeles 14 • Taft Bcstg., analysis, Westheimer & Co., 322 Walnut St., Cincinnati 2 • Storer Bcstg., analysis, Francis I. duPont & Co., One Wall St., N.Y. 5 • Shepherd Electronics Industries, offering circular, D. Klapper Associates, 68 William St., N.Y. 5 • Mercury Electronics, offering circular, S. Schramm & Co., 143 W. 29th St., N.Y. 1 • International Rectifier, Amphenol-Borg Electronics, "TV Set Makers," profiles in April 12 *Financial World*.

AB-PT Stock Increase: Stockholders will be asked to approve a proposal to double the authorized shares of common stock to 10 million at the May 16 annual meeting. The proxy statement says the action is advisable for "general business & corporate purposes," but that AB-PT has "no present intention regarding issuance of these shares." Stockholders will also be asked to approve an incentive compensation plan for executives & key employees and to elect Jack Hausman to the board of directors. Hausman is pres. of M. Hausman & Sons (textiles) and vp & chmn. of the finance committee of Belding Heminway Co. On another front, meanwhile, the Edward John Noble Foundation, set up in the estate of the late one-time AB-PT chmn., is offering 140,000 of its 344,050 AB-PT common stock shares for public sale. AB-PT's SEC registration statement (File 2-17951) listed Merrill Lynch, Pierce, Fenner & Smith and Cyrus J. Lawrence & Sons as underwriters of the sale, which would reduce Noble holdings to 4.83% of the company's 4,226,536 outstanding shares. The preliminary SEC filing didn't specify the offering price of the shares. AB-PT also registered 368,165 shares for use in its 1950 & 1959 restricted option plans for officers & key employees. (For more on AB-PT, see p. 8.)

Corporation	Common Stock Dividends			Stk. of Record
	Period	Amt.	Payable	
Allied Radio	Q	\$0.08	May 23	May 9
AB-PT	Q	.25	Jun. 15	May 19
Andrea Radio	Q	.12½	Jun. 15	Jun. 1
United Artists	Q	.40	Jun. 30	Jun. 16
Wometco "A"	Q	.17½	Jun. 16	Jun. 1
Wometco "B"	Q	.06½	Jun. 15	Jun. 1

WEEKLY **Television Digest**

APRIL 24, 1961

© 1961 TRIANGLE PUBLICATIONS, INC.

VOL. 17: No. 17

---

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

---



---

**WITH THIS ISSUE:** Text of FCC Rules on Stereophonic FM Broadcasting (Supplement)
 

---

**SUMMARY-INDEX OF WEEK'S NEWS****FCC**

**FCC WISHES FM STEREO "GODSPEED,"** adopting GE-Zenith system, rejecting others, giving broadcasters June 1 go-ahead (p. 1). **FCC's SECOND LOOK AT OPTION TIME** is voted under Chmn. Minow. Court is expected to return case. Commission is expected to reverse itself, vote for abolition (pp. 3 & 5).

**FCC GRANTS MONTH RESPITE ON PROGRAM FORM,** setting a June 1 comments deadline after meeting with industry group (p. 3). **FCC's FIRST MOVE ON NBC-RKO DEAL** says "no sale" without a hearing; Philadelphia portion to be heard first (p. 4).

**Advertising**

**DIXON & COLLINS FIRE AT ADMEN.** FTC's chief warns ANA that even heavier guns are aimed at frauds on air. NAB's head, in 4A speech, decries "mass-appeal" trends (p. 4).

**STATION-BREAK PLAN PROVOKES** more advertisers. ABC stands firm, but forbids o&o triple spotting. CBS and NBC are "forced to compete" (p. 8).

**Foreign**

**WORLD TV SET TOTAL** passes 100 million, transmitters total 2,254, according to new Television Factbook tabulation (pp. 5 & 16).

**Stations**

**STEREO STATION EQUIPMENT** may not be ready by June opening gun. Equipment manufacturers promise quick action, but can't give dates & prices before NAB convention (p. 6).

**LEVER STUDY OF TV SET USAGE,** based on Nielsen data, continues to stir up storm as networks rebut (p. 7).

**Consumer Electronics**

**SET MAKERS PLAN** stereo FM receivers. First ones will come on market in June. Dispute rages over converters and "cheap-&-dirties" (p. 18). Industry roundup (p. 19).

**Networks**

**CBS's FIRST QUARTER** sales are ahead of 1960, Stanton tells stockholders. He predicts 1961 sales ahead of record 1960 (p. 10). **2ND CANADIAN NETWORK** has been approved and is slated to begin operation in August (p. 11).

**Film & Tape**

**LESS VIOLENCE NEXT SEASON,** say network censors who have previewed the new programming (p. 14).

**40 SHOWS KILLED TO DATE.** Four Star leads casualty parade with 8, Ziv-UA and Revue are runners-up with 4 each (p. 14).

**DISSIDENTS WIN NT&T PROXY FIGHT.** Cantor resigns as chmn. Opposition votes board posts to Davis & Handsman (p. 15).

**Congress**

**MINOW INFLUENCE FEARED** by Rep. Avery (R-Kan.) of Rules Committee, who says Democratic regime at FCC is taking broadcasting down the road to govt. program controls (p. 16).

**Finance**

**GE's FIRST-QUARTER SAG** produced a \$10-million drop in profit despite a \$35-million jump in sales (p. 22).

**Other Departments**

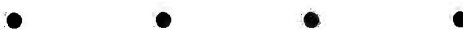
**PROGRAMMING** (p. 12). **PERSONALS** (p. 17). **AUXILIARY SERVICES** (p. 24). **EDUCATIONAL TV** (p. 24). **TECHNOLOGY** (p. 24).

---

**FCC WISHES FM STEREO 'GODSPEED':** The awakening FM industry—both broadcasting & manufacturing—looks for another lift from FCC's final adoption of a stereo system. In a unanimous & well-guarded decision, Commission picked a slight modification of the virtually identical GE & Zenith proposals, turning down all other competing systems. Eight had entered the race at one time or another.

Industry was gratified by decision, and all segments began moving—at varying speeds—to make the most of this new dimension in broadcasting (see pp. 6 & 18). To aid broadcasters, set makers and transmitting-equipment manufacturers, we are sending you with this issue—as 1961 Supplement No. 4—the full text of amended Commission rules, showing exact engineering standards.

Any station may start stereocasting after June 1, FCC said, provided that it complies with rules, including proper notification to Commission's district offices.



Decision was hailed by transmitter & receiver manufacturers, as well as some FM broadcasters we contacted, as heralding new era in radiocasting. But at week's end, it appeared unlikely that many stations would be able to begin stereocasting by time of June 1 opening gun or that significant number of receivers would be available by that time.

Transmitter makers were vague as to when stereo modification kits would be ready, how much they would cost, etc. The consensus, however, was that anywhere from 10-to-20% of FM broadcasters would be shopping for stereo origination gear right away—and some transmission-equipment makers said they hoped to reveal production plans, prices, etc., and take orders for stereo modification kits at the NAB convention beginning May 7 in Washington. Transmitter manufacturers' comments are rounded up on p. 6.

FCC decision set off flurry of activity among radio-receiver manufacturers, many of which had already finalized designs for 1962 models. Unanimously, they expressed satisfaction with the ruling and saw it as opening up a big new radio market. Plans for converters & stereo receivers are now being made full blast—and at least some will be on market by July 1, which means overtime work for engineers & die-makers. For plans of receiver-manufacturing industry, see stories on pp. 18 & 19.

●   ●   ●   ●

Commission discussed pros & cons of each system at length, summarized its findings as follows:

"We find that [the Calbest Electronics and Multiplex Development systems] must be rejected because of inferior frequency response & stereo separation together with excessive cross-talk & high stereo subchannel noise characteristics. [The EMI system], despite impressive theoretical advantages, must be rejected because of its inability to handle orchestral dynamics in a manner that will produce an acceptable subjective stereophonic effect. [The GE Alternate and Philco systems] were withdrawn by their proponents . . .

"The adoption of national FM stereophonic broadcast standards therefore reduces to a selection of either [the Crosby-Teletronics system] or [the Zenith-GE system]. With respect to the technical criteria of frequency response & stereophonic separation, these 2 systems compare favorably on a theoretical as well as practical basis. However, we find that [the Zenith-GE system] has the clearly decisive advantage of being able to provide stereophonic broadcast service with negligible effect on the monophonic listener and that the correlative disadvantage of [Crosby] is its detrimental effect on the monophonic listener. As stated in the Notice of Proposed Rule Making, we feel that . . . any stereophonic system adopted should be based upon standards capable of rendering as high a quality of service as the art can provide, consistent with economic & other factors involved, without significant degradation of the service now provided under existing FM rules."

Commission added in a footnote: "We are also impressed by the apparent lower cost of [the Zenith-GE system], its comparative freedom from distortion, and the fact that its use does not ipso facto displace SCA operation." By "SCA," Commission refers to "subsidiary communications authorizations"—the multiplexed services offered by some 200 stations, giving background music, storecasting, etc. in addition to regular FM.

FCC didn't have much to go on in estimating costs. It did note that a GE survey reported that the cost of subcarrier signal generators "would be acceptable to the majority of FM broadcasters." It said that when the Crosby system was broadcast by some stations, under temporary developmental authorization, receiver adapters sold for \$50-\$100. Then, Commission said, GE had described an adapter for Zenith-GE system which "would be a relatively small device which could be manufactured for a parts cost of less than \$8." However, Commission went on:

"The cost of the adapter to the ultimate consumer will represent only a fractional part of the cost of conversion to stereophonic reception; the necessity for an additional amplifier & speaker must also be taken into account. And, if the field test results are indicative of the true performance capabilities of present stereo receivers & adapters, we must conclude that receiver development to date has been inadequate for stereo reception of optimum quality. It is therefore to be expected that good stereo receivers will be considerably more costly than monophonic receivers, irrespective of the system adopted."

As for patents, the Commission said that it was satisfied with proponents' representations that they'd grant licenses on a reasonable basis and wouldn't tend to monopoly.

NAB engineering chief A. Prose Walker was particularly pleased by decision, not only because NSRC and his field-test panel were complimented by FCC for their contributions—but because Commission came to same conclusion he did 2 months ago (Vol. 17:9 p15).

He said it would be extremely difficult to guess what it would cost FM stations to stereo-equip themselves—but he thinks that \$2,000-\$4,000 might cover it. He also warned that no more than 25% of existing stereo records are completely compatible, and told us that NAB plans to spearhead formation of compatible stereo recording standards.

NAB radio vp John Meagher looks for no sudden land rush among FM-casters. "Revenues are the great enigma," he said, "and we plan to explore the subject during FM Day at the convention. There will be a period of evaluation, while the pioneers pioneer."

FCC isn't through with stereo yet. You'll recall that it has before it proposals for AM stereo—and that it said it would take them up after deciding FM. And after AM—maybe TV stereo.

**FCC'S SECOND LOOK AT OPTION TIME:** Doom of network option time may have been foreshadowed last week when FCC voted 5-2 to ask Court of Appeals to remand the case to it for reconsideration. Commission said it will cancel its original decision, before taking another look, if court agrees to remand.

Case has been in Court because non-affiliated KTTV Los Angeles has been appealing Commission's 4-3 decision which held that option time is "reasonably necessary" but should be cut from 3 to 2½ hours per segment (Vol. 16:38 p1, et seq.). KTTV argues that the practice violates antitrust laws, must be prohibited; Justice Dept. has similar views.

Ever since FCC's original vote, there has been lively speculation FCC might reverse itself. With Commission split 3-3, Comr. King had cast his vote with majority to retain option time in what some lawyers claimed was a fuzzy concurring opinion. The speculation was accurate, because King's replacement, Chmn. Minow, voted last week to convert the minority to the majority—at very least for purpose of taking another look at case. Comr. Craven went along with the majority to bring case back—but most observers believe that eventually he'll again vote for option time.

It's assumed FCC will order oral argument—if Court remands case as expected. It's conceivable that Minow will be persuaded to keep option time, or that Comr. Hyde, Ford or Bartley will switch original vote. But this isn't considered likely—so ultimate lineup anticipated is: Minow, Hyde, Ford & Bartley against option time—Lee, Cross & Craven for. In last week's move, Lee dissented (Cross joining him) in statement belaboring the majority for requesting remand "without the benefit of any review of the record heretofore compiled." He said he'd be satisfied to let courts decide validity of FCC's original decision.

Commission's action was precipitated by fact that briefs had to be filed last week. Network and their special affiliate committees filed a single joint brief, as directed by Court, and 18 lawyers signed 53-page document defending FCC's decision. Brief is remarkably clear despite hands of 18 cooks in broth. It summarizes the network-affiliate view as follows:

"[KTTV and Justice Dept.] fail to recognize that the Commission here did all it was required to do by law. They misconstrue the clear admonition of the courts that the Commission has no power or duty to adjudicate the validity of specific practices under the antitrust laws. We respectfully urge that there is no need for a remand and no necessity for a declaratory judgment of abstract antitrust principles.

"We think it plain that the Commission properly weighed all the factors, including the competitive factors, affecting the public interest, in accordance with its statutory authority. The Commission, in comprehensive & detailed findings supported by the evidence, stated that the elimination of option time would create a likelihood that networking, which has been and will continue to be vital to the growth & development of TV broadcasting, would be undermined or destroyed. Those findings amply support the determination that option time is in the public interest and should not be abolished. The Commission's findings and conclusions were not vague or arbitrary and must be sustained."

(For network & affiliate reaction to FCC move, see p. 5).

**FCC GRANTS MONTH RESPITE ON PROGRAM FORM:** Industry obtained from FCC a month's grace in which to come up with counter-suggestions to the Commission's controversial proposed program form (Vol. 17:9 p2, et seq.).

After an FCC-industry conference last week, Commission extended deadline for comments from May 1 to June 1. Industry's hope now is to come up with complete suggested revisions including, importantly, separate forms for radio & for TV—for which there's growing support at Commission. Industry conferees wanted more time than another month, but FCC couldn't see it that way.

Representing Commission were Chmn. Minow, Broadcast Bureau chief Kenneth Cox and Minow's special asst. James Sheridan. For industry: NAB Pres. LeRoy Collins, NAB general counsel Douglas Anello, FCBA Pres. Robert Booth, ex-FCBA Pres. Frank Fletcher.

Commission made it clear to conferees that it wouldn't sponsor a formal FCC-industry committee to work on revisions. But it will allow staff to consult freely with broadcasters' representatives.

(We now have ample supply of FCC's full proposal for those subscribers interested in what the shooting's all about. Write our publication offices, Radnor, Pa.)

**FCC'S FIRST MOVE ON NBC-RKO DEAL:** FCC started to sort out the long-pending NBC-RKO station-swap (Vol. 15:51 p7, et seq.) by issuing a notice of its plans. Full text of the order hasn't been released yet, so all parties are puzzling over many aspects. A few things are definitely ascertainable, at any rate:

(1) FCC says it can't grant any of the transfers without a hearing.

(2) Philadelphia angles will be heard first—namely, renewal of NBC's WRCV-TV (Ch. 3), the deal to swap it with RKO's WNAC-TV Boston, and Philco's application for the channel.

(3) RKO got turned down in its request for approval of Philadelphia & Washington transfers prior to renewal hearings.

(4) Philco was rejected in its petition for a separate contest with NBC over WRCV-TV's channel.

(5) After the Philadelphia hearing, the examiner will issue an initial decision on that phase—then FCC will decide what to do next.

Commission's notice was, in part, a customary "McFarland letter," telling parties why it can't approve the transfers. Therefore, participants have 30 days in which to try to change Commission's mind.

**DIXON & COLLINS FIRE AT ADMEN:** Club-like conventions of advertisers & agency men, accustomed to hearing polite remarks from invited guests, were subjected successively instead last week to sharp criticism of their habits. The guests who belabored their hosts were FTC Chmn. Paul Rand Dixon & NAB Pres. LeRoy Collins.

"Heavier, faster-firing guns" will be aimed by his agency at "unfair & deceptive" advertising, FTC's newly-installed Dixon (Vol. 17:13 p8) assured Assn. of National Advertisers April 17 in Washington. In pungent phrases expressing distaste & impatience, he warned advertisers to shun "brinkmanship" in seeing how far they can go before FTC policemen catch up with them. He poked at FTC-cited TV commercials in recent cases as loathesome examples of advertising evils.

"So-called mass-appeal programs" sponsored by advertisers can drag broadcasting & country toward "mediocrity," NAB's Collins said in speech prepared for American Assn. of Advertising Agencies 5 days later at White Sulphur Springs. His words were less blunt than Dixon's, but the barbs were there. Collins said tartly: "I can think of nothing that will do our country more harm than mass conformity engineered to the lowest common denominator of our culture."

It was Democrat Dixon's first major public pitch since he took over FTC office from Republican Earl W. Kintner. Scoffing at trade reports that he's more interested in trust-busting than in ad-policing, Dixon promised that there'll be stepped-up—not relaxed—FTC operations on ad fronts in his regime.

"We're going to move faster at FTC," he told ANA members, scorning past FTC procedures under GOP which he said too often exposed the fraud only after the ad campaign had been "buried by its sponsors." From now on, Dixon said, FTC will use "a squad car instead of a hearse" in pursuing malefactors. Case-hearing routines will be streamlined and FTC staffers will be assigned singly to "development, trials and forward progress of each case." Dixon went on: "I don't mean to imply that justice will be dispensed at TV speed, but I think we ought to be able to get it off of horseback."

Exhortations to advertisers to sponsor "blue-ribbon" shows peppered the scheduled 4A speech by Collins April 22. Carrying on the network campaign he launched at RTES luncheon in N.Y. in March (Vol. 17:12 p2), he called on agencies to enlist with NAB to help prevent broadcasting from drifting into low-level program standardization. "Mediocrity," said Collins, "can only be the goal of mediocre people."

Collins also laid down 4 NAB Code rules for admen to observe in commercial copy practices: (1) Check with Code staffers on potentially questionable campaigns "before costly dies are cast." (2) Don't try to get on air with commercials which have been rejected by Code authorities. (3) Reserve patronage for Code-subscribing stations. (4) Make sure that sponsored programs "fully meet Code standards." Collins added: "Code influence for higher quality in the field of programming must—and will—become more active."



"We need & anxiously seek your help in these efforts," Collins said. "These Codes, like your own efforts at self-discipline, represent the best possible insurance for the continued advancement of broadcasting as the world's most effective medium for advertising." In his ANA speech, Dixon also had some comments on Codes: "I suspect that for some they provide welcome guidance and for others they serve as nicely tailored sheep's clothing. In short, we welcome any & all self-policing as a turn in the right direction. But we're still going to read & listen to the ads."

**WORLD TV SET TOTAL PASSES 100 MILLION:** More than 100 million sets-in-use, and 2,254 transmitters on the air in 72 countries. That's the status of world TV this spring, as shown in the Foreign TV Directory, a feature of our Television Factbook No. 32, to be published in June.

Outside the U.S., sets-in-use totaled 47,787,000 as of March 1—an increase of more than 20% in 12 months (Vol. 16:16 p13). Foreign stations rose to 1,639 from 1,220 during the same period, at a growth rate of 35% in the year. At the same time, U.S. sets-in-use increased about 7%—to 56.3 million from 52.6 million. Indications are that there will be more TV sets in foreign countries than in the U.S. by late 1962 or early 1963.

In terms of sets-in-use, these are the leading TV countries: U.S., 56.3 million; U.K., 11.2 million; Japan, 6.65 million; USSR, 5 million; West Germany, 4.8 million; Canada, 3.9 million; Italy, 2.36 million; France, 2 million; Brazil, 1.2 million; Australia, 1.17 million; Sweden, 1.15 million; East Germany, 1 million. West Germany has passed Canada in sets-in-use; Austria, Sweden & East Germany passed the million-set mark in the 12-month period.

Countries in which TV started in the last 12 months: Ecuador, Ireland, Kuwait, Netherlands Antilles, New Zealand, Rhodesia, Syria, Trinidad, United Arab Republic.

The Television Factbook's Foreign TV Directory lists all foreign stations on the air or planned, with licensee, channel, power and other information. We believe it's the most accurate & up-to-date directory of its kind. All of the information (except in the cases of a half-dozen countries) was obtained directly from responsible sources in the countries involved. In the few cases where direct information was unavailable, embassy sources and USIA data have been used. (Table of world stations & sets on p. 16.)

## The FCC

### More about

**IF OPTION TIME GOES:** Network executives in N.Y. were unruffled by FCC's plans to open once more the question of network option time (see p. 3). The top-most network brass was out of town (CBS-TV's James Aubrey and ABC-TV's Oliver Treyz were attending the 4A meeting in White Sulphur Springs; NBC-TV's Robert Sarnoff was attending a meeting in Indianapolis) but high-ranking vps and others holding the network fort generally took the following line:

1. The case for network option time has been proved once, and can be proved again.

2. Option time protects the weak (in the sense of mass popularity) programming of an informational or cultural nature even more than it protects strongly rated shows like *Gunsmoke* or *The Untouchables*.

3. Some affiliates don't like network option control of time segments, but most successful affiliates realize it's needed to provide a well-rounded network schedule.

4. If option time is eliminated, it will "seriously cripple" (as a CBS vp declared) or "definitely hurt" (as an ABC vp stated) nighttime public-affairs programming, since it would force networks into the position of being suppliers, basically, of popular-appeal-only programs for which mass audiences could be guaranteed to advertisers.

"The FCC," said a CBS executive who asked not to be named, "would like to think that stations are not in favor of network option time, because it appears to be in viola-

tion of antitrust laws. What FCC just won't realize is that you have to waive any such laws in special cases in order to have a good broadcast system. You can't gamble huge sums of money on programming, if you are a network, unless you have assurance that you can get your programs on the air."

Added an NBC source: "As a practical matter, the value of network affiliation in major markets is such that you hardly need a guarantee that stations will carry the best TV shows. On the other hand, if you have a contractual arrangement with stations which enables you to supply a broad range of programs—including many which the critics like but TV audiences sometimes spurn in favor of popular entertainment—why give it up?"

Jack Harris, KPRC-TV Houston, head of the NBC-TV affiliates committee, said: "I don't think anyone really knows what would happen immediately. We have a workable arrangement, highly satisfactory to the networks and to the affiliates. Loss of option time could have an adverse effect on the service to the public. FCC has held that option time is reasonably necessary for some 25 years, and we subscribe to that view. There's an inherent danger to service to the public without it. The erosion of clearances could come about."

Head of the CBS affiliates group, John Hayes, WTOP-TV Washington: "Clearances will erode if a program is a clunker. But let's see what the FCC does first."

CPs Granted: Ch. 56, Binghamton, N.Y., to Alfred E. Anscombe; Ch. 3, Alamosa, Colo., Alamosa Telecasting. Vhf translator: Ch. 3, Delta Junction, Alaska, to Northern TV.

**Syracuse & Rochester Drop-ins:** Some dozen comments were filed last week in FCC's proposal to add another vhf to Syracuse and Rochester—all favoring the proposals except one (WKBW-TV [Ch. 7] Buffalo), although some parties offered qualifications. The Commission has proposed to add Ch. 9 to Syracuse, shift Ch. 5 from Rochester to Syracuse and Ch. 8 from Syracuse to Rochester, add Ch. 13 to Rochester. This would require WHEN-TV Syracuse to shift from Ch. 8 to Ch. 5, WROC-TV Rochester from Ch. 5 to Ch. 8. WROC-TV favored the proposal but said it believes it shouldn't shift until a CP is issued for Ch. 9 in Syracuse. WHEN-TV says it sees no need for delay. WVET-TV (Ch. 10) Rochester, which is acquiring Ch. 5 from WROC-TV in a sale (Vol. 17:5 p14), goes along with WROC-TV's comments.

**WNBH Due in New Bedford:** The New Bedford Ch. 6 case, one of the dustier ones in FCC's files (Vol. 16:1 p7 *et seq.*), may be settled. In an initial decision, hearing examiner Herbert Sharfman recommended award of a CP to radio WNBH (E. Anthony & Sons Inc.) following a merger with it of remaining applicants Eastern States Bcstg. Co. and New England TV Co. Inc. His decision was conditioned on an understanding that WNBH will suspend construction of a 350-ft. tower in the event that the Coast Guard on Martha's Vineyard finds it interferes with Loran-C navigation beams. Sharfman also pointed out that all New Bedford Ch. 6 signals will be called off if the Commission shifts Ch. 6 to Providence in still-pending proceedings.

**Landis Hails "New Era":** Lawyers who practice before govt. agencies have been called on by President Kennedy's special advisor James M. Landis to get in tune with the new Administration. "A new era is here," he said in a dinner speech to the administrative law section of the D. C. Bar Assn., asking the attorneys to help the agencies speed up their work. Landis urged them to play a more "affirmative role" in developing new administrative techniques to cut legal red tape in processing of cases. He said nothing specific about FCC.

**FCC Translator Forms:** Revised vhf & uhf translator Form 347 should be used by all applicants, FCC advised last week, urging parties to get rid of their old July 1956 forms—to speed up processing. The Commission also noted that uhf booster application Form 344 is available. Such boosters are used by regular uhf stations to fill holes in their Grade A coverage areas.

**More N.Y. Uhf Project Bids:** FCC is soliciting bids for a contract to process & analyze data to be received at 5,000 receiving locations during its N.Y. uhf experiment. The Commission said that the job would involve "the processing of about 5,000 punch cards, or the equivalent for other systems, per month," for 10 months. Deadline for bids is May 11.

**Ford Speaks:** Upcoming addresses by FCC Comr. Fred Ford, ex-chmn., include: April 28, Institute for Education by Radio-TV, Deshler-Hilton Hotel, Columbus, O.; June 27, Northwestern U. Communications Symposium, Evanston, Ill.; June 28, Advertising Assn. of the West meeting, Olympia Hotel, Seattle.

**Allocations Actions by FCC:** Reserved Ch. 10 for ETV in Augusta and Presque Isle, Me., and shifted commercial Ch. 7 from Calais to Bangor. Bates College holds a CP for WPTT on Ch. 10 in Augusta. The FCC also proposed to assign ETV Ch. 20 to Athens, O., substituting Ch. 71 for Ch. 20 in Coshocton.

## Stations

### More about

**STATION EQUIPMENT FOR STEREO:** At least 10% of the approximately 835 FM stations now in operation will be shopping for stereo-modification equipment at the May 7-10 NAB convention in Washington—although they almost certainly won't find anything for immediate delivery. That's the general tenor of trade appraisals we were able to obtain in the flurry of excitement & confusion which followed the Commission approval of the GE & Zenith systems (see p. 1).

There's little information available so far as to availability dates or prices. And while some individual stations—such as Zenith's non-commercial WEFM Chicago and GE's WGFM Schenectady—have announced they will broadcast in stereo as soon as possible, it's still too early to gauge the full impact of the new rule. For example, *The New York Times'* QXR Network (WQXR N.Y.) merely states: "We will take full advantage" of the newly approved stereocasting standards, "but we have no definite plans yet."

That also seems to sum up transmitting-equipment makers' comments. GE, which doesn't make FM transmitters, says its technical-products operation in Syracuse "intends to furnish broadcasters with modulators & modification kits to convert FM transmitters to stereophonic broadcasting . . . within a reasonable amount of time."

RCA "plans to offer an FM-stereo adapter for FM broadcast stations [and expects to] disclose details of products in this field at the NAB convention."

Gates Radio Co. is "in excellent position to be the first in supplying FM-stereo generating equipment," sales vp Larry Cervone told us, pointing out that Gates manufactured some of the transmitting equipment used by the winning stereo system in the National Stereo Radio Committee's field tests. "There is every evidence," he said, "that we can start production immediately," but he couldn't estimate delivery dates. He estimated that 10-to-25% of FM broadcasters would be in the market for stereo equipment immediately, with probably 25-to-50% "interested."

Cervone warned that some older FM transmitters probably could not be satisfactorily modified to put out a good stereo signal. "We do not suggest to interested broadcasters the modification of existing FM transmitters manufactured prior to 1958," he said. "We suggest that broadcasters make serious appraisal of whether new generating equipment is required." In almost every instance of conversion, he said, a new exciter (about \$1,200) would be advisable.

Collins Radio sales & contracts supervisor Robert E. Richards said conversions probably won't be readily available until late 1961 or early 1962. He said he expects FM-stereo interest to "develop very rapidly in the next 6 months" however, and, on the basis of requests for information from broadcasters, expects 25-to-30% of major-market FM stations to shop for stereo equipment right away.

**GE Equipment Shipments:** A newly-developed TF-14-A 35-kw amplifier has been shipped to WSTV-TV (Ch. 9) Steubenville, O., which plans to boost to 316-kw ERP in May. GE has also sold \$250,000 worth of transmitting equipment to KOOL-TV (Ch. 10) Phoenix, Ariz. After being displayed at the NAB convention in Washington in May, the equipment will be shipped to the station.

**IS VIEWING DOWN—OR UP?** An offhand remark by Lever Bros. exec. vp Henry M. Schachte, made at WBC's recent Pittsburgh conference on programming, was still stirring up a research ruckus last week. During a panel discussion, Schachte had said that his firm—which spent \$28.6 million for gross network TV time last year—had obtained research evidence to the effect that network TV viewing, on a long-term basis, was declining—not growing.

Schachte couldn't have drawn a bigger reaction from the networks if he had said Lever was switching its entire budget to skywriting. When Schachte headed for the ANA meeting in Washington last week, he discovered that 2 of NBC's high-ranking brass, exec. vp Walter Scott and research vp Hugh M. Beville, had trailed him there to make a personal pitch with a counter-study worked up on a crash basis by NBC research. And on Madison Ave., "Schachte's shellburst" was becoming a *cause celebre*.

These were the gist of the figures prepared for Lever Bros. by A. C. Nielsen:

1. Prime-time (7:30-11 p.m.) set usage dipped slowly from a 1957-58 season (Oct.-Sept.) average of 58.8% of TV homes watching to a 1959-60 figure of 55.8%—a 5% drop.

2. The drop applied to both winter & summer, with winter viewing off 5% and summer nighttime usage off 6%.

3. Daytime viewing, on the same yardstick, was off 1% in year-long comparisons. In winter, daytime usage was down 7% but up 12% in summer.

4. There was also a decrease at night of about 1% in the November-March period of 1960-61, as compared with the same period of 1959-60.

These figures apparently clashed with recent studies showing that TV is booming along (Vol. 17:14 p3). But Lever's nighttime figures were for a 3-year period ending in 1960. The more recent Nielsen figures for Feb. 1961 show an all-time high in viewing on a "total day" basis, which would indicate that gains in daytime set usage are tending to offset any drops at night. Besides Nielsen researchers in N.Y. pointed out that "any usage decline is tending to 'bottom out' and should start climbing again."

Sequel to WMBD-TV Peoria success story (Vol. 17:8 p11) has been sent to us by Gen. Mgr. Harold C. Sundberg who reports that Bergner's department store has renewed its schedule of 10- & 20-sec. commercials for another year with an increased budget.

**Capitol Hill Lowdown:** Kennedy Administration leaders will be questioned May 5 in the Senate Caucus Room by delegates to the 10th anniversary Washington convention of American Women in Radio & TV. Featured at the special news conference will be Senate Majority Leader Mansfield (D-Mont.) & Labor Secy. Arthur J. Goldberg. Other participants will include Sen. Neuberger (D-Ore.) & Rep. Bolton (R-O.). NAB Pres. LeRoy Collins will be the keynoter at the opening session of the May 4-7 convention.

**Guide to Free Time:** A new TV-radio handbook—*If You Want Air Time*—has been produced by NAB's PR service under mgr. John M. Couric to help civic clubs & other non-profit organizations find their way around stations. Intended for distribution by NAB members to the organizations, the guide contains lists of "do's" & "don'ts" for seekers of free time. Single copies are available to members only at NAB hq for 15¢ each. Lots of 100 or more are 12¢ per copy.

**WNTA-TV Sale to ETV Group Is Set:** NTA is in the process of selling WNTA-TV N.Y. for \$5,750,000 to an ETV group represented by station broker Howard Stark—rather than to an alliance of David Susskind & Paramount Pictures. Chief reason: Although the Susskind-Paramount group's offer was actually larger on a long-range basis, it was to have been a part-cash, mostly-film deal. But NTA, needing immediate cash to pay some heavy obligations (such as an annual tab of over \$2 million in interest charges on money owed), decided that nearly \$6 million in hand was worth more than a larger sum in the syndication bush.

By all indications, the deal will be announced between NTA & the ETV group (which is forming a non-profit corporation to acquire the station) some time this week. The ETV group, whose names Stark didn't reveal, is allied with the National ETV & Radio Center and the Lincoln Center for the Performing Arts. One of its members is John D. Rockefeller III. No plans have been announced by the ETV group concerning its operation of WNTA-TV.

Meanwhile, WNEW-TV made a firm offer of over \$600,000 for the N.Y. rights to reruns of WNTA-TV's *The Play of the Week*, and \$260,000 for the rights to 26 more taped dramas planned for the series next season.

\* \* \*

**RKO in Griffing Deal:** Control of the late Henry Griffing's Video Independent Theatres Inc. of Oklahoma City and its theater-CATV-TV-radio-microwave combine is being bought by RKO General Inc. in deals which will total \$4,620,234. RKO General reported to FCC that it already had bought 25,001 of 50,000 Video Independent voting shares held by the Griffing estate for \$1,312,552. RKO has made agreements with other stockholders to purchase 69,635 of the remaining 76,999 voting & non-voting shares for \$3,307,682. Video Independent's holdings include 128 movie houses, 15 CATV systems, FM radio KIHJ Tulsa, a CP for FM radio KVVU Oklahoma City and 12.5% of KWTU Oklahoma City. RKO told FCC it would dispose of the KWTU holdings, which would put it over its TV ownership limit in view of its Boston-Philadelphia-Washington TV swap deals with NBC.

\* \* \*

**Radio Sale:** KCMJ Palm Springs, Cal. & a real estate-investment firm have been sold by Louis Wasmer and Cole E. Wylie to N.Y. attorneys Morris & Bernard Bergreen for \$490,000. Wasmer is the former owner of KREM-TV & KREM Spokane. Wylie owns radio KREW Sunnyside, Wash. The broker was Blackburn & Co.

\* \* \*

**Salisbury Facilities Sold:** WBOC-TV (Ch. 16), WBOC and a CATV system, all in Salisbury, Md., have been bought by the A. S. Abell Co., owner of WMAR-TV Baltimore and Baltimore Sunpapers. Price wasn't disclosed but reportedly is between \$1 & \$1.2 million. The purchaser said that it was "assisted with negotiations" by Washington management consultant Howard S. Frazier.

— ■ —

**Add Payola Settlements:** FTC has wound up another case in its anti-payola campaign, which is coming to a halt (Vol. 17:16 p8). Apex Producing Corp. and its Pres-treas. Dempsey Nelson Jr. have signed a consent order forbidding them to give payola to anybody as an inducement to play recordings on TV & radio. The Apex case had been pending since May 20, 1960.

**Pay Exemptions Broadened:** Small-town broadcasting stations, located within county-wide metropolitan areas whose populations are more than 50,000, were given exemptions from overtime requirements in an amendment to minimum-wage legislation approved by the Senate last week. As first written, the Senate's wage-hour bill provided overtime exemptions only for announcers, news editors and chief engineers employed by TV & radio stations in less-than-metropolitan areas with populations under 50,000 (Vol. 17:16 p6). But Sen. McCarthy (D-Minn.) pointed out that the exemptions wouldn't take care of stations in such home-state towns as Ely, Hibbing, Virginia and Eveleth, which are within the metropolitan-area boundaries of plus-50,000 St. Louis County, whose center is Duluth. Accepted without debate by the Senate was McCarthy's amendment extending the exemptions to towns with less than 25,000 population within metropolitan areas—so long as a station's "major studio is at least 40 airline miles from the principal city in such area."

**Cuba on APBE Agenda:** Exiled Cuban broadcaster Goar Mestre will address a May 6 luncheon session of the Assn. of Professional Bcstg. Education at a day-long meeting preceding NAB's May 7-10 Washington Convention. He will relate how he fled Cuba and the take-over of TV & radio facilities there by the Castro government. Broadcast news coverage in the U.S. will be reviewed at APBE's morning session by Daniel W. Kops (radio WAVZ New Haven) & NBC's Washington news mgr. Elmer W. Lower. N.Y.U.'s Richard J. Goggin will moderate an afternoon panel session. Participants will include William A. Bates (WDAF-TV & WDAF Kansas City), George F. Hartford (WTOP-TV Washington), Merrill Lindsay (radio WSOY Decatur, Ill.), G. Pearson Ward (KTTS-TV & KTTS Springfield, Mo.).

**FM Day Panel Set Up:** "The Multiplexities of Multiplexing" will be discussed by FCC's gen. counsel Max Paglin and Broadcast Bureau engineer Harold L. Kassens in an FM Day panel May 7 at NAB's convention (Vol. 17:15 p12). Other participants in the afternoon session will include Everett L. Dillard (WASH Washington), NAB's FM Radio Committee chmn., and Ted Kenney (KDKA Pittsburgh). Other features of the day-long observance: "FM Profile 1961," presented by station managers from across the country. "What Young & Rubicam Has Discovered About FM," presented by the agency's Raymond E. Jones Jr. & Dr. Frank Mayans Jr., who will report on Chrysler's big FM buy. "The Changing Scene," a talk by NAB radio vp John F. Meagher. The National Assn. of FM Bcstrs. joined NAB in planning the program.

**Pittsburgh Hit is Booked:** A telescoped version of a featured presentation at Westinghouse Bcstg. Co.'s public-service conference in Pittsburgh (Vol. 17:16 p11)—"Changing Community"—will be spotlighted at a May 8 TV-radio session of NAB's May 7-10 convention in Washington. Participants in the clinic on broadcasting's community responsibilities will include WBC Pres. Donald H. McGannon, WBC vp Frank Tooke, Pa. Attorney General Anne X. Alpern, Lake Forest College Pres. Dr. William G. Cole, U. of Southern Cal. Prof. Dr. Frank Baxter, *Harpers* editor Russell Lynes, Case Institute of Technology Prof. James A. Norton. WBC's dramatization ("Great Debate, Part I") of an essay by Columbia U.'s Dr. Bernard Berelson also will be included in the special convention program.

**KOXO (Ch. 2) Portland, Ore.,** previously reported as KCXO, plans to begin operation next fall.

## Advertising

**—BUT NO TRIPLE SPOTTING:** After a week of ad-world criticism of its intention to go to 40-second station breaks in the fall, ABC-TV had news it could be sure admen would like. At the 4A's meeting in White Sulphur Springs, the network's vp for o&o's Stephen Riddleberger announced that none of its own stations would ever carry more than 2 announcements—whether "commercial, promotional or of a public service nature"—in the 40-second break. Should 2 such announcements take up only 30 seconds, the remaining time would have to be devoted to news & weather. There would be no triple-spotting.

Throughout the week, ABC-TV's decision to expand the station-break time between nighttime programs (Vol. 17:16 p7) had been the most debated subject on Madison Ave. Adding their protests to those filed the week before by Y&R Pres. George H. Gribbin and the ANA were:

Lee Rich, Benton & Bowles senior vp: "We were shocked . . . This would be a great disservice to the TV industry and hope you will reconsider. But if ABC persists, we would be forced to apply some depressing adjustment factor to its performance data in order to take into consideration the adverse effect on ABC vs. other networks."

Jack Van Volkenburg, M-E Productions pres.: "It will only lead to increased triple-spotting on stations, which will greatly decrease the value of the network advertisers' commercial announcements."

Emil Mogul, Mogul, Williams & Saylor pres.: "It is like thumbing a corporate nose at the govt., the advertisers and the public, whose ultimate recourse to this assault on its patience will be a grateful acceptance of pay TV."

Despite this barrage of criticism, ABC is proceeding with its plan for longer breaks. Whatever risk it runs of displeasing some major advertisers & agencies may well be outweighed by the strategic advantage the additional station revenue gives ABC in getting affiliates away from NBC & CBS, and in strengthening ABC's share of prime time on dual affiliates. CBS & NBC are likely to meet the lure of additional revenues with plans of their own. CBS is considering a 42-second station break "for competitive reasons," and intends to discuss the matter at its May 4-5 affiliates meeting in N.Y. NBC is keeping "close watch" on CBS moves, we were told, and will do "whatever is required to compete while serving the best interests of affiliates & advertisers."

\* \* \*

**New Challenge for Commercials:** Longer station breaks (see above) will prove "a challenge to ad agencies" because increased multiplicity will "put new emphasis on the effectiveness" of all commercials. That's the opinion of Harold Hackett, ex-chmn. of Official Films who's currently pres. of Sturm Studios Inc., a N.Y. commercial-production house now planning to branch into program & syndication fields as well (Vol. 17:15 p11). Although fall program buying is nearly completed, advertisers are only now beginning to place orders for fall TV commercials, Hackett said. Trends noted so far by Hackett and vp William Sturm in fall commercials: (1) A further trend to hard-sell techniques among highly competitive products such as soaps & dentrifices. (2) Little or no attempt to relate commercials to program content (mostly because so many advertisers are making "scatter buys" of multiple-sponsorship 60-minute film programs).

**Elman Wins FTC Job:** President Kennedy's selection of politically-independent Philip Elman as an FTC member for a term ending Sept. 26, 1963 has finally been approved by the Senate. The nomination had been held up since January in the Senate Commerce Committee by the press of other business (Vol. 17:16 p13), but Chmn. Magnuson (D-Wash.) pushed it through to the floor April 18 and confirmation was voted in routine the next day. Elman, 43, a Harvard Law School graduate & govt. career man, was an FCC attorney in 1940-41, spent 2 years as Supreme Court Justice Felix Frankfurter's law clerk, worked for the State Dept., then joined the Justice Dept. in 1944. Since 1946 he has been an assistant to a succession of Solicitors General, specializing in regulatory-agency litigation in the Supreme Court. Elman was sworn in April 21 by Frankfurter. He will fill out the unexpired 7-year term of FTC Comr. Edward T. Tait, who returned to law practice.

**Code Doesn't Apply to Longer Break:** There is nothing in NAB's TV Code to prevent ABC-TV from increasing nighttime station-break commercial time from 30 to 40 sec., Review Board Chmn. E. K. Hartenbower (KCMO-TV Kansas City) pointed out last week. Taking note of "confusion" caused by protests by ad agencies against the network's plan for the 1961-62 season (Vol. 17:16 p7), Hartenbower reminded them that since June 15, 1960 the Code has permitted a maximum of 70 sec. for station breaks between prime-time programs. Commercial time standards are "an extremely difficult & delicate area of self-regulation," Hartenbower said, adding that "re-evaluation" by the Review Board is under way. "The station-break allowance, along with all other parts of the time standards, will be thoroughly studied to see what changes, if any, should be made," he promised.

**At 4A's White Sulphur Springs Meeting:** Said Arno H. Johnson, vp & senior economist, J. Walter Thompson, (discussing advertising's role in the economy): "To support an \$800 billion production economy in the U.S. by 1971—which is the minimum to anticipate if we are to avoid general unemployment & under-utilization of our productive ability—we must add to our level of domestic sales to consumers the huge amount of about \$182 billion. Total advertising of about \$13 billion or 17% above the 1959 investment may be required to encourage the needed increase in living standards to \$340-350 billion of personal consumption in 1961." Said E. G. Gerbic, co-chmn. of ANA-4A committee for improvement of ad content: "There has been a notable improvement."

**Do Housewives Trust Ads?** Yes & no, according to Opinion Research Corp. Pres. Walter G. Barlow. He told the Assn. of National Advertisers spring meeting in Washington (see p. 4) that 71% of housewives sampled in a special poll agreed that "you can generally believe what you read or see in advertising." But 71% also were convinced that "some advertising is an insult to people's intelligence." There was nearly-unanimous (99%) concurrence with another statement proposed in the poll: "Advertising is often helpful in giving people information about new products that have just come on the market."

**"Wholesale" Prices Challenged:** Rep. McFall (D-Cal.) has introduced a bill (HR-6539) amending the Federal Trade Commission Act to prohibit false claims in advertising that the retail selling prices of products are the wholesale prices.

**MAGAZINES SHOOTING AT TV AGAIN:** In outsized headline type last week a 7-column ad placed by the Magazine Advertising Bureau rhetorically asked admen in newspapers of the nation's major advertising centers: "Where do you find the better customers . . . magazines or TV?" MAB's ad then furnished its own answer:

"There seems to be strong evidence that no matter how much an advertiser spends on TV, he can't get real frequency against the heavier magazine-reading families. Instead, he seems to pile up more TV messages against families which watch TV most, and which, family-for-family, are poorer purchasers of most products & services."

Other pro-print points: "For the second year running, magazines have gained in their share of the advertising dollar . . . last year advertising in magazines stood at an all time high, up 9%. Circulation of magazines also is at an all time high—over 18 million copies per issue . . . There is a strong tide running toward magazines."

Predictably, TvB didn't share MAB's enthusiasm, we learned when we called TvB research dir. Dr. Leon Arons for his reaction. Not mentioned by MAB, but cited by Arons:

1. Magazines (according to *Printers' Ink* tabulations) have indeed increased their share of the ad dollar in the past 2 years. Of total ad spending, magazines received 7.4% in 1958, 7.8% in 1959, and 8.1% in 1960. However, this has been achieved (said Arons), not because lineage has been booming, but because gradually declining lineage has been offset by increased space costs.

2. Magazines aren't keeping pace with U.S. adult population growth. In the past 5 years, magazines have increased their total circulation about 2% while the adult population has increased 5.4%.

3. The number of magazines per U.S. household has dropped from 3.8 to 3.6 copies in the past 5 years. (But the amount of time spent daily by adults with magazines has risen. In 1957 eleven minutes daily, in 1960, twelve.)

4. "There's no real evidence to support a claim that magazines & TV are separate markets," said Arons. "Research indications are that heavy users of one medium tend to be heavy users of all media. If anything, magazines are trying to climb on a TV bandwagon."

**Why Korvette Loves TV:** A 6-week TV test campaign, the first undertaken by the E. J. Korvette discount-store chain, worked so well that it will be the first of many, reported *Printers' Ink* April 14. The co-operative effort—with Zenith, Webcor, Emerson, Motorola, Norge and Admiral—consisted of 21 one-min. commercials each week on 3 WNTA-TV N.Y. shows in the pre-Christmas period. *The Play of the Week*, *The Picture of the Week* and *The New Movie* were chosen for their wide appeal to adults (predominantly women) and their ability to deliver an unduplicated audience. "We experienced a tremendous increase in the hard-goods division," said Korvette sales promotion dir. Eve Nelson. "A good part part of the increase has to be attributed to the campaign as 1960 appliance sales were down generally throughout the nation—but not for Korvette."

**Ad People:** Bren Kelley named a Benton & Bowles vp . . . Frank M. Leonard named vp, Dancer-Fitzgerald-Sample . . . Robert W. Castle named a senior vp, Ted Bates . . . Donald H. Halsey named a Compton vp.

**Autos Step Up TV Use:** 1960 gross TV billings for the automotive industry climbed to \$58,233,995—a 19% increase over the \$48,966,026 spent in 1959. Gains were made in both network (\$41,421,485 vs. \$37,492,882) and national spot TV (\$16,812,510 vs. \$12,143,000). “The trend toward increasingly varied & expanded use of the medium will continue into 1961,” said TvB, reaffirming our March report (Vol. 17:13 p8).

As recently as 1958, auto ads on network TV “were confined largely to 10 prime-time programs & a number of specials,” TvB noted. But in the fall of 1960, auto firms bought 18 prime-time programs, specials as well as sporting events & daytime programs. (A 13-week daytime order was placed just last week by General Motors for quarter-hours in 4 NBC summer shows.)

Spot-TV patterns have changed also, the bureau reported; “all types of programs have been used, with a large concentration in the evening and occasional use of early morning TV.”

General Motors led the industry with 1960 gross-time billings of \$21.6 million (up from \$17.3 million in 1959), followed by Ford with \$15.5 million (vs. \$16 million) and Chrysler with \$10.2 million (down from \$11.1 million). The 1960 breakdown (passenger cars only):

	Network	Spot	Total
American Motors Corp. ....	\$ 426,297	\$2,677,130	\$ 3,103,427
Chrysler Corp. ....	8,529,308	1,716,270	10,245,578
Ford Motor Co. ....	10,328,980	5,143,720	15,472,700
General Motors Corp. ....	16,436,692	5,173,600	21,610,292
Kaiser Industries ....	1,771,249	23,430	1,794,679
Renault Co. ....	1,939,857	412,970	2,352,827
Studebaker-Packard Corp. ....	1,064,249	879,520	1,943,769

Gross-time TV billings of the top 10 car brands ran as follows:

	Network	Spot	Total
Ford .....	4,423,389	4,641,140	9,064,529
Chevrolet .....	5,281,243	2,523,120	7,804,363
Oldsmobile .....	3,100,881	936,990	4,037,871
*Corvair .....	3,829,108	3,120	3,832,228
*Rambler .....	426,297	2,677,130	3,103,427
Plymouth .....	2,444,984	523,630	2,968,614
Dart .....	2,361,857	74,990	2,376,847
Pontiac .....	1,261,415	1,110,700	2,372,115
*Dauphine .....	1,850,575	412,970	2,263,545
*Falcon .....	2,109,513	4,470	2,113,983

\*Compact cars. Only 2, Dauphine and Rambler, were in 1959's top 10.

**Profits Down for Ad-Media Companies:** “Operating costs outraced revenues,” concluded April 14 *Printers' Ink* after a study of 25 ad-media companies showed that 13 slumped in profits in 1960 from 1959, despite near-record revenue. Twenty-one of the 25 publicly-held concerns produced increased revenues in 1960, but 9 of the 21 were down in earnings. Of 9 broadcast-media companies, 8 were up in revenue but 5 were down in profits. Of 7 magazine publishers studied, 5 showed revenue gains, but 4 showed profit declines. Each of the 4 newspapers surveyed was up in revenue, but 3 were down in profit.

**British Bookselling:** Americans lag behind England in the use of TV & radio programs to sell books, Alan Pryce-Jones, English author & former editor of the *Times Literary Supplement*, told the Publishers Adclub recently in New York. He said that increased book sales often resulted in England after an author met his critics on a TV program. He also described a radio series in which critics discuss the arts, and the subsequent sales hike of a book discussed on the show. Concluded Pryce-Jones: “There's lots to be done [for U.S. bookselling] in TV that isn't being done.”

**Ad Agency Selected:** Transcontinent TV Corp. has appointed Jones & Hanger Inc., Kansas City, as its corporate agent for national advertising, effective May 15.

## Networks

**CBS's FIRST-QUARTER RISE:** An optimistic picture of 1961's operations was painted for stockholders last week by CBS Inc. Pres. Frank Stanton at the annual meeting in N.Y. Having reported record sales of \$464.6 million and near-record net income of \$23.2 million (\$2.77 per share) for 1960 (Vol. 17:7 p23), CBS is experiencing a continued sales increase, on the basis of preliminary figures.

Stanton said total sales of the corporation, and sales of 6 of its 8 operating divisions, were higher in first-quarter 1961 than in the same 1960 period. For all of 1961, he said: “If the general economy improves this year, as most economists expect, our sales will be somewhat better than in 1960. Our effort will be to try to produce profits at the 1960 level or better.” He gave this division breakdown:

**TV network:** “During the first quarter, for the 7th consecutive year, the CBS-TV network attracted larger audiences than any other network [and it] shows real promise of making this the 8th year in a row in which it has maintained its position as the world's largest advertising medium.

**TV stations:** “Leadership in their markets is also held by our 5 TV stations. . . . All 5 lead in sales, and 4 out of the 5 are in No. 1 position in both audience & sales.”

**Radio:** During the first quarter of this year, CBS Radio averaged 17 of the top 25 sponsored programs, up from 14.

**News:** “The vigorous new leadership of this division is already making its mark.”

**Columbia Records:** This division “has for a number of years led the record industry in total consumer sales. On the basis of its first quarter, [it] is clearly going to have another excellent year . . . The Columbia Record Club is the world's largest mail-order subscription club with a current membership of over 1.6 million.”

**CBS Electronics:** “The first quarter was unsatisfactory. Hurt by the recession, by drastic price-cutting and by imports, sales were less than anticipated. Production of some product lines has accordingly been reduced, and operating costs lowered.” Under new management, “many steps are being taken to remedy the division's difficulties.”

**CBS Labs:** Principal projects include silicon switching transistors, jet plans intercom systems, dry-film lubricants for outer-space use, and the VIDIA character generator for electronic printing.

**CBS International:** “The division expects another good year.” CBS Newfilm is bought by stations or networks in 25 countries and “reaches 7 out of 10 TV homes throughout the world.” More than 60 other CBS program series are seen in 51 countries for a total of more than 1,250 program half-hours weekly.

In answer to questions from stockholders, Chmn. William Paley made these points:

**Color TV:** “We are geared up to start to broadcast color TV on very short notice . . . When color TV becomes universal in terms of receivers in the hands of the public, we will serve this demand.”

**Pay TV:** “CBS will be watching all developments.”

**Mergers & acquisitions:** “There is nothing at hand immediately, but we are always open to opportunities or suggestions.”

**New financing:** “Nothing is planned this year, but outside financing probably will be needed before 1972 for construction of our new N.Y. hq on the Avenue of the Americas.”

A stockholder who identified himself as a CBS employe told Paley that employe morale had been shattered by the trend away from live programming, and the consequent dismissal of 45 workers. "The pioneering spirit is lost," he said. Replied Paley: "I share your enthusiasm for live programming . . . It is the desire of the company to maintain a high percentage of live programming, but this is sometimes difficult [because of the preferences of actors & producers] . . . I cannot accept your statement that the pioneering spirit is dead . . . but we cannot fight against the tide."

**ABC Wins Orange Bowl:** A 10-year CBS-TV sports-event standard, the Orange Bowl football game, is now part of ABC's sports calendar. CBS reportedly dropped the event rather than enter into general bidding. Exclusive TV rights to the game, the regatta, the parade and the junior Davis Cup tennis matches will cost ABC \$256,000 annually.

## NETWORK SALES ACTIVITY

### ABC-TV

American Bandstand, Mon.-Fri. 4-5:30 p.m., part. eff. April.  
*Warner-Lambert* (Lambert & Feasley)

Roaring Twenties, Sat. 7:30-8:30 p.m., part. eff. April.  
*Johnson & Johnson* (Young & Rubicam)  
*North American Philips* (C. J. LaRoche)

Daytime programming, Mon.-Fri., part. eff. May.  
*Lehn & Fink* (G, M, M & B)

### CBS-TV

I Love Lucy, Sun. 6-6:30 p.m. Father Knows Best, Tue.  
8-8:30 p.m., part. eff. April 30 & May 30.  
*Van Camp Sea Food* (E, W, R&R)

P.G.A. Tournament, Sat. July 29, 5:30-6:30 p.m., Sun. July  
30, 4:30-6 p.m., participations.  
*Renault* (Needham, Louis and Brorby)

Baseball Game of the Week, Sun. April 16, participations.  
*Colgate-Palmolive* (Ted Bates)

CBS Reports, Thu. April 27; fall, full-sponsorship.  
*AT&T* (N. W. Ayer)

### NBC-TV

Wagon Train, Wed. 7:30-8:30 p.m., part. eff. fall.  
*National Biscuit* (McCann-Erickson)  
*R. J. Reynolds* (William Esty)

Captain of Detectives, Fri. 8:30-9:30 p.m., part. eff. fall.  
*Brown & Williamson Tobacco* (K, M & J)  
*Colgate-Palmolive* (Ted Bates)

Thriller, Mon. 10-11 p.m., part. eff. fall.  
*Colgate-Palmolive* (Ted Bates)

87th Precinct, Mon. 9-10 p.m., part. eff. fall.  
*Liggett & Myers Tobacco* (M-E)

Tales of Wells Fargo, Sat. 7:30-8:30 p.m., part. eff. fall.  
*Warner-Lambert* (Lambert & Feasley)

Hollywood, the Golden Years, Wed. Nov. 22, 7:30-8:30 p.m.,  
Full-sponsorship.  
*Procter & Gamble* (Benton & Bowles)

Pro Bowl Game, Sun. Jan. 14, co-sponsorship.  
*Liggett & Myers* (D-F-S)

East-West Football Game, Sat. Dec. 30, participations.  
*R. J. Reynolds* (William Esty)

The Pro Championship Game, Sun. Dec. 31, participations.  
*Philip Morris* (Leo Burnett)  
*Ford Motor* (J. Walter Thompson)

Daytime programming, part. eff. May 3, June 20 & Oct. 2.  
*Ex-Lax* (Warwick & Legler)  
*Pillsbury* (Leo Burnett)  
*Thomas Leeming* (William Esty)

**2ND CANADIAN NETWORK APPROVED:** A new coast-to-coast TV network, embracing 8 independent stations which compete directly with CBC, was officially born April 21. The Board of Broadcast Governors authorized Toronto film producer Spencer W. Caldwell and the 8 stations to form Canadian Television Network Ltd. (Vol. 17:16 p8) and commence operation by the start of the professional football season in August. The network license runs to June 30, 1968, and calls for a review of operations by August 31, 1964.

The 8 stations: CFTO-TV Toronto, CFCF-TV Montreal, CJOH-TV Ottawa, CJCH-TV Halifax, CFRN-TV Edmonton, CJAY-TV Winnipeg, CFCN-TV Calgary and CHAN-TV Vancouver. Caldwell said CTN would be ready to televise the first football game August 11.

BBG's authorization requires CTN to operate on affiliated stations an average of 10 hours weekly in any 12-month period. This represents a compromise of the programming differences between BBG & CTN Pres. Caldwell. The former had stipulated originally (Vol. 16:50 p3) that the new network operate a minimum of 10 hours weekly regardless of program sponsorship. Caldwell had been unable to guarantee that volume of programming by starting date. Other BBG actions:

Denied the application of CFTO-TV Toronto for a temporary Toronto-Montreal-Ottawa TV network (Vol. 17:16 p8) to carry Canadian pro football games.

Liberalized its regulations for TV-radio advertising of beer & ale. It is now permissible to identify product as well as sponsor and to show the label.

Approved licenses for new TV stations at Flin Flon, Man. and Cranbrook, B.C.; denied application from Ste. Anne des Monts, Que.

**Networks Call "Time":** Sen. Proxmire (D-Wis.), who alternately praises & denounces TV programs on the Senate floor, has obtained an accounting from all 3 networks on what they have in store for the public next season by way of public-service shows. Seizing on a "show business" TV roundup in the March 31 *Time* as evidence that the outlook is dim, Proxmire called on the networks to defend themselves. Unanimously, CBS Inc. Pres. Frank Stanton, NBC Pres. Robert Kintner and ABC Pres. Leonard H. Goldensohn replied that *Time* erred. They told Proxmire that network schedules will be chock full of public service next season. The correspondence provided "a useful dialogue" anyway, Proxmire told the Senate.

**High Price of Public Affairs:** Addressing the Hartford Advertising Club (Hartford, Conn.) April 21, CBS News Pres. Richard Salant let his audience in on some of the costs of electronic journalism. "If the CBS-TV network, a not unprofitable enterprise, dropped all its news & public-affairs programs," Salant said, "and substituted the ordinary mass-entertainment programs, and making the assumption that [it] could sell all the substitute programs at the going rates, the network could increase its pre-tax profits by as much as 65%. And that is many, many millions of dollars."

**New CBC-NABET Pact:** A new agreement involving some 1,400 technical employes of the Canadian Bcstg. Corp. has been ratified by NABET & the network. The agreement, effective as of April 1, provides a 4% salary rise for the 12 months to Jan. 31, 1962 and a 3% increase for the subsequent 14-month period.

**Wolper Finds His Own 'Network' Again:** David Wolper's latest TV documentary, "Project: Man in Space," will be spot-placed by Tidewater Oil Co. in the company's 44 markets. This is the 2nd time the independent Hollywood producer has circumvented TV network opposition and has managed to garner near-national exposure for his program on a market-by-market basis. Operating under the same no-outside-produced-documentaries policy which prompted refusal of "Race for Space" in 1959-60, the networks apparently are still wary of Wolper.

Last year, Wolper obtained exclusive 4-year U.S. rights to Soviet space films, including footage on 3 years of preparation for the Russian man-into-space shot. Tidewater purchased TV rights from Wolper and recently tried to buy network time for a 60-min. program. The oil firm reportedly offered to turn over 4 hours of footage to an interested network, which could then produce the show itself. The network would pay Wolper \$25,000 and Tidewater would sponsor the program—at a 60% discount because it has no Midwest distribution.

ABC-TV news vp James C. Hagerty called this financial arrangement "distasteful" and said he wouldn't use "foreign-govt. films given exclusively to one producer." CBS, after refusing the films, later tried in vain to buy a 6-min. segment for use in the April 14 *Eyewitness to History* report on the space trip of Major Yuri A. Gagarin.

Rerunning "Race for Space" for the 3rd time last week under Tidewater sponsorship, WPIX N.Y. drew an April 13 Arbitron of 11.8, almost equal to ratings scored on the 2 previous showings. It topped all 3 April 12 network space specials in the N.Y. market.

**ABC's Oscar Performance:** Having out-manuevered NBC & CBS for the TV rights to the annual Hollywood Oscar show (Vol. 16:36 p6), ABC kept its fingers crossed April 17. Would the Academy Awards show draw a larger audience on ABC than it had in the previous season on NBC? When the Trendex returns were in, ABC breathed easier. Trendex estimate of the audience: "Over 100 million viewers watched all or part," or about 9 out of every 10 TV homes. In the 10:30-11 p.m. period, ABC drew a 51.0 rating and 82.5 share in nearly 30 major cities, and an 11-midnight rating of 62.5 and an 89.0 share. NBC quickly countered with a which-rating-d'ya-read? reply, pointing out that Arbitron gave NBC a 54.4 rating, 83% share in 1960 for the Oscarcast, but gave ABC's 1961 coverage a 45.0 rating and 73% share.

**CBS Foundation Names 8 News Fellows:** Fellowship grants, for 1961-62, providing a year's study at Columbia U., were awarded by CBS recently to Stephen Banker (WCBS N.Y.), Thomas Dorsey (WBNS-TV Columbus), Morris Hepler (WWL-TV New Orleans), Peter Herford (KTVA Anchorage), David Nellis (U. of Miami), Thomas Petry (WQED Pittsburgh), William Seamans (WCBS-TV N.Y.) and Sanford Socolow (WCBS-TV N.Y.). Applications had been open to all staff members of CBS News, CBS o&o's and affiliate stations, personnel of non-commercial ETV stations and broadcasting educators.

**New ABC Overseas Offshoot:** ABC's booming international TV-radio activities achieved a new status last week when ABC International TV Inc. was created as a new, wholly-owned subsidiary of AB-PT. Donald W. Coyle, who has been serving as vp in charge of ABC's old international div., was named pres. of the new subsidiary.

## Programming

**Block-Booking Pleas Filed:** Neither the Justice Dept. nor the defense is satisfied with N.Y. District Court Judge Archie O. Dawson's antitrust decision in February against block-booking practices of major TV film distributors (Vol. 17:7 p15). Complaining that terms of Judge Dawson's injunctions in the case won't be effective, the govt. has appealed directly to the Supreme Court to order them tightened. In cross-appeals, attorneys for the 6 film companies protested the District Court's orders were too stringent.

The Justice Dept. said the orders left loopholes for "temporary block-booking" of films by stations, that the distributors should be required to offer their wares on a picture-by-picture basis under separate price tags, and that the films should be described—not just listed by title. "The companies will be able to finagle all over the lot if the lower court's order stands as is," a Justice attorney told us.

"Nonsense," attorneys for the distributors said in effect. They had first indicated that they wouldn't appeal Judge Dawson's decision, but the govt.'s move to make it tougher changed their minds. Among other things, they told the Supreme Court that they needed relief from block-booking prohibitions he imposed, that the govt. had failed to prove any widespread illegal practices in the case, that Judge Dawson had relied on irrelevant legal precedents in his decision. The Supreme Court probably won't list the appeals for arguments until next term.

**White House TV Scorned:** President Kennedy's televised news conferences are "a mess," the American Society of Newspaper Editors was assured by one of the regular participants—Peter Lisagor of the *Chicago Daily News*. As a matter of fact, Lisagor told the ASNE's Washington convention, the TV-covered conferences are so "disorderly & disorganized" that they're "almost chaotic." Calling for "a better way of handling it," he said: "The reporters have become little more than props for a show. It's like making love in Carnegie Hall, but not that intimate." Lisagor spoke his piece in a panel discussion of Kennedy administration news policies. Max Freedman of *The Manchester Guardian* said that if the conferences' TV format is faulty, then the Washington press corps itself is largely to blame for making it so. The President himself, Freedman said, has been giving "incisive answers" to on-camera questions. The format also was defended by a 3rd panelist—White House press secy. Pierre Salinger. It's "here to stay," he said flatly.

**TV's Political Power:** "Independent" voters in the 1960 Presidential election were 2-to-1 in favor of John F. Kennedy vs. Richard M. Nixon after watching one or more of the campaign's televised debates. That's one finding by a U. of Mich. Survey Research Center team which sampled voters in a Rockefeller Foundation-financed study. The report also confirmed that the TV debates won a huge audience—at least 80% of the voting population.

**Schools to Get NBC Documentaries:** Over 40 NBC historical & informational TV films are being made available to U.S. schools & film libraries. McGraw-Hill Publishing Co. and Encyclopaedia Britannica Films will distribute prints of *Project 20*, "The Twisted Cross," "Nightmare in Red," "Meet Mr. Lincoln," "Mark Twain's America," "3-2-1-Zero," and 30 episodes of the *Wisdom* series, under a deal with NBC Enterprises. To be released soon; *NBC White Paper*, David Brinkley's *Hong Kong*.



**More Fall-Schedule Information:** Although nearly all the fall shows are now securely set, the following changes in the 1961-62 schedules have been reported since our last checkup (Vol. 17:15 p7).

ABC-TV: *The Force*, Warner Brothers' 60-min. show scheduled for Wed. 7:30-8:30 p.m., has been forced out. Replacing it will be a pair of Goodson-Todman Civil War shows: *The Rebel* and *The Yank*. The former, now on ABC, and the latter, a pilot holdover from last season, will be combined as a 60-min. show. *Ben Casey*, a 60-min. medical drama series produced by Bing Crosby, will fill the Mon. 10-11 p.m. berth recently vacated by *Adventures in Paradise*.

NBC-TV: Tennessee Ernie Ford's defection from the fall schedule (Thu. 9:30-10 p.m.) has made room for *Hazel*, a Screen Gems package which has been making the network rounds. NBC, unwilling to buck the Las Vegas lobby, has dropped plans for Goodson-Todman's *Las Vegas Beat*. A 60-min. version of a Four Star show currently on ABC, *Captain of Detectives*, will take over the Fri. 8:30-9:30 p.m. spot.

**Cuban Invasion Coverage:** CBS News chalked up some coups in telling the story of the preparations & the landings, including: (1) Exclusive story, in pictures & words, reported from Florida by Stuart Novins before the invasion, of recruiting & preparations by anti-Castroites. (2) Interview with Abel Mestre, former pres. of Cuba's CMQ TV & radio network (now taken over by Castro), Minister of Information in the anti-Castro Revolutionary Council. (3) Daily video-tape rebroadcasts of Cuban TV newscasts, with running English translation, recorded in Key West—virtually the only direct communication from Havana. NBC News on April 18 telecast what it described as the "first TV pictures from Havana since Cuba was invaded by rebel forces." Using a long-range receiver in Naples, Fla., NBC taped telecasts from CMQ-TV Havana, showed excerpts on *Huntley-Brinkley Report*.

**"Bullets" Shoots Up Show:** Jackie Gleason's ex-agent George (Bullets) Durgom obtained a court injunction last Thursday to stop "Million Dollar Incident"—an April 21 CBS-TV special—in the event that his name should be used in the show. Taped last August, the show stars Gleason as a TV star who is kidnapped for \$1 million ransom, and includes a Harvey Lembeck-characterization of Durgom. CBS, in true showbusiness style, said "the (\$500,000) show must go on." A speedy editing job electronically obscured the names of "George," "Durgom," and "Bullets" some 19 times.

**"Best Sellers Week":** KMOX-TV St. Louis unveils a bright bit of showmanship in the presentation of movies early next month. The station will put on a "Best Sellers Week," featuring 7 movies based on best-selling novels. Kickoff on Sunday May 7 (10:30 p.m.) is Marcia Davenport's *Valley of Decision*, to be followed throughout the week by Lloyd C. Douglas's *Green Light*, Ernest Hemingway's *To Have & Have Not*, Cornelia Otis Skinner & Emily Kimbrough's *Our Hearts Were Young & Gay*, Sinclair Lewis's *Cass Timberlane*, Pearl Buck's *The Good Earth*.

KING-TV Seattle and Boeing Airplane, producer & sponsor respectively of a televised documentary on the centennial of the U. of Wash., have been commended by a resolution of the Washington state senate "for this unique example of excellence in the field of public service & technical achievement."

**Awards & Honors:** The George Foster Peabody Awards were presented April 18 in N.Y. The winners: TV contribution to international understanding: CBS 1960 Olympic coverage. TV education: *NBC White Paper*. Local programs: KPFK (FM) Pasadena, WCKT, Miami, WOOD-TV & WOOD Grand Rapids, WCCO-TV Minneapolis. Radio children's programs: *The Singing Lady*, WNYC N.Y. Radio entertainment: Musical spectaculars, WQXR N.Y. TV public service: *CBS Reports*. Radio-TV education: *Look Up & Live*, CBS; *Frontiers of Faith*, NBC; *Pilgrimage*, ABC. TV children's programs: *The Shari Lewis Show*, NBC. TV news: *Texaco Huntley-Brinkley Report*, NBC-TV. Radio public service: Metropolitan Opera network. TV youth programs: *GE College Bowl*, CBS-TV. TV entertainment: "Fabulous Fifties," CBS-TV. A special award of outstanding public service: Dr. Frank Stanton for his part in bringing about "The Great Debates" • *Saturday Review* voted a special citation to 5 sponsors for "leadership in support of quality TV & radio programming and non-client interference with the creative heads of the programs they are sponsoring." Honored were Bell & Howell, Purex, Standard Oil of N.J., Gulf Oil and Nationwide Insurance. 10 programs were also cited: *Texaco: Huntley-Brinkley Report*, NBC. Ford: *Leonard Bernstein & the N.Y. Philharmonic*, CBS. Phillip Morris: *CBS Reports*. Standard Oil of N.J.: *Play of the Week*, WNTA-TV N.Y. U.S. Time: *NBC White Paper*. *Texaco: The Metropolitan Opera*. Shell Oil: *N.Y. Philharmonic Young People's Concerts*, CBS. Bell & Howell-Mead Johnson: *Winston Churchill: The Valiant Years*, ABC. NBC: NBC Opera Company • WFIL-TV & WFIL Philadelphia received an award for their *One Nation Under God* series from National Religious Publicity Council.

**Unions Plan Infiltration Pact:** A "concerted effort" is being made by foreign-Communist-dominated unions to infiltrate the ranks of U.S. & Canadian entertainment unions, charged Herman Kenin, pres. of the American Federation of Musicians, last week. Kenin has called a May 19-26 conference of union heads in the U.S., Canada, Central and South America and the Caribbean. The conference, to be held in San Jose, Costa Rica, hopes to establish an international trade secretariat as "a nucleus to encompass all the democratic show business unions in the free world." Among those attending will be representatives of IATSE, IBEW, AFTRA, SAG and NABET. . . . On another entertainment union front, DGA and the U.S. networks still disagree on the new contract terms for 900 directors, asst. directors and stage managers (Vol. 17:16 p8). The union has granted its members "temporary permission" to continue work without a contract.

**Canon 35 Criticized:** It's time for lawyers to "take a fresh look" at the American Bar Assn.'s rule banning cameras & microphones from courtrooms, Meredith Bestg. Co. exec. vp Frank P. Fogarty told the Omaha Bar Assn. Deploring refusal of the ABA to revise or relax its Canon 35, Fogarty said: "If you will admit cameras & microphones to the courtrooms you will not jeopardize the rights of your clients. On the contrary, you will actually insure them. You will reaffirm the right of the people to know what is going on in the courtroom—by the most faithful means of reporting there is."

**OC'DM Offers Public-Service Films:** *Retrospect*, a series of 13 quarter-hour historical programs, is being offered to all U.S. commercial TV stations via Sterling.

## Film & Tape

**LESS VIOLENCE NEXT SEASON:** That's the word from the network censors, who have previewed the bulk of pilots & early episodes of next season's programming. This is attributed to (1) better balanced programming, with comedies & animation playing important roles; (2) awareness by producers & networks of criticism from the trade, press and govt. against "violence for the sake of violence," and (3) what one executive described as a switch from physical to "emotional" violence.

Here's a sampling of what network executives in charge of script policing told us:

Robert Wood, West Coast mgr. of bcst. standards, NBC-TV: "Violence in emotions will be stressed, rather than physical violence. There will be more character study because there will be more 60-min. shows. Hour shows allow time for such delineation, and don't have to depend on violence. I think next season will be a better year with less violence."

Dorothy Brown, dir. of continuity acceptance, Western div., ABC-TV: "We will have a balanced & lighter program schedule next season, which makes for a less violent picture over-all. The schedule has been lightened by comedies & animation shows to the point where any angle which has been criticized will be taken care of. There will be considerably less violence, [but] sex is here to stay. We are cognizant of criticism against violence by the govt. & the trade. The picture is very bright for us next season."

William Tankersley, West Coast dir. of program practices, CBS-TV: "I don't think there will be any remarkable change regarding violence next season, but the situation will be slightly better. That's because the majority of our new shows aren't of the violent type—they're comedies. We will have *Frontier Circus*, which will have little violence; *The Investigators*, which will have about the same amount as *Checkmate*. The number of acts of violence in *Route 66* is very low. *Rawhide* has violence, but it's not excessive. The only way to improve matters actually is to get out of the violence field."

**40 SHOWS KILLED TO DATE:** Ad-agency & network executives aren't through, but so far the Hollywood casualty list is up to expectations, with approximately 40 network shows terminated. Of that total, 30 are film. This is about par for the course at this point in the season.

Comedies dominate the casualty list, 10 of them being guillotined. Next come Westerns and action-adventure, 7 each. Three anthology series and a like number of private eyes have been evicted. And veteran performers whose series will not return include Ann Southern, Barbara Stanwyck, Loretta Young, Hugh O'Brian, Groucho Marx and Henry Fonda.

Four Star Television has lost the largest number of shows—8. Next are Revue and Ziv-UA, 4 each. Screen Gems has lost 2, and the rest are scattered among various companies, some with only one series.

MGM-TV begins production late in May on its *Dr. Kildare* series, on which Norman Felton is exec. producer and Herbert Hirschman producer. Richard Chamberlain & Raymond Massey star. The show will have 9 writers.

## HOLLYWOOD ROUNDUP

**MGM-TV Maps Plans for 1962-63:** MGM-TV, busy on plans for the 1962-63 season, is considering a 90-min. weekly anthology series, we're told by production vp Robert Weitman. Although this length has never before been attempted in TV film, it wasn't too long ago that TV executives were saying 60-min. shows were economically unfeasible. Weitman also said his studio had staked out a dozen ideas for 60-min. shows and 8 for 30-min. The 60-min. ideas are comedy-drama and action & adventure with strong character delineation. The 30-min. projects include situation comedy and offbeat ideas. "We will probably wind up with 5 or 6 hour shows and 3 half-hours," but these figures are tentative, Weitman said.

The film executive is now preparing his staff for the busiest TV season in the studio's history, with *Cain's Hundred*, *Dr. Kildare* and *Father of the Bride* as new entries for next season, and *National Velvet* renewed.

**No New Sales for Warner:** For the first time since it entered TV film, Warner Bros. may not have a new series for the coming season. It would be quite a setback for the studio even though it is retaining its current shows.

Warners this spring offered *Las Vegas File*, *Solitaire*, *The Force* and *Room for One More*. At this date, ABC-TV, which normally has first call on WB product, has no place for the properties on its fairly firmed schedule for 1961-62.

Warners does have renewals on 77 *Sunset Strip*, *Hawaiian Eye*, *Lawman*, *Bugs Bunny*, *Cheyenne*, *SurfSide 6*, *The Roaring 20's* and *Maverick*, all on ABC-TV. The *Maverick* deal is for only 13 first-runs.

Production resumes May 15 on *Crime & Punishment*, syndicated tape series, on location at San Quentin, Folsom and Corona prisons in California. Exec. producer is Collier Young, and co-producers are Homer H. Canfield & Ludwig Gerber. Newscaster Cleve Roberts is featured as interviewer. Young is marketing & distributing the series, having sold it in 7 major markets, including N.Y. & L.A.

Four Star Television has picked up its option to headquarter at Republic Studios for another year. Four Star Pres. Powell plans a mid-May start on several new series.

Revue Studios has begun production on a new series, *Holiday House*, starring the comedy team of Wayne & Shuster. Producer is Cecil Barker.

Loretta Young's daughter, Judy Lewis, played a role in a *Surfside 6* segment at Warner Bros.

MGM-TV has signed 7 writers to its 60-min. *Cain's Hundred* series, bowing on NBC-TV next fall.

People: Winston O'Keefe named producer of Screen Gems' *Dennis the Menace* for next season . . . James Fonda, former *Dennis* producer, will produce *Hazel* for SG . . . Louis Gray appointed dir. of production for MGM-TV . . . Tony Rizzo named sales vp of Audio Visual Research Co. . . . Marion Hargrove has joined 20th Century-Fox TV as a producer, and has been assigned to its new 60-min. series, *Follow the Sun* . . . Ralph Senensky, ex-*Playhouse 90* production aide, named asst. to producer Herbert Hirschman of MGM-TV's *Dr. Kildare*.

## NEW YORK ROUNDUP

**Screen-to-TV Time Lag Decreases:** The length of time a feature film sits on the shelf after completing its theatrical run and before it goes into a TV package somewhere is getting shorter all the time. So reported Judy Dupuy, editor of Broadcast Information Bureau's TV-film source books, last week. Since last August, 957 features have been released to TV, of which 481 are post-1948s. And most of the latter had theatrical runs during the 1950s. Currently, Miss Dupuy stated, a whopping total of 12,209 features from all sources—Hollywood-made, independent productions, foreign films, etc.—are now available to TV, with 2,651 of them in the post-1948 category. Westerns, added Miss Dupuy, "represent only 10% of the total." BIB's latest reports include a new yardstick for film buyers—"audience tune-in expectancy"—an index of each film's potential rating based on the original box office receipts.

**WBC Enters Syndication:** *PM-East & PM-West*, the 90-min.-nightly variety show being launched in station sales by Westinghouse Bcstg. Co. (Vol. 17:15 p6) won't be handled by an outside syndicator. Instead, WBC Productions, the station group's production offshoot, has created a new program-sales div. to be directed by former *Variety* staffer Mike Roberts. The WBC div. will also syndicate *Intertel*, an International TV program project in which WBC participates. WBC launched a filmed documentary series, *The American Civil War*, into syndication last season, but used Trans-Lux as distributor . . . *PM-East & PM-West* will not, as previously reported, replace *The Jack Paar Show* on the 2 NBC-TV affiliates WBZ-TV Boston & KYW-TV Cleveland; these stations do not carry the show.

**TV Marketeers** will syndicate Roland Reed Productions' action series, *Waterfront*, once handled by MCA-TV. The 78-episode, 30-min. series, starring Preston Foster, will be offered on a daytime-strip basis. The new firm (Vol. 17:16 p13) will also market a first-run, 30-min. adult cartoon series called *Straight Talk Jackson*, the pilot of which was recently completed.

**Add Syndication Sales:** ZIV-UA has scored 63 station sales for *King of Diamonds*, only 2 weeks after release. Newest sales include: WHDH-TV Boston, KABC-TV Los Angeles, KTVK Phoenix . . . Trans-Lux added 4 new markets for *The American Civil War*, raising the total to 76 . . . ABC Films' *Consult Dr. Brothers* has been sold in 18 markets to date.

**Next Season's Categories:** Situation comedy represents the biggest segment of the fall programming picture at this writing—28 of 105 shows, or 27%. Westerns are 2nd with 16 (15%), reports *Sponsor*, suspense-crime 3rd with 15 shows (14%) and adventure 4th with 14 (13%). The remaining 32 (31%) are (in order of quantity): Comedy variety, anthology drama, quiz-panel, public affairs, music, straight variety, sports and feature films.

**Advertising Radio & TV Services** has formed a Canadian branch, with offices in Toronto & Montreal. ARTS Ltd. will book, distribute and stockpile TV shows & commercials in Canada & the U.S.

**People:** Harvey Chertok has been named Seven Arts dir. of advertising, sales promotion and publicity . . . Barbara Wilkens has been appointed Trans-Lux dir. of sales promotion & publicity.

**Dissidents Win NT&T Proxy Fight:** Dissident NT&T stockholders Leonard Davis and Philip L. Handsman were elected to the board, as results of annual stockholders meeting & election were announced last week. And just before the April 19 meeting at which results were made known, B. Gerald Cantor, ex-NT&T pres., resigned as chmn., asserting that he found himself "handicapped" by the criticism leveled at him at the April 11 stockholders session (Vol. 17:16 p12).

Commented Cantor: "We will present a full answer to these allegations [of conflict of interest & mismanagement] in court. We will prove the falsity of their charges and clearly establish our consistent efforts in the best interests of the company, as evidenced by the upturn in profits."

Davis & Handsman, who aimed the charges at Cantor, had no comment on his action, but as to their election. Davis did not attempt to conceal his satisfaction. He said that as a director he would attempt to have the company pursue "a more conservative policy. We are primarily a theater operation, and I would like to see more expansion in that line," he said. He acknowledged that he & Handsman had spent at least \$25,000 on the proxy fight, and indicated he would seek to have NT&T compensate them for this expenditure.

Asked about NTA, of which NT&T owns 38%, and which he attacked during his proxy campaign as a "debacle," Davis replied it would be "one of the first things we'll give our attention to. It's in jeopardy." He explained that his mention of a more conservative policy specifically referred to NT&T's "substantial" investment in NTA. As a director, he will call for major changes in the management of NTA, he said. He said he might someday favor NTA becoming a subsidiary of NT&T again, but was "not absolutely sure."

When someone pointed out that Handsman & he are only 2 of a board of 12, Davis said: "We don't think of the lineup as 2 against 10. If policies we push are good for the company, the other directors will go along."

NT&T Pres. Eugene Klein said he considered the 82% vote favoring 10 of the 12 management nominees a vote of confidence. He added that he was "not prepared to make any statement as to what my policy will be yet [but] I am sure that Davis & Handsman will join in support to help the corporation."

Re-elected to the board were Cantor, Klein, Joe Benaron, John B. Bertero, Samuel Firks, William J. Friedman, Richard W. Millar, Jack M. Ostrow, A. J. Gock and Willard W. Keith. Each of the 10 won about 1.8 million votes; Davis and Handsman each received 2.2 million. Management nominees defeated were William H. Hudson & Graham L. Sterling. Samuel Kurland, an independent nominee, was unsuccessful in his bid, with 72,711 votes.

Klein was re-elected NT&T president at the new board's initial meeting, April 20. Also re-elected were Sheldon Smerling, exec. vp; Alan May, vp-treas.; M. Spencer Leve, vp; Laurence A. Peters, secy.; and Paul F. Scherer, asst. secy. & asst. treas. Leonard Davis failed in his effort to be elected to the executive committee.

Four Star Television has sold a 60-min. version of *Robert Taylor's Detectives*, now on ABC-TV, to NBC-TV. It will be produced by Jules Levy, Arthur Gardner and Arnold Laven. Starring are Taylor, Russ Thorsen, Mark Goddard, Tige Andrews and Ursula Theiss. The show will be on at 8:30 p.m. Friday.

# Foreign

## More about

**FOREIGN TV GROWTH:** How each country stands in number of TV stations & sets-in-use (data as of March 1, 1961) is shown in this table based on the Foreign TV Directory section of our upcoming TELEVISION FACT-BOOK No. 32 (see p. 5).

Country	Stations	Sets	Country	Stations	Sets
Algeria .....	6	60,000	Monaco .....	1	11,000
Argentina .....	5	650,000	Morocco .....	—	5,000
Australia .....	16	1,173,000	Netherlands .....	7	812,000
Austria .....	20	215,000	Neth. Antilles..	1	5,000
Belgium .....	6	675,000	New Zealand .....	1	3,500
Bermuda .....	1	8,500	Nicaragua .....	1	5,000
Brazil .....	25	1,200,000	Nigeria .....	3	6,000
Bulgaria .....	1	5,000	Norway .....	12	53,000
Canada .....	89	3,900,000	Okinawa .....	2	1
Chile .....	3	500	Panama <sup>4</sup> .....	1	20,000
China .....	18	20,000	Peru .....	5	71,500
Colombia .....	14	150,000	Philippines .....	4	45,000
Costa Rica .....	1	10,000	Poland .....	17	456,000
Cuba .....	27	500,000	Portugal .....	7	63,000
Cyprus .....	1	3,000	Rhodesia .....	1	6,000
Czechoslovakia..	11	850,000	Rumania .....	5	45,000
Denmark .....	11	545,000	Saudia Arabia..	1	6,500
Dominican R...	4	15,000	Spain .....	8	300,000
Ecuador .....	1	2,000	Sweden .....	45	1,150,000
El Salvador .....	3	30,000	Switzerland .....	20	129,000
Finland .....	19	98,000	Syria .....	1	1
France .....	94	2,000,000	Taiwan .....	—	100
E. Germany .....	10	1,000,000	Thailand .....	2	60,000
W. Germany .....	280	4,800,000	Trinidad .....	1	24
Guatemala .....	2	35,000	Turkey .....	1	1,000
Haiti .....	1	1,800	United Arab		
Honduras .....	1	4,500	Republic .....	4	50,000
Hong Kong <sup>5</sup> .....	1	7,000	United K'dom.	35	11,200,000
Hungary .....	7	110,000	Uruguay .....	1	25,000
India .....	1	400	USSR .....	173	5,000,000
Iran .....	2	38,000	Venezuela .....	14	250,000
Iraq .....	1	35,000	Yugoslavia .....	6	18,000
Ireland <sup>2</sup> .....	1	100,000			
Italy <sup>3</sup> .....	424	2,350,000			
Japan .....	125	6,643,000			
Korea .....	1	8,000			
Kuwait .....	1	700			
Lebanon .....	2	20,000			
Luxembourg .....	1	7,000			
Malta <sup>6</sup> .....	—	10,000			
Mexico .....	23	700,000			

<sup>1</sup> Sets-in-use estimate unavailable.  
<sup>2</sup> Viewers tune to British stations.  
<sup>3</sup> Closed-circuit cable system.

<sup>4</sup> Tune to Armed Forces stations.  
<sup>5</sup> Includes 396 satellite stations.  
<sup>6</sup> Viewers tune to Italian stations.

\* \* \*

**Foreign TV Report:** USIA summarized last year's overseas TV developments in a report pointing up the Soviet bloc's stepped-up propaganda use of TV. The agency reported: (1) Bloc countries increased the number of stations from 189 to 264, receivers from 5,294,000 to 7,407,000. (2) Non-bloc countries' stations rose from 899 to 1,224, sets from 26,796,000 to 35,535,000. (3) Russia reportedly is building a station meant to reach Norway & Finland. (4) Cuban-bloc country program-exchange agreements. (5) Great increase in Communist China TV activity. (6) "Highly propagandistic" East German programming aimed at West Germany.

**Intertel Praised:** The 4-country Intertel TV public-service programming project set up by the Westinghouse Bestg. Co. and National Educational TV & Radio Center has been lauded by Sen. Keating (R-N.Y.) as a "bright new prospect" in the field of international relations. In a *Congressional Record* statement, Keating said he has "great enthusiasm & high hopes" for the TV venture in which Canada, Australia and U.K. are participating.

**Another Soviet "First":** Russia's recent triumph in space was immediately followed by another—in TV. For the first time, Moscow & London (and other Western European centers in between) were linked in a live TV transmission. The televised event: The hero's welcome given spaceman Yuri Gagarin on his arrival in Moscow.

# Congress

**Minow Influence Feared:** Rep. Avery (R-Kan.), recently promoted by the Republican leadership from the House Commerce Committee to the more powerful Rules Committee, says he's afraid FCC under Democratic Chmn. Minow is aiming at govt. control of TV-radio programming.

Referring to such recent FCC developments as the Commission's proposals for station program forms (see p. 3), Avery said in a House statement that there's been "an increasing tendency [by FCC] to intervene into radio & TV programming"—and that Minow is pushing his colleagues in that direction.

Avery said that as a Commerce Committee member he always stoutly defended the right of station licensees to solve their own programming problems without direct or indirect interference from the govt. That's being changed now, he warned:

"With the New Frontier came an increasing influence toward greater federal control in every field of jurisdiction of the federal govt. Nearly every proposal that has come to Capitol Hill from President Kennedy has reflected his philosophy that there should be increasing control . . .

"This philosophy has been further evidenced in this instance through statements made by [Minow]. He frankly states—and I admire him for his frankness—that it is his belief that [FCC] should become increasingly concerned with programming for broadcasters."

**JFK's FCC Plan Due:** Following up his special message on regulatory agencies (Vol. 17:16 p1), President Kennedy is expected to give Congress his FCC reorganization plan this week. The White House proposals to revamp FCC & SEC had been scheduled for delivery on Capitol Hill April 20, but were delayed until at least April 25 by other business—such as the Cuban situation. The White House gave no inkling meanwhile as to what the President may have in mind specifically for FCC. But in his special message he called for increased authority for agency chairmen, delegation of authority in cases to panels, and more responsibility for hearing examiners. Under extension of the Reorganization Act of 1957 approved by Congress (Vol. 17:14 p16), the President's reorganization plans become effective within 60 days after they are submitted unless they are vetoed by a majority vote in either Senate or House. Both Senate Commerce Committee Chmn. Magnuson (D-Wash.) & House Commerce Committee Chmn. Harris (D-Ark.) have served notice that they want to have a close look at plans for FCC & other agencies.

**"Ethics" Bill Killed:** The House Rules Committee has pigeonholed a bill (HR-2397) by Rep. Ashley (D-O.) that requires members of Congress as well as other govt. officials to make "public financial reports" on outside business interests—including those in broadcasting. In voting to table the measure, the Committee probably killed chances for any other such full-disclosure measures at this session. Many members of Congress object to the proposals on grounds that they are fully answerable to their constituents for their conduct—public & private.

**Radio Month Backed:** Members of Congress have joined in NAB's promotion of National Radio Month in May (Vol. 17:15 p12). Endorsements received by NAB radio vp John F. Meagher include letters from Sens. Magnuson (D-Wash.), Gruening (D-Alaska), Mundt (R-S.D.), Byrd (D-W. Va.), Reps. Colmer (D-Miss.) & Kowalski (D-Conn.).

**Paglin on Patents:** FCC has few problems involving patents, gen. counsel Max D. Paglin testified at Senate hearings on proposals (S-1084 & 1176) to give control to the govt. over patents developed by federally-financed contractors (Vol. 17:15 p19). "It is believed that FCC contributions to the group of patents to be administered under the provisions of these bills will be very small," Paglin told the Judiciary Patents Subcommittee headed by Sen. McClellan (D-Ark.). He pointed out that the Commission itself makes few research & development contracts with private companies. Voicing no FCC objections to the proposed legislation (beyond "the additional work that would be required of the Commission"), Paglin said that FCC's involvement with patent questions comes when "dominant patent holders may become the primary beneficiaries of new or revised technical standards" for equipment. Cases in point: Color TV standards developed in 1949-50 and FM stereo standards specified last week (see p. 1). But no matter what company may benefit from such standards, Paglin added, it's the primary "duty & responsibility of the Commission to adopt technical standards which will result in the securing by the public of the best communication service obtainable." In later testimony at the Senate hearings, Raytheon's Paul F. Hannah & Elmer J. Gorn vehemently denounced the proposed patent legislation. Speaking for EIA, they said it would do "incalculable harm" to the electronics industry and result in near-confiscation of private property by the government. They argued that Congress should reaffirm the "traditional principles of private ownership of patents" with reservation to the govt. of royalty-free licenses.

**Those Debatable Great Debates:** After CBS Pres. Dr. Frank Stanton received his special Peabody Award for "his initiative in suggesting the [Great] Debates and his courageous leadership in bringing about the joint resolution of Congress which made the Debates possible," Stanton courteously stated that he felt he hadn't played "a sufficient part in bringing about the Debates" to deserve the citation. He added that "credit . . . belongs to many people." Stanton received several congratulatory wires, including messages from President Kennedy, Sen. John O. Pastore, Rep. Oren Harris, MBS Pres. Robert F. Hurligh, and AB-PT Pres. Leonard H. Goldenson. Not included in the list of congratulators: NBC, which privately feels that its Chmn. Robert W. Sarnoff played at least an equal role in sparking the Debates. Goldenson was tactful; he congratulated Stanton for "incubating" the idea—a concept not necessarily synonymous with "originating."

**Obituary**

**Kenyon Brown, 47, TV-radio executive, died of a heart attack at his home in Los Angeles April 19. He was on NAB's board for 8 years and was chmn. of its 1953 convention. He was also a partner with Bing Crosby in the purchase of KCOP Los Angeles, and was pres. of the station. When the station later was sold to NAFI Corp., he was named pres. of NAFI-owned Oregon TV, NAFI Telecasting Inc., and KXYZ Inc. He resigned from these posts and as KCOP president last December. Brown owned radio KITO San Bernardino, KSON San Diego, KGLC Miami (Okla.) and KANS Kansas City, and had an interest in KFOX Long Beach. In recent weeks he had been seeking a TV license in Honolulu. He was active in baseball investments, having once been a vp of the Detroit Tigers, and, more recently, he acquired an interest in the Los Angeles Angels of the American League. Surviving are his wife, 4 children and a brother, Don, KCOP director of educational affairs.**

**Television Digest**

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.  
WALTER H. ANNENBERG, *President*  
PUBLICATION OFFICE Radnor, Pa., MUrray 8-3940, TWX: Radnor 1028

JAMES T. QUIRK, *Business Manager* MERRILL PANITT, *Editorial Director*  
HAROLD B. CLEMENKO, *Managing Editor*  
DAVID LACHENBRUCH, *Asst. Mng. Editor*  
JAMES B. DELEHANTY, *Asst. Business Mgr.* HAROLD RUSTEN, *Associate Editor*  
PAUL STONE

WASHINGTON BUREAU  
Wyatt Building  
Washington 5, D.C.  
Sterling 3-1755  
ALBERT WARREN, *Chief*  
WILBUR H. BALDINGER  
WM. J. McMAHON Jr.

NEW YORK BUREAU  
625 Madison Ave.,  
New York 22, N.Y.  
Plaza 2-0195  
CHARLES SINCLAIR, *Chief*  
WEST COAST BUREAU  
6362 Hollywood Blvd.  
Hollywood 28, Cal.  
Hollywood 5-5210  
DAVID KAUFMAN

MARTIN CODEL  
*Associate Publisher*

TELEVISION DIGEST. Published Mondays. Subscription \$75 annually.  
For group rates & other subscription services, write Business Office.

TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY  
Published March & Sept. Published Saturdays Published in January

Copyright 1961, by Triangle Publications, Inc.

**Personals:** John J. Heywood, ex-NBC-TV, appointed vp-treas., Crosley Bestg. Corp. . . . Seymour (Hap) Eaton named national sales mgr., WJBK-TV Detroit, succeeding Keith T. McKenney, recently appointed general sales & administration manager.

Frank Mangan promoted from mgr. of Chicago office of NBC-TV Spot Sales to TV sales dir., WRCV-TV Philadelphia, succeeding Theodore H. Walworth Jr., recently named vp-gen. mgr., WNBC-TV & WNBC N.Y. . . . Frederick S. Beebe elected chmn., Washington Post Co. (WTOP-TV & WTOP Washington) WJXT Jacksonville, Fla. He was also named vice-chmn. of Newsweek Inc. . . . William A. Exline promoted from gen. sales mgr. to mgr., KIRO-TV Seattle . . . John F. Hardesty promoted to pres. of Hamilton-Landis, station brokerage firm; Ray V. Hamilton becomes chmn.

Lester S. Clarke named to new post of research dir., KABC-TV Los Angeles . . . Mac Tichenor elected pres., KGBT-TV Harlingen, Tex., succeeding the late Troy McDaniel. Mal Kasanoff, program dir., and George Elliott, retail sales dir., named vps.

George Bunn, ex-Arnold, Fortas & Porter, named legal advisor to John J. McCloy, President Kennedy's disarmament policy advisor.

James Burke, ex-CBS News, joins WGR-TV & WGR Buffalo as news & public affairs dir. . . . Ned Cramer promoted from asst. dir. public affairs, to public affairs dir., WCBS-TV N.Y. . . . Stanley Present, from Young & Rubicam's legal staff, joins USIA as deputy gen. counsel.

The new OCDM deputy dir. is Dubuque attorney Edwin A. McDermott.

**TELEVISION FACTBOOK NO. 32 OUT IN JUNE**

Our completely new, 1,078-page Spring-Summer edition of TELEVISION FACTBOOK will be distributed to all TV-service subscribers of TELEVISION DIGEST in June.

Additional copies of this greatly expanded issue, featuring TV-station area coverage & circulation, may be ordered now through our Radnor business office at our special preprint rates of \$10 per copy or \$8 per copy on orders of 5 or more.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**SET MAKERS PLAN STEREO FM RECEIVERS:** Radio manufacturers were thrown into a happy tizzy by FCC's announcement of stereo broadcast standards last week (see p. 1). Almost unanimously they hailed the decision as opening a big new field which should help greatly to boost sales of radios & stereo phonos. Some manufacturers were still vague about their plans. Others said they were "ready to go" and will have receiving equipment to sell the public this summer.

Because of the importance of the new stereocasting medium to everyone connected with the consumer-electronics trade, we have reprinted the FCC's rules for stereo FM broadcasting as a Supplement with this issue. Limited quantities of extra copies are available to subscribers free of charge. We have also surveyed many major manufacturers in the radio field on their FM stereo plans & comments which are digested on pp. 19 & 20. In summary, here are the major aspects & trade implications of this week's development:

The system chosen: FCC picked the GE & Zenith proposals, which were nearly identical, and established a single system of stereo FM broadcasting—pilot subcarrier at 19 kc, stereo subcarrier at 2nd harmonic of the pilot, amplitude modulated. Pres. Murray Crosby of Crosby-Teletronics, proprietor of the leading also-ran system, said he would not appeal or fight FCC's choice.

Starting date for stereo: Date that stereocasting starts obviously will determine when there will be a market. Although FCC said it can begin June 1, it's obvious that most stations won't be able to get equipment that quickly (see p. 6). A few will start in June & July, however, and our guess is that first FM stereo markets will be the major FM & "good music" markets—N.Y., Los Angeles, Chicago, Boston, San Francisco, Philadelphia, Washington. These locations are where first sets should go.

Timing of receivers: Most manufacturers say they'll have something in stereo for the fall or winter market. GE appears to be furthest along, promising stereo table radios & adapters "shortly after June 1." Pilot says it will have "approved-type instrument on the market by June 1." Granco plans to have sets on market by July 1, "assuming stations go on the air in June." RCA promises an adapter in about 90 days. Others are less specific in their timing estimates. For details, see survey, pp. 19 & 20.

Types of receivers: First complete sets on the market probably will be stereo-FM-phono combinations—simplest because there are fewer tooling problems, the stereo-FM tuner merely replacing monophonic tuner. First table models probably will be 2-piece sets, a master unit with all or most of the "guts," connected to a slave speaker unit by a slim cable—and both speakers will play monophonically when set is tuned to non-stereo program. (GE, incidentally, is working to get rid of the cable, and at its stockholders meeting next week will show prototype of "Beam-a-Light" system in which the 2 cabinets are connected only by beam of "black light.") Next will come ventures into single-cabinet table models, with 2 speakers and provision for optional 3rd speaker. Later: automobile stereo radios.

Converters: Hot dispute will rage over practicality of conversion of existing sets. Prices being quoted already range from \$15 to \$75. One of the proponents of the chosen system—GE—says conversion is practical, and that a converter can be made for about \$8 (manufacturer's cost). The other proponent—Zenith—has no intention to enter converter business and says cost of proper stereo adapter for FM would be prohibitive.

Public reaction: Some manufacturers fear that imminence of stereo FM, misinformation and poor products-in-a-hurry could hurt the stereo phono & monaural FM markets. Motorola radio & phono sales mgr. W. E. Laswell points out that big problem for trade will be "how to assure people that consoles sold between now & this fall can be converted." Zenith Sales Corp. Pres. Leonard C. Truesdell expresses hope that no "cheap-&-dirty" version of stereo FM will be introduced to give public bad impression of the new medium and "depreciate it like stereo phonographs." GE has decided to steer entirely clear of the word "multiplex" to avoid confusing public.

**Patent situation:** "Who do we pay?" This question has been popping up this week. Both GE & Zenith have patent applications covering various phases of the so-called GE-Zenith system, and it's understood Crosby-Teletronics patent applications also claim to cover some aspects of the system. Zenith Pres. Joseph Wright told us at week's end that his company is more interested in the development as a contribution to radio than as a proprietary product. He frankly admitted he didn't know what outcome of patent situation would be. GE, too, indicated it was too early to say whether it had any definite rights. Obviously, manufacturers are just going to go ahead with production, and any unscrambling of the licensing egg will have to come in the years ahead.

**Impact on market:** "It heralds a new dimension in FM broadcasting and the enjoyment of FM radio listening," said Zenith's Wright. "Next year will be very, very big. This is the first product to give me a real thrill and a real lift in 7 or 8 years," said Zenith's Truesdell. "The most stimulating development in the radio industry in the past 15 years," said GE radio receiver dept. gen. mgr. Robert C. Wilson. "An opportunity to upgrade the whole picture of radio prices & profits," said Motorola's Laswell. "This is going to put stereo over," said Pilot Radio sales vp L. M. Sandwick. "The beginning of a real FM boom," said Granco Pres. Henry Fogel. "A step in the right direction, but we don't believe it will be a big smash," said Columbia Phono Dept. sales mgr. Milton Selkowitz in a minority report. "We're going to treat it as an improvement, but we'll also continue with monophonic FM radios."

**Summing up:** By all indications, a great new market is about to open—one which can benefit not only radio sales but phono sales and upgrade product prices & profits. By booming all stereo, it can also help sales of phono records & tape recorders. But the pitfalls of public confusion, poor demonstrations and untrained salespeople can be just as dangerous as they were in the stereo phono field.

#### **TV-RADIO PRODUCTION:** EIA statistics for week ended April 14 (15th week of 1961):

	April 8-14	Preceding wk.	1960 wk.	'61 cumulative	'60 cumulative
TV .....	112,364	93,530	105,251	1,518,667	1,791,185
Total radio .....	268,604	275,842	311,974	4,140,546	5,077,622
auto radio .....	83,645	92,677	91,642	1,258,055	2,059,917

#### **More about**

**STEREO RADIO PLANS:** With the opening of the vast new stereo FM market (see p. 1), we sampled leading set manufacturers at last week's end for their comments & plans. Here's a distillation of the replies of those who were willing to comment (alphabetical order):

**Admiral:** All present sets have provisions for adapter, and presumably the company will market adapters. No further comment, except that Admiral is currently working on its new line.

**Columbia Phono Dept.** (Milton Selkowitz, national phono-sales mgr.): "We have no immediate plans for FM stereo. We think it will be a slow process, will take explanation & education. It's a step in the right direction, but we don't believe it will be a big smash. We will introduce it on interim models, drop-ins which may come in the fall, or at year's end. We have no plans for adapters, don't believe in adapters of any kind. We don't feel about FM stereo as we did about reverb. That, in our opinion, was strictly a gimmick that didn't enhance music. FM stereo is an improvement—but it will take time."

**GE:** Will be "ready to supply radio sets & adapters shortly after June 1." Radio-receiver dept. gen. mgr. Robert C. Wilson said the design for a new twin table-model receiver is complete. "As quickly as modifications of the set are made in accordance with FCC standards, it will be put into production and will be made available to the consumer." (It's expected the prototype will be shown at the GE district sales rep meeting in Chicago May 1.)

Audio-products section gen. mgr. Charles J. Coward

said an FM-stereo adapter will be made for all GE console stereo combinations now on the market, with the exception of 2 non-adaptable low-priced models. The TV-receiver dept. announced that all 1962 TV-radio-phono combos will be adaptable. Later this year, all GE phono & TV-phono combos are expected to incorporate stereo tuners.

**Granco** (Henry Fogel, pres.): The chosen system was the best one for the general public, is "just what is needed to make FM really different from AM," and won't add too much to the cost of sets. If broadcasting begins in June, first Granco stereo sets will be on the market by July 1. "Our designs are pretty well frozen."

Granco's program, in the order in which products will be introduced: (1) "Stereo-Companion" kit, consisting of decoding system, amplifier & speaker, in cabinet to match present Granco FM & FM-AM sets. The kit will adapt sets now in the field and will probably retail at about \$19.95. (2) A complete new line of FM & FM-AM sets designed to be used with Stereo Companions. (3) Packaged line of 2-piece sets (each package consisting of a master set & a Stereo Companion), with FM-only packages priced under \$50 and AM-FM packages under \$60. (4) All-in-one stereo 2-speaker table models, with provision for adding external speaker—one FM and 2 AM-FM models at \$50-90. Stereo FM will add \$10-15 to the price of Granco FM-phono consoles.

**Motorola** (W. E. Laswell, national radio & phono sales mgr.): "We hope to be able to satisfy any receiver demand as quickly as it develops, and to have sets this fall in those areas where stations are broadcasting stereo-phonically." Phono-FM consoles will come first, table models later. Simple conversion will have to be available

for any monophonic consoles sold from now on, although history indicates the public shies away from converters.

"FM stereo is a quality service and should be treated that way—not with the quick *ersatz* approach. If the public doesn't hear it at its best on the first exposure, it's going to hurt the whole industry. It also could hurt if we don't have answers for the people who come to buy stereo phonos in the fall . . . Table models will pose a real design problem."

Philco: Stereo will help the radio market, but must be properly merchandised & explained to the customer. The company will announce its plans in the near future, probably at its June 4-7 convention in Atlantic City. An official expressed doubt whether converters are technically feasible for packaged goods.

Pilot (L. M. Sandwick, sales vp): "We think this has been a very wise decision and we are extremely enthusiastic. We will have an approved-type instrument on the market by June 1." Production plans are now being solidified. All post-1958 Pilot instruments have provisions for an adapter. "This is going to put stereo over. It will hypo the stereo market just as early radio hypoed the phono market. Now people will be able to hear stereo on radio and will be exposed to stereo recordings that they'll want to hear again & again."

RCA Sales Corp.: Is expected to market an adapter in about 90 days. All FM tuners in recent RCA stereo lines contain multiplex jacks.

Stromberg-Carlson (Arthur J. Hatch, vp-gen. mgr. General Dynamics/Electronics commercial-products div.): Working in the FM stereo area, but can't yet reveal plans. Automobile stereo is "entirely a possibility, but further off" than home radio.

Symphonic Electronic Corp.: Expects to have FM stereo in its fall line.

Zenith Sales Corp.: (Leonard C. Truesdell, pres): "Next year will be very big. Don't look for too much this year. This is a wonderful opportunity to come up with fine products & legitimate profits at the dealer level. Let's not depreciate it." Zenith plans no converters. As Truesdell sees it, the only use for a monophonic set in FM stereo is as a 2nd speaker. A multiplex stereo tuner will cost \$30-50 more than a conventional tuner. Real marketing won't begin until early next year, and Zenith will have FM-phono stereo combinations & table-model sets with auxiliary speakers. "On a quality instrument, FM stereo sounds even better than a stereo phono. It's so highly demonstrable that the public will want it."

Will "Snowball" Snowball? Corning Glass hopes it will—"Operation Snowball," that is. Reporting to set & tube manufacturers on the April 19 opening day of the 11-day TV promotion at the Northshore Shopping Center in Peabody, Mass. (Vol. 17:16 p18), Corning said it attracted 46,000 people to the center, despite snow flurries & overcast weather. Participating distributors—Sylvania, Philco, Olympic—gave 4,000 demonstrations to shoppers interested in winning a prize trip to Miami or one of 22 sets (11 major makes) which were purchased by Corning for the event and were demonstrated in a circus tent.

Union Calls Off Japanese Boycott: The Amalgamated Clothing Workers, responding to "the national interest" & President Kennedy's request, last week canceled its proposed boycott of Japanese textiles (Vol. 17:9 p17).

Add New Line Showings: Philco will hold its consumer-electronics convention June 4-7 in Atlantic City, N.J.

**Trade Personals:** Gene K. Beare named Sylvania president, succeeding Robert E. Lewis, who resigned to become president of Perkin-Elmer Corp. Beare had been pres. of GT&E International after serving with Automatic Electric Co. (now a GT&E subsidiary) since 1939. Leslie H. Warner, who has headed several General Telephone subsidiaries, was elected GT&E pres., succeeding Don G. Mitchell, now vice chairman . . . Dr. Leonard S. Sheingold, dir. of Sylvania's Applied Research Lab, named chief scientist, U.S. Air Force, succeeding Dr. Alexander H. Flax, who returns to his former post as vp of Cornell Aeronautical Lab.

Ross D. Siragusa, Admiral pres., named a dir. of General Aniline & Film Corp. . . . Ray R. Serenbetz named finance dir., ITT Europe, headquartered in Brussels . . . Dr. J. Robert Downing named technical dir. of advanced development, Kollsman Instrument . . . Rear Adm. William L. Freseman (USN ret), ex-International Standard Engineering vp, named to new post of asst. to the pres., Radio Engineering Labs.

Alvin Barshop, sales mgr. of Du Mont Emerson Corp.'s Granco div., named also sales mgr. of the newly-acquired Telectro div. (tape recorders). Robert A. Cohen promoted from Eastern regional sales mgr. to asst. sales mgr., Telectro div. . . . Rollin M. Russell, ex-Electronic Specialty Co., elected exec. vp & chief operating officer, Acoustica Associates . . . Reginald A. Young named mgr., Sylvania's sub-miniature receiving tube plant, succeeding Eugene E. Broker, recently named gen. mfg. mgr., parts div.

Frank F. Clemenshaw, ex-ACF Industries, elected treas., General Instrument . . . Howard B. Jansen appointed Midwestern regional sales mgr. for Du Mont TV, radio & stereophonic hi-fi instruments, Du Mont Emerson Corp. . . . Marshall S. Orr, asst. chief of FCC's Safety & Special Radio Services Bureau, retires after 31 years of govt. service . . . L. Edward Scriven, N.Y. Management consultant (Wallace Clark & Co.) and former A. C. Nielsen Co. executive (Chicago vp, managing dir. in Great Britain), appointed director of Commerce Dept.'s Office of International Trade Fairs.

RCA Scholarships for Dealers: Twelve RCA Victor dealers will be awarded scholarships to NARDA's annual Institute of Management, to be held August 6-12 at American U., Washington. Marketing vp Raymond W. Saxson said that RCA is participating because "we feel we can help qualified dealers become more aware of present day business conditions & practices."

Emerson Advertises Telectro Recorders: Emerson, which has acquired an option to purchase control of Telectro Industries (Vol. 17:11 p19), hit the trades last week with full-page ads for the Telectro tape recorder line—which ranges in price from \$89.95 to \$349.95.

\$32,000 Employee Idea: A suggestion for a design change in the drive units of magnetic tapes used in high-speed computers was worth \$32,000 to IBM system specialist Herbert F. Owens. The award for a suggestion was the highest ever made by IBM and is probably a record for the electronics industry. IBM said Owen's recommendation will reduce maintenance time for thousands of units in use.

### Obituary

Hugh J. Casey, 70, Tung-Sol mgr. of export sales from 1945 until his retirement in 1957, died April 16 of a heart attack in his Glen Ridge, N.J. home. He is survived by Mrs. Casey, 3 sons & 7 grandchildren.



**Mergers & Acquisitions:** Hewlett-Packard and Sanborn Co., Waltham, Mass. maker of industrial & medical electronic equipment, have tentatively agreed to merger terms (Vol. 17:14 p21), subject to the approval of stockholders of both concerns. Under proposed terms, each share of Sanborn would be exchanged for 1.4 shares of H-P common and one share of a new cumulative convertible preferred • ITT has agreed to acquire for an undisclosed exchange of stock Surprenant Mfg. Co., Boston & Clinton, Mass. manufacturer of high-test plastic insulated wire & cable products. Latter's sales in its current fiscal year are estimated at \$17 million. Although the exact number of shares involved has not yet been determined, it's understood that ITT plans to exchange less than 60,000 shares of a new class of cumulative preferred (Vol. 17:15 p19) that is expected to be created at the May 10 annual meeting • Dynamics Corp. of America has acquired for 30,000 shares of common International Vermont Machinery Co., Ramapo, N.Y. producer of power generators and other electrical equipment • Muter Co. proposes to acquire in a stock exchange General Magnetic Corp., Detroit magnet maker. General's directors & stockholders have approved the amalgamation, which now awaits only the approval of Muter shareholders.

**New Plants & Expansions:** Olympic Radio & TV Div. of Siegler Corp. has opened a 200,000-sq.-ft. assembly & warehousing plant at Glendale, Long Island, N.Y. The new facility will supplement Olympic's 300,000-sq.-ft. hq plant in Long Island City • GE will complete by 1962 a \$750,000 addition which will increase capacity by 30% at its phenolic plastics plant in Pittsfield, Mass. • Snyder Mfg., Philadelphia maker of TV-radio antennas & tables, radio importers, has added 10,000 sq. ft. to its hq plant, plans another 50,000-sq.-ft. addition this year. The company also will establish a buying office in Tokyo shortly.

**Hot News Heats Up Radio Sales:** Queried by MBS last week on sales effect of fast-breaking news these days, 6 major retail chains in N.Y. reported radios selling hotter & heavier than a year ago. Stern's reported a 20% surge in the past 3 weeks. Korvette said first-quarter volume was 10% ahead of a year ago. The Vim group termed "radio business good—and it held up better than TV or any other appliance in our stores." Equally cheery reports came from Macy's, Davega and Master's.

**Closed-circuit 3-D:** Stereo TV kit, to convert closed-circuit TV to 3-D with no electronic modifications, is being marketed by Stereotronics Corp., 1717 N. Highland Ave., Los Angeles 28, for \$895. Suggested applications are viewing dangerous material handling, environmental lab observation, monitoring underwater manipulation, ETV. The kit consists of "Stereo-Captor" which fits on TV camera lens, "Stereo-Screen" to replace the glass plate in the monitor, and stereo eyeglasses.

**Tube Complaint Settled:** Electronic Video Inc., Brooklyn, has agreed to an FTC order prohibiting it from misrepresenting rebuilt TV picture tubes as new. The company had been accused by FTC in 1960 of deception in advertising its tubes as "brand new—fully guaranteed." The consent order settling the case specified that Electronic Video must make disclosure of "the true nature of such tubes."

**Magazine Sold:** *Record & Sound Retailing* has been sold by M. & M. Harrison Inc. to Cadel-Kaye Inc., owners of *Print and Packaging Design* magazines.

**New Andrea Set:** 23-in. lowboy console at \$340 & 350.

**Canada Seeks Import Relief:** The Electronics Industry Assn. of Canada has petitioned the govt. to help stem the tide & effects of electronics imports. Among its recommendations: Limit the imports of TVs, radios and electronic tubes to 10% of the preceding year's domestic shipments; remove 15% excise tax on all electronic equipment. The EIAC noted that imported Japanese tubes "now equal 29% of total Canadian shipments in 1960" and have Canadian production "facing imminent collapse." Half the radios now sold in Canada are imported, the group said, and 70% of the imports are from Japan. Since 1957, Japanese imports have mushroomed from \$639 to \$1,226,354 last year. In the same period, Canada's imports of U.S. electronics have decreased to \$5,643,216 from 1956's \$8,479,633. Canadian production from 1956 to 1960 also decreased, to \$9,790,951 from \$10,291,750.

**Now It's 4-Channel Stereo:** A tape-recording system using 4 microphone pickups & 4 amplifier-speaker combinations is described by Nortronics Co. chief engineer John W. Hogan in the May *Electronics World*. For playback, 3 speakers are mounted in a line on the wall, and the 4th is hung from the ceiling in the center of the room. Hogan says this method provides "closeness" & "depth" impossible to duplicate in 2-channel stereo. For audio enthusiasts who wish to construct their own 4-track tape players, Nortronics has a pre-recorded 4-channel test tape at \$8.95.

**Electronics Firms Lead Nippon Advertisers:** Japan's 1960 ad volume jumped 25% above the 1959 level to \$500 million. Leading the ad parade were the country's electronics manufacturers, which took the first 3 and 5 out of the top 10 spots among the ad spenders. Win, place and show were taken by Matsushita Electric (\$13,148,000), Toshiba (\$13,092,000) and Hitachi (\$10,980,000). Sanyo Electric placed 6th with \$5,448,000. Mitsubishi ranked 8th with \$4,632,000. TV was 21.5% of total 1960 ad spending.

**GD/E Auto-Radio Sales Gain:** The share of market for Stromberg-Carlson auto radios tripled in 1961's first quarter from a year ago, reports Arthur J. Hatch, vp-gen. mgr. of General Dynamics/Electronics' Commercial Products Division. He terms the sales gain "particularly impressive in view of the fact that output by the U.S. automobile industry during the first quarter is down 41% from the same period in 1960." He attributes S-C's increasing share of market to a wider range of radio models and an expanding distributor organization.

**Zenith's \$1.5-Million Ad Campaign:** Zenith has scheduled a \$1.5-million ad campaign in local & national printed media "to provide powerful support for a new series of TV receivers & radios developed for introduction during the spring months." Sales Corp. Pres. Leonard C. Truesdell said more than \$1 million will go into local newspaper ads, the balance into national magazines.

**Canadian TV Sales to Dealers:** February sales of TVs totaled 28,004 units—up from January's 24,563, but slightly behind Feb. 1960's 28,564 sets, EIA of Canada reported recently. The total for 1961's first 2 months increased to 52,567, compared with 53,381 for Jan.-Feb. 1960. The 2-month breakdown (1960 figures in parentheses): Portables, 10,371 (7,681); table models, 9,656 (10,688); consoles, 29,351 (32,171); combinations, 3,189 (2,841). For February (vs. Feb. 1960): Portables, 6,393 (4,552); table models, 5,247 (5,692); consoles, 14,592 (17,028); combinations, 1,772 (1,292).

## Finance

**GE's First-Quarter Sag:** In addition to its other troubles, GE wound up 1961's first quarter on a downbeat note. Profits declined by more than \$10 million from the year-ago level despite a \$35-million jump in sales (see financial table). Included in Jan.-Mar. 1961's \$42.5-million profit is a non-recurring income of about \$5 million "from recovery of certain war losses incurred during World War II."

Cordiner said he anticipates "a firming up in major areas of business in the months ahead as the economy regains strength." He noted that first-quarter orders are ahead of a year ago, that the order backlog is "improved."

**Magnavox Stock Soars:** Merger rumors were discounted by company management, as the stock continued the rise which brought its value up nearly 30 points in 5 weeks. "We are always interested in favorable acquisitions," said a company spokesman, "but we are not now negotiating in any way that would give rise to such a rumor." The stock opened Wednesday (April 19) at a new high of 84 $\frac{3}{4}$ , climbed 3 $\frac{3}{4}$  points to close at 88 $\frac{1}{4}$ . Next day it opened at 88 $\frac{7}{8}$ , and by closing it had climbed another 4 $\frac{1}{8}$  points to 92 $\frac{3}{8}$ . It ended the week by settling to 88.

**Small Business Purchase:** The Franklin Corp. (3 W. 57th St., N.Y. 19), a small-business investment company, announced recently it had purchased \$350,000 in installment notes with warrants for 75,000 common shares of Astrex Inc., electronics distributor which handles Du Mont tubes, and \$350,000 in installment notes with warrants for 77,750 shares of Systems Inc., Orlando, Fla.

**Electronics Capital Corp.**, the small business investment company, has added a 16th company to its portfolio with an \$800,000 investment in Transistor Specialties Inc., Plainview, N.Y. maker of transistor circuits. ECC has purchased \$300,000 of Transistor's convertible debentures (convertible into 33 $\frac{1}{3}$ % of the total common stock) and has agreed to buy \$500,000 of senior notes.

**Small Business Administration** has licensed as an investment company Television-Recreation Capital Corp., 111 Broadway, N.Y.C. The new company, with an initial capital of \$305,000, will specialize in financing small businesses in the TV & motion picture field. Its vp is George J. Schaefer, onetime head of RKO.

**Conrac**, now a subsidiary of Giannini Controls (Vol. 17:6 p16), earned \$100,000 in 1960 on \$1.6-million sales, reports Giannini Pres. Donald H. Putnam.

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

**Allied Artists.** Sherrill C. Corwin sold 4,500, held 17,400. Roger W. Hurllock bought 700, held 21,700.

**AB-PT.** Simon B. Siegel exercised option to buy 1,735, held 4,947.

**Arvin Industries.** Orphie R. Bridges sold 300, held 1,025. Glenn W. Thompson sold 100, held 5,900.

**Audio Devices.** C. J. LeBel sold 600 in private transactions, held 67,814. Joseph K. McCammon sold 200, held 10,171.

**Avco.** D. K. Ludwig bought 1,000, held 1,000.

**Avnet Electronics.** Leonard Carduner sold 6,800, held 13,233. Simon Sheib sold 6,900, held 31,087. Louis A. Tepper exercised option to buy 445, held 2,661.

**Beckman Instruments.** George J. Renne exercised option to buy 266, held 1,061. W. W. Wright exercised option to buy 5,000, held 5,000.

**Belock Instrument.** Harry D. Belock sold 4,000, held 217,495. Jack F. Fischer sold 3,100, held 30,770. Stanley R. Grant sold 1,091, held 4,502 personally; 2,250 as trustee.

**Capital Cities Bcstg.** Lowell J. Thomas sold 50,000 in private transaction, held 114,567 personally, 4,267 for wife.

**Cinerama.** Wentworth D. Fling exercised option to buy 15,000, held 16,050. John H. Hartley exercised option to buy 15,000, held 18,125. Morris Schechter sold 100, held none.

**Clarostat.** George J. Mucher exercised option to buy 5,304, held 15,906 personally, 29,010 in trust. Victor Mucher sold 2,000, held 17,203 personally, 29,010 as trustee.

**Collins Radio.** Max W. Burrell sold 3,244, held 3,377.

**Columbia Pictures.** Alfred Hart bought 100, held 10,073 personally, 114,189 in Fico Corp. Leo Jaffe bought 5,805, held 5,976 personally, 114,188 in Fico Corp. Abraham Montague sold 600, held 5,266 personally, 114,188 in Fico Corp.

**Corning Glass.** Amory Houghton sold 2,300 form trusts, held 1,035,387 in trusts, 52,350 personally.

**Daystrom.** Samuel M. Kinney Jr. sold 100, held 500. Edward G. Williams sold 600, held 551.

**Electronic Communications.** Donald D. King sold 700, held none. Lorian W. Willey bought 500, held 1,100.

**Emerson.** D. D. Israel exercised option to buy 6,569, held 9,262. General Dynamics. Lisle W. Adkins sold 300, held none. J. V. Naish sold 600, held 7,100. Patrick J. Sullivan sold 300, held 100.

**GE.** George L. Irvine exercised option to buy 900, held 6,095. Sidney J. Weinberg bought 500, held 2,000.

**General Instrument.** Moses Shapiro bought 7,500, held 36,100.

**General Precision Equipment.** James W. Murray bought 1,000, held 1,500. Gaylord C. Whitaker sold 400 and 1,260 more from trusts, held 6,176 personally, 21,065 in trusts.

**General Telephone & Electronics.** Carl D. Brorein exercised option to buy 7,500, held 7,869. Russell B. Stearns sold 1,000 from trusts, held 4,064 in trusts, 26,190 personally.

**ITT.** John G. Copelin sold 500, held 3,825. Frederick R. Furth sold 500, held 3,404. M. Richard Mitchell sold 400, held 3,148. Edward D. Phinney sold 100, held 3,913.

**Litton Industries.** Roy L. Ash transferred 1,500 in community property interest, sold 2,500 and 500 more as custodian, held 113,894 personally, 1,785 as custodian, 14,178 in partnership. Henry Salvatore sold 13,000, held 65,470 personally, 13,325 subject to escrow by issuer. Carl A. Spaatz sold 100, held 5,025. Charles B. Thornton transferred 1,200 in community property interest, sold 4,800, held 276,626 personally, 31,191 in partnership.

**Loew's Theatres.** Arnold M. Grant sold 10,500, held none.

**Loral Electronics.** Bernard R. Garrett sold 900, held 75. William Lorenz sold 9,100, held 327,950.

**MPO Videotronics.** Arnold Kaiser sold 750, held none.

**Magnavox.** Richard A. O'Connor sold 6,657, held 87,297. Gerard M. Ungaro sold 2,000, held 8,629.

**MGM.** Raymond A. Klune exercised option to buy 1,200, held 1,300. Robert Mochrie exercised option to buy 600, held 650. Howard Strickling exercised option to buy 600, held 825.

**Microwave Associates.** Dana W. Atchley Jr. sold 1,300, held 10,200. Joseph C. Bothwell Jr. sold 1,000, held 4,000. Lawrence Gould bought 1,250, held 2,000. Herman H. Kahn sold 5,400 through Lehman Bros., held 14,600 in Lehman Bros., 200 personally. Walter P. Marshall sold 100 and 400 more for minor children, held 100 personally, none for minor children. Thomas F. McMains sold 1,000, held none. Richard M. Walker sold 508, held 35,252.

**Minn. Mining & Mfg.** Carl E. Barnes bought 1,500, held 1,530. Herbert P. Buetow exercised option to buy 4,000, held 78,274. Archibald G. Bush transferred 25,000, sold 10,000, held 1,809,695 personally, 25,000 in General Guarantee Insurance Co. Lloyd A. Hatch sold 500, held 23,514. Robert W. Mueller sold 1,000, held 12,947. Maynard H. Patterson exercised option to buy 350, held 5,950 personally, 284 jointly with wife. Cyril P. Pesek exercised option to buy 3,000, held 21,064. Clarence B. Sampair bought 6,000, held 26,770. Hubert J. Tierney sold 2,000, held 10,590. Louis F. Weyand sold 500, held 222,075.

**Müntz TV.** Ben Regan bought 4,000, held 4,000.

**National Theatres & TV.** B. Gerald Cantor bought 10,000, sold 2,600 through Cantor & Son Inc., held 110,000 personally, none in Cantor & Son Inc.

**National Video & Rico Electronics.** Harold Cole sold 800, held 700. Paramount Pictures. Y. Frank Freeman sold 1,000, held 500. Louis A. Novins sold 100, held 691.

**Pentron Electronics.** Richard F. Donley sold 500, held 1,363.

**Philco.** Robert F. Herr sold 500, held 23,453.

**RCA.** Ewen C. Anderson received 142 under incentive plan, held 933. Elmer W. Engstrom received 130 under incentive plan, held 4,144. Charles M. Odorizzi received 117 under incentive plan, held 9,305. Robert W. Sarnoff exercised option to buy 3,121, held 13,730. Robert L. Werner exercised option to buy 2,496, held 4,074.

**Raytheon.** Allen Reed exercised option to buy 4,003, held 5,110. W. E. Stevenson exercised option to buy 1,150, held 4,238.

**Siegler.** Merrill L. Bengtson received 1,925 in exchange for Jack & Heintz common in merger, sold 1,400, held 7,780. John G. Brooks sold 8,034, held 27,652. Robert L. Purcell sold 2,000, held 8,720.

**Texas Instruments.** P. E. Haggerty sold 500, held 118,646. W. F. Joyce sold 1,000, held 6,045. R. W. Olson sold 100, held 10,322. Bryan F. Smith sold 900, held 7,759 personally, 172 in trust. E. O. Vetter sold 400, held 6,277.

**Thompson Ramo Wooldridge.** Harold L. George sold 500, held 25,435. Guy Richard Moore exercised option to buy 368, held 4,700. Raymond S. Livingstone bought 1,600, held 6,600. Edward P. Riley exercised option to buy 550, held 2,080.

**Trans Lux.** Harry Brandt bought 19,300 and 100 more for foundations, held 190,164 personally, 38,989 in foundations, 17,850 for wife, 219 in Marathon Pictures.

**Transitron Electronic.** Leo Bakalar sold 587,500, held 2,633,875. Tung-Sol. Louis Rieben bought 730, held 12,704. Anthony Scala bought 600, held 2,730 personally, 30 in joint tenancy.

**20th Century-Fox.** J. B. Codd sold 100, held none. Peter G. Levathes bought 1,500, held 1,500. James A. Van Fleet sold 200, held 300.

**Varian Associates.** William H. Chandler sold 500, held 1,185. Theodore Moreno sold 500, held 8,740. Howard R. Patterson sold 367, held 116. H. Myrl Stearns sold 300, held 27,434 personally, 3,800 as trustee, 20 in joint tenancy. Siguard F. Varian sold 200 from community property, held 72,648 in community property, 22 personally.

**Victoreon Instrument.** D. M. Mayhew sold 1,000, held 2,160.

**Westinghouse.** Albert Boyd bought 100, held 100. J. K. Hodnette exercised option to buy 5,000, held 13,376. George G. Main sold 400, held 5,200 personally, 800 in trust. W. C. Rowland sold 1,000, held 2,516.

**Zenith.** Hays MacFarland sold 100, held 100 personally, 500 in corporation. Leonard C. Truesdell sold 100, held 1,500.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Electronics	1961—qtr. to Mar. 31	\$ 5,441,695	\$ 30,622	\$ 30,622	\$0.03	1,177,708
	1960—qtr. to Mar. 31	6,938,208	225,310	204,139	.23	876,880
Corning Glass	1961—12 wks. to Mar. 26	48,364,944	8,993,056	4,847,056	.71 <sup>1</sup>	6,770,003
	1960—12 wks. to Mar. 26	51,169,075	11,667,782	5,947,782	.87 <sup>1</sup>	6,754,600
Electronic Specialty	1961—qtr. to Mar. 31	6,188,074	—	185,000	.21	543,885
	1960 <sup>10</sup>	—	—	—	—	—
GE <small>Story on p. 22</small>	1961—qtr. to Mar. 31	992,622,000	84,689,000	42,476,000 <sup>2</sup>	.48	88,860,183 <sup>3</sup>
	1960—qtr. to Mar. 31	957,433,000	107,300,000	52,614,000	.60	88,332,778 <sup>3</sup>
GT&E	1961—qtr. to Mar. 31	287,672,000	15,513,000	15,481,000	.22	70,600,000 <sup>2</sup>
	1960—qtr. to Mar. 31	291,232,000	18,279,000	17,731,000	.26	66,902,000 <sup>2</sup>
P. R. Mallory	1961—qtr. to Mar. 31	19,745,337	1,640,406	781,797	.50 <sup>1</sup>	1,469,739
	1960—qtr. to Mar. 31	22,410,026	2,256,238	1,073,068	.71 <sup>1</sup>	1,442,178
Minneapolis-Honeywell	1961—qtr. to Mar. 31	103,152,981	—	4,303,719	.61	7,015,898
	1960—qtr. to Mar. 31	100,441,803	—	6,161,293	.88	6,998,478
Muter Co.	1961—qtr. to Mar. 31	2,656,735	—	(13,894)	—	880,461
	1960—qtr. to Mar. 31	3,076,944	—	41,154	.05	839,523
Storer Bcstg.	1960—year to Dec. 31	30,562,176	10,236,201	5,062,667	2.05	2,474,750
	1959—year to Dec. 31	28,114,937	9,367,906	5,336,682 <sup>4</sup>	2.16 <sup>4</sup>	2,474,750
TelePrompTer	1960—year to Dec. 31	4,841,043	—	51,969	.09	685,811
	1959—year to Dec. 31	3,761,721	—	(161,496) <sup>9</sup>	—	599,794
Texas Instruments	1961—qtr. to Mar. 31	58,977,000	7,737,000	3,773,000	.95 <sup>1</sup>	3,929,226
	1960—qtr. to Mar. 31	56,198,000	8,490,000	3,930,000	.99 <sup>1</sup>	3,916,921
United Artists	1960—year to Dec. 31	108,531,000 <sup>5</sup>	—	4,295,000 <sup>2-8</sup>	2.58	1,664,218
	1959—year to Dec. 31	95,068,000	—	4,111,000	2.47	1,664,218
Wilcox-Gay <sup>7</sup>	1960—year to Dec. 31	9,495,498	—	311,741	.33	830,149 <sup>8</sup>
	1959—year to Dec. 31	7,534,721	—	26,245	.01	3,326,998

Notes: <sup>1</sup>After preferred dividends. <sup>2</sup>Includes non-recurring income of approximately \$5 million resulting from recovery of certain war losses incurred during World War II. <sup>3</sup>Average. <sup>4</sup>Includes non-recurring gain of \$581,614 (24¢ a share) from sale of radio WAGA Atlanta. <sup>5</sup>Record. <sup>6</sup>Includes special net credit of \$797,000 from adjustment of prior years' reserves. <sup>7</sup>Parent of Majestic International, other subsidiaries. <sup>8</sup>Reflects reverse 1-for-4 split. <sup>9</sup>Includes special charge of \$39,752. <sup>10</sup>Unavailable because of merger with D. S. Kennedy & Co. (Vol. 17:14 p21) and switch to calendar-year accounting Jan. 1.

reserves. <sup>7</sup>Parent of Majestic International, other subsidiaries. <sup>8</sup>Reflects reverse 1-for-4 split. <sup>9</sup>Includes special charge of \$39,752. <sup>10</sup>Unavailable because of merger with D. S. Kennedy & Co. (Vol. 17:14 p21) and switch to calendar-year accounting Jan. 1.

**ATR Offering Suspended:** Permanent suspension of a public offering of stock by American TV & Radio Co., St. Paul, under a Securities Act Regulation "A" exemption, has been ordered by SEC. A final decision by SEC in the long-pending case (Vol. 16:18 p21) said that stock-promotion circulars issued by ATR were "materially false & misleading regarding its production & sales." The suspension order also criticized alleged failure by the company to disclose that its market for auto-radio vibrators had suffered "material decline" because of their displacement by transistor radios.

**Reports & Comments Available:** General Instrument, analysis, Tucker, Anthony & R. L. Day, 120 Broadway, N.Y. 5 • Hazeltine, report, Thompson & McKinnon, 2 Broadway, N.Y. 4 • Globe-Union, review, A. M. Kidder & Co., One Wall St., N.Y. 5 • Capital Cities Bestg., memo, Pistell, Crow Inc., 50 Broadway, N.Y. 4.

**OVER-THE-COUNTER  
COMMON STOCK QUOTATIONS**  
Thursday, April 20, 1961

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	19 1/2	22	Maxxon Electronics	28 3/4	30 7/8
Aerovox	8 1/4	10	Meredith Pub.	41 1/2	45 1/8
Allied Radio	26	28 1/4	Metro Media Inc.	22 3/4	24 1/4
Astron Corp.	1 3/4	2 1/4	Milgo Electronics	25 1/8	27 1/4
Baird Atomic	20 1/2	22 1/4	Narda Microwave	6 1/2	7 3/4
Cetron	15 1/4	16	Nuclear of Chicago	46	49 1/8
Control Data Corp.	116	124	Official Films	3 1/8	4 1/4
Cook Elec.	12 1/2	13 1/4	Pacific Automation	4 3/4	5 1/2
Craig Systems	16	17 1/2	Pacific Mercury	8	9 1/8
Crosby Teletronics	6	6 3/4	Philips Lamp	161 1/2	167 1/4
Dictaphone	33	35 1/4	Pyramid Electric	2 3/4	3-3/16
Digitronics	34	37 1/4	Radiation Inc.	27 1/2	29 1/4
Eastern Ind.	20 1/2	22 1/4	Howard W. Sams	54	58 3/8
Eitel-McCullough	17	18 1/4	Sanders Associates	58	62
Elco Corp.	14 1/2	16 1/4	Silicon Transistor	8	9 1/4
Electro Instruments	28	31 1/4	Herman Smith	13 1/4	15 1/4
Electro Voice	11 1/4	13 1/8	Soroban Engineering	72	77 1/4
Electronic Associates	37	39 3/4	Soundscribe	16 1/4	17 1/4
Erle Resistor	15 1/2	17 1/4	Speer Carbon	21 1/2	23 3/8
Executone	20 1/2	22 1/4	Sprague Electric	66 1/4	69 1/2
Farrington Mfg.	20 1/2	22	Sterling TV	3 1/4	4 1/2
Foto Video	6 1/4	7 1/4	Taft Bestg.	20 1/4	21 1/4
Four Star TV	20 1/2	22 1/2	Taylor Instrument	46	49 1/4
FXR	22 1/2	25 1/4	Technology Inst.	6 1/2	7 1/4
General Devlces	18	19 1/4	Tele-Broadcasters	2 1/2	3-1/16
G-L Electronics	9 1/4	11	Telechrome	14	15 1/4
Gross Telecasting	24 1/2	26 1/4	Telecomputing	6 1/4	7 1/4
High Voltage Eng.	217	231	Time Inc.	97 1/2	102
Infrared Industries	23	25 1/4	Tracerlab	14 1/2	16
Interstate Eng.	25 1/4	27	United Artists	8 1/2	9 1/2
Itek	58 1/2	63	United Control	23 1/2	25 3/4
Jerold	7 1/2	8 1/4	Universal Trans.	2	2 1/2
Lab for Electronics	61 1/4	65 1/4	Vitro	23	24 1/4
Lel Inc.	9 1/2	11	Vocaline	2 1/2	3-3/16
Magna Theater	3 1/4	3-13/16	Wells-Gardner	28 1/4	30 5/8
Magnetics Inc.	11 1/4	13 1/4	Wometco Ent.	19 3/4	21 1/2

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avco	—	\$0.15	May 20	Apr. 28
Electronics Investment	Q	.02	May 31	May 1
Electronics Investment	Ex.	.47	May 31	May 1
GE Ltd.	Q	7%	Jun. 9	Apr. 25
GT&E	Q	.19	Jun. 30	May 22
Indiana General	Q	.15	Jun. 12	May 19
National Video "A"	Q	.22 1/2	May 19	May 1
TV Shares Mgmt.	SA	.20	May 31	May 5

## Auxiliary Services

**Admen View Pay TV:** How pay TV and its commercial counterpart will interact when both are available will be researched by ARB once the Hartford pay-TV test by Zenith gets rolling. And advertisers will have their eyes on the results, according to Charles Benesch, Young & Rubicam asst. dir. of media research, addressing an April 20 meeting of the American Mktg. Assn., N.Y. chapter.

John F. Maloney, *Reader's Digest* dir. of research, praised pay TV as "good business," and said that "a well-engineered but expensive type of pay-TV installation like Telemeter can be profitable in a short time, even among a relatively small share of the total TV audience." A recent MAB study in Toronto reflected "a group of pretty well-satisfied customers," Maloney said. "They don't find pay TV replacing regular TV. It is an adjunct, liked for quality, convenience and, above all, lack of commercials." But, he added, "new methods of communicating have a cyclical pattern of a fast rise, then a plateau period. This we can look forward to from the newest entry."

**Medical TV Gains:** At least 26 of 85 U.S. medical schools and 18 of 47 dental schools regularly use closed-circuit TV to supplement education & research, according to the Council on Medical TV. It estimates that the total investment in TV equipment in the centers & govt. health institutions has reached \$3 million, and that by 1970 the potential health-science TV market may amount to \$45-50 million. The Council (an affiliate of the Institute for Advancement of Medical Communication) has no statistics on how many of the country's 10,000 hospitals now use closed-circuit TV for ward-monitoring and in-service training programs—but reports that "many" do.

**CIBA-TNT Medical-TV Pact:** Ten closed-circuit telecasts for medical groups across the country will be produced in the next 2 years by Theatre Network Television for CIBA Pharmaceutical Products. The first of the contracted series was CIBA's 60-min. colorcast for April 19 annual meeting of the American Academy of General Practice in Miami. CIBA's Eidophor projector was used.

**N.Y. Tests TV Traffic Control:** A closed-circuit demonstration was recently staged by Motorola for traffic commissioner T. T. Wiley, using 8th Ave. between 50th and 57th streets as the test area. Four cameras relayed pictures to a control center in a nearby vacant store. Wiley is now considering a full-scale test on 3rd Ave.

**NT&T Acquires Fifth CATV:** The latest is in Alpena, Mich. (Vol. 17:16 p10). Samuel P. Norton, pres. of National Amusement, an NT&T div., told us that the purchase price of the system, which serves almost 3,800 subscribers, was approximately \$550,000.

**TV Cutback Critic Is Out:** The pioneering medical TV center in Washington's Walter Reed Hospital complex, closed Jan. 30 in an Army economy move (Vol. 17:6 p11), may be revived—but with its civilian director missing & programming curtailed. A report by senior Army officers at Walter Reed recommends that the civilian position of Dr. Paul W. Schafer, outspoken critic of the Army's shut-down decision, be abolished if the TV facilities are reactivated.

**Vhf Translator CPs:** Ch. 11 & 7, Belt, Mont., to Bert B. Williamson.

## Educational Television

**MPATI Poised for Flight:** Much-postponed tests of the Midwest Program on Airborne TV Instruction (Vol. 17:13 p14) get under way this week. One of 2 DC6AB planes equipped at Baltimore for the ETV project in 6 states is scheduled to land at Purdue U.'s Lafayette, Ind. air field April 25 for the start of a week's trial flights. The 2nd plane will be placed in stand-by line on the field a few days later. No MPATI schedule for actual experimental transmission of airborne lessons to 31 elementary & secondary schools was set in advance of the test flights. But MPATI leaders hoped to get transmissions started early in May in preparation for the start of full academic ETV programming in Sept.

**Ford Foundation Surveys ETV:** A 68-page pictorial report, published last week by the Ford Foundation, lauded the growth of ETV as "a new cultural asset." Highlighted: (1) Programming strides made by non-commercial stations. (2) The use of TV by 250 colleges & universities for credit courses. (3) The work of NET. (4) The growth of regional networks linked by coaxial or microwave transmission or videotape exchange. (5) The Midwest Program on Airborne TV Instruction that will beam courses to schools in a 6-state area (see story above). Ford Foundation and its 2 offspring organizations—the Fund for the Advancement of Education and the Fund for Adult Education—have contributed over \$50 million for ETV development.

**Ford Foundation Grants:** ETV grants totaling \$483,700 were announced by the Ford Foundation last week. Funds to provide visits by educators to ETV installations elsewhere: \$1,400 to U. of Kentucky, \$2,300 to Queens College, \$4,000 to Dallas Independent School District. The U. of Florida has been given \$26,000 toward the salaries of teachers who will video-tape courses in chemistry, history and English or political science. The National Program in the Use of TV in the Public Schools has received \$450,000 for an additional year's experiments in the use of TV in classroom instruction.

**NAEB on Sudan Mission:** Under contract with the International Cooperation Administration, the National Assn. of Educational Bcstrs. has sent a team to the Sudan on a 2-year assignment to help the country develop its radio facilities. Dr. Sydney W. Head of the U. of Miami heads the NAEB mission. Clarence D. Phillips of the TV center at the State U. of Ia. is studio engineer.

## Technology

**AT&T Ready To Rush Satellites:** The first of several experimental communications satellites could be delivered by AT&T by Christmas, if govt. authorization is received promptly, Pres. Frederick R. Kappel told the annual meeting last week. "We can move quickly," he said. "The system we propose calls for a number of satellites orbiting a few thousand miles in space. Each would contain equipment to receive, amplify and retransmit communications signals. Continuous service to Europe could be provided with from 20 to 25 such satellites, and worldwide service with about 50. We are confident that in a very few years—3 or 4, maybe even less—we could have a full-scale system in operation. But the immediate need is this: It is to get a 'bird' in the air for testing at the earliest moment."

# WEEKLY **Television Digest**

APRIL 24, 1961

© 1961 TRIANGLE PUBLICATIONS, INC.

1961 SUPPLEMENT NO. 4

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

## Full text of

## **FCC Rules on Stereophonic FM Broadcasting**

*New Sec. 3.297 amending Part 3 of the Commission's Rules & Regulations to permit FM broadcast stations to transmit stereophonic programs on a multiplex basis, as adopted April 19, 1961 and released April 20, 1961, to become effective June 1, 1961.*

As announced in Appendix to FCC Report and Order Docket No. 13506, FCC 61-524 3143

### 1. New Section 3.297 is added to read as follows:

#### **Sec. 3.297. Stereophonic Broadcasting.**

FM broadcast stations may, without further authority, transmit stereophonic programs in accordance with the technical standards set forth in Sec. 3.322: Provided, however, that the Commission and the engineer in charge of the radio district in which the station is located shall be notified within 10 days from the installation of type-accepted stereophonic transmission equipment of any change therein, and: Provided further, that the Commission and the engineer in charge shall be notified within 10 days from the commencement of stereophonic operation, scheduled hours of such operation or any change therein.

### 2. Section 3.310 is amended by adding the following paragraphs:

#### **Sec. 3.310. Definitions.**

(t) **Cross-talk.** An undesired signal occurring in one channel caused by an electrical signal in another channel.

(u) **FM stereophonic broadcast.** The transmission of a stereophonic program by a single FM broadcast station utilizing the main channel and a stereophonic subchannel.

(v) **Left (or right) signal.** The electrical output of a microphone or combination of microphones placed so as to convey the intensity, time and location of sounds originating predominately to the listener's left (or right) of the center of the performing area.

(w) **Left (or right) stereophonic channel.** The left (or right) signal as electrically reproduced in reception of FM stereophonic broadcasts.

(x) **Main channel.** The band of frequencies from 50 to 15,000 cycles which frequency modulate the main carrier.

(y) **Pilot subcarrier.** A subcarrier serving as a control signal for use in the reception of FM stereophonic broadcasts.

(z) **Stereophonic separation.** The ratio of the electrical signal caused in the right (or left) stereophonic channel to the electrical signal caused in the left (or right) stereophonic channel by the transmission of only a right (or left) signal.

(aa) **Stereophonic subcarrier.** A subcarrier having a frequency which is the second harmonic of the pilot sub-

carrier frequency and which is employed in FM stereophonic broadcasting.

(bb) **Stereophonic subchannel.** The band of frequencies from 23 to 53 kilocycles containing the stereophonic subcarrier and its associated sidebands.

### 3. Section 3.319 is amended to read as follows:

#### **Sec. 3.319. Subsidiary Communications Multiplex Operations: Engineering Standards.**

(a) Frequency modulation of SCA subcarriers shall be used.

(b) The instantaneous frequency of SCA subcarriers shall at all times be within the range 20 to 75 kilocycles: Provided, however, that when the station is engaged in stereophonic broadcasting pursuant to Sec. 3.297, the instantaneous frequency of SCA subcarriers shall at all times be within the range 53 to 75 kilocycles.

(c) The arithmetic sum of the modulation of the main carrier by SCA subcarriers shall not exceed 30%: Provided, however, that when the station is engaged in stereophonic broadcasting pursuant to Sec. 3.297, the arithmetic sum of the modulation of the main carrier by the SCA subcarriers shall not exceed 10%.

Note: Inasmuch as presently approved FM modulation monitors have been designed to meet requirements for modulation frequencies of from 50 to 15,000 cycles, the use of such monitors for reading the modulation percentages during SCA multiplex operation may not be appropriate since the subcarriers utilized are above 20,000 cycles.

(d) The total modulation of the main carrier, including SCA subcarriers, shall meet the requirements of Sec. 3.268.

(e) Frequency modulation of the main carrier caused by the SCA subcarrier operation shall, in the frequency range 50 to 15,000 cycles, be at least 60 db below 100% modulation: Provided, however, that when the station is engaged in stereophonic broadcasting pursuant to Sec. 3.297, frequency modulation of the main carrier by the SCA subcarrier operation shall, in the frequency range 50 to 53,000 cycles, be at least 60 db below 100% modulation.

4. New Section 3.322 is added to read as follows:

Sec. 3.322. Stereophonic Transmission Standards.

(a) The modulating signal for the main channel shall consist of the sum of the left and right signals.

(b) A pilot subcarrier at 19,000 cycles plus or minus 2 cycles shall be transmitted that shall frequency modulate the main carrier between the limits of 8 and 10%.

(c) The stereophonic subcarrier shall be the second harmonic of the pilot subcarrier and shall cross the time axis with a positive slope simultaneously with each crossing of the time axis by the pilot subcarrier.

(d) Amplitude modulation of the stereophonic subcarrier shall be used.

(e) The stereophonic subcarrier shall be suppressed to a level less than 1% modulation of the main carrier.

(f) The stereophonic subcarrier shall be capable of accepting audio frequencies from 50 to 15,000 cycles.

(g) The modulating signal for the stereophonic subcarrier shall be equal to the difference of the left and right signals.

(h) The pre-emphasis characteristics of the stereophonic subchannel shall be identical with those of the main channel with respect to phase and amplitude at all frequencies.

(i) The sum of the side bands resulting from amplitude modulation of the stereophonic subcarrier shall not cause a peak deviation of the main carrier in excess of 45% of total modulation (excluding SCA subcarriers) when only a left (or right) signal exists; simultaneously in the main channel, the deviation when only a left (or right) signal exists shall not exceed 45% of total modulation (excluding SCA subcarriers).

(j) Total modulation of the main carrier including pilot subcarrier and SCA subcarriers shall meet the requirements of Section 3.268 with maximum modulation of the main carrier by all SCA subcarriers limited to 10%.

(k) At the instant when only a positive left signal is applied, the main channel modulation shall cause an upward deviation of the main carrier frequency; and the stereophonic subcarrier and its sidebands signal shall cross the time axis simultaneously and in the same direction.

(l) The ratio of peak main channel deviation to peak stereophonic subchannel deviation when only a steady state left (or right) signal exists shall be within plus or minus 3.5% of unity for all levels of this signal and all frequencies from 50 to 15,000 cycles.

(m) The phase difference between the zero points of the main channel signal and the stereophonic subcarrier sidebands envelope, when only a steady state left (or right) signal exists, shall not exceed plus or minus 3 degrees for audio modulating frequencies from 50 to 15,000 cycles.

Note: If the stereophonic separation between left and right stereophonic channels is better than 29.7 decibels at audio modulating frequencies between 50 and 15,000 cycles, it will be assumed that paragraphs (l) and (m) of this section have been complied with.

(n) Cross-talk into the main channel caused by a signal in the stereophonic subchannel shall be attenuated at least 40 decibels below 90% modulation.

(o) Cross-talk into the stereophonic subchannel caused by a signal in the main channel shall be attenuated at least 40 decibels below 90% modulation.

(p) For required transmitter performance, all of the requirements of Sec. 3.254 shall apply with the exception that the maximum modulation to be employed is 90% (excluding pilot subcarrier) rather than 100%.

(q) For electrical performance standards of the transmitter and associated equipment, the requirements of Sec. 3.317(a)(2), (3), (4) and (5) shall apply to the main channel and stereophonic subchannel alike, except that where 100% modulation is referred to, this figure shall include the pilot subcarrier.