

WEEKLY **Television Digest**

with

Consumer Electronics . . .

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

SEPTEMBER 2, 1963

NEW SERIES VOL. 3, No. 35

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MANUFACTURER SHIPMENTS of consumer electronics last year totaled nearly \$1.7 billion, according to new Census figures, which traditionally are lower than EIA estimates (p. 10).

MINIMUM TV EXPORT PRICES due for ratification by Japan govt.; new figures show Japan exported \$159 million in electronic equipment to U.S. last year (p. 11).

UHF'S UNSOLVED DILEMMA—PROGRAMMING: While most attention in uhf expansion drive has been focused on receiver build-up and technical problems, there's increasing recognition that real key to success of uhf—or any TV—is availability of popular programming.

Programming problem was emphasized in last few weeks by difficulties experienced by KIIX (Ch. 22) in Los Angeles market, where Spanish-language KMEX-TV (Ch. 34) is being hailed success (Vol. 3:32 p2). Many ideas to help give uhf stations better crack at existing programming, and to open up new program sources, are being tossed around—some of them involving fairly substantial changes in current TV business practices.

Recent meeting of little-publicized program subcommittee of industry-govt. Committee for Full Development of All-Channel Broadcasting (CAB), headed by Lawrence Turet (WUHF-TV Milwaukee) discussed some possible remedies. Among those attending top-drawer session were McCann-Erickson's Pat Weaver and representatives of Four Star Productions, ABC Films, Show Corp. of America, TV Affiliates Corp., NET. Here are some proposals discussed by that group and mentioned by others, including FCC Comr. Lee, chmn. of CAB:

Share network programming. Proposals have been made for FCC rules, or exercise of existing Commission authority, to (1) require networks to make available to non-affiliates shows which are not cleared by regular affiliate in area, (2) bar station affiliation with more than one network when there are non-affiliated stations in same area, (3) make network affiliation available to local stations in areas now fed network programs from neighboring cities.

Break up film "exclusivity." There's some sentiment for looking into legality or desirability of "territorial exclusivity" contracts made with stations by program syndicators. In discussing this proposed remedy, Comr. Lee told us that proponents of plan argue that, since wire services' territorial exclusivity pacts have been banned, there may be case for similar action in program syndication field.

Increase multiple ownership. Lee continues to favor modification of group ownership rules to permit single entity to own up to 5 v's & 5 u's. "It may help solve the program problem by attracting big money to uhf," he said, but conceded "there's a case against this; if the large broadcasters have not utilized their right to own 2 u's, they may not be interested in 5, either. But I believe that if the opportunity is big enough, it will attract the big dollar."

Pay-TV possibilities. There seems to be general belief that if pay TV succeeds it will help uhf, since there are very few areas with a 4th vhf available for subscription programming. However, pay-TV projects to date (both wired and on-air tests) have suffered from same problem as uhf—scarcity of programs. William Putnam, WWLP Springfield, Mass., who heads CAB's pay-TV subcommittee, while agreeing that pay TV could provide additional program source, is anxious to avoid impression that uhf's future is tied exclusively to subscription TV.

Attitudes toward CATV. Uhf'ers are extremely concerned about competition from CATV systems. CAB has asked FCC to forbid CATV systems within Grade A contours from carrying programs of distant vhf stations if they're also available on local uhf outlets.

Raising financial requirements. To prevent stations from going on air without sufficient financing to pay for adequate programming and withstand early losses, there's been much discussion of increasing financial requirements for uhf station applicants. As Comr. Lee expressed it, an applicant in top 25-30 markets should be prepared for heavy losses first 2 years, anticipate turning profit corner in 3rd. (For Lee's views on manufacturer-dealer problems, see p. 7).

CAB's ratings subcommittee, headed by Adam Young, is looking to larger samples in mixed vhf-uhf areas to reflect uhf viewing, as one possible source of helping to call uhf stations' potential to attention of advertisers & agencies.

"Agencies are interested in one thing," says Managing Dir. Lawrence Webb of Station Representatives Assn., himself a onetime uhf station manager—"show them an audience." Problem was summed up by James O'Grady, Adam Young exec. vp and vice chmn. of CAB programming subcommittee: "Uhf broadcasters & salesmen are no longer concerned about technical considerations. It's the programming that has to be developed."

LOEVINGER FORESHADOWS 'TOUGH' ROLE: FCC Comr. Loevinger's maiden speech was one to send chills racing up & down the spines of major broadcast interests. In opinion of many broadcasters it labels him as the man to watch, from standpoint of regulatory toughness.

Address by new commissioner didn't produce same national shockwaves as 1961's earthquake in the vast wasteland, because it was aimed more directly at broadcasters—not general public. But it hit hard at 3 sensitive areas: Multiple ownership, concentration of media control, commercial limitation.

Speaking before convention of Association for Education in Journalism at Lincoln, Neb., Loevinger revealed himself as literate, independent thinker, with original ideas. As well befits former Justice Dept. anti-trust chief, he devoted good part of speech to "monopoly," came out strongly for re-evaluation of multiple ownership, duopoly, and newspaper ownership yardsticks. He also made unique proposal that broadcasters be required to devote at least as much time to news as to commercials.

He made no specific suggestion for change in multiple-ownership requirements. He conceded, in fact, that "there are practical & legal difficulties with divestiture [of] present broadcast holdings," but opposed "any significant increase in the concentration of control of the mass media."

"Mass media," in fact, is key phrase in Loevinger's view of ownership situation. He indicated he favors virtual case-to-case consideration based on media control. as opposed to hard-&-fast limit of number of stations which could be owned. "In considering multiple ownerships," he said, "the Commission should not count by arbitrary categories, but should consider all other interests & affiliations in the communications field. It makes no sense to say that a man with 7 small AM stations cannot

acquire an 8th, although the same station may be acquired by a corporation with 7 TV stations, 7 FM stations and 6 large AM stations plus a string of newspapers. Generally I would consider newspaper ownership or affiliation a substantial negative factor in determining qualification for a broadcast license."

Commission's duopoly rule is 'plainly inadequate,' he asserted, and proposed it be broadened to preclude common ownership of broadcast & print media in same area. "It is just as undesirable for one person to control the local newspaper & TV or radio station as to control 2 radio stations in the same locality—and for the same reason."

Loevinger said greater diversity of ownership would improve programming in long run, providing greater variety. However, in giving diversity his No. 1 priority, he said: "If we must choose between program quality & diversity, I would choose diversity without hesitation." He proposed uhf band as opportunity to implement his diversity doctrine—in direct conflict with Comr. Lee's proposal that ownership limits be liberalized to permit control of 5 vhf & 5 uhf stations by any single entity (see p. 1).

While taking note of criticisms that TV programming is 'banal, boring & bad,' he conceded that all surveys show mass of public is satisfied with it, attributed complaints mainly to "critics, intellectuals & the educated elite." He clearly identified himself with this group with statement which certainly wasn't intended to endear him to broadcasters: "I prefer radio to TV and much prefer reading to the intellectual indolence of surrender to any form of broadcasting." He said his aim was not to "ban trash from the air," but to help assure adequate choice of programming for all tastes. "One man's trash is another man's treasure; one man's vast wasteland is another's verdant vineyard."

Where Loevinger did make suggestions on rules touching on programming was in field of public information broadcasting. "The most significant public interest served by broadcasting—and the end that most clearly justifies the spectrum allocations made to it—is the performance of the journalistic function and its contribution to the maintenance of a political democracy and a free society," he said. Then he advanced this novel criterion for determining whether station is meeting its responsibilities:

"Since it is the journalistic function which gives the principal social value to broadcasting, I would measure broadcasting performance principally by the degree to which it performs this function. Specifically, I would require as a minimum that each station devote at least as much broadcasting time to news as it does to commercial advertising." Terming this yardstick "at best a crude measure" he said it has virtue of being "clear & definite" operational criterion. "In effect, it makes each broadcaster pay for the time he takes from the public domain for his own commercial use by devoting an equal amount of time to public service."

Third major proposal by Loevinger was that FCC encourage "enterprise, experimentation & innovation" by broadcasters. He threw specific suggestion into the pot: Broadcasting should end its reliance on AP & UPI, which, he said, basically use "newspaper techniques," and "establish its own independent news resources." Only in this way, he reasoned, could full potential of broadcasting be realized as news medium. (UPI Pres.-Gen. Mgr. Mims Thomason, in statement of rebuttal, pointed out that UPI & AP have devoted many millions of dollars to developing world-wide facilities, that UPI has separate broadcast news dept., that eliminating broadcast activity would weaken existing news agencies and "seriously damage all forms of news communications." AP had no formal comment, but spokesman pointed out that all previous "broadcast-only" news agencies—such as Trans-Radio—had failed.)

Thus, Loevinger's 3-point program—in order of priority: (1) "Maximum diversity & dispersion of station ownership." (2) "Adequate performance of the journalistic function" through time-balance of news & commercials. (3) "Enterprise, experimentation & innovation," including independent "Broadcast News Assn."

ARB READIES RADIO STUDY; OTHER MOVES: ARB will announce signing of major station group to underwrite a radio methodology study. ARB hasn't been in radio since 1952, has been conducting tests using personal diaries in Baltimore & Washington.

Announcement will come just about time NAB's Research Committee will be making recommendation on whether to spend \$75,000 to co-finance RAB's radio methodology study—in about 2 weeks. RAB

last week sent NAB detailed 20-page outline of its proposed \$200,000 study that would be conducted by Audits & Surveys Co.

ARB has been using 2 samples in testing—single-medium diary for radio & multi-media diary measuring radio, TV, newspapers, magazines. Methodology study financed by station group would use similar sample designs plus 2 validating samples—one for in-home listening, another for out-of-home. Personal diary differs from usual household diary because it's kept by individuals, not family. Sample design itself is made up of people, not households. Back in 1947, James Seiler, now ARB pres., observed that unless radio listening was measured on a personal basis, its research would be lacking.

In another development, those concerned with rating reform have been spending much time evaluating key proposal of Harris Subcommittee staff that ratings be expressed in ranges rather than in single estimates. NAB's Rating Council, basically against it, and Charles Howze, Subcommittee chief counsel, who's for it, have been getting earfuls of opposing viewpoints.

Arguments against proposal (which would be passed on to Subcommittee for its approval and inclusion in published report): (1) Ranges would be accurate only when true probability sample is used; however, no rating firm uses such a sample. It's therefore possible that range could be less accurate than single rating, which in itself is supposed to be an estimate and, consequently, an expression of variance in rating. (2) Ranges would not lessen problem of over-promotion or over-selling, because station or rep could promote high range or range's average.

Another possible danger was pointed up by ARB official. In its early days, company operated only on east coast, had western affiliate called Teleque, which used ranges. Rating official said Teleque often found agencies buying on low side of range and justifying buy to client on high side, making client think he got more for his money.

In favor of proposal are Advertising Research Foundation and Dr. Herbert Arkin of CCNY, Subcommittee consultant. Their view is that it would show user of ratings the range of possible error. "It would dramatize the variance factor," observed Howze.

Reflecting strong stand in favor of ranges is Chris Rashbaum, research dir. of rep Harrington, Righter & Parsons. "Ranges may not add up to more honest research, but they would lead to more honest 'use' of research. It's important to call attention to fact that ratings are estimates. An 8.3 rating is always looked upon as so much better than an 8.2. It could actually be lower. If media research directors did the buying, there'd be no problem. But there's great turnover among timebuyers and it's necessary to put up a flag calling attention to the estimate."

There are also those who see ranges helping lower-rated stations. A 4th-ranked station might be able to show that its high range overlaps low range of 3rd-ranked operation.

On speech circuit, Melvin Goldberg, NAB research vp, addresses closed session of Radio-TV Research Council in N. Y. . He'll review Rating Council progress and outline Subcommittee thinking. Howze will address Advertising Research Foundation's 9th Annual Conference at N. Y. 's Commodore on Oct. 1.

ROGERS BILL BANS COMMERCIAL LIMITS: Battle against FCC's proposal to limit commercials received support from Rep. Rogers (D-Tex.). He introduced bill at week's end to prohibit FCC from setting rules on length or frequency of commercials, by amending Sec. 303 (b) of Communications Act. Rogers has been concerned about FCC overstepping itself (Vol. 3:32 p2), has considered commercial limitations an example. Rogers said commercial rules would have "drastic consequences on economic vitality" of broadcast industry, adding "it should not be the function of govt. to dictate a set of rules [which] could threaten broadcasters with financial ruin."

State assns. continue action against proposal: Okla. Bcstrs. Assn. will call on its Congressional delegation about Sept. 4 in Washington; N. C. Assn. of Bcstrs. will make its calls Sept. 10, headed by Earl Gluck, WSOC-TV Charlotte; Kan. Assn. of Radio Bcstrs. replied to FCC's proposal last week, said it believes people "are much more interested in the services we provide than in the precision accuracy of the clock in complying with a federal edict," stated ad revenue was "fundamental" to American broadcasting.

UPCOMING STATIONS: KNMT (Ch. 12) Walker, Minn. hopes to be on the air in Nov., reports Glenn W. Flint, gen. mgr. of owner KCMT (Ch. 7) Alexandria, Minn., which plans to operate KNMT as a partial satellite. Work on transmitter house near Hackensack, Minn. is scheduled for completion by mid-Sept. A 2-kw RCA transmitter awaits installation there. Base hour will be \$150. Avery-Knodel will be rep.

WBGU-TV (Ch. 70 ETV) Bowling Green, O. plans Jan. 2 programming after testing since late in Nov., according to Dr. Duane E. Tucker, gen. mgr. & dir. of bcstg. at Bowling Green State U. Installation of RCA transmitter on the top floor of University's new administration building is to start about mid-Sept. Tower will be installed on roof. Robert F. Kissinger, chief engineer of radio WBGU, will also oversee WBGU-TV. Robert Clarke will be production mgr.

WEIQ (Ch. 42 ETV) Mobile, Ala. is installing GE 12-kw transmitter and hopes to be in operation by Jan. 1, says Raymond D. Hurlbert, gen. mgr. of state's chain of ETV stations. Blaw-Knox 500-ft. tower is ready; contract to install antenna & transmission line will be let after Oct. 1.

WSVI (Ch. 8) Christiansted, V. I. now plans Dec. tests and Jan. or Feb. programming, writes George A. Mayoral, vp & chief engineer of owner WORA-TV Mayaguez, P. R. The transmitter-studio building is half completed. A 500-watt Visual Electronics transmitter is on hand, as is a 60-ft. Utility tower. Rep not chosen, base rate not set.

Tiff between NAB & Ga. Assn. of Bcstrs. reached letter-writing stage last week. Jack Williams, GAB exec. secy., & Ray Carow, WALB-TV Albany & GAB pres., wrote separately to NAB vp Howard Bell protesting his public stand decrying attempts to bypass NAB's national leadership on such matters as editorializing & international broadcast conference (Vol. 3:34 p2). Williams said its editorializing activity "does not constitute a challenge to anyone," expressed hope that other state groups would have similar conferences. He said GAB supports NAB, stated he believes NAB should have full-time "liaison man" for state assns. (It's known that NAB is working towards greater cooperation in this area.) Carow said he believes in full cooperation, but wished NAB would have consulted with him before releasing "antagonistic attitude" to press. Bell was on vacation, but Pres. Collins commented: "It is difficult to respond without appearing petty." He said groups should "work cooperatively on common objectives and separately on separate ones, but not have head-on collision with each other coming around the same barn from different directions."

Subsidizing uhf conversion in its area, KCHU (Ch. 18) San Bernardino is helping defray costs of converters to its viewers by paying \$10 toward price of each one purchased from local dealers. In full-page ads, station will tell consumers that they can convert to all-channel for only \$14.95. Recently purchased by local newspaper, Sun & Telegram, station will debut new format Sept. 15, emphasizing local programming, including local newscast & telecasts of local athletic events, as well as top-quality feature films. Station has held meetings with TV & uhf converter dealers & distributors, will inaugurate 17-hour-daily, 7-days-a-week programming Sept. 29.

FCC should rescind fairness doctrine statement made July 26 (Vol. 3:30 p3), NAB said last week. Commission "errs when it attempts...to lay down by specific rule the precise manner by which fairness doctrine is to be achieved or judged," NAB gen. counsel Douglas Anello said in letter to FCC Secy. Ben Waple. Provision in 2 examples cited by FCC—that station "must" send transcript of controversial program to attacked person or party—is too rigid, Anello stated. It would encompass, he said, cases where station may not be involved in controversy and also cases involving paid political broadcasts by person other than candidate. Attorney said July statement presents "an entire new concept in Commission policy."

Sen. Pastore (D-R. I.) holds hearings this week on 4 communications bills. Sept. 4 at 2 p. m.: (1) S-708, to provide that FCC may not consider member of Congress as favorable factor in applications for station license or permit. Sen. Proxmire (D-Wis.), bill's sponsor, is first witness. (2) S-1193, FCC-requested bill to require that petitions for intervention in FCC hearings be filed not more than 30 days after publication of hearing in "Federal Register." (3) S-1005, to authorize FCC to grant special temporary authorizations for 60 days for certain non-broadcast operations, introduced by Sen. Magnuson (D-Wash.) at Commission's request. FCC Chmn. Henry will testify on one or more of these bills. Sept. 3 at 10 a. m.: (4) S-920, to permit alien amateur radio operators to operate in U. S., provided there's agreement between U. S. and alien's own govt. Sen. Goldwater (R-Ariz.), who introduced bill, will testify.

House editorializing hearings, chaired by Rep. Rogers (D-Tex.), pick up again Sept. 18-20. Communications Subcommittee in July heard from networks, NAB, FCC, Congressmen, others (Vol. 3:29 p3). It now wants to hear from broadcasters, has invited requests for appearances. Among those who are tentatively set to testify: Ben Strouse, WWDC Washington; some members of Ga. Assn. of Bcstrs.; John Tyler, KFDA-TV Amarillo; Charles Crutchfield, Jefferson Standard Bcstg.

UPI will produce & syndicate its own TV newscast, effective Oct. 1, ending collaboration with Movietone News after 12 years. Movietone said it's discontinuing domestic newsreel service.

1964 TELEVISION FACTBOOK ADVERTISING

The 1964 Edition of **Television Factbook** (#34) is now in preparation and advertising space reservations are being accepted. The **Factbook**, with a circulation sharply increased to 10,000, is used daily by executives in all facets of the TV industry—the people who make the decisions and buy time, equipment, services. Thus it becomes the most effective advertising medium available to those selling to the television and advertising industries. The **Factbook**, including its exclusive coverage maps and viewing data, marketing information and directories, will be fully updated throughout. Furthermore, it will contain the most comprehensive International Television Directory yet published. To reserve your advertising space in this 1200-page compendium, call, write or wire: **Television Factbook**, 2025 Eye St. N. W., Washington, D. C. 20006; Phone: (202) 965-1985; TWX: 202-965-0979. Many choice positions are still available. Copy deadline is October 15, 1963.

Personals

Thomas A. McAvity, ex-J. Walter Thompson TV programming dir., rejoins NBC-TV as general programming executive. . . **John W. Kluge**, Metromedia pres. & chmn., will receive Pulse "Man of the Year" Award at Oct. 16 luncheon. . . **John J. Madden** elected vp & comptroller, Metropolitan Bcstg.

Marcus Bartlett, gen. mgr. of WSB-TV Atlanta, named to head Cox Stations CATV operations; **Frank Gaither**, radio WSB gen. mgr., appointed head of Cox TV-radio stations; **Don Elliot Heald**, WSB-TV sales mgr., promoted to station mgr.; **Elmo Ellis**, radio WSB program mgr., promoted to station mgr.

Clayton H. Brace, returned from 2-year Beirut tour representing Time-Life Broadcast's interest in Compagnie Libanaise de Television, appointed vp-gen. mgr., KOGO-TV-AM-FM San Diego. . . **William G. Evans** promoted to station mgr., WZZM-TV Grand Rapids.

David J. Shurtleff, mgr. of WJAR-TV Providence, and **Arnold F. Schoen Jr.**, mgr. of WDBO-TV-AM-FM Orlando elected vps of parent Outlet Co.

Howard H. Marsh promoted to sales mgr., KPIX San Francisco, succeeding **Lamont L. Thompson**, named exec. vp, rep TvAR; **William P. Hessian Jr.** succeeds Marsh as asst. sales mgr. . . **A. C. R. Stone** appointed production mgr., Storer Programs, Hollywood.

Willis Grant, NBC coordinator of corporate information, promoted to research projects mgr. . . **John H. Kirchstein**, ex-NBC Spot Sales research analyst, named research supervisor, WNBC-TV N. Y., succeeding **Nathaniel S. Rubin**, resigned. . . **Leo V. Collins**, ex-press information & public affairs dir., radio WXYZ Detroit, named to similar post at WABC-TV N. Y., succeeded by **David R. Klemm**, ex-Balaban Stations.

Howard Kany, CBS TV Stations international business relations dir., appointed to U. S. National Commission for UNESCO.

Henry N. Kozanowski, RCA mgr. of TV advanced development, will receive SMPTE's 1963 David Sarnoff Gold Medal Award for meritorious achievement in TV engineering at Society's technical conference Oct. 13-18 in Boston; award cites Dr. Kozanowski's contributions to improved TV studio & film camera equipment.

Edward Galuska promoted to engineering mgr., Adler Electronics industrial products div., specializing in uhf broadcasting, TV repeater & instructional TV systems.

Largest CATV system in U. S. will be located in Austin, reported Jerrold Electronics, as it announced signing of over \$750,000 deal with Capital Cable Corp. of Austin, subsidiary of Mid-West Video Corp., Little Rock. System will provide Austin with 8 TV channels (including one for local weather) and unspecified number of FM-stereo channels. It's part of more than \$3 million in CATV contracts signed by Jerrold since Milton Shapp resumed presidency few months ago.

Edward Petry & Co. has been sold to employee group headed by Exec. vp Martin Nierman. Chmn. Edward Petry & Pres. Edward Voynow continue in same posts & as directors. Stock was bought from Petry, Voynow & their families with substantial down payment.

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Civil rights march on Washington Aug. 28 turned out to be real TV spectacular, with networks devoting far more time to it than they had originally planned—including unscheduled 3-hour continuous stretch of live coverage from 1:30 to 4:30 p. m. by CBS. Coverage was described as most elaborate for any event ever held in Washington, with some 35 cameras in use. All 3 networks presented nighttime specials. Coverage reportedly cost 3 networks more than \$300,000. Coverage was relayed to Europe via Telstar II twice during the day from NBC—once for 23-min. presentation, once for 30 min. It was telecast in 9 West European countries by Eurovision network and in 7 Iron Curtain nations by Intervi-sion. No national rating figures were available at press time, but Nielsen measurements of N. Y. area indicated that viewing for 9:30 a. m. -3 p. m. period was 46% higher than in same time period one week earlier.

Dramatic behind-the-scenes attempt to use closed-circuit TV to help in rescue of miners trapped by cave-in in Sheppton, Pa., may result in important contribution to mine safety. Prime mover in plan was Robert J. Tarlton, pres. of Panther Valley TV in nearby Lansford, Pa. Officials of U. S. Bureau of Mines, on the scene, expressed extreme interest in technique.

First ETV construction grants, totalling \$858,152, were made last week by HEW: Chicago ETV Assn., \$299,619 to activate Ch. 20; Hampton Roads ETV Assn., \$129,143 to expand WHRO-TV (Ch. 15); S. C. ETV Commission, \$270,303 to activate Ch. 29 Greenville & \$59,222 to start Ch. 7 Charleston; Utah State U., \$99,865 to activate Ch. 12 Logan.

RAB & Radio Sales Bureau of Canada have reached 2-year agreement whereby RSB members become members of RAB and receive all materials. RSB is made up of 84 stations & 9 station reps. RAB Pres. Edmund Bunker pointed out arrangement is "common sense way of spreading cost of promotion and sales ideas." In another development, Robert Alter, RAB vp & national sales dir., announced new national drive aimed at reaching top agencies at 3 levels—account management, media, creative.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

ADMIRAL SHIPPING 11-IN. TINYVISION: Admiral's 11-in. personal portable is now in large-scale production and shipments have begun—joining GE's hot-selling set of same size on the new U. S. -made tinyvision market—as first predicted in these pages last Jan. (Vol. 3:4 p8).

Company had promised its set would be "competitive" with GE's—and indeed it is, down to last penny. Price leader is \$99.95, with step-up at \$109.95, exactly same as GE's 2 low-end 11-in. personal portables. But this is about only similarity. Where GE stresses it has developed radically new "no-chassis" circuit, Admiral's big selling-point is that it is virtually a scaled-down version of maker's larger sets, using "same time-proven circuitry."

Presumably because of this concept and because, in words of Admiral electronics Vp A. A. Medica, "far more than normal strength has been engineered into this TV," Admiral's set is slightly larger & heavier than GE's. Admiral set weighs 14 1/2 lb. vs. GE's 12 3/4; dimensions are 12 5/8-in. high, 13 5/8 wide, 9 7/8 deep, while GE set measures 10 3/8-in. high, 14 tapering to 10-in. wide, 9 7/8-in. deep. Admiral's \$99.95 set has 14,000-volt horizontal chassis, monopole antenna, side-mounted tuner, beige polypropylene cabinet. Step-ups have 2-tone finish, featuring silver-gold and black, red, sungold or white, front-mounted channel indicator, earphone & jack.

GE's 11-in. portable got new & unpredicted boost, meanwhile, when Sept. issue of influential Consumer Reports gave it generally favorable review. GE is now in production of 2 more 11-in. models which had been delayed as result of big demand for \$99.95 & \$109.95 sets—desk-top or table model at \$119.95 and bedside clock-TV-radio at \$149.95.

Industry will watch tinyvision sales closely this fall to see whether bloom comes off—whether there's room for only one or two makes, whether it's a fad or whole new field. No matter what they discover, it's pretty safe bet that Admiral & GE will have U. S. -made tinyvision field all to themselves at least through Christmas.

ACTION TO EASE ALL-CHANNEL TRANSITION: With "U-Day" less than 8 months away, there's one slight glimmer of hope that all confusion & dislocation can be completely avoided. This is possibility of congressional elimination of 10% manufacturers' excise tax on all-channel sets, which, in effect, would nullify price increases forced by addition of uhf tuners.

There's only outside chance for passage of this exemption legislation—and it would require massive lobbying job, an area where TV manufacturers have never been very effective. Nevertheless, there's some reason to believe exemption legislation has better chance now than ever.

FCC Comr. Robert E. Lee, chairman of govt. -industry Committee for Full Development of All-Channel Broadcasting (CAB), has earned himself title of "the set maker's friend" on the FCC, as result of his efforts to smooth transition to all channel. "It's ironic," Lee told us last week, "that I was the only commissioner to vote against the all-channel proposal, and yet I have been delegated to police it." Lee will ask FCC to put excise-tax exemption on its list of recommended legislation when it meets on its legislative program this month. "I think the Commission will buy it," he said. "We have much more persuasive arguments for Congress than we ever had before."

Key to excise-tax exemption's chances is position of the administration, as expressed by Treasury Dept. In past, Treasury has always opposed measure, but there's some hope it may soften its stand this time. James D. Secrest, EIA exec. vp-secy. and head of CAB's information committee. also feels there's better chance for excise tax exemption than ever before. Situation this time is unique, he points out, in that Congress passed law which in effect raises TV set prices, and it now has it within its power to bring those prices down by removing excise tax.

In recent weeks, Comr. Lee has visited nearly all major TV set manufacturers. He told us he found 2 areas of extreme concern about all-channel law: (1) Fear that competitors will evade "spirit

of law" by continuing shipments of vhf-only sets within their home states, possibly even setting up assembly plants in populous states (N. Y., Cal. & Ill. comprise 36% of TV market). (2) Utter ignorance of public, and even dealers, about meaning & effect of law.

With regard to first area, Lee said even intrastate shipment of vhf-only sets may well be illegal, on ground that set could well be transported to another state through transshipment, etc. "I've asked for a legal opinion on this." He added: "By & large, the set makers say they're going to adhere to the letter & spirit of the law. But everybody's watching the other guy, to see if he does. They're also watching us. Some of them are afraid we'll abandon uhf. They agree it would help if the FCC would guarantee to make no changes in television channel allocations for at least 3 or 4 years."

As to thorny problem of educating public, dealers & service technicians, 3 independent steps are being taken: (1) FCC is preparing 15-min. sound-slide strip, illustrated by Agriculture Dept. graphic artists, for orientation of service technicians to uhf. It will have premier Sept. 11 at EIA fall conference in N. Y., will be loaned to interested groups or sold at cost. Lee favors shipping it to all TV stations for on-air showing. (2) Transcript of all-channel seminars in Washington, N. Y. & Chicago are being boiled down into pamphlet, for distribution by either govt. or EIA. (3) EIA & National Better Business Bureau are drafting consumer orientation pamphlet on uhf. (4) There's possibility CAB may develop one-minute public-service spot announcement for shipment to all TV outlets.

Another extremely significant activity of CAB may result in correction of what many TV set makers consider an aggravating error by FCC. CAB's technical committee will meet Sept. 24 to discuss proposed tests of various ratios of visual-to-aural power of TV stations. FCC recently gave uhf stations permission to operate with aural output as low as 10% of visual, while percentage for vhf remains at 50%. Set makers have been extremely concerned, particularly insofar as this would require sets which must accomodate varying visual-to-aural ratios, conceivably increasing costs (Vol. 3:34 p7). Engineering committee, headed by Dr. Frank G. Kear, is expected to propose tests to FCC. Depending on results, petitions could be filed with FCC to change standards to make them uniform for both vhf & uhf.

Other technical research into uhf, at govt. expense, is also possibility. Said Lee: "I have not ruled out govt. funding of research which is beyond the capabilities of any one company." He added that he thought it wouldn't be too difficult to obtain Congressional appropriation for specific uhf research.

With all the preparations for all-channel changeover, consumer information remains weak link, however. Secrest believes strongly that all TV stations—particularly vhf—should be persuaded to get behind law and spread information about it to consumers. "The one person who doesn't know about it," commented Secrest, "is the consumer—who's going to have to pay for it." Lee, too, favors maximum information campaign. He's even coined slogan for all-channel drive: "Don't be half set—be all set."

For other reports on proposals & actions to encourage uhf, see story on p. 1.

CANADIAN ELECTRONICS—A PROFILE: In past 3 decades, Canada's electronics industry has grown to more than 100 companies with annual output of more than \$500 million, employing 18,000 people in manufacturing, marketing, engineering and research activities. Future of that industry, however, now is and "will continue to be one of the major problems which must be solved by both industry and govt."

This profile of Canada's booming but beset electronics industry was drawn by W. F. Wansbrough, Canadian GE vp and onetime EIA of Canada pres., in recent Toronto address.

"Maturity came fast to our industry," he noted, but then the problems developed. More than 40 Canadian firms are involved in heavy electronics—microwave, radar, computers, and so on. Bulk—60—are engaged primarily in components and accessory fields. Of latter, 6 produce tubes and semiconductor devices, 12 "are primarily engaged" in production of TVs, radios, phonos, hi-fi equipment.

"Sales of TV receivers in Canada completely saturated the market in 5 years—twice as fast as our U. S. cousins," noted Wansbrough. "When this market fell away, it left in its wake more than half of the TV manufacturers in Canada who could not survive the drop in total sales. Added to the confusion was the introduction of imported transistor radios [which] were laid down in a Canadian port, with end costs lower than the cost of Canadian components alone before assembly, and as imported articles subsequently had the added tax advantage."

Although Canada has "not experienced the phenomenal growth rate of the electronic industry in the U. S.," he continued, "we have kept pace on consumer and industrial products in percent of sales." Wansbrough emphasized: "To those in the electronics industry, the fact of the industry's growth is not as significant as the changing nature of the industry as the growth continues."

Looking to future of Canada's electronics industry, he urged: "If we are to continue to grow, we must become more world-market conscious. We must build our industry on the sound basis of design, quality and price, using those skills available to us to emphasize unique design and quality products that have appeal in industrial world markets. We must use our relatively compact facilities to our advantage of added flexibility in production runs and in innovation of product and design."

He called on govt. to "be alert to pressures which will be exerted to weaken Canada's anti-dumping legislation," warned that "industry planners cannot be continually plagued by doubts and uncertainties concerning future tariff policies that would seriously affect long range plans." Electronics industry "requires a tariff structure which offers reasonable long-term stability, at or near the present relatively low levels," he said.

"Given a sound business climate with a proper application of engineering approach," Wansbrough concluded, "our industry can and will put more production money into research, step up its activities in product planning, value analysis, market research, advertising and sales promotion—in fact, given a free hand, we can and will develop a color TV market in Canada, to name one area of opportunity."

'SHOOK-OUT' DISCOUNT INDUSTRY EXPANDING: TV retailers encouraged by recent and continuing shakeout in discount industry can take little solace from midyear census by Aug. 26 "Discount Store News." Discount competition is increasing sharply, and there are replacements by the dozens for each discounter chopped by Chapter 10 or 11.

Population of discount stores rose a booming 37% (or 585 units) in the 12 months to June 1963—to total 2,169 units. Total discount footage rose 42% to 122,495,000 sq. ft. from 85,939,000. And all indicators point upward. By year's end, census projected, number of stores will increase by 162. Footage will jump another 13.3 million sq. ft. June-to-June period, DSN summed up, was "one of discount store industry's greatest boom periods."

Forty-eight percent of 2,169 stores are bunched in top 50 markets. Chicago leads in saturation with 132 stores. Runners-up: Los Angeles, 92; New York, 89; Philadelphia, 57; Cleveland, 43; Detroit, 40; Boston, 37. Five other markets have at least 20 discount stores.

Miami, however, which ranks 26th in number of stores (15), tops all markets in terms of "discount density"—total discount store footage vs. population. There, as DSN puts it, "15 units fight for survival with a total of 1.6 million feet of selling space and a population of a million."

Discount stores also are getting bigger. In year to June 1963, average store size increased to 54,000 ft. from 50,000 ft. Closed-door or membership discount stores are decidedly larger on the average, with 86,000 ft. Closed-door stores, incidentally, account for 6.5% or 11,820,000 of total 122,495,000 sq. ft. of discount selling space.

Top discount department, in terms of frequency among stores, is housewares, present in 96.8% of stores. Of these, 79% are store operated, 21% leased. TV-appliance departments rank 19th, in 65.9% of stores and are 69% operated and 31% leased. TV-appliance departments are more popular among closed-door discount stores, rank 9th and are found in 94% of stores.

Fixturing a TV-radio-appliance department, DSN found, averages \$1.77 per sq. ft. in conventional discount store (80,000 sq. ft.). Cost rises to \$2.50 for a deluxe operation, dips to \$1 for low budget store.

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 23 (34th week of 1963):

	Aug. 17-23	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	167,041	150,858	155,142	4,396,286	4,132,603
Total radio	406,770	349,027	550,949	10,814,908	11,652,448
Auto radio.....	169,170	140,352	270,377	4,566,154	4,103,170

GOVT. 'S NEW TV-RADIO FIGURES: Manufacturers' shipments of TVs, radios, phonos, recorders & hi-fi components totaled \$1,695,320,000 in 1962, up more than 13% from the \$1,492,735,000 of 1961. So says Census Bureau's annual tally of U.S. consumer electronics business. Figures represent net value of units shipped, FOB plant, after discounts & allowances and exclusive of freight charges & excise taxes.

Census tally is based on reports from all known U.S. manufacturers. Its breakdowns in various categories traditionally reveal lower unit & dollar volume than EIA figures which are the industry standard. This year, Census neatly sidestepped howling controversy in which it became enmeshed last year when it reported 1961 shipments of color TV sets as 147,000 units, while industry had been using figure of 180,000 (Vol. 2:44 p7). RCA had protested that Census figure was inaccurate. In new tally, however, Census hides color figure by combining it with b&w total. It reports combined color and b&w shipments were 6,644,000 sets at \$925,132,000, up from 6,012,000 at \$812,012,000 in 1961. EIA reported 1962 factory production of b&w sets at 6,484,000 units and 6,177,000 in 1961.

One clue to Census' figure for color shipments last year can be obtained in this roundabout manner: Last year Census figure on b&w shipments was about 5% below EIA's. Assuming same relationship this year, deducting 5% from EIA's b&w figure and subtracting this from Census' combined color-and-b&w total indicates color set total of about 484,000—almost identical to many well-informed industry estimates.

Most other Census consumer electronics figures for 1962 run below EIA's tallies. For example, total electronic phonos (including radio combos) came to 4,561,000 vs. EIA's 4,954,000.

Perhaps principal value of Census report is the light it sheds on shipments of hi-fi components, on which little statistical information is available elsewhere. Here are 1962 (vs. 1961) figures: Home audio amplifiers & pre-amps, 207,000 units at \$44,670,000 (vs. 389,000 at \$38,754,000); tuners & tuner-amplifier combinations, 243,000 at \$21,544,000 (vs. 190,000 at \$12,540,000); other home-type equipment, such as converters & adapters, 530,000 at \$7,391,000 (vs. 473,000 at \$6,073,000); home recorders, 466,000 at \$88,631,000 (vs. 389,000 at \$38,754,000).

Complete report [Current Industrial Reports, series M36M(62)-1] is available for 10¢ from Bureau of Census, Washington, D. C. 20233, and from Commerce Dept. field offices.

Color TV kit will be offered by Heath Co., beginning in Nov., at \$349 without cabinet. Optional extras are cabinet (\$49), uhf (\$20), mounting kit (\$4). Heath, subsidiary of Daystrom, is 2nd manufacturer to offer color TV in kit form. Transvision has been in color kit field for some time.

"Friends of Service" awards voted by convention of National Alliance of TV & Electronic Service Assns. at last week's Chicago convention went to Zenith Radio, Finney Co., GE tube div., Philco parts div., Raytheon tube div., RCA tube div., Sylvania tube div., Tung-Sol, and Howard W. Sams & Co.

Home video recording fever has gripped Britain. Two low-priced systems, said to be ready for production, have been announced there within 2 months. On heels of furor created by claims for Telcan home TV tape recorder (Vol. 3:32 p7) comes announcement by another British firm that it has developed 33 1/3-rpm LP disc which will produce picture as well as sound. Combination picture-sound player will sell for about \$100—perhaps in about 3 months—according to promoter Wolverhampton Radio & Supplies Co., Wolverhampton. Inventor Colin Mason claims his "Videogram" is capable of reproducing bandwidth of up to 35 mc (10 times the frequencies needed for reproduction of TV picture), that the picture-sound records could be produced for same price as standard audio LPs—or even lower. Mason says \$100 picture-sound phono would be designed to be plugged into TV set. U.S. TV engineers are even more skeptical about Videogram than they were about Telcan.

More U.S. households own TV sets than refrigerators by margin of better than 5%, recent Census Bureau sampling indicates. Sampling was made last July in connection with quarterly study of consumer buying intentions, showed 89.9% of households surveyed had TV sets, 85.4% refrigerators, 72.5% washing machines, 22% dryers, 14.9% air conditioners, 7.2% dishwashers. As with most other consumer durables, buying intentions were up, compared with last year. Some 4.4% of households indicated in July 1963 that they planned to buy TV sets within next 6 months; one year earlier, figure was 4.3%, and in April 1963 it was 4.2%. Intentions to buy "radios & phonographic equipment" during next 6 months were expressed by 1.9%, same as one year earlier, down from 2% in April '63.

"TV Set Buyers' Guide" pull-out supplement to Sept. 7 "TV Guide" will be accompanied by 235 pages of tie-in advertising by set manufacturers & distributors in magazine's 70 regional editions, more than double last year's 112. Buyers' Guide itself will have 19 pages of ads by GE, Philco, RCA, Sears, Sylvania, Westinghouse & Zenith (Vol. 3:24 p9). Tie-ins include additional full-page ads by GE in all 70 editions, by Sears in 30, by Packard Bell in 11. All other advertisers in Buyers' Guide, in addition to many distributors, have also scheduled space in regional editions.

Magnavox sales have increased sharply in past several months, virtually putting "in the bag" earlier forecast of more than \$200 million in 1963 sales, Pres. Frank Freimann said. Sales last year totaled \$202 million. "We will have to show a sales improvement of about 35% in consumer products this year to offset lower military product sales and achieve our sales goal," he amplified. Military sales through July were down "about 40%" from year ago. July-Aug. consumer products sales shot 50% ahead of year ago, he said. TV led gain parade with 80% jump. New low-priced portables sparked TV sales rise with volume "up over 100%" from 1962. Freimann said Magnavox is "shooting for more than \$2 a share" in earnings this year, up from 1962's \$1.73.

Sylvania TV factory unit sales rose 16% above year ago during 1963's first 7 months, Sylvania Home & Commercial Electronics Corp. Pres. Robert J. Theis reported. Factory stereo sales pushed 30% ahead, with consoles accounting for bulk of increased sales. Theis said that demand for Sylvania portable TVs "especially sets with optional clock timers, has far outpaced production schedules."

Trade Personals

Dan R. Cavalier, former vp of E. F. MacDonald Co., Dayton, O. appointed Philco Consumer Products Div. merchandising mgr., succeeding **Raymond B. George**, who will be reassigned.

Dr. W. W. Wetzel, pioneer in development of magnetic sound tape, will retire next year as vp-gen. mgr., 3M Magnetic Products Div., to be succeeded by his long-time co-worker, scientist **M. C. Hegdal**. . . **George J. Wachholz**, former Revere-Wollensak Div. vp, elected 3M corporate vp & head of Photographic Products Group, which includes newly acquired Dynacolor Corp. as well as Revere-Wollensak; **Darrell H. Boyd**, ex-tape cartridge systems product mgr., named to new post of Revere-Wollensak consumer products marketing mgr.

Takashi Nakagawa appointed director of electronics & machinery inspection sections of Japan Trade Center, N. Y., succeeding **Makoto Toida**, returning to Japan.

Albert E. Warner, ex-RCA International industrial relations dir., named Sylvania industrial relations dir. . . **Jerry Balash**, ex-Telesystems Corp., named to new post of uhf product mgr., Blonder-Tongue Labs, charged with working with stations & dealers in individual uhf markets to develop local converter marketing programs.

J. A. (Shine) Milling, pres. of Sams Div. of Howard W. Sams Co., elected pres. of Electronic Industry Show Corp. Other officers elected: vp, **J. Rudy Hummes** (J. W. Miller Co.); treas., **Walter A. Clements** (Littelfuse); secy., **Aaron Lippman** (Aaron Lippman Co.).

R. A. Correa, former RCA patents & licensing vp, elected business development vp of American Machine & Foundry. . . **Voyle Gilmore**, **F. M. Scott III** & **Robert C. Carp** named Capitol Records vps.

Edward G. Dietrich appointed Sylvania closed-circuit national accounts mgr., with N. Y. hq.

Larry Dorst, Flint & Dorst, Milwaukee, elected pres. of National Alliance of TV & Electronic Service Assns. (NATESA). Other officers: **Earl Steffes**, secy. gen.; **Harold Q. Eales**, re-elected treas.; **Frank J. Moch**, renamed exec. dir.

Widespread use of tunnel diodes in uhf tuners was predicted by GE's W. C. Broeffle at recent Wescon meeting in San Francisco. He said GE will be in full production of tunnel diodes by 4th quarter, with prices ranging from less than \$1 to about \$3. First manufacturer to use tunnel diode in consumer item was Sony, which has incorporated it in oscillator stage of uhf converter (Vol. 3:27 p10).

Obituary

G. Pryor Molloy, 46, former Owens-Illinois industrial & electronic products marketing vp, died Aug. 26 in Medellin, Colombia, of complications following surgery. Last spring he was appointed vp-gen. factories mgr. of O-I subsidiary Cristalleria Peldar S. A. A one-time RCA engineer, he was long identified with O-I's Kimble TV bulb operation, serving as engineering superintendent of Columbus, O. TV bulb plant from 1952 to 1956. He is survived by his wife & 2 sons. Funeral arrangements are incomplete, but private services will be held in Ft. Lauderdale, Fla.

JAPANESE MINIMUM TV PRICES: New price floors for popular sizes of TV sets exported to U. S. from Japan (Vol. 3:32 p7) were expected to be put into effect this week or next, following ratification by Japanese Ministry of International Trade & Industry. So far, 23 Japanese TV manufacturers have agreed to observe minimum prices, which were proposed through EIA of Japan.

Export prices, as finally established, will be at least 3% higher than factory prices. Minimum prices, including forwarding, custom-clearance and exporter commission fees: 19-in. sets, \$56.65 (uhf \$64.89); 16-in., \$46.35 (\$56.65); 5-6-in. transistor TV, \$72.10 (uhf \$82.40); smaller than 5-in. transistor, \$66.95 (uhf \$77.25). Sizes not included in list are not price-controlled.

Meanwhile, U. S. Commerce Dept. released tally of total 1962 Japanese electronics exports to U. S., indicating dollar volume rose to \$159 million, 32% above 1961 figure. Commerce Dept. statistics reflect slight revisions from figures reported in these pages earlier this year (Vol. 3:6 p7).

They show total Japanese TV exports to U. S. last year of 159,000 sets valued at \$9,168,000, of which 123,000 were tube type and 36,000 transistorized. Exports for first-half 1963 alone totaled 147,362 sets—close to total for all 1962. Other 1962 Japan-to-U. S. export figures: Radios (all types), 12,125,000 at \$87,-722,000 (up from 11,552,000 at \$74,638,000 in 1961). Tube radios decreased from 2,224,000 in 1961 to 1,-608,000 in 1962 and toy radios dropped from 4,774,000 to 2,736,000, while 3-or-more-transistor sets soared from 4,554,000 to 7,781,000. Tape recorders & accessories jumped from \$539,000 in 1961 to \$2,111,000 in 1962.

In parts categories, here are 1962 Japan-to-U. S. exports: microphones, 179,000; loudspeakers, 2,958,000; earphones, 4,298,000; capacitors, 70,136,000; electron tubes, 27,343,000; transistors, 11,073,000; diodes & other semiconductors, 7,581,000.

Another tabulation by Commerce Dept. shows Japanese electronics production last year totaled \$1.6 billion in 1962—increase of about \$200 million over 1961. Consumer items accounted for 54% of total, TV receivers being largest single category—\$525 million, or nearly one-third of total. Japan produced 4,864,800 TV sets last year, including 4,400 color sets.

Commerce tabulations of Japanese production & exports to U. S. are available from Electronics Div., Busi- & Defense Services Administration, Commerce Dept., Washington.

International Resistance will market Eastman Kodak-produced sound magnetic tape this fall via 1,800 electronics distributors. Kodak mktg. Vp Gerald B. Zornow said distribution deal with IRC does not affect present marketing of the tape through photo dealers, added: "Domestic sales of audio tape by manufacturers totaled about \$20 million in 1961. Nearly 50% of that total was the result of sales by electronics distributors."

Minnesota Mining now has full line of 11 Revere & Wollensak tape recorders & players with introduction of 7 new reel-to-reel recorders, starting at \$125. Revere line contains only one reel-to-reel unit, all other models being cartridge units.

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
Beckman Instruments	1963—year to June 30	\$ 78,738,000	\$ 6,774,000	\$ 3,734,000	\$2.40	1,558,435
	1962—year to June 30	75,778,000	8,822,000	4,824,000	3.10	1,554,322
Capitol Records	1963—year to June 30	48,604,946	—	1,001,016	2.17	—
	1962—year to June 30	41,857,465	—	350,488	.76	—
Chris-Craft (formerly NAFI)	1963—6 mo. to June 30	39,055,529	2,277,127	1,377,127	1.00	1,376,672
	1962—6 mo. to June 30	38,402,528	2,641,152	1,436,152	1.04	1,376,672
Cowles Magazines & Bcstg.	1963—6 mo. to June 30	58,193,578	3,172,342	1,319,623	.44	2,950,501
	1962—6 mo. to June 30 ³	—	—	—	—	—
Phillips Lamp	1963—6 mo. to June 30	744,022,000 ¹	—	43,212,000	—	—
	1962—6 mo. to June 30	660,922,000	—	42,104,000	—	—
	1963—qtr. to June 30	—	—	20,287,400 ¹	—	—
	1962—qtr. to June 30	—	—	20,284,200	—	—
Rollins Bcstg.	1963—qtr. to July 31	2,126,160	—	255,739	.27	957,244
	1962—qtr. to July 31	1,928,715	—	168,642	.18	955,475
Serval	1963—9 mo. to July 31	—	—	538,080	.22 ²	1,928,845
	1962—9 mo. to July 31	—	—	1,979,014	.96 ²	1,927,345
Sparton Corp.	1963—year to June 30	32,797,269	—	1,065,930	1.14 ²	919,024
	1962—year to June 30	26,452,648	—	641,182	.67 ²	919,024
Spencer-Kennedy Labs	1963—year to June 30	2,027,909 ¹	313,716	190,716	.86	221,635
	1962—year to June 30	1,588,766	293,726	176,726	.80	221,235
Sprague Electric	1963—6 mo. to June 30	43,598,343	4,704,320	3,011,514	1.99	1,513,879
	1962—6 mo. to June 30	44,046,249	5,762,640	3,325,088	2.25	1,477,767

Notes: ¹Record. ²After preferred dividends. ³Comparison invalid because of acquisitions.

MERGERS & ACQUISITIONS: Magnavox is exploring a "very sizable" acquisition and "serious negotiation" may begin within one month with an undisclosed company whose product line is "compatible with ours" and "could double our sales," Pres. Frank Freimann disclosed. General Precision Equipment was rumored as the possible company, but GPE Chmn. James W. Murray, while confirming that merger conversation had been held with Freimann in the past, said GPE now "has no merger agreement nor tentative agreement with anyone and isn't discussing a merger with anyone." Other merger news last week:

B. S. F. Co., holding company controlled by Defiance Industries which is purchasing TelePrompter's Weathers, Conley Electronics and Audio Visual Divs. (Vol. 3:33 p9), has increased its own financial interest in TelePrompter. It has purchased a \$500,000-6% subordinated debenture accompanied by warrants to buy 97,561 shares of TelePrompter common stock at \$5.125 a share before July 31, 1978. B. S. F. earlier this year agreed to buy 40,000 of TelePrompter's 762,134 outstanding common shares for \$240,000.

Rollins Bcstg. secondary offering of 85,000 shares has been placed on market at \$16 each by underwriting group headed by N. Y. Securities Co. Offer is by selling stockholders, and no proceeds will accrue to company.

Sylvania's 1963 earnings will jump more than 30¢ on 10%-plus sales rise over 1962 levels, GT&E Chmn. Donald C. Power forecast. He said GT&E would post record sales and earnings, estimated sales rise to \$1.4 billion from 1962's \$1.328 billion. Consolidated net income should rise to \$100 million (more than \$1.30 a share) from \$86.3 million (\$1.15). Power said per-share earnings in 3rd quarter should top 32¢ vs. 27¢ a year earlier, noted that 4th quarter is GT&E's best.

Sprague Electric offering of \$15 million in 4 3/8% sinking fund debentures was placed on market last week and immediately oversubscribed. Debentures, due Sept. 1988, were priced at 99.625¢ to yield 4.40%. Proceeds will be used to repay some \$14 million in short-term debt. balance to working capital. Underwriting was by group jointly managed by First Boston Corp. and F. S. Moseley & Co.

TV-Electronics Fund closed 1963's 3rd fiscal quarter July 31 with resources 11.1¢ ahead of those extant at close of 1962 fiscal year last Oct. 31. Pres. Chester D. Tripp reported. Total net assets, however, declined to \$367.7 million from \$379.8 million at end of current fiscal half ended April 30. Net assets per share dipped to \$7.35 from \$7.48.

Zenith has added 19-in. portable TV for hospital use. "Roomate" model also is available with remote control and pillow speaker unit.

WEEKLY **Television Digest**

with

Consumer Electronics . . .

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

SEPTEMBER 9, 1963

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SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

HARRIS HITS AT RECENT FCC MOVES, thinks it's going too far—would like it to modify 'fairness doctrine' statement, to drop proposal limiting commercial; he doesn't believe FCC has statutory right to regulate CATV (p. 1).

FCC PONDER'S 'FAIRNESS' IN DRAMATIC WORKS. Staff recommends CBS be told that 'Smash-Up' drama, on automobile injury claims, was 'controversial,' warrants presentation of opposing views (p. 3).

BROADCASTERS POST FIRST-HALF GAINS: Analysis of 8 independent groups shows gross income of 9% earnings up 26% over 1962 period (p. 3).

STORER JOINS BROADCASTERS' CATV PARADE, buying Southern Cal. systems, planning to feed 12 channels. Richard Moore, ex-KTTV, also in picture (p. 4).

COOPERATORS DON'T WATCH MORE TV, SAYS ARB: Rater releases 24-market validation study showing comparable viewing habits between those who fill out diaries and those who don't (p. 4).

NO FAVORS FOR CONGRESSMEN in competitive FCC cases? Right, say Pastore & Proxmire, who endorse

bill spelling it. Pastore would extend bill to cover all branches of govt. (p. 5).

Consumer Electronics

3RD 11-IN. SET due—from fast-moving Curtis Mathes—probably in time for Christmas selling; set maker to manufacture own plastic cabinets (p. 7).

SHELBOND PICTURE TUBE meets warm reception in initial introduction to tube & set makers; more manufacturers add Kimcode sets (p. 7).

CINERAMA-TELCAN PACT gives movie company control of manufacture & distribution of home TV recorder in U.S. & most foreign countries; Cinerama aims to do own manufacturing, become power in consumer electronics (p. 7).

TV PRICE COMPARISONS show low-end portables dropped 7% in year, table models began 3% lower, while starting prices of consoles fell 13%, combinations 21%, color sets 32% (p. 8).

IMPORTS & UHF are principal topics facing consumer manufacturers at this week's EIA conference in N. Y.; new staff director to be named (p. 10).

ANNUAL INDEX OF TV-RADIO DEVELOPMENTS: Responding to persistent demand, we have gone back and indexed all issues of "Television Digest" for 1961 & 1962, including copies herewith to all subscribers. Apparently, many organizations find index of great value in tracking down developments over the years. With resumption of index, we have now covered every year since 1949.

HARRIS HITS AT RECENT FCC MOVES: Concern that FCC is overstepping itself, expressed by several congressmen recently (Vol. 3:32 p2), was punctuated last week by Rep. Harris (D-Ark.) in speech to Arkansas Bcstrs. Assn. Chairman of Commerce Committee made these points:

(1) He asked FCC to "review" and "modify" its July 26 statement designed to clarify broadcaster responsibilities under fairness doctrine, said statement "can only result in obliterating this fundamental dividing line of responsibility with regard to programming between licensees & the Commission."

(2) On FCC's proposal to limit commercials: "I believe firmly that after the comments are all in and after the Commission will have had an opportunity to think over the matter, it may very well drop the proposed limitations."

(3) On editorializing: "I am of the firm conviction that the Congress should [establish] ground rules and that it should not leave this important question to the FCC without at least laying down specific guidelines to the Commission."

(4) He conceded that FCC won an important CATV judicial victory in Carter Mountain case (Vol. 3:21 p4), but said that its attempt to regulate CATV is without statutory authority from Congress.

Speech was in form of 2 letters—one he had written last week to FCC Chmn. Henry dealing with fairness doctrine, the other to a "broadcaster friend" who expressed concern about the other matters. Broadcaster originally wrote to Harris that he had "belly full" of regulation, said a station license "was tantamount to a hunting license for the FCC and the Congress to haunt broadcasters in connection with every aspect of their business." Commission was working on reply at week's end; it's expected this week.

Harris's letter stated: "If the Commission in an attempt to achieve fairness seeks to apply its 'Fairness Doctrine' to the content of individual programs involving the discussion of issues of public importance then, contrary to the policy of the [Communications] Act, the Commission inevitably will inject itself into programming on a day-to-day basis."

But he did add: "The authority and responsibility of the Commission with regard to programs thus is limited to determining periodically (at renewal time) whether or not the licensee on an over-all basis has performed in the public interest."

Ironically, just about the time Harris was saying FCC shouldn't apply fairness doctrine to individual programs, Senate Communications Subcommittee Chmn. Pastore (D-R. I.) was asking FCC for a "fairness" ruling on a specific program. Commission people were asking each other: "Which chairman do you read?" Sen. Thurmond (D-S. C.) also had misgivings on subject (see p. 5). And, to get more complicated, FCC was wrestling with complaint about unfairness in a CBS-TV drama (see p. 3).

Other highlights of Harris letter to broadcaster: "I firmly believe [bill by Rep. Rogers (D-Tex.) to prohibit FCC from setting commercial limits] constitutes a step in the right direction in that it would permit the Commission to cope with excessive commercialization as one aspect of programming on a case-by-case over-all basis without letting the Commission inject itself into the day-to-day program operation of all broadcast stations... "The only way in which broadcasters can audit rating services is to do so collectively as has been proposed by NAB. The association has made good progress..."

"This reminds me that you had some misgivings about your own trade association. Let me remind you that [it] was responsible for the adoption of radio and television codes which contain specific provisions concerning the limitation of advertising... I venture to say that had your association been in a position to exercise greater influence in this area, the industry might not be confronted now with Commission rule-making..."

"Broadcasters in general seem to feel on the defensive... The requirement that broadcasters must establish and meet community needs can be both your shield and sword. If you succeed in getting your communities behind you, you need not fear greatly governmental criticism or interference. The Commission's Omaha hearings seem ample proof of my contention.

"I have a strong feeling that in recent months the Commission may have forgotten an important principle which it alluded to in its statement on programming. The Commission stated 'we do not intend to guide the licensee along the path of programming; on the contrary the licensee must find his own path with the guidance of those whom the signal is to serve.' The Commission's Notice of Fairness, its proposed rule-making on advertising and the proposed ban on horse-racing information seem to me examples of this new Commission attitude. I regret this attitude and I hope this trend will not continue..."

"Community antenna TV systems are increasing by leaps and bounds. In my own state there are now more than twice as many such systems as there are television stations. In [the Carter Mountain case] the court upheld the contention of the Commission that it could use its power to license microwave operations for the purpose of regulating community antenna systems.

"I don't agree with this approach... I am still old-fashioned enough to believe that basic policies should be laid down by the Congress, and not by Commission fiat with judicial approval... It seems to me that a basic conflict seems in the offing between local television stations and community antenna systems. Unless some steps are taken to resolve this conflict, the Congress may well be called upon to do the resolving."

NAB Pres. Collins had heated comments about FCC & Congress for Arkansas meeting. He said a licensee "lives under an FCC which finds him to be qualified as a broadcaster when he is granted a license, an FCC which is prohibited by law from censoring what he broadcasts—and yet, an FCC which seeks to coerce the nature of his programming in various ways..."

"He lives under a Communications Act—hoary in obsolescence—that fixes in the FCC a strange and inefficient co-mingling of legislative authority, judicial power and executive control. The result may prove to be a boon to Washington lawyers, but it is nightmarish and frightening to most broadcasters.

"He lives under a Congress which by mandate restricts his efforts in the broadcast of messages of political candidates, and which is now giving serious consideration to curbing further the expression of his editorial viewpoints."

FCC PONDER'S 'FAIRNESS' IN DRAMATIC WORKS: Interpretation of FCC "fairness doctrine" in handling controversial issues, when it comes to dramatic works, can be a ticklish thing. We've learned, for example, that Commission has up for consideration a complaint about Oct. 10, 1962 "Smash-Up" show on CBS-TV's "Armstrong Circle Theatre." FCC staff's recommendation is that CBS be told that program was controversial and that "fairness doctrine" applies even if a dramatic work was involved.

Program involved excessive & fraudulent claims in automobile injury suits. National Assn. of Claimant's Counsel of America complained to FCC that program was an effort to "brainwash the minds of prospective jurors" and was instigated by insurance companies. It asked Commission to do something to prevent further similar presentations.

When asked by FCC to comment on NACCA's complaint, CBS had said: "Because of the nature of dramatic programs and because creative talents cannot be channeled at will, we have never accepted the proposition that a drama which may present one facet or point of view is to be counterbalanced by an opposing point of view. To do so, we feel would rob dramatic presentations of their essential vitality. But, in any event, in the case of 'Smash-Up', the issue, or theme of the program, was that the assertion of fraudulent claims, having unethical & perjurious connotations, can lead to discovery & prosecution. We do not believe that this issue is one about which there can be any reasonable controversy."

Commission staff argues that CBS is wrong. It suggests that CBS be told that "substance" is what counts, not "form," but that broadcaster has wide latitude in choice of techniques for achieving fairness. Staff also recommends that NACCA be told, however, that FCC has no power to prohibit broadcast of any programs.

BROADCASTERS POST FIRST-HALF GAINS: Independent TV-radio broadcasting chains, riding momentum of 1962's sales & profit spectacular (Vol. 3:15 p1), posted equally impressive revenue & earnings gains in 1963's opening half. Combined gross income of 8 broadcasters rose 9% above 1962's Jan.-June level, while earnings of 9 chains climbed 26%.

Here's capsule summary of our analysis of these independent broadcasters: (1) Each of 8 broadcasters whose sales figures were available showed increase over year earlier. (2) Overwhelming number—7 of 9—boosted earnings. (3) All finished first half in the black. Many of the broadcasters we analyzed have diversified interests, but they are representative of industry sales and profit trends because, in all instances, broadcasting is a major activity.

Combined sales of 8 broadcasters rose 9% to \$88,309,070 from \$80,955,405 in 1962's opening half. Gains in the main were steady & substantial. Wometco, for example, jumped more than \$1 million to \$10 million from \$8.9 million. Metromedia—to \$28 million from \$26.2 million. Capital Cities—\$8.3 million from \$7.3 million. Storer—\$19.9 million from \$18.1 million.

Amalgamated earnings of 9 broadcasters climbed to \$8,810,691 from \$7,013,507. Latter figure is after deducting Macfadden-Bartell's \$393,629 loss in 1962's first half. This broadcaster, incidentally, rebounded from that loss with resounding \$627,007 profit in 1963's first half. Only 2 companies slipped from year-earlier's profit pace. Taft, in the quarter to June 30, dipped to \$565,746 from \$578,541. Storer slipped to \$2.9 million from \$3.6 million (1963 figure is after special charges of \$256,247). Here's 1963-vs.-1962 first-half performance of 9 representative broadcasters:

	Sales		Earnings	
	1963	1962	1963	1962
Capital Cities Bcstg.	\$ 8,281,528	\$ 7,314,395	\$ 961,555	\$ 633,027
Gross Telecasting.	—	—	344,637	288,850

	Sales		Earnings	
	1963	1962	1963	1962
Goodwill Stations	4, 140, 577	3, 863, 306	397, 505	342, 900
Macfadden-Bartell	12, 083, 250	11, 229, 928	627, 007	(393, 629)
Metromedia	27, 978, 000	26, 206, 000	1, 838, 228	1, 021, 655
Reeves Bcstg. & Development	2, 754, 400	2, 301, 700	100, 900	7, 600
Storer	19, 917, 000	18, 067, 000	2, 931, 654	3, 618, 366
Taft (qtr. to June 30)	3, 203, 574	3, 057, 975	565, 746	578, 541
Wometco Enterprises	9, 950, 741	8, 915, 101	1, 043, 459	916, 197
TOTALS	\$88, 309, 070	\$80, 955, 405	\$8, 810, 691	\$7, 013, 507

STORER JOINS BROADCASTERS' CATV PARADE: Chalk up another breakthrough of major broadcaster into CATV. It's Storer this time, buying 80% of Southern Cal. Cable TV Corp., Los Angeles. The two systems involved are relatively new, relatively small (about 250 subscribers each), but have big growth potential. They're in Ojai Valley & Thousand Oaks area. According to Storer Pres. George B. Storer Jr., area is expected to increase population from 18, 000 to 180, 000 in 10 years.

Systems were bought from major stockholders Victor Sharar & CATV equipment maker Spencer-Kennedy. Sharar will remain as vp-gen. mgr., and Richard Moore, onetime head of KTTV Los Angeles, becomes a vp & stockholder.

Systems carry all Los Angeles signals plus Santa Barbara station, will add San Diego programs—to provide total of 12 channels. Said Storer: "The present systems being operated are only a start in over-all expanding systems that we anticipate." Storer thus joins parade of powerful & shrewd broadcasters who have decided finally to diversify into this natural extension of their operations. (For compilation of broadcasters now in CATV, see Vol. 3:17 p3 et seq.).

But CATV operators still have their problems with FCC, which, though it now has no authority over them, does control their most important means of expansion—microwave systems to bring in more & better signals.

Last week, 20 microwave operators whose links don't cross state borders, filed joint pleading through attorneys Smith & Pepper, challenging FCC's authority to regulate them. They asked for a declaratory ruling, asserting that Commission has very limited control over them because they're not interstate operators. They claimed that FCC can only decide if an applicant for such microwaves is qualified "and that the radio portion of the operation is conducted in accordance with applicable technical standards and does not interfere electrically with other authorized radio operations." Sympathetic reaction at FCC is not anticipated.

COOPERATORS DON'T WATCH MORE TV, SAYS ARB: After ratings hearings, many observers came away with opinion that viewing habits of those who cooperate in sample design are substantially different from those who don't. Rep. Moss (D-Cal.) repeatedly asserted that ratings measure only viewing of those "curious" people who cooperate by accepting gadgets in house & by filling out diaries.

ARB offered "counter-evidence" last week. It released results of 24-market validation study conducted in June 1962, a 116-page report titled "The Influence of Non-Cooperation in the Diary Method of Television Audience Measurement." Company used telephone coincidental method to validate viewing in homes originally drawn for its diary method. In this way, it could check on homes that didn't return diary as well as those that did. The 24 markets reflect all sizes & locations.

ARB said study showed that there are no major differences in viewing levels between cooperators and non-cooperators, though there were slight differences in audience characteristics. For example, it found that for random selected time periods, homes using TV were 24.7% among cooperators and 23.8% for non-cooperators. Cooperators, however, were made up of slightly larger families.

Rater also concluded that even in markets where the rate of cooperation differs, higher viewing levels occur just as often among cooperators as among non-cooperators. This would be true in such markets as Savannah, which showed a 36% sample return of diaries, as against Wichita with a 60% return rate. However, differences in audience characteristics increase as return rates decrease.

NO FAVORS FOR CONGRESSMEN: Though FCC wasn't much excited about it, saw no need for it, there might develop quite some support for Sen. Proxmire's bill (S-708)—which would forbid FCC from giving a special plus to applicants who are also members of Congress.

In Senate Commerce Subcommittee hearing last week, Chmn. Pastore (D-R. I.) not only endorsed bill but said it ought to apply to officials of all other branches of govt., too. To do otherwise, he said, is an "act of injustice to other applicants."

FCC Chmn. Henry agreed with purpose of bill but said Commission policy embodies it and that there's no need for legislation. Pastore & Proxmire disagreed. They pointed to examiner's initial decision in 1959 favoring Capital Cities for Ch. 10 in Albany. Applicant contained members of Congress. Ruling on one of many criteria—civic participation—examiner said: "It cannot be ignored that some of these individuals have achieved civic and political prominence which denotes in them an ability to discern and be responsive to the interests of... their community; to be elected and re-elected as members of the House of Representatives is such a manifestation. The aggregate civic backgrounds of each applicant are good, but Capital Cities' is manifestly superior."

Pastore & Proxmire didn't like this at all, even though Henry pointed out that final grant a year later was based on many other factors favorable to Capital Cities, Henry said decision indicated that Commission doesn't have policy of either favoring or penalizing an applicant because member of Congress is officer or stockholder.

Sen. Thurmond (D-S. C.) stated there ought to be measure prohibiting members of Congress from having an interest in a station. "Is it wise for any member to apply to the government for a franchise?" he asked.

Thurmond then seized opportunity to ask about fairness doctrine. He queried: (1) When a local station airs a taped version of his news bulletin containing views on controversial matters, does it have to give "equal time"? (2) And how about President's press conference? (3) And does fairness doctrine apply to networks as well as stations?

There has to be reasonable opportunity for contrasting viewpoints, Henry stated. Doctrine doesn't require "exact balance;" it's the over-all picture that counts, he said, adding that policy applies to licensees but as a practical matter networks comply.

What happens when network programs favor nuclear test ban treaty? Thurmond inquired. Stations should provide other views, Henry said.

Thurmond also asked if fairness doctrine applies to broadcast views that are paid for. Is station required to give free time to opposition? Henry said Commission will have ruling in about 2 weeks. Pastore has no problem at all with the subject. Just because a group has "cash" is no reason why opposing side shouldn't be heard, he declared.

On another bill, Henry testified on Commission-requested measure (S-1193) to require an interested party who wants to intervene in hearing to do so not more than 30 days after hearing issues are published in "Federal Register." Present deadline is 10 days before hearing begins. Pastore thought this a fine idea.

Abolition of option time still holds, FCC said, as expected, turning down petitions for reconsideration filed by ABC, its affiliates' association and CBS. Commission gave arguments short shrift. It told ABC that it doesn't think it will be "hurt" more than CBS or NBC, that networks don't need more time to adjust to new rules. CBS was concerned about FCC's language in option-time decision, which not only prohibited option time but any other arrangement "which has the same restraining effect as time optioning." CBS argued, among other things, that this came without warning, is vague & discriminatory, violates court remand, constitutes rate-making. Commission tossed out all CBS arguments. It's now up to courts.

Oklahoma Congressional delegation added its support to stand against FCC's proposal to set ceiling on commercials. It reportedly told 8-man committee of Oklahoma Bcstrs. Assn. that it would write letter to FCC stating its displeasure with rule-making. OBA met with Congressmen in office of Sen. Monroney (D). Others attending: Sen. Edmondson (D), all Congressmen (aides of Albert (D) & Jarman (D) substituted for their bosses). It's understood broadcasters were surprised that Congressmen were familiar with issue. Before meeting, OBA held background meetings with NAB staff.

Equal time relief for 1964 elections will be weighed this week by Senate Communications Subcommittee. It meets to pass on 4 bills that were subject of hearings in June (Vol. 3:26 p2). Safest bet is on measure to grant 1960-style equal-time suspension for Presidential & Vice Presidential campaigns—S-251 and House-passed H. J. Res. 247. Though there's growing sentiment for extension of equal-time relief, chances are slim for following bills: S-252—permanent suspension for President & Vice President, Senators, Congressmen, governors; S-1696—complete repeal of Sec. 315 of Communications Act, introduced by Sen. Hartke (D-Ind.).

Next round of editorializing hearings has scheduled following executives (more are expected to be added): Sept. 18, John Tyler & Tom Martin, KFDA-TV Amarillo; Gerald Sanders, KZZN Littlefield, Tex.; Leon Goldstein, formerly WMCA N. Y., for American Civil Liberties Union; Sept. 19, Ben Strouse, WWDC Washington; Clarence Jones, WQIZ St. George, S. C.; Sept. 20, Harry Thayer, WGHQ Kingston, N. Y.

American Samoa ETV project has ordered nearly \$1 million in TV transmitters & studio equipment from International GE, and \$45,000 in microwave links & master TV antenna systems from Jerrold. IGE will supply transmitters for first 3 channels (6 are planned) and equipment for one main studio.

Constituents' queries, involving govt. agencies, are forwarded by congressmen with every imaginable kind of covering letter—but Rep. Beckworth (D-Tex.) has one of most unusual. It's handwritten, reads: "Please note, give consideration, help all possible, as facts justify, state status and return. Regards. Lindley Beckworth."

Group W is planning its 5th public service programming conference in Cleveland in early Nov. Last was held in Pittsburgh in 1961; before that San Francisco, Baltimore, Boston.

NEW & UPCOMING STATIONS: **WNBE-TV (Ch. 12) New Bern, N. C.** got program test authorization Sept. 4 for start as ABC-TV outlet Sept. 7. It's year's 7th new station, raises operating total to 641, of which 79 are ETV. It has RCA equipment in \$790,000 plant on Park Ave., Glen Burnie Meadows, New Bern. Owners are Thomsland Inc. 50%, Nathan Frank 50%. Frank also operates N. C. radios WHNC Henderson & WCNF Weldon. Thomsland owners are Harold H. & Meredith S. Thoms, each 1/3 owner of WISE-TV, Asheville. Nathan Frank is pres. & gen. mgr.; Harold Thoms, vp; George Roesler, national sales mgr.; Don Pierce, station mgr. Base hourly rate is not available, but top min. rate is \$80. Rep is Young Television.

* * * * *

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

KCSM-TV (Ch. 11 ETV) San Mateo, Cal. has set a Feb. 4 target, writes Dr. Jacob H. Wiens, dir. of College of the Air for KCSM-FM & TV. Station will be in library complex of new \$15 million College Heights campus. Bids for transmitter are expected to go out soon. Dr. Wiens will be gen. mgr. & chief engineer for KCSM-TV; Douglas B. Montgomery, ex-KOGO-TV San Diego, will be program mgr. & film buyer; Deyrol Anderson, ex-KQED San Francisco, operations mgr.

WNJU-TV (Ch. 47) Linden, N. J. plans to begin in spring of 1964, reports Pres. Edwin Cooperstein. It will aim programming toward Spanish-speaking & Negro population in N. Y. City area, but will also have Italian, Jewish, German, Polish and other programming. It hasn't ordered transmitter yet, offices have been established in Mosque Theatre Bldg., 1020 Broad St., Newark, where it also will have studios. Antenna will be on Empire State Bldg. Rep: National Time Sales.

New international TV-radio sales firm, Overseas Broadcast Services Ltd., will provide 2-way services—sales agents here for foreign stations & program producers and agents abroad for U. S. stations & programmers. A subsidiary international station rep firm, T. I. E. Sales Ltd., has been formed in partnership with Television International Enterprises Ltd., London. It will represent, in the U. S., stations all over the world. OBS has agreement with Halas & Batchelor Cartoon Films Ltd. to sell its animation product in U. S.; it will also serve as European circulation & advertising representative for "Television Digest" & "Television Factbook." Stephen A. Mann, former ABC International sales mgr., is pres.; Boris Frank, ex-mgr. of Screen Gems International Broadcast Div., is sales vp. Directors: James F. O'Grady, Adam Young exec. vp; Donald G. Softness, Softness Group (PR) pres.; John D. Hayes, formerly international vp of Erwin Wasey, Ruthrauff & Ryan. Address: 230 Park Ave., N. Y. 17; phone: Oregon 9-0560.

Obituary

Frank Falknor, 66, former operations vp for CBS-TV who retired in 1956, died Sept. 6 at Kingston (N. Y.) Hospital after long illness. He was pioneer radio engineer, joined network in 1933. He's survived by wife, son, 2 daughters.

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Personals

New NBC vps: Robert Kasmire (corporate affairs); Lawrence Grossmann (national advertising & promotion); Merryle (Bud) Rukeyser (press & publicity).

John L. McClay, ex-vp & mgr., Gannett broadcast div., named operations dir., Taft Bcstg... **Charles Ticho** promoted to gen. mgr., N. Y. studios, Fred A. Niles Communications Centers.

Marshall Karp promoted to ABC-TV sales mgr., eastern div... **Harold Geary,** station clearance dept., ABC-TV, promoted to daytime sales service mgr.

William Rubens, NBC audience measurement mgr., promoted to newly-created post of research dir., Owned Stations & Spot Sales Div... **Dick Kaplan,** ex-D'Arcy Adv., appointed asst. research dir., CBS TV Stations.

Yale Newman, ex-ABC News, named news & public affairs dir., WTTG Washington... **Vic Reed,** KGO-TV San Francisco news dir., promoted to public affairs dir., KGO-TV-AM... **William F. Mitchell** promoted to news, programming & public affairs dir., WESH-TV Daytona Beach-Orlando.

Donald J. Badger, ex-promotion & merchandising mgr., WTEV New Bedford-Providence, named to sales staff, WLBW-TV Miami... **Arthur Perles,** ex-editor, "Radio-TV Daily," appointed MGM-TV press chief.

Tom Wright promoted to WTVT Tampa news dir... **William G. Garry,** ex-WBBM-TV Chicago news dir., appointed editorial dir., WBKB.

FCC Chmn. Henry speaks briefly during Sept. 12 opening of WHYV-TV (Ch. 12 ETV) Wilmington, also Sept. 17 during inauguration party for AWRT Washington Chapter, at Broadcasters Club.

FCC Comr. Loevinger speaks at Sept. 12 luncheon of Federal Communications Bar Assn. at National Press Club.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

11-IN. TV COMING FROM 3RD MANUFACTURER: In neat change of pace, fast-moving Curtis Mathes Mfg. Co. is entering The Great Tinyvision Race of 1963-64, will bring out own version of 11-in. personal portable TV—probably in time for Christmas selling.

This is real change of pace for Mathes, heretofore a specialist in TV-phono combinations and now moving rapidly into color. Becoming comfortably ensconced in what may be the 3 fastest-moving segments of TV market—combos, color & tinyvision—Mathes, with its unique way of doing business, may well be heading for major manufacturer status, despite its protestations that it wants to stay small.

Mathes now has own plastics plant in preparation for its entry into portable field, will manufacture cabinet as well as insides of new 11-in. set, as it does its furniture TVs. Tube of its 11-in. will be of new Shelbond variety, requiring neither bonded nor external implosion shield (see below).

Entire industry has been watching GE's 11-in. sales, and pronounces them good so far. It will also be scrutinizing reception of just-introduced Admiral 11-incher (Vol. 3:35 p7). There's little hope of any of the other majors coming up with 11-in. before Christmas; few can turn on a dime the way Curtis Mathes does. Tinyvision race, before it's over, could leave some major manufacturers—or Mathes—with good case of egg-on-the-face. But since it entered TV business, Curtis Mathes has tasted very little omelette.

SHELBOND TUBE MEETS WIDE APPROVAL: Curtain is going up on Act II of "How to Succeed in Picture Tubes Without Safety Glass," and first reviews indicate it may well be a hit.

Sampling of tube & set makers shows widespread interest in new Corning process for building tubes requiring neither external nor laminated implosion plate (Vol. 3:25 p8). Tube makers like it because it's simple manufacturing process. Set makers are interested because it holds promise of saving them money, while having many of advantages of bonded tubes.

Shelbond was Corning's answer to Owens-Illinois' Kimcode system, but it's good guess O-I could not care less, since Shelbond uses same bulb as Kimcode, available either from Corning or O-I. Kimcode, too, has gained some adherents recently, in addition to Curtis Mathes & GE, its first users. It's understood Emerson will switch to Kimcode on its 16-in. set, and that Travler & Muntz are using it in some models.

Every tube maker is exploring Shelbond process, and it's good bet that several will go into production as soon as the special metal rims are available from Corning—which should be pretty soon. It will be available in 16-, 19- & 23-in. sizes, and, as soon as UL listing is obtained, in 11-in. Curtis Mathes, 3rd U.S. manufacturer to enter 11-in. field (see above), is expected to use Shelbond tube in its tinyvision. (GE's 11-in. uses its own Lamilite bonded plastic implosion shield, Admiral's uses Pittsburgh Plate's bonded glass shield.)

Tube makers would like to see end of multiple system of implosion shielding, and many can be expected to push Shelbond as ideal all-purpose system. As to set makers, so far they're studying it. . . very interested. Who'll be first to use it in large-size tube? Good guess is Admiral.

BEHIND CINERAMA—TELCAN DEAL: Through its acquisition of rights to British-developed Telcan home TV tape recorder (Vol. 3:31 p6, 32 p7), Cinerama Inc. hopes to become a major power in consumer electronics manufacturing & distribution.

While some American TV engineers were unimpressed with Telcan recorder, Cinerama found it "brilliant technical breakthrough" capable of rapid improvement. Here are highlights of Cinerama's arrangements & plans.

Cinerama's agreement is with Rutherford Engineering Partnership, Bermuda, which consists of 5 individuals who also own Nottingham Electronic Valve Co. and Telcan Co., both of Nottingham, Eng-

land. Under terms of contract, new firm will be established, to be controlled by Cinerama (believed to have 51% ownership), with the 5 members of Rutherford group holding balance of stock. New firm will have rights to manufacture, market & promote Telcan outside British Commonwealth and "certain common market countries."

Cinerama plans to manufacture recorder in its own plant facilities, principally its Cinerama Camera Corp. factory in Cal. It hopes also to offer tape recorder deck to TV manufacturers, but hasn't established whether it will supply hardware or manufacturing licenses.

First U. S. demonstration of Telcan will be held under Cinerama auspices "within several months." As to limitations of present model (fast tape speed, only 15 minutes' recording at a time), Cinerama spokesman told us: "The quality of the picture can be greatly improved rather rapidly. The combination of thinner tape and slower speed can provide more recording per reel."

Company says it hopes to have recorder on U. S. consumer market some time next year. It says price will be "within the consumer range—definitely under \$500, possibly a lot cheaper," although it won't be committed to Telcan's estimated British consumer price of \$173.46. Cinerama also says it plans to market low-priced home TV camera to make Telcan a sort of home TV movie system, but it will not handle home vidicon camera developed by Nottingham several years ago.

Among byproducts of Telcan, Cinerama says it's investigating industrial version of TV tape recorder at "slightly higher price."

Cinerama officials confirm our speculation that Telcan is basically a speeded-up audio tape recorder, equipped with special head. They said they also investigated recently announced "Videogram" LP disc sound-picture system in Wolverhampton (Vol. 3:35 p10), found it "excellent," but rejected it since it lacks Telcan's versatility—it can play back, but can't record.

Cinerama claims it bid against "some of the biggest companies in the world" for Telcan rights, won out not because it offered more money, but because of "our policy against enslavement" of Telcan owners. Cinerama's stock, traded on American Exchange, responded listlessly to announcement of Telcan pact late Sept. 3. It had closed Sept. 3 at 16 (it was 2nd most active stock), opening Sept. 4 at 16, its high for day, closing at 15 1/8, down 1/8, on a generally declining market.

Cinerama has now put itself on record, announced its tentative schedule—and the industry will be watching closely. One thing is certain: Home video recording fever is in the air. In next few months & years, you'll hear about more & more inventions which claim to make it practical. One or more of them will actually go to market.

PRICE TRENDS OF 15 TV BRANDS: Starting prices of consoles, combinations & color sets have taken far greater plunge during last 12 months than those of portables & table models. This is one trend that shows up sharply when we analyze tabulation of manufacturers' suggested list prices (or their equivalents) in new "TV Set Buyers' Guide," published last week as supplement to Sept. 7 "TV Guide."

Median price of low-end 19-in. portables, tabulation indicates, dropped 7% from Sept. 1962 to Sept. 1963, and 23-in. table models dipped 3%, while starting prices of 23-in. consoles fell 13%, combinations 21% and color sets 32%.

Table shows trends, rather than exact suggested list prices, but even so, it demonstrates price attrition in TV industry. It lists approximate retail price ranges of sets sold under 15 brand names (Admiral, Airline, Du Mont, Emerson, GE, Magnavox, Motorola, Olympic, Packard Bell, Philco, RCA, Silvertone, Sylvania, Westinghouse, Zenith). When compared with last year's Buyers' Guide (same brands except Airline), it gives interesting indication of what has taken place in single year.

In 16-in. category, 8 manufacturers are listed. Median starting price is \$130 (all figures are rounded). Five manufacturers gave this \$130 figure, while lowest was \$100 (Emerson), highest \$150 (Zenith). In last year's listing, only one 16-in. manufacturer was represented—GE, starting at \$170 (now \$130).

Of 15 manufacturers offering 19-in. portables, 6 have starting price of \$130, which represents the median. Lowest is \$100 (Silvertone), highest \$160 (Du Mont). Of 14 makes last year, median was \$140, with range of \$120-\$170.

In 23-in. table-model market, median starting price for 13 manufacturers offering them this year

is \$180, ranging from \$160 (Silvertone) to \$190 (4 manufacturers). Last year, median was \$185, and range of 11 manufacturers' low-end 23-in. table models ran from \$160 to \$230.

Half of the 15 manufacturers start their 23-in. console lines this year at \$200, which is median starting point, while range is \$150 (Airline) to \$250 (2 manufacturers). Last year, median was \$230, range \$180-\$260.

Median starting price of b&w 23-in. combinations has fallen more than \$100 in 12 months. This year it's \$380, although more set makers (4 of them) start their combos at \$400 than at any other price. Combo starting prices range from \$250 (Airline) to \$595 (Du Mont). Last year, median was about \$483, and range was \$300-\$700, with greatest number (3) beginning at \$500.

In color sets (lowest priced table model or console), this year's median starting point is \$450 (8 out of 15 brands), and range is \$390 (Silvertone table model) to \$599 (Du Mont console). At this time last year, the 13 brands of color sets ranged in starting price from \$480 to \$795, and median starting price was \$650, although \$695 (4 brands) & \$595 (3 brands) were most popular starting points.

Of 10 brands of color combinations listed this year, median starting point is \$895, with range of \$500 (Olympic with phono but no radio) to \$1,650 (Motorola 23-in. color combo). This time last year, only 3 brands offered color combos—starting at \$995, \$1,100 & \$1,750. Here's low end comparison:

Category	Median Starting Price		Starting Price Range	
	Sept. 1962	Sept. 1963	Sept. 1962	Sept. 1963
16-in. portable.	—	\$130	\$ 170	\$100-150
19-in. portable.	\$140	130	120-170	100-160
23-in. table	185	180	160-230	160-190
23-in. console	230	200	180-260	150-250
23-in. combo.	483	380	300-700	250-595
color	650	450	480-795	390-599
color combo	—	895	995-1,750	500-1,650

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 30 (35th week of 1963):

	Aug. 24-30	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	165, 184	167, 041	131, 631	4, 561, 470	4, 278, 367
Total radio	366, 932	406, 770	389, 153	11, 181, 840	12, 056, 603
Auto radio.....	144, 146	169, 170	146, 940	4, 710, 300	4, 247, 206

TOPICS & TRENDS

TV exports from Japan to U.S. set single-month record in July, when 47,418 sets were shipped, according to Japanese govt. figures. This was more than 14 times the 3,289 shipped in July 1962. For 1963's first 7 months, total was 194,780 sets, up fourfold from the 46,715 for comparable 1962 period and higher than total for entire year of 1962. For the 7-month period, Japanese exports to U.S. were equal to 5% of total U.S. b&w TV production during same period, first time figure has reached this proportion. (Japanese govt. has discontinued breakdown between transistor & linecord sets and between large- & small-screen sets, probably at request of Sony, largest exporter of transistorized TVs.)

Exports of transistor radios (6 or more transistors) continued to climb in July, while shipments of other types of radios extended their decline. For first 7 months of year multi-transistor radio exports from Japan to U.S. totaled 4,237,151 sets, up 13% from 3,776,517 in same 1962 period, while tube radios declined 33% to 599,069 from 895,735 and other radios (mostly "toys") dipped to 1,230,621 from 1,686,070. July exports (1962 in parentheses): Multi-transistor 787,688 (651,227), tube 90,238 (133,776), other 156,985 (201,389).

GE cut prices on 3 radios last week, reducing \$16.95 gift-pack 5-transistor personal portable to \$14.95, eight-transistor personal set from \$29.95 to \$19.95, AM-FM table model from \$59.95 to \$49.95. Dropped in was 13-transistor AM-FM portable at \$49.95 (same price as GE's 8-transistor AM-FM-SW portable).

EIA-IMPORTS & UHF: Attention of consumer products manufacturers at this week's EIA fall conference in N. Y.'s Biltmore Hotel will be focused on 2 industry problems: imports & all-channel TV.

Association's Electronics Imports Committee, headed by Sprague Electric Chmn. Robert C. Sprague will make another effort to gain support of Consumer Products Div. for "constant & intensive" program designed to "prevent the destruction of the U.S. electronics industry by increasing imports from low-wage countries." Consumer manufacturers previously have been divided on this issue. Sprague will seek approval of all EIA divisions for appropriation to support industry-wide program.

On all-channel front, Consumer Products Div. executive committee will view world premiere showing of FCC film strip designed to educate TV service technicians & public on uhf & all-channel law (Vol. 3:35 p7). Group will also consider strategy, and resolution to pass on to FCC, aimed at repeal of 10% federal manufacturers' excise tax on all-channel receivers.

Consumer products group will consider 2 proposals for engineering tests: recommendation by Committee for Full Development of All-Channel Broadcasting that FCC sponsor tests of varying ratios between visual & aural power of TV stations; proposal by National Bureau of Standards' Dr. Kenneth A. Norton for tests of reduced separation between vhf stations.

Other highlights of EIA conference: (1) Naming of new consumer products staff director to succeed L. M. Sandwick. (2) Organizational meeting of new Distributor Products Div. (3) Formation of citizens' band equipment section within Industrial Electronics Div. (4) Talk by U. S. Office of Education's Dr. Ronald Lowdermilk on school electronic equipment. (5) Sept. 10 dinner address by Washington attorney Walter Slowinsky on "Legal & Tax Aspects of International Trade," with emphasis on anti-trust problems in dealings with European Common Market.

RCA's fall ad campaign, understood to cost \$7 million, will be biggest ever, highlighted by unique national "RCA Victor Week" newspaper rotogravure promotion, one of largest distributions of its kind. As explained by RCA Sales Corp. ad & sales promotion vp Jack M. Williams, 8-page color roto insert, including local dealer listings, will be distributed with 211 newspapers Sept. 29—for total of 33 million copies, supplemented by direct mailings of 7 million additional copies. Williams said TV industry is headed for new sales record in 1963, "and we believe that when business is good we should increase our advertising."

Westinghouse expands consumer advertising this fall, including 23 full-page ads in national magazines, highlighting Instant-On TV and transistor stereo. First ads show Westinghouse TV and 8 competing makes, stressing that Westinghouse is only one to get picture instantly.

DISTRIBUTOR NOTES: Olympic Radio & TV named **Harry Green** pres. of subsidiary Olympic of S. Cal., a new post . . . **Symphonic Radio & Electronic** appoints **Radio Specialties Co.**, 12775 Lyndon, Detroit, distributor for metropolitan Detroit. Symphonic had no distributor in Detroit area previously. . . **Philco** appoints **C. Dick Fuller** sales mgr. for Philco Distributors Cincinnati, succeeding **Richard Brønner**, resigned.

Ampex's 1963-vs.-1962 performance shows sales ahead 12%, earnings up 56%, pre-tax earnings up 63%, orders received 27% ahead and backlog about 21% ahead. Pres. William E. Roberts also reported that Ampex will introduce 30-35 new products in fiscal 1964, beginning next Feb. 1, termed new products the company's "lifeline." He said Ampex is seeking diversification, will invest some \$70 million for R & D in next 5 years. Ampex's International Div. is growing faster than the domestic operation, he noted, adding: "To increase our penetration of worldwide markets Ampex is expanding its manufacturing facilities in England and plans a new manufacturing plant within the European Common Market—undoubtedly in Belgium." Company also is "making progress toward a joint venture activity in Japan."

Nippon Electric Co. has dropped out of group of 23 Japanese TV manufacturers & potential TV manufacturers who have agreed on proposed minimum TV export prices (Vol. 3:35 p11). NEC and its U. S. affiliates are principal defendants in anti-trust suit filed in N. Y. last month by Symphonic Electronic Corp., charging price-fixing conspiracy among Japanese TV manufacturers doing business in U. S. (Vol. 3:29 p7). There was some indication, meanwhile, that Japanese govt. may hold up approval of export price floors pending interpretation whether it may cause manufacturers or their U. S. representatives to run afoul of U. S. anti-trust laws. In N. Y., attorneys for NEC are expected to file motions in connection with Symphonic complaint next month, but any trial is probably at least a year in future.

RCA has introduced new outdoor TV & FM radio antennas which will be marketed via RCA Parts & Accessories distributors. Paul B. Garver, Parts & Accessories mgr., said each of 3 new TV antenna series is "ideally suited for both color and b&w reception," described them as "unique in that they utilize a cross-fed, stagger-tuned driven element assembly which gives us a series of exceptionally fine engineered vhf antennas [featuring] extremely high gain, flat frequency response, high front-to-back ratio."

First color sets by Setchell-Carlson feature plug-in circuits for easy servicing. Novel feature is plug-in chroma circuit, which can be removed for repair without interfering with b&w operation of set. Sets also have built-in picture tube booster, which can be adjusted to compensate for aging. Color consoles are priced from \$696 to \$716, with all-channel models about \$20 higher. Featured in Setchell-Carlson b&w line is 23-in. TV-AM-FM stereo chassis designed for custom installation.

Sylvania TV factory unit sales rose 16% above year-ago period during 1963's first 7 months, Sylvania Home & Commercial Electronics Corp. Pres. Robert J. Theis reported. Factory stereo sales pushed 30% ahead, with consoles accounting for bulk of increased sales. Theis said that demand for Sylvania portable TVs, "especially sets with optional clock timers, have far outpaced production schedules."

International Electrohome reports its U. S. b&w TV sales volume has increased more than 200% over total 1962 volume since last spring, and that 55% of its 1963 TV production has been sold less than 45 days after its dealer introduction.

Packard Bell color price leader is \$499.95, rather than \$650 reported in recent roundup (Vol. 3:29 p8).

Trade Personals

John L. Burns, former RCA pres., headed investor group which purchased Rawlings Sporting Goods Co. for more than \$10 million from A. G. Spalding & Bros., will become chmn. of new Rawlings Corp.

Harry A. Rloff retires as asst. treas. & asst. secy. of Minnesota Mining's Revere-Wollensak Div., will serve as consultant.

Douglas L. Hamilton elected Sylvania corporate controller, succeeding **Roy E. Drew**, killed in July 2 crash of Mohawk Airlines plane at Rochester, N. Y. (Vol. 3:27 p12).

Charles H. Resnick, Raytheon general attorney, also elected secy., succeeding **Wellington F. Scott**, resigned to join Boston law firm.

Oral D. Koch appointed gen. mgr. of P. R. Mallory's Mallory Electronics Co. Div., succeeding **William A. Clark**, who died last month.

Charles J. Hirsch, RCA staff engineer, reported recovering well from heart attack, having returned from Denver hospital Aug. 22 (Vol. 3:30 p11).

Electrical engineers' starting salaries are highest in engineering field, according to analysis of graduates of Ill. Institute of Technology. This year's electrical engineering graduates are receiving average monthly paycheck of \$607, up from \$585 for graduates just a year ago. Other engineering fields (last year's average starting pay in parentheses): chemical \$585 (\$558), industrial \$582 (\$584), mechanical \$589 (\$570), metallurgical \$582 (no change).

A. R. Bernard Co. has been established in Chicago by ex-Argus Exec. vp **Albert R. Bernard** for marketing, financing and sales promotion of tape recorders and other electronic products, photographic equipment and allied items. Firm is located at 3512 N. Kostner Ave., will handle both U. S. and imported products.

MERGERS & ACQUISITIONS: Purolator Products is seeking control of **Tung-Sol** via offer to purchase from stockholders 200,000 common shares at \$22 each. Offer expires Sept. 26. Tung-Sol, which closed on NYSE Sept. 3 at 17-1/4 and jumped to 22-1/8 Sept. 4 after Purolator's announcement, termed offer "an attempt to purchase effective control of Tung-Sol at a bargain price." Merger discussions between the 2 firms broke down last month (Vol. 3:26 p12). Tung-Sol Treas. **Paul Hemschoot** said Purolator's merger offer of one share of 4-1/2% convertible preferred stock for each 4 shares of Tung-Sol common "was grossly inadequate". . . **Minnesota Mining & Mfg.** has purchased **Dynacolor Corp.**, Rochester, N. Y. film maker and processor, for more than \$17 million in 3M stock. Terms: one share of 3M for each 5 of Dynacolor's outstanding common shares. . . **Delmonico International's** parent, **Thompson-Starrett Co.**, plans to acquire for 60,000 common shares **Shaw Mfg.**, maker of decorator-style cabinets for TV-radio-phonograph and other combination home electronics instruments. Acquisition will be used to furnish cabinets for Delmonico's imported TV and stereo chassis. Shaw lost \$499 on \$431,453 sales in its 1963 fiscal year ended last Jan. 31.

Transitron Electronic suffered its 3rd successive annual loss with record deficit of \$2.8 million in its 1963 fiscal year ended June 29 (see financial table). Pres. **David Bakalar** blamed loss on unfavorable pricing conditions in semiconductor industry but maintained that Transitron continues as a major factor, competitively & financially strong. Company's cash & marketable securities at end of fiscal year slipped to \$6,299,463 from \$6,681,356 a year earlier. Long-term debt, however, was reduced to \$1,897,666 from \$2,134,544. Ratio of current assets to current liabilities was 5.9 to 1 vs. 5.4 to 1 at end of fiscal 1962. Bakalar forecast a marked improvement in operating results in new fiscal year despite fact price competition and other adverse factors are expected to continue. Sales in fiscal 1963 dropped to \$23 million from \$28.8 million last year and record \$47.8 million in fiscal 1960.

Electronics Capital Corp., San Diego-based small business investment firm headed by Pres. **Charles Salik**, will invest \$1.25 million in equity capital and long-term loans in **Energy Systems Inc.**, Palo Alto, Cal. maker of power, transmission and test equipment for use in communications, radar & nuclear fields. ECC closed its 1963 fiscal year June 30 with \$21,136,000 committed to 20 electronics firms. ECC stockholders will vote Sept. 20 on proposed amendment to company's investment policy that would permit ECC to underwrite the sale or other distribution of its portfolio companies' securities. "As these companies develop to a point where public financing is considered appropriate to raise additional funds that may be needed," ECC noted in proxy statement to shareholders, "the corporation believes it can be of assistance in this effort."

Allied Radio posted record sales in its 1963 fiscal year ended July 31 (see financial table) but earnings dropped sharply because "during the year an unprecedented amount of merchandise was returned by our customers because it was either defective or didn't otherwise measure up to their expectations," reported Pres. **A. D. Davis**. "Among products affected were record changers, tape recorders, and high-fidelity equipment made by a wide range of domestic and foreign manufacturers." Davis said Allied's "basic accounting procedures" failed to disclose the "full scope of these and other problems" until after year's end, summed up: "Quality problems, in our own manufacturing division and with many of our suppliers, were at the root of the reduced earnings" which fell to \$591,000 from \$1.2 million a year earlier.

Reports & comments: Paramount Pictures, analysis, **Newburger, Loeb & Co.**, 5 Hanover Square, N. Y. 4. . . **Rollins Bcstg.**, prospectus, **A. C. Allyn & Co.**, 44 Wall St., N. Y. 5. . . **Walt Disney Productions** and **Schlumberger (Daystrom)**, reports, **L. F. Rothschild & Co.**, 120 Broadway, N. Y. 5. . . **Capital Cities Bcstg.**, review, **Purcell, Graham & Co.**, 50 Broadway, N. Y. 4. . . **ITT**, review, **Van Alstyne, Noel & Co.**, 52 Wall St., N. Y. 5. . . **Ling-Temco-Vought**, review, **D. H. Blair & Co.**, 42 Broadway, N. Y. 4. . . **Walt Disney Productions**, report, **Woodcock, Moyer, Fricke & French**, 123 S. Broad St., Philadelphia 9. . . **Sprague Electric**, prospectus, **The First Boston Corp.**, 15 Broad St., N. Y. 5. . . **Arvin Industries**, study, **Courts & Co.**, 11 Marietta St., N. W., Atlanta 1. . . **Avco**, report, **Hirsch & Co.**, 25 Broad St., N. Y. 4. . . **Jerrold Corp.**, report, **Leason & Co.**, 39 S. La Salle St., Chicago, 3. . .

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
Allied Radio Story on p. 11	1963—year to July 31	\$ 62,143,000 ¹	—	\$ 591,000	\$0.54	1,065,098
	1962—year to July 31	51,963,000	—	1,187,000	1.08	1,019,739
Emerson Radio & Phonograph	1963—39 wks. to Aug. 3	—	—	1,351,566 ²	.60	2,270,497
	1962—39 wks. to Aug. 3	—	—	1,787,431	.79	2,270,497
Industrial Elec- tronic Hardware	1963—qtr. to June 30	1,745,448	—	44,379	.06	737,294
	1962—qtr. to June 30	1,505,924	—	6,673	.01	737,294
Lynch Corp. (Symphonic)	1963—6 mo. to June 30	12,380,675	\$ (165,942) ³	(121,060)	—	1,141,590
	1962—6 mo. to June 30 ⁴	12,376,971	139,336 ⁴	21,100	.02	1,141,590
Microwave Associates	1963—9 mo. to June 30	8,009,400	—	37,700	.04	1,020,600
	1962—9 mo. to June 30	9,643,200	—	365,800	.36	1,012,100
	1963—qtr. to June 30	2,734,600	—	1,900	—	1,026,200
	1962—qtr. to June 30	3,381,500	—	99,900	.10	1,013,700
Republic Corp.	1963—39 wks. to July 27	34,667,662	—	1,462,145	.48 ⁵	2,443,448
	1962—39 wks. to July 27	31,985,093	—	1,128,632	.34 ⁵	2,443,448
Schlumberger (Daystrom)	1963—6 mo. to June 30	147,542,000	17,977,000	9,402,000	1.76	5,333,587
	1962—6 mo. to June 30	127,131,000	17,843,000	9,748,000	1.83	5,333,587
Times-Mirror	1963—28 wks. to July 14	80,083,014	—	4,318,459 ⁶	.98 ⁶	4,424,014 ⁷
	1962—28 wks. to July 14	74,881,704	—	2,307,000	.53 ⁷	4,385,755 ⁷
	1963—16 wks. to July 14	46,079,694	—	2,551,778 ⁶	.58 ⁶	4,424,014 ⁷
	1962—16 wks. to July 14	44,369,255	—	2,144,295	.49 ⁷	4,385,755 ⁷
Transitron Story on p. 11	1963—year to June 29	22,925,523	(5,706,776)	(2,806,776) ⁸	—	7,503,368
	1962—year to June 29	28,831,539	(1,543,755)	(498,755) ⁹	—	7,503,368
United Artists	1963—6 mo. to June 29	49,971,000	1,209,000	802,000	.44	1,805,542
	1962—6 mo. to June 29	62,066,000	3,868,000	2,003,000	1.11	1,741,473

Notes: ¹ Record. ² Before substantial non-recurring gain from sale of 86%-owned Emertron subsidiary to Litton Industries (Vol. 2:47 p11). ³ Before taxes & amortization of excess costs. ⁴ Restated to include operations of Cox Corp. ⁵ After preferred dividends. ⁶ Before \$4,589,001 (\$1.03 per share) non-recurring gain from sales June 29 of KTTV Los Angeles. ⁷ Adjusted to reflect Jan.-1963 2% stock dividend. ⁸ After tax credit. ⁹ After tax credit and special \$265,000 credit.

Scripps-Howard Bcstg. "enjoys one of the highest over-all profit margins among TV-radio companies—22% after tax in 1962," noted Aug. 28 Merrill Lynch, Pierce, Fenner & Smith report, adding: "We currently estimate 1963 earnings in the \$1.30-\$1.40 range" vs. 1962's \$1.20, "despite results of 58¢ a share in the first 24 weeks just equaling earnings of the like 1962 period." Broker also noted that "management is aggressively seeking an additional vhf TV station," said "such negotiations are continuous but no announcement is known to be imminent at this time." Scripps-Howard's West Palm Beach station, "unprofitable last year," report continued, "has been operating under an increased advertising rate schedule this year and the company hopes it will be profitable for 1963 as a whole."

Sonar Radio Corp., Brooklyn, N. Y. maker of citizen band radios, radio telephones, other electronic devices, more than tripled earnings in its 1963 fiscal year ended June 30. Profits climbed to \$160,870 (40¢ a share) from fiscal-1962's \$48,969 (12¢).

Magnavox-GPE merger rumors (Vol. 3:35 p12) continued to simmer last week despite statements from both that trade speculations were just that. "N. Y. Herald Tribune" on Sept. 1 forecast "formal announcement in a few weeks," commented "merger would make electronics sense—consolidation of consumer-oriented and govt.-oriented firms." "Tribune" said merger terms were one share of Magnavox for each 1.1 shares of GPE, "subject to market price movements." Magnavox told us: "Nothing to it. Talks have not gone beyond the preliminary stage. the matter has not even been discussed with our board, and merger terms definitely have not been discussed."

Sonotone charged the Air Force unreasonably high prices for nickel cadmium storage batteries, General Accounting Office claimed, seeking refund. GAO said Sonotone failed to disclose significant cost & production data before award of fixed-price contract, also later changed battery design without approval and delivered less costly product. Result: contract price of \$1,901,200 exceeded costs by some \$704,000, or 58¢.

WEEKLY **Television Digest**
with
Consumer Electronics . . .

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

SEPTEMBER 16, 1963

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NEW SERIES VOL. 3, No. 37

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

COMMERCIAL LIMITS BATTLE NEARS CLIMAX: Two more broadcaster delegations—North Carolina & Missouri—call on congressmen. Oklahoma lawmakers send strong letter to FCC, expressing unanimous opposition. Another anti-limits bill is introduced. Cox says Commission might yield if Code had more subscribers (p. 1).

RATING COUNCIL WANTS AAAA ON BOARD: Group meets in N. Y., will again seek full participation of agencies & advertisers. Names of raters who've applied for accreditation disclosed. NAB reportedly close to cooperation with RAB on radio study. FTC's Sweeny says he's concerned about hypoing & precise audience claims (p. 2).

PAT WEAVER, PAY TV, PROGRAMS, MONEY. With Weaver as pres., new Subscription TV Inc. is in position to beef up programming. He gets \$85,000, plus 1% of profits, plus stock option. NBC's Tom Gallery also hired as sports dir., at \$62,500 (p. 4).

LOEVINGER STANCE—more new FCC member's thinking on FCC workload, organization, staff delegation, programming questions (p. 5).

COLOR & UHF GROWTH—AT THE RECEIVER END: Questions about color TV are probably the most numerous we get—and answers are probably hardest to find. Hence, we urge our subscribers in broadcast field as well as those in manufacturing-distribution-finance, to read report on color in our "Consumer Electronics" section (p. 6). Though it's devoted primarily to receiver distribution, this represents growth of stations' color audience, a fundamental subject.

Report is based on study by Sylvania, one of most alert in research field. Report is exclusive, and we're happy to present this addition to your information on vital development of color TV.

For similar reasons, development of new audience, we suggest you also read our report on all-channel-receiver activity at EIA conference, in "Consumer Electronics" section.

COMMERCIAL LIMITS BATTLE NEARS CLIMAX: There's growing expectation FCC will drop its proposal to limit commercials. For weeks, Commission has been buffeted by Congress in form of letters, speeches, bills. Much of reaction is result of unprecedented face-to-face campaign by broadcasters to bring their story to congressional delegations.

Missiles to FCC have been concerned not only with merits of issue, but also with question of agency stretching its statutory authority. Another bill (HR-8381) to forbid FCC from making rules on

Consumer Electronics

DIMENSIONS OF COLOR shown in unreleased survey of 17,590 families conducted for Sylvania; color owners enthusiastic about sets, but want more programs; consumers ahead of dealers in color interest; 40% of families have not seen color; Mansfield estimates 872,500 sets sold through 1962, predicts 1963 sales of 460-650,000 (p. 6).

1.5 MILLION COLOR TUBES will be required by set makers next year, RCA's Watts predicts; sees possibility of 25-in. rectangular sets by Christmas 1964, but no all-out production until 1965 (p. 8).

ALL-CHANNEL PUBLICITY PROGRAM stalled again as EIA members propose extensive changes in FCC film strip; Norman Jack Wayman named EIA consumer products staff director; manufacturer group plans vigorous import action (p. 8).

A LOOK AT DISCOUNT INDUSTRY IN 1970'S by economist Dr. Ward J. Janssen finds more and larger stores on the way, a decline in proportion of department and variety stores. However, expansion may bring its own problems to discounters—shortage of good store sites, maximum store size for optimum returns (p. 9).

length or frequency of commercials was introduced by Rep. Purcell (D-Tex.). It's virtually same as measure introduced by Rep. Rogers (D-Tex.) (Vol. 3:35 p4).

Two more state associations "marched on Washington" last week. Committees from North Carolina & Missouri associations called on their congressional delegations.

Sen. Ervin (D-N. C.) was especially receptive to his state's group. After broadcasters related their FCC problems, Ervin said it reminded him of story about lion's den: "All the tracks led in, none led out." Sen. Jordan (D-N. C.) also thought something should be done about commercial limitations. He said he would first have to "get together with his lawyer"—meaning Ervin. Latter was also very concerned with larger issue—that regulatory agencies were stretching their legal powers.

North Carolina broadcasters, 19 strong, split up into 4 groups to make calls. They carried individualized brochures, referred to rule-making as "bold extension" of FCC policies to "place broadcasters under govt. domination and control."

Each brochure contained total of TV & radio sets in use in each congressional district. Each also listed 6 reasons why proposal shouldn't be adopted; these were same arguments made by NAB in its original battle communique to broadcasters (Vol. 3:28 p2), including: "contrary to intent of Congress" & would "destroy free enterprise."

North Carolina members of House Commerce Committee—Reps. Broyhill (R) & Kornegay (D)—were also reported very sympathetic to broadcaster fight. About a dozen Missouri broadcasters called not only on their senators & representatives, but on selected congressmen from neighboring Illinois, including Sen. Dirksen (R).

Oklahoma Congressional delegation sent strong letter to Commission last week, as we indicated it would after visit by state broadcasters 2 weeks ago (Vol. 3:36 p5). Signed by senators & all congressmen, letter expressed "unanimous opposition" to proposal, noted that FCC hasn't exhausted present machinery, said it has never raised question of overcommercialization at renewal time for any Oklahoma station. Further, letter said, proposal is without legal foundation, citing 1940 Supreme Court decision (FCC vs. Sanders) in which Court held that Communications Act doesn't attempt to regulate business practices of licensee.

There was talk last week of trying to get a senator to introduce a bill similar to Rogers' measure. Among those mentioned as possibilities were Magnuson (D-Wash.), Pastore (D-R.I.) or Monroney (D-Okla.). But with feeling of guarded optimism, those closest to battle at NAB would like to see what FCC's next step is.

FCC Comr. Cox, advocate of commercial limits, told RAB Management Conference last week: "When NAB said there should be a limit of 18 minutes per hour for commercial time, nobody in the industry cried out censorship or rate regulation. Incidentally, some stations have told me they'd be happy if they could only sell the NAB limit. . .

"I understand that about 30 to 35% of the radio stations and maybe two-thirds of the TV stations subscribe to the NAB Code. I should think that if the NAB would come out with a more flexible Code, one that would take into account the daytime, the seasonal, the small market problems of radio—and then, if NAB could show probability of significant improvement in the level of subscriptions (but surely not 100%)—the FCC might be inclined to take a wait-and-see attitude about making the Code part of our rules."

Campaign by broadcasters now has included congressional calls from state associations representing West Virginia, Georgia, Tennessee, Oklahoma, North Carolina, Missouri. Virtually all efforts were coordinated with NAB.

RATING COUNCIL WANTS AAAA ON BOARD: Rating Council is making renewed effort to get full agency & advertiser participation in reform program by having AAAA & ANA represented on board when Council is incorporated. This reportedly is basic holdup in plans to file papers in Delaware for Rating Council Inc., as group met in N. Y. last week to review articles & bylaws. Articles can't be filed until proposed RCI can specify makeup of board.

Tentative board plans would give NAB about 5 members, plus one for each network, TvB, RAB, SRA, NAFMB, plus ANA & AAAA if they go along. NAB is aware that effectiveness of reform pro-

gram would be greatly enhanced if these groups participated. When Group W's Don McGannon, NAB research committee chmn., made last appeal, AAAA Pres. John Crichton clung to status of "observer" (Vol. 3:27 p3). AAAA & ANA representatives attended last week's Council meeting. In other developments:

(1) Council for first time disclosed names of 9 research firms which have applied for accreditation—ARB, Nielsen, Pulse, Hooper, Sindlinger, Trendex, Alfred Politz Research, SRDS Data, Trace.

(2) RAB's detailed proposal for radio methodology study was discussed. Some disagreements, not major, were aired. McGannon said there'd be discussions "to eliminate areas of uncertainty and differences." At that time, NAB's Research Committee would meet to decide, one way or the other, on co-financing study. RAB would like NAB to put up about \$75,000 of total \$200,000. NAB is anxious to conclude matter. Top NAB sources told us that meeting would take place in about 2 weeks, said they expect NAB to cooperate with RAB, but perhaps not come up with as much as \$75,000.

(3) Council standards & criteria for all rating services were discussed, but not approved. Reason given: It was first time that many of the 2 dozen executives who attended meeting had chance to see them and they wanted more time. Changes in language, not substance, were also requested.

(4) Council has sent out its individual methods questionnaires to ARB, Nielsen, Pulse, Hooper, Sindlinger. Others will be sent shortly. When they're returned in Oct., they'll serve as basis for audit, which RCI will supervise.

(5) NAB Research Vp Melvin Goldberg addressed closed session of Radio-TV Research Council in N. Y., reviewed progress of Council. Later discussion centered around Harris Subcommittee staff proposal to have ratings expressed in ranges rather than in single estimates (Vol. 3:35 p4). Researchers expressed almost unanimous opposition to idea, considered adopting resolution to that effect.

(6) Harris Subcommittee published first volume of ratings hearings' transcript. It's 417 pages, covers testimony of all witnesses up to rating services—including networks, stations, FTC Chmn. Dixon, NAB Pres. Collins, others (Vol. 3:33 p2). Three more volumes are planned: (1) Testimony of all rating services except Nielsen; (2) Nielsen; (3) FCC Chmn. Henry, RAB Pres. Ed Bunker & Vp Miles David, Census Bureau witnesses, Collins' second appearance with McGannon. Subcommittee staff now expects to have complete draft of report, containing recommendations, ready for Subcommittee in Oct.

(7) Charles A. Sweeny, FTC Food & Drug Advertising Div. chief who's been responsible for Commission's ratings investigations, told RAB Management Conference: "...It has appeared to me that too many of you have lost sight of the real purpose of audience ratings, that is, to measure the listening audience... and measure it as accurately as possible with tools at hand. You may not appreciate, for example, how surprised I am by the indifference to hypoing. I am told over and over again, very casually, that is a natural and common practice and that results probably even out."

He paralleled ratings with claims made by companies for their products and whether these claims are "meaningful and non-deceptive." He said: "In the hypoing situation... we want to know whether we are actually determining, as precisely as possible, the real listening audience or instead only how effectively a giveaway program juiced it up." He also said that size of sample is not necessary criterion, that some small samples can be more accurate than large. He said he's also interested in how methodology has been followed and how results have been tabulated.

Sweeny called attention to FTC action requiring raters to state that their numbers are estimates. "Despite this and many other recent disclosures," he said, "many broadcasters do not seem to have been reading their mail. I still see in trade magazines and in daily newspapers the same bold, unqualified, precise audience claims that broadcasting stations were publishing a year ago... The FTC has a limited jurisdiction in this matter... But the Commission does have a very clear legal responsibility and firmly intends to discharge it as fully as possible..."

"We are presently investigating the advertising of broadcasters and certain others to determine whether the claims are false and misleading. I cannot discuss those cases. I can say, generally, that we anticipate that advertisements based on special surveys will be given careful scrutiny. I can also ask you if you doubt that we are extremely curious to learn how certain broadcasters propose to justify the claims they are making, in the light of recent developments, when questioned by FTC attorneys [and FCC]."

PAT WEAVER, PAY TV, PROGRAMS, MONEY: Eyebrows shot up all over industry last week when new Subscription TV Inc. announced signing of Sylvester (Pat) Weaver as president. Reaction seemed to be: Well, now maybe they might get somewhere.

"The program's the thing." This truism of TV—be it pay TV, uhf, color, what have you—obviously was recognized by developers of new firm. They have money, are likely to get plenty more from public through \$23 million stock offer (Vol. 3:33 p2 et seq.). Now, they may get the product. Pat Weaver's name is synonymous with successful innovation, particularly during his days as NBC chmn., when he created "Today," "Tonight," the "spectaculars" and other financial-artistic winners.

Weaver leaves chairmanship of McCann-Erickson Corp. International. He has 5-year agreement with STI, at \$85,000 annually, plus 1% of company profits before Federal income tax (with ceiling of \$165,000), plus option to buy up to 50,000 shares at 100% of fair market value at time of grant of option.

STI has also glommed on to Tom Gallery, NBC sports dir., will pay him \$62,500 a year as vp & sports dir. Vp Robert F. MacLeod gets \$36,000 annually.

Also disclosed in filings with SEC are prices STI will pay stockholder Lear-Siegler for program selectors to be attached to receivers—\$48.95 to \$56.02, depending on quantity.

We hear STI has more impressive moves up its sleeve. Well, it's got Dodgers & Giants baseball, and public will pay something for that. Now, it's got Pat Weaver, who should be able to capture moneymakers, if anyone can.

STI also reported to SEC that Home Entertainment Corp. (Oliver Unger) had agreed to accept approximately \$1 million offer. Home Entertainment had planned pay system in Santa Monica, now says it's gearing for Texas cities (Vol. 3:34 p4).

ETV's fantastic potential as teaching aid is highlighted in new book, "The People Look at Educational Television," published by Stanford U. Press (209 pp., \$5.50). It's result of 2-year study under direction of Dr. Wilbur Schramm of Stanford, Prof. Jack Lyle of UCLA, Prof. Ithiel de Sola Pool of MIT. More than 30,000 interviews were conducted through grant from U. S. Office of Education. Operations of 9 representative ETV stations were also analyzed. Research showed that ETV viewers are not heavy TV users generally. Another book, "Broadcasting: The Canadian way," by Albert A. Shea, has been published by Harvest House Ltd., Montreal (\$2 paper-bound, \$4 cloth).

ETV does excellent job, FCC Chmn. Henry stated at start of WHYY-TV Wilmington Ch. 12 operation, evening of Sept. 12. And, he added: "There is no rule of govt. that says that educational & cultural programming have to be dull. . . Let's have the bland programming that delights the mass audience and the sponsor alike. But let's also have the symphonies, the classics, the great documentaries." Dedication ceremonies were broadcast from both Wilmington & Philadelphia studios. Audio was lost at former, so Henry decided to drive to Philadelphia, telecast from there. He & asst. John Cushman then drove back to Washington—arriving 4 a. m.

Senate Commerce Committee has approved 1960-style equal-time suspension for President & Vice President only, favoring House-passed H. J. Res. 247 over 3 other bills (Vol. 3:36 p5). Senate committee would grant suspension for 60 campaign days, not 75 as approved by House. Group also approved S-1193 to require parties who want to intervene in FCC hearing to do so within 30 days after notice of hearings in "Federal Register," compared with present deadline of 10 days before hearing begins.

WALA-TV Mobile is off FCC hook. Commission had proposed license revocation for station's alleged threats & pressures on advertisers. Station pleaded illness of owner W. O. Pape (brain hemorrhage, stroke, paralysis, age of 71), said he wasn't aware of goings on, reported appointment of responsible trustees. Nephew Wadsworth Pape was in charge during alleged misconduct, and Commission said that fact would be considered in connection with CP for WBVI-TV (Ch. 13) Panama City, Fla., in which the younger Pape is stockholder.

"Fairness" questions, including those from Rep. Harris (D-Ark.) (Vol. 3:36 p1), will be considered by FCC Sept. 18. Expectations are that Commission will issue "clarification"—but no basic change in position. Last week, NAB Govt. Vp Paul Comstock told Mich. Bcstrs. Assn. that FCC's July 26 statement on "fairness" created "utter confusion." He said there's "no evidence of widespread unfairness."

Broadcast journalists can take pride in their product today, but should strive for higher degree of professionalism, Theodore F. Koop, CBS Washington vp, told Radio-TV News Directors Assn. in Minneapolis last week. He provided 4 criteria: (1) Integrity & honesty; (2) objectivity, fairness & balance; (3) maturity; (4) sense of responsibility.

Second round of House editorializing hearings, Sept. 18-20, will hear from, in addition to those we reported last week (Vol. 3:36 p5): Sept. 18, Jesse Helms, WRAL-TV Raleigh; Sept. 20, Arthur Arundel, WAVA Arlington; Ralph Renick, WTVJ Miami.

Santa Maria, Cal. Ch. 12 has been granted Central Coast TV over competitor Santa Maria Telecasting. FCC based preference on program plans, likelihood of program effectuation, area familiarity, ownership-management integration, broadcast record.

Ely, Minn. CATV system & radio WELY have been sold for "in excess of \$200,000" to North Central Video (Joseph Poire), Rochester, Minn., by WELY Corp. (V.T. Hallett), through broker Blackburn & Co. CATV has 1,300 subscribers.

Chicago CP for ETV Ch. 20 has been granted to Chicago Educational TV Assn., the first authorized to an organization with HEW Dept. ETV funds; it has \$270,000. FCC also granted Ch. 36, Jacksonville, to Rust Craft Bestg.

ABC-TV novel promotion: Bought 14 classified ads in N. Y. edition of "Life" on sale last week. For example: Under "professional & technical"—"Wanted: Rich criminal to match wits with millionaire detective. Apply "Burke's Law" Friday night, Channel 7, 8:30."

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LOEVINGER STANCE—Cont'd: It was "Loevinger Day" in Washington Sept. 12. Newest FCC Comr. Lee Loevinger spoke first at luncheon of Federal Communications Bar Assn., was guest of honor at Broadcasters Club reception that evening.

The former anti-trust chief of Justice Dept. showed he's articulate, studious, affable. Speaking from notes at lunch, he made these points:

FCC is criticized for being slow, vague & vacillating, so he analyzed its workload. He noted that Commission processes about 740,000 applications yearly, with staff of about 1,300—more than 10 times as many applications as those handled by all other similar federal agencies combined, which have aggregate staff of 8,700. He also compared FCC load with work of courts, made it clear he thinks Commission has "an overwhelming mass of workload."

He's not much impressed with FCC reorganization plans of former Chmn. Minow or of FCBA committee. He said he "didn't follow" Minow's proposal of splitting FCC into a single administrator who would set policy and an adjudicatory court. Nor did he go for FCBA group's 3-layer idea: administration, policy, adjudication. Division of FCC will increase delay, he said, insisting that 2 or more groups can't work faster than one. He came up with 4 recommendations:

- (1) More delegation to staff, giving Review Board more authority, letting it handle all kinds of cases.
- (2) Formulate criteria on programming. He said he recognizes there are 2 schools—the "specific criteria" group which says FCC should aim to improve programming, and the "minimum criteria" group urging Commission to do as little as possible. Views he expresses in Lincoln, Neb. speech (Vol. 3:35 p2) show he leans toward former.
- (3) Commissioners should be personally responsible for decisions instead of having separate staff write them.
- (4) There should be continuing review of Commission procedures.

FCC Itinerary: All commissioners go to N. Y. Sept. 24 for Chmn. Henry's IRTS speech. Then all except Henry take tour of military installations across country, ending in Los Angeles Sept. 28; Sept. 30-Oct. 1 inspection of land-mobile services in Los Angeles is also scheduled (with Chmn. Henry joining colleagues). Also planned is informal meeting with Los Angeles' ETV group—then back to Washington by Oct. 2. Henry plans to fly to Geneva about Oct. 6 for start of international space-communications allocations conference, will be back in about 10 days, possibly stopping in London for meeting with BBC & ITA chiefs. FCC delegation at conference, to last about 6 weeks: Former Comr. Craven, engineers William Watkins, Saul Meyers, Harry Fine.

Lee R. Zemnick returns to Jerrold, after leaving last Dec., as Community Systems Div. mgr.

Clair R. McCollough, Steinman Stations, elected to Broadcast Pioneers board; he's a former pres.

Jack Blume, Washington communications attorney, and **Mary Platto**, announce marriage July 12 in Monterey, Cal. He's widower with 2 children; she's widow with 2.

Personals

Edward F. Ryan, WTOP Washington, elected pres., Radio-TV News Directors Assn. Other officers: **John Thompson**, NBC News, first vp; **Bruce Palmer**, KWTW Oklahoma City, TV vp; **Harry McKenna**, WEAN Providence, radio vp; **Lee White**, KROS Clinton, Ia., treas.

Lamont L. (Tommy) Thompson, ex-acting gen. mgr., KPIX San Francisco, appointed exec. vp, rep TvAR; he formerly was rep's Chicago vp.

Robert B. Cox, Metromedia art dir., promoted to creative arts dir. . . **Dave Diles** promoted to sports dir., WXYZ-TV-AM Detroit.

James Theiss, vp, Blair TV's BTA Div., formerly father of 3 sons, promoted to father of 6 children with addition of girl triplets.

Victor E. Ferrall Jr., ex-asst. counsel, Kefauver Anti-trust & Monopoly Subcommittee, becomes associate of Koteen & Burt, Washington communications law firm.

James A. McManus, Advertising Time Sales vp & N. Y. TV sales mgr., promoted to national TV sales mgr.; **W. B. Taylor Eldon**, vp & N. Y. radio sales mgr., to national radio sales mgr.

Maj. Gen. Albert H. Stackpole (ret.), vp, WHP-TV-AM-FM Harrisburg, elected pres., succeeding **Lt. Gen. Edward J. Stackpole** (ret.), named chmn.; **Cecil M. Sansbury** re-elected exec. vp.

Chuck Barris, ABC-TV daytime programming mgr., promoted to ABC-TV Western Div. dir. of daytime programming. . . **Len Goldberg**, ex-BBDO broadcast coordinator, appointed ABC-TV program development mgr.

Robert Brown, NBC press supervisor, news & public affairs, promoted to corporate information coordinator. . . **Bernard Munzelle**, ex-ITT Export Corp., appointed CBS International projects mgr.

Arthur Schatzow promoted to chief, FCC's Research & Education Div.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

DIMENSIONS OF COLOR—SYLVANIA'S SURVEY: Consumer & dealer attitudes toward color TV have been measured on unprecedented scale—with some surprising results—in unreleased Sylvania survey supervised & interpreted by Market Research Dir. Frank W. Mansfield.

It shows color set owners enthusiastic about their sets, but not about number & quality of programs. It implies consumers are far ahead of dealers in their interest in color; dealers, in fact, show up as relatively unenthusiastic lot. However, 40% of American families, it indicates, have never seen color TV.

Actual consumer survey was conducted by National Family Opinion, based on response of 17,590 families, chosen on scientific sampling basis, to questionnaires. In addition, TV dealers in 15 cities were shopped & interviewed.

Survey was completed early in 1963 and used in part as basis for Mansfield's color sales & production estimates in March 1963. He estimated about 872,500 color sets were sold to public (1.5% of survey respondents owned them) through 1962 and that retail sales would total 460-650,000 this year. Most of his projections are conservative, in comparison with claims made by others (see tables p. 7).

Only portion of survey which has been released (last May) showed that most color set owners were satisfied with ease of tuning and repair costs, and that average repair bill was \$30.50 per year (Vol. 3:19 p7). Although some findings may now be somewhat dated, most are highly revealing:

Color set ownership: Of total color sets, 39.9% are owned by families with incomes of \$10,000 or greater, 28.9% by \$7,000-\$10,000 income group, 16.7% by \$5,000-\$7,000 group, 9.9% by \$3,000-\$5,000 group, 4.6% by families with less than \$3,000 income. Stated another way, 4.08% of respondents in top income group owned color sets, shrinking to 2.13%, 1.05%, .73% & .33% as income level goes down.

A full 40% of population has never seen color TV, survey indicates. Percentage of those who have seen color is greatest in large cities, lowest (41%) in rural areas. Pacific Coast residents have had greatest exposure to color (69% have seen), with Mid-Atlantic & East North Central next (65%), East South Central lowest (45%). Of non-color owners who have seen color program, 43.7% have viewed store demonstration, and nearly as many—39.9%—have seen it in a private home.

Consumers have fairly good idea of price of cheapest color set. A full 32% put it in correct range of 251-350% of cheapest b&w set, while 29% had deflated idea of color price and 31% thought it higher than it actually is. As a matter of fact, 29.2% correctly picked price range of cheapest b&w TV (\$81-\$120), while 29.8% picked bottom color retail price (\$381-\$480).

Average color set owner paid \$617.20 for his set, and 30.5% bought set in appliance store, 30.1% in TV-radio store, 15.5% in dept. or furniture store, 12.7% in wholesale or discount house.

Color owners generally like their sets, but aim some criticism at programming. Reception of color was rated excellent or good by 92% of owners, reception of b&w on color set called excellent or good by 91% of owners. Some 28.5% of owners used set only for viewing color programs.

As to programming, 49% of color owners felt there wasn't enough color programming, while 48% thought there was enough (3% didn't answer). Some 52% said they "seldom or never" experienced tuning difficulty, 39% said "occasionally," 6% "frequently." A full 37% of those with unrepairable tuning problems blamed TV station rather than set.

How can color TV be improved? Largest group of owners, 35%, cited "more programs;" 2nd largest, 13%, cited type of program, 12% better transmitting & production, 9% color & reception, 7% tuning & adjustment, 6% cabinet or set.

Husband or head of family exerted most influence in purchasing color set, according to overwhelming number of responses (60%). Wife or homemaker was credited as deciding factor in only 14% of cases:

son, daughter or relatives, 9%; nobody in particular, 12%. Perhaps color owners' biggest tribute is in new-set buying intentions—89% said they'd buy another color set, 5% would buy b&w.

However, 19 respondents in survey were former color owners who had disposed of their sets. All of the sets had been purchased in 1960 or before, and were projected to represent 14% of sales through 1960. Reasons for getting rid of set: repair costs, 8 owners; investment too big, 5; reception quality, 3; not enough programs, 2; destroyed by fire, 1.

Shopping survey found dealers by-&-large a fairly diffident lot. Of stores in 15 cities, 12.7% didn't display color. Of stores which did, salesmen in 40.7% tried to sell RCA, 21.4% Zenith, 7.3% Admiral, 5.3% Magnavox, 4% Philco, 2% GE. Greatest percentage of salesmen pushed over-\$600 consoles, and fully 73.3% refused to come down from original price quoted. Only 14.7% came down.

Salesman tried to sell interviewer color set in 88.7% of cases, but apparently many weren't sold on color themselves. As to their comments about quality of color reception, 42.1% were favorable, 68.7% neutral. As to service problems, however, 77.9% were favorable. Interviewers rated enthusiasm of salesmen's pitch as 52.7% neutral, 35.3% unfavorable, 30% favorable. Some 44.7% offered trade-ins on old b&w sets and 80% said they had no installation charge for color.

Dealers ranked color as more profitable than b&w—28.9% said their profits on color consoles were "good," and 9.6% called color table model profits good, while comparable b&w figures were 10.4% & 8.1%. Nevertheless, 27.4% said color console, and 25.2% said color table model profits were "poor," vs. 33.3% & 43% for b&w.

In only 20.7% of cases did salesman suggest purchase of color set, & 14.7% of salesman suggested buying b&w instead of color set. In response to statements by interviewers, 71.8% of dealers agreed color set price is "much too high," but with all other negative statements (poor color quality, poor picture, repair problems), majority of salesmen disagreed. But interviewers characterized only 31.9% of salesmen as enthusiastic about color, 28.1% favorable, 20% neutral, 9.6% negative.

Most color customers are "sold" before they enter store, survey indicates. Some 54.1% of retailers agreed that "customers come in and ask to see & buy color sets," while 34.8% said they "have to be sold color by salesman."

Based partly on survey data, Mansfield estimates color production, sales, inventories:

	Production	Retail Sales	Inventory (year end)	Cumulative Sales
Through 1956	100,000	75,000	25,000	75,000
1957	65,000	65,000	25,000	140,000
1958	60,000	60,000	25,000	200,000
1959	100,000	100,000	25,000	300,000
1960	150,000	125,000	50,000	425,000
1961	150,000	150,000	50,000	575,000
1962	410,000	297,500	162,500	872,500

Survey showed 15% of families expected to buy new TV sets in 1963. Of these prospective buyers, 9.4% said they would buy color sets and 40.8% said they'd consider both color and b&w. Interestingly, those who were considering color were fairly knowledgeable about color set prices. Biggest percentages of these (32%) estimated price ranges at \$381-\$480; 31% said \$481-\$630.

Mansfield gives widely varying projections of future color TV sales—conservative, median, moderately optimistic & optimistic—based on different combinations of variables. The following are his projections in terms of full range (from conservative to optimistic) together with the medians:

	Production		Retail Sales	
	Range	Median	Range	Median
1963	490,000-775,000	580,000	460,000-650,000	520,000
1964	540,000-1,105,000	700,000	530,000-985,000	660,000
1965	600,000-1,405,000	805,000	600,000-1,320,000	790,000
1966	680,000-1,765,000	980,000	680,000-1,700,000	960,000
1967	775,000-2,160,000	1,135,000	780,000-2,120,000	1,130,000

1, 500, 000 COLOR TUBES (ROUND) IN '64—WATTS: RCA anticipates demand by U. S. TV makers for at least 1.5 million color tubes next year—and it feels reasonably certain that the overwhelming majority of them will be 21-in. round tubes with 70° deflection.

So we were told by W. Walter Watts, RCA group exec. vp last week. "We are now soliciting the industry for forecasts of color tube needs for next year," he said. "It looks like the figure will be 1.5 million and above. We could have sold one million this year, if we could have built that many."

Timetable for finalizing of design of Corning's upcoming 25-in. rectangular 90° color bulb is still uncertain, but Watts indicated RCA's development of tube & circuit elements for it is progressing satisfactorily. "We're proceeding with all haste to get the engineering done and get the bulb, and we are most optimistic."

When will the new size be on market—in color sets? "If the bulb is available by the end of this year," said Watts, "I wouldn't be surprised to see a few 25-in. rectangular sets around Christmas 1964, but they'd be in the Rolls-Royce class. I don't think anyone will go all-out until 1965."

Changeover to rectangular tube—whenever it comes—is bound to cause some dislocations in color tube productive capacity, Watts explained. "We're now on a 6-day-a-week, 3-shift basis, and can't supply the current demand. When we do introduce it, it will cut down our productive capacity, as a result of the changeover, and because the new tube will be larger, heavier and will require more tests at first than our current product." He added that RCA's tube operations still have further potential for color expansion.

RCA will soon be joined in mass production of color tubes by Rauland and Sylvania, both producing 21-in. round 70° tubes, and by National Video, producing 23-in. rectangular 90° tubes for Motorola. Watts' 1.5-million figure was estimate of demand for color tubes next year, not color set sales. Because of larger number of manufacturers & dealers in color, and longer color set lines, sales potential probably is considerably below this figure, considering necessity of building up inventories.

"Biggest single stimulus to color," according to Watts, would not be shorter rectangular tube, but regular color programming by CBS.

On other topics, Watts had these comments:

Will all-channel law hurt TV business? "The way people are spending money these days, I can't believe that the cost of a uhf tuner will deter anyone from buying a new set."

Prospects for radio business: "I think it will continue to be a high-volume low-profit business for some time, but keeping its head above water. For American sets to regain leadership, we must leapfrog the Japanese with inventions which will make our sets smaller and cheaper—just as they leapfrogged us. Quite possibly, integrated circuits will provide the opportunity, although true integrated circuitry is still several years off in the consumer field. The component industry let us down in not keeping up with the Japanese in small, inexpensive components. If they can't do it for us, we're going to have to do it ourselves."

Outlook for consumer electronics: "I'm optimistic at least through mid-1964. If the tax cut comes through, business will be every bit as good as 1963. All of the economic indicators are favorable. The inventory buildup in steel is being wiped out. Housing starts are showing the right trend. Auto sales are good. People are making a few bucks more a week. It looks good."

Who's on first? "On a dollar basis we're selling more TV sets than anyone else, and I wouldn't be surprised if this were true on a unit basis, too. So what? It's not important, and we don't want to get in a fight with anyone. Business is fine, just as it is."

STILL NO ALL-CHANNEL PR PROGRAM: FCC's educational film strip on uhf went back to drawing board last week after preview showing before highly sophisticated audience—EIA's Consumer Products Executive Committee—at manufacturer assn.'s fall conference in N. Y.

The 15-min. slide & tape presentation—detailing history of uhf, results of FCC's N. Y. tests and devoting considerable time to antenna installation techniques—was criticized by set manufacturers as trying to appeal to too many audiences and lacking in "hard sell." It was too technical for consumers, they said, and not technical enough for servicemen. Some suggested that perhaps 2 films were needed.

Representatives of 3 companies—RCA, Warwick & Blonder-Tongue—volunteered to work with FCC staffers in helping to revise presentation. Manufacturers agreed "rough cut" presentation they saw would form good nucleus of film for education of distributors, dealers & field men. It also was understood that any consumer-oriented campaign would not start until Jan., after fall selling season. Revisions undoubtedly will hold film up for at least 2 months.

Pamphlet on how to get all-channel reception, aimed at both trade & consumers, is now in preparation by Committee for Full Development of All-Channel Broadcasting (CAB), manufacturers were told. FCC representatives said that booklet probably would have to be printed privately, since initial information was that it can't be printed by Govt. Printing Office unless adopted as official FCC publication.

CAB's proposal for elimination of excise tax on all-channel sets—which will be submitted to FCC for inclusion in its legislative recommendations to Congress—was discussed by committee, which raised no objections. Other actions taken at EIA conference:

Norman Jack Wayman, former sales dir. of Industrial Electronic Sales Co., Falls Church, Va., and for 10 years sales mgr. for RCA consumer products at Washington's Southern Wholesalers, was appointed consumer products staff dir., succeeding L. M. Sandwick, resigned.

Strongest action to date on imports—backed by substantial appropriation—was taken by EIA board. Pledging more active stand, it approved import committee proposal to appeal to all companies within EIA for support. First action will be intensive study to determine which segments of industry are being hurt, and how much. Armed with facts, it could then press for action with Tariff Commission, Customs, Congress or in trade negotiations. Complementary study would determine what could be done to increase electronics exports.

Consumer Products Committee endorsed tests proposed by CAB technical committee, headed by Ben Adler, to determine best ratio of aural to visual power in TV transmission (Vol. 3:35 p7). CAB is expected to propose tests to FCC with eye toward changes in recent ruling which permits uhf stations to reduce aural power to 10% of visual, while keeping old 50% rule for vhf outlets—thereby complicating set manufacturing process and possibly adding to cost of receivers. Committee rejected proposal by Bureau of Standards' Kenneth Norton that it conduct tests of reduced separation between vhf stations, as contrary to spirit of all-channel law. (For EIA elections, see p. 11.)

A LOOK AT DISCOUNT INDUSTRY IN 1970'S: "Despite the huge share of total retail sales which discounters now hold—better than \$7 billion by our estimates—the number of low-margin outlets in the U. S. today still appears to be well below the saturation point," in opinion of economist Dr. Ward J. Jansen, Los Angeles consultant.

Discount movement is "one of the most phenomenal success stories in the entire history of American retailing" and it is still "far short" of point of "economic saturation," he noted in Sept. 9 "Discount Store News" analysis.

For every discount outlet today, there are 1.4 department stores, 3 shopping centers, 10 variety stores, nearly 13 supermarkets. Emphasizing that there is still ample "economic room for considerable amounts of further expansion by discounters," Dr. Jansen pointed out: "If the same ratios which prevail today were to continue to hold as population expands, by 1970 there would still be fewer than 2,500 discount outlets in operation, along with almost 3,500 department stores, 8,000 shopping centers, and better than 30,000 retail food establishments. By 1975—at which time we could expect to see almost 35,000 supermarkets, 9,000 shopping centers, 4,000 department stores and 27,000 variety outlets—there would still be only 2,700 discount stores serving American shoppers."

But Dr. Jansen doesn't expect today's ratios to hold. Far from it. By 1970, he expects "a significant shift in favor of both the discount outlet and the shopping center, along with a decline in the present proportion of supermarkets, department stores and variety stores." Here are discount gains he foresees in next 7 years: Ratio of discount stores to department stores—"could easily be 1 to 1" (vs. 1 to 1.4 now); to variety stores—"as low as 5 to 1" (vs. 10 to 1); supermarkets—"in the neighborhood of 10 to 1" (vs. 13 to 1).

It's not all clear sailing ahead into the '70s, however, Dr. Jansen pointed out. "The major obstacle to further growth of discount retailing, of course, will be the scarcity of sound, strategic site

locations. Especially with the strong trend to multiple dwelling units—which means less population spillover into new geographic areas, more expansion in a vertical direction—discounters will soon find that good store sites are virtually non-existent."

Another potential trouble area for discounters, he believes, may develop from the fact that "along with representing a greater proportion of total retail establishments, we also foresee discount stores increasing significantly in size. Firm signs of the beginning of this trend are already quite evident."

Average discount outlet operating in 1961 was 23% larger in space than average low-margin store operating the preceding year, he pointed out. From 1961 to 1962, average size jumped another 12.5%. Even larger jump came last year. "The average store opened in 1962 was almost 44% bigger than all stores that were in operation in that year, better than 60% bigger than all discount outlets in operation in 1961; a whopping 99% bigger than those operating in 1960."

Summing up possible pitfalls for discounters, Dr. Jenssen said: "With population expansion moving vertically rather than horizontally into new geographic areas, virgin trading areas are not being created fast enough to enable discounters to fill the economic vacuum. As a result, low-margin outlets are expanding in size as well as in number of units. Somewhere along the line in this move to bigger units, of course, we will begin encountering the problem of 'maximum' size—the point of decreasing return. What happens then is difficult to foresee, but it will be most interesting to watch."

TV-RADIO PRODUCTION: EIA statistics for week ended Sept. 6 (36th week of 1963):

	Aug. 31-Sept. 6	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	119,304	165,184	121,666	4,680,774	4,399,593
Total radio	323,931	366,932	342,316	11,505,771	12,412,656
Auto radio.....	151,540	144,146	119,938	4,861,840	4,378,446

TOPICS & TRENDS

Component hi-fi industry factory sales will total around \$70 million this year, Institute of High Fidelity Pres. Raymond V. Pepe indicated last week at opening of N. Y. High Fidelity Music Show. He said last year's sales—excluding tape recorders—were about \$60 million and that industry's pace was running about 15% higher this year. Hi-fi show featured increasing amount of transistorized equipment, giving good evidence that many more components will be heavily transistorized by this time next year. Transistorized components are usually said to add 20-30% to prices—and they've met with wide acceptance to date. This is one reason why industry is looking forward to perhaps its biggest increase next year. FM stereo and trend to one piece receivers (tuner, pre-amp & amp) also are expected to increase both sales and dollars-per-unit.

Stepped-up picture tube activities and greater efforts in integrated circuits may result from Philco's decision to discontinue large-scale manufacture & marketing of transistors. Philco said this "product family is no longer profitable" because of "competitive product & pricing action." Lansdale Div. will undergo "major product reorientation," staying in semiconductor field through increased emphasis on microelectronics & integrated circuits. In another indicator of heavy transistor competition, International Rectifier Corp., in announcing sharply lower earnings (see financial table), blamed depressed prices of semiconductors.

Electronics industry revenues should climb to \$15 billion this year from 1962's \$13 billion sales, GT&E Chmn. Donald C. Power forecast. He noted that sales of consumer & industrial electronics are on the rise, but said military market would produce biggest increase—up about \$1.5 billion to \$9 billion. For GT&E this year, he predicted sales rise to record \$1.4 billion from \$1.3 billion, \$100 million (some \$1.32 a share) from 1962's \$86.5 million (\$1.15).

Ampex wins distinction of being first to offer home TV tape recorder—a \$30,000 combination color TV-radio-phono-audio-video-recorder unit called Signature V and being marketed exclusively by (who else?) Nieman-Marcus, Dallas. The 9-ft.-wide home entertainment center, demonstrated last week at N. Y. High Fidelity Music Show, has Ampex VR-1500 portable closed-circuit Videotape recorder built-in, features Packard Bell color chassis and Cohu vidicon camera.

Long-range business planning is an increasing "must" as companies grow larger and more diversified and R & D costs rise, in opinion of Wendell R. Smith, ex-RCA, now pres. of Philadelphia-based Marketing Science Institute. "The electronics industry is a case in point," he pointed out, adding: "Because of rapidly advancing technology, the opportunities that exist in the field are almost unlimited. However, the cost of exploring these opportunities and developing products and services that would result in their realization is of such magnitude that even the largest firms in the industry are incapable of pursuing them all. Therefore, there is a problem of selection and the associated problem of allocating an essentially limited R & D effort over the opportunities of greatest promise. Hence, long-range planning becomes mandatory as the inevitable result of the increasing cost of pursuing new frontiers."

Lawrence G. Haggerty, pres. of Warwick Electronics, was elected EIA vp representing consumer products div., succeeding Robert S. Bell, who resigned last spring when Packard Bell left EIA (Vol. 3:25 p10). Other EIA elections: Norman A. Triplett, Triplett Electrical Instrument Co., named chmn. of new distributor products div.; Thomas Ure, Hardwick Hindle Inc., vice chmn.; Jack D. Hughes, EIA vp for division—all 3 to serve on board. Parts div. named J. Frank Leach, Amphenol-Borg, as div. rep on board, succeeding R. J. Grigsby, Grigsby Co.; Frank Randall, Amperex, semiconductor div. chmn., elected to board.

GE will lay off or transfer some 2,000 workers in next 12-18 months at its Syracuse, N. Y. facilities. Among these are about 1,000 employed by TV receiver dept. They're slated for layoff by late fall. "Changing technologies and demands of our customers were bound to result in a decrease in GE employment here," explained Syracuse employe and plant community relations Mgr. Reid L. Shaw. GE's Syracuse work force totals 15,000—down from peak of 17,200 in 1962.

Packard Bell introduces 2 new color combinations, at \$994.95 & \$1,195-\$1,225, and b&w combos at \$499.95 & \$725-\$750. Eight new stereo phonos were introduced, including \$279.95 unit designed as cocktail table, occasional table or window seat.

Admiral has increased production of its 11-in. TV by 20% for remainder of year as result of better-than-anticipated orders at distributor open houses. Set is priced at \$99.95 & \$109.95, all-channel versions \$119.95 & \$129.95.

Telerecord Corp., Hollywood, Cal., will be formed early next year to merchandise home entertainment equipment and phonograph records by wire, Pres. Donald L. Orsatti announced. Company expects to complete by Sept. 16 a public offering of 200,000 shares at \$1 par.

Magnavox color TV training clinics for dealers in 50 cities are underway, will be completed by early Nov., reports National svc. mgr. Raymond J. Yeranko. Each will last 2 days, include shop work on sets.

Westinghouse has opened 108,000-sq. ft. plant at Elkridge, Md. to manufacture integrated electronic circuits.

Trade Personals

Robert S. Alexander, former Wells-Gardner pres. & chmn. (Vol. 2:5 p10), ITT vp, and pres. since Oct. 1962 of ITT's new Arkansas electronics mfg. operation (Vol. 2:41 p10), joins Zenith as mfg. vp, succeeding **Donald MacGregor** who retires Oct. 1. Latter continues as a consultant.

H. Donald Nelson appointed GE distributor sales planning mgr. for entertainment electronic components, a new post.

John N. Latter, formerly Ampex controller, appointed Consumer Products Div. vp-gen. mgr.

Joseph S. Imirie, former Air Force asst. secy., joins Litton Industries as a vp.

Edward Weisl named sales mgr. of Industrial Electronic Hardware's subsidiary I. E. H. Mfg., succeeding **Ben Bawun**, resigned... **Joseph R. Mazzola** appointed mfg. mgr., Du Mont Labs' Electronics Div... **Robert Everett** named selenium operation R & D mgr., General Instrument Rectifier Div.

William A. Williams named Far East and Pacific gen. mgr. of ITT, elected pres. & a dir. of subsidiary ITT Far East & Pacific Inc.

Robert H. Jones named mgr. of GE's N. Y. news bureau, succeeded as L. A. news bureau mgr. by **Jack E. Schoonover**.

Randolph Bronson, Silicon Transistor co-founder & exec. vp for past year, elected pres. & chief exec. officer.

Obituaries

Fergus Sloan Sr., 60, Westinghouse vp & onetime mgr. of TV-Radio div., was killed Sept. 10 in auto accident in West Orange, N. J. He had been with Westinghouse since 1932, served during 1940's as asst. gen. mgr. of Westinghouse Radio Stations. He became corporate vp & gen. mgr. of Lamp Div. in 1956, post he held at his death. He is survived by widow & son.

John F. Allen, 72, retired AT&T ad dir., died Sept. 8 at Roosevelt Hospital, N. Y. He lived in Upper Montclair, N. J., was with AT&T from 1928 to 1955. He is survived by his widow and daughter.

Charles A. Peterson, 60, asst. to Sylvania's treas., died Sept. 7 of heart attack at his Greens Farms, Conn. home. He was apparently stricken while mowing lawn. He is survived by his widow, 2 sons, daughter.

DISTRIBUTOR NOTES: Olympic Radio & TV names **Harry Green** pres. of subsidiary Olympic of S. Cal., a new post... **Symphonic Radio & Electronic** appoints **Radio Specialties Co.**, 12775 Lyndon, Detroit, distributor for metropolitan Detroit. Symphonic had no distributor in Detroit area previously... **Krich-N. J.** names **Paul A. Hilton**, ex-Zenith & Du Mont-N. Y., treas... **Admiral** appoints **David H. Gorrell** and **Robert D. Trathen** regional sales mgrs. Former will cover distributors in Kansas City, St. Louis, Wichita, Peoria & Springfield, Ill. Trathen will cover Cincinnati, Columbus, Dayton, Charleston.

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
Electronic Research	1963—year to May 31	\$ 2,206,453	\$ 334,290	\$ 166,290	\$0.46	362,407
	1962—year to May 31	1,868,948	157,907	81,607	.23	362,407
Harvey Radio	1963—6 mo. to July 31	3,343,485	271,091	129,396	.16	808,413
	1962—6 mo. to July 31	3,468,672	328,468	155,507	.19	808,413
Hewlett-Packard	1963—9 mo. to July 31	85,474,000	—	5,494,000	.46 ¹	11,186,962
	1962—9 mo. to July 31	81,504,000	—	5,407,000	.46 ¹	11,024,501
	1963—qtr. to July 31	30,697,000	—	1,972,000	.17 ¹	11,186,962
	1962—qtr. to July 31	28,620,000	—	1,961,000	.17 ¹	11,024,501
International Rectifier	1963—year to June 30	17,289,000	—	484,865	.20	2,414,542
	1962—year to June 30	17,882,000	—	1,207,262	.50	2,414,542
Travler Ind. Story below.	1963—qtr. to July 31	3,730,023	(150,037)	(84,537)	—	1,013,842
	1962—qtr. to July 31	5,214,000	159,563	82,563	.08 ²	965,658

Notes: ¹After preferred dividends. ²Based on 1,013,842 shares outstanding July 31, 1963.

MERGERS & ACQUISITIONS: ITT's acquisition of **Bell & Gossett** has been approved by shareholders of the Morton Grove, Ill. maker of pumps, heating & refrigeration equipment (Vol. 3:16 p11). Acquisition, slated for completion by Sept. 30, involves some \$47.8 million. Each of Bell & Gossett's 2,078,385 common shares will be exchanged for 0.335 share of ITT common and 0.07 share of cumulative preferred, 4% convertible series D. . . **Litton Industries** proposes to acquire **Adler Electronics**, if latter's shareholders approve, in stock exchange believed to total some \$15 million. Litton would exchange about \$15 of its common stock for each Adler share—except those held by Pres. Benjamin Adler and certain other stockholders who would get "substantially less." Transaction is expected to be completed within month, if promptly approved by Adler stockholders and California Corporations Commissioner. . . **Rheem Mfg.**, currently owner of 200,000 of **Roberts Electronics'** 560,000 outstanding common shares, has made offer to acquire remaining shares. Terms: one Rheem share for each 19 of Roberts initially, then additional shares in 4 half-year payments based on Roberts' gross sales over 2-year period.

Lab for Electronics seeks to increase its non-military business to 60% of total volume, racked up 32% in commercial sales in fiscal 1963 ended April 30—up from 27% in preceding fiscal, 1% in 1960 fiscal. Pres. Henry W. Harding forecast for 1964 fiscal "some promise in an atmosphere of greater competition than ever before." In first fiscal quarter ended July 31, Lab for Electronics increased earnings to \$45,000 from \$31,000 a year earlier despite sales slip to \$13.2 million from \$15.4 million.

First Japanese 11-in. portable is being produced by Toshiba, replacing its 10-in. set. New 114⁰ tube is about one inch shorter than Japanese 12-in. tube. No export plans have been announced.

Travler Industries opened fiscal-1964's first quarter, ended July 31, with \$84,537 loss (vs. \$82,563 profit year earlier) on 28% sales slide to \$3.7 million from \$5.2 million (see financial table). Pres. Joe Friedman attributed loss mainly to start-up costs for color production, sales decline to delayed release on shipments to large contract accounts. He forecast record sales & earnings for total fiscal year ending next April 30. Previous records: earnings, \$706,227, fiscal 1960; sales, \$25,065,078, fiscal 1962. Friedman previously predicted fiscal-1964 sales at \$25-27 million. Travler's color TV operation already is in the black, he said, and should produce some \$5 million additional sales in current fiscal year. Shipments of all home electronic products rose sharply to some \$2.5 million in Aug., are expected to run between \$8.5-9 million in 2nd fiscal quarter ending Oct. 31.

Tektronix public offering of 540,000 common shares at \$19.75 a share (Vol. 3:34 p11) was immediately oversubscribed. Of total offering, 100,000 shares were sold for the Beaverton, Ore. manufacturer of cathode ray oscilloscopes, 440,000 for selling stockholders. Tektronix earned \$5,770,537 on \$70,450,810 sales in its 1963 fiscal year ended May 25. Company has 8,072,700 outstanding shares.

Standard Kollsman has opened Los Angeles warehouse for uhf converters to speed service to West Coast customers. Warehouse will stock Model A converter (\$39.95) and Model B (\$29.95).

Reports & comments: AT&T, report, Shearson, Hammill & Co., 14 Wall St., N. Y. 5; analysis, Hallgarter & Co., 44 Wall St., N. Y. 5; review, Hirsch & Co., 25 Broad St., N. Y. 4; report, Woodcock, Moyer, Fricke & French, 123 S. Broad St., Philadelphia 9. . . **Cinerama**, discussion, Reuben Rose & Co., 115 Broadway, N. Y. 6. . . **Zenith**, analysis, Hornblower & Weeks, 40 Wall St., N. Y. 5.

WEEKLY

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Television Digest

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Consumer Electronics . . .

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

SEPTEMBER 23, 1963

NEW SERIES VOL. 3, No. 38

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

OFFICIAL FCC 1962 TV PROFIT REPORT—up 31.5% to \$311.6 million. Records broken all over, revenues up 12.7% to \$1,486,200,000. Network time sales up to \$521.5 million, national spot \$539.5 million (p. 2).

'OPPOSING VIEWS' AIRED ON FAIRNESS, FCC telling Harris it's fairer to public & station to give prompt rulings on controversies, rather than wait for renewal (p. 2).

RATINGS' CHECK PLAN STIRS CONTROVERSY: Former investigator Richardson offers RAB conference 4-point validation plan—disturbs stations. RKO General will sponsor ARB's radio study (p. 3).

NEW RIDE ON PAY-TV TROLLEY starts, pay-TV operator Tom O'Neil doesn't expect profits for 5-10 years—but looks for revenues 3 times that of free TV. Football & baseball owners resume toll-TV talk-up (p. 4).

CONGRESS & EDITORIAL FREEDOM: House editorializing hearings produce articulate station pleas for less regulation. Reps. Moss & Younger still favor rules (p. 5).

Consumer Electronics

MORE FACTS ON COLOR MARKET from Sylvania survey: Heaviest color concentration in large markets and on West Coast; consumers tell why they bought color; dealers' attitudes & policies explored (p. 7).

COLOR TUBES—Admiral explores manufacture; Corning's 25-in. bulb on schedule, deliveries seen probable in first-half 1964; Sylvania says it will meet goal of 20,000 tubes this year; Rauland mass production soon (p. 8).

N. Y. GETS TOUGH ON ADS: State's new False Advertising Law provides civil penalties of \$500 for each violation, is aimed at companies & persons who prepare ads. TV & radio stations and print media are exempt (p. 10).

RECORD TV SALES likely this year; color and b&w may reach 7.46 million, or 7.87 million including imports; imported radio sales may equal domestic product for first time, at 10 million each; domestic phono sales headed for 5.5 million record (p. 9). July TV sales slightly below 1962 figure, but recovery came in Aug. (p. 11).

NEW ARB-FACTBOOK SERVICE—UPDATED STATION COVERAGE: We are pleased to report the start of a new service for users of our annual Television Factbook—updated station coverage reports. Through arrangement with American Research Bureau, which supplies the station circulation data for the Factbook, we have begun distribution of revised station pages for those stations which have commissioned ARB to make new coverage studies since its last nationwide study covering all stations.

Revised ARB data are incorporated in map & tabular county-by-county information for the station, and copies of the revised page are sent to all Factbook users or any selected portion chosen by the station—such as ad agencies & advertisers. The first station to employ this new service is WMTW-TV Poland Spring, Me. (Mt. Washington, N. H.), through its rep Harrington, Righter & Parsons. Copies of WMTW-TV's new page, to be pasted over the old page in Factbook No. 33, are now in the mails to the groups selected by the station. A copy is enclosed herewith for information of Television Digest subscribers.

We are prepared to revise & distribute immediately new pages for all stations which have had such new studies prepared by ARB. For all stations wishing to commission new ARB studies from now on, ARB is prepared to make the studies in March for release approximately June 1, 1964. Our new 1964 Factbook No. 34 will be published in Feb. Therefore, studies conducted in March may be distributed by us in June & thereafter—as supplement pages to the new Factbook—to reflect the latest coverage information for the station.

We are happy to offer the service, as part of our effort to provide the industry with the latest possible coverage information. Further details available from Washington, 2025 Eye St., N.W.

OFFICIAL FCC 1962 TV PROFIT REPORT—UP 31.5%: Telecasting's powerful profitability drive resumed in 1962—we all knew that—but FCC's official figures now show exactly how good it was. It's a fine: Income (profits) before Federal income taxes up whopping 31.5% from 1961 because revenue increased 12.7% while expenses rose only 8.6%. And there's every indication 1963 will be excellent year. For example, TvB just reported that 2nd quarter national spot billings were up 18.5% from 1962—and FCC reported that national spot accounted for more than half of 1962's time-sale increase over 1961. Earlier (Vol. 3:28 p4), NAB's study reported that telecasters estimated 1963 revenues would rise 4.9%.

CBS economist Dr. David Blank, one of industry's most astute analysts, tells us he believes 1963 will show further 8-9% revenue increase—but he doesn't estimate profits. He thinks networks will have about 8-9% increase, local about 5-6%, spot "well over 10%."

As for 1964, according to Dr. Blank, there should be "further substantial rise at all levels, if the economy holds up. If the tax cut comes, and I'm sure that it will, the rise is certain to continue. Under such assumption, he said, he'd expect 1964 increase to be about same as 1963's—or perhaps slightly less.

"Another observation I'd like to make," he said, "is that we have returned to the higher rate of growth in the industry, to the highest since 1957. This has occurred since the end of the 1961 recession."

Records were broken all over the place in 1962, according to FCC. Revenues hit \$1,486,200,000, profits \$311.6 million. Network time sales went to \$521.5 million from 1961's \$480.3 million. national spot to \$539.5 million (exceeding network for first time) from \$468.5 million, local to \$242.5 million from \$211.2 million.

All groups benefited. Networks bounced back to \$36.7 million profit from dip to \$24.7 million in 1961 from 1960's \$33.6 million. Network o&o's went to \$74.7 million profit from \$62.3 million. All other stations totaled \$200.2 million profit, compared with 1961's \$150 million. Even uhf drove up strongly—57% reporting profits vs. 40% in 1961—their revenues up 9.6%.

Of stations reporting profits (362 vhf, 43 uhf). 21 (vs. 13 in 1961) showed profits over \$3 million each, 33 showed \$1.5-3 million (vs. 26 in 1961), 35 showed \$1-1.5 million (vs. 29 in 1961). Profits under \$25,000 were indicated by 38 (vs. 44 in 1961). Of the losers (86 vhf, 32 uhf), 19 lost less than \$10,000 (vs. 17 in 1961), and at other end of scale only 2 lost more than \$400,000 (vs. 5 in 1961). Gross of more than \$8 million each was achieved by 19 stations, while 28 reported gross of less than \$100,000 each.

For first time, FCC reported payments to proprietors, partners & stockholders—excluding dividends and other payments from surplus. Total of \$11,115,068 was paid by 322 stations. Of the 132 stations reporting losses, 63 paid total of \$1,304,128 to proprietors. Also, of the 132 losers, 118 reported depreciation expenses—totaling \$7,812,562. Since total lost by the 132 was \$11,247,642, it's obvious that little of red ink was caused by payments to proprietors.

Employment rose to 41,846 (networks 9,055) from 40,086 (networks 8,798) in 1961. 40,612 (networks 9,610) in 1960. Report is FCC Notice 40706, includes 15 tables. We'll be glad to get you a copy.

One of most important tables in report is the market-by-market tabulation for cities with 3 or more stations. It is reprinted & enclosed herewith as a Special Supplement.

'OPPOSING VIEWS' AIRED ON 'FAIRNESS': FCC's "fairness doctrine" remained controversial issue last week, and reasonable opportunity for expression of opposing views was exercised before Congress (see also p. 5):

(1) FCC answered letter of Rep. Harris (D-Ark.), defending its policy. Harris 2 weeks ago asked FCC to review & modify its "fairness" interpretation of July 26 (Vol. 3:36 p1). Commerce Committee chairman huddled with FCC Chmn. Henry after release of letter Sept. 20, but wouldn't comment for publication.

(2) In decision on "Life Line" controversy, Commission said it isn't necessary for stations to give free time in direct answer to paid viewpoint, but that it is station's responsibility to present contrasting views as it sees fit—as long as its efforts are "honest" & "reasonable."

(3) FCC answered letter from NAB gen. counsel Douglas Anello; he had asked FCC to rescind its July 26 statement. FCC said Anello's interpretation was "incorrect."

FCC's letter to Harris said it isn't wise to wait until renewal time to weigh station's fairness performance, as Harris suggested. It offered these reasons: (1) It's not fair to licensee to await renewal before resolving complaint because passage of time would work against him in presenting his side. (2) To wait would be contrary to "fundamental policy" of fairness doctrine providing that public be given opportunity to hear contrasting views on controversial issues of importance. (3) It would be "most unfair" to political candidates and "would militate against" the goal of an informed electorate.

Harris had asserted that Commission shouldn't apply doctrine to specific programs because it would lead to its involvement in day-to-day programming. Said FCC: "Whenever the judgment is made as to fairness, whether it be at the time of complaint or upon renewal, it may be necessary for the Commission to take into account the content of individual programs..." There may be no other way to resolve complaint, it said, stating that history shows this has not led to "improper interference." It also said most complaints turn on whether reasonable opportunities for contrasting views have been provided "without resort to individual programs."

On "Life Line" controversy, stations have been troubled because Citizens Committee for Nuclear Test Ban Treaty asked for free "fair time" to respond to anti-treaty program on paid "Life Line" series. FCC wrote WKUL Cullman & WARF Jasper, Ala.: "There is... no single method by which this obligation is to be met... In the good faith exercise of his best judgment, [broadcaster] may... decide upon a local rather than a regional or national spokesman—or upon a spokesman for a group [which] is willing to pay for the broadcast time. Thus, with the exception of the broadcast of personal attacks, there is no single group or person entitled as a matter of right to present a viewpoint differing from that previously expressed on the station." FCC emphasized station is not freed from responsibility because it can't find group to pay for contrasting view, but can meet its obligation through own judgment.

In letter to NAB's Anello, FCC said that "licensee is fully responsible for all matter which is broadcast over his station." It said Anello's letter asking Commission to rescind July 26 interpretation complained that it made fairness doctrine apply to on-air controversies where station is not directly involved (Vol. 3:35 p5).

Anello objected among other things, to provision that station must send transcript of controversial programs to all attacked persons & parties, said Commission "errs" when it attempts to lay down specific rules on fairness. On latter point, Anello got encouraging response: "We also recognize... that no guidelines can ever hope to supply the precise answer to all the various factual situations which may arise."

In related development, Chmn. Henry encouraged broadcasters to express opinions on controversial matters. He told Washington chapter of American Women in Radio & TV: "It is easier and more palatable not to deal realistically and in depth with the host of complex controversial issues that surround us... I would suggest to you that unless this trend is reversed, broadcasting will in large measure have failed in its journalistic mission."

RATINGS' CHECK PLAN STIRS CONTROVERSY: Robert E. L. Richardson, who did most of needling at ratings hearings as Harris Subcommittee staff attorney, shook up a few broadcasters at Dallas RAB Management Conference last week. He described 4-point program of ratings validation that he thought each station should undertake if it uses ratings. By week's end, there were some calls to rating services & to Washington attorneys as stations worried anew about their obligations.

"A disclaimer clause will not do," Richardson said. He referred to recent FTC-FCC statements (Vol. 3:24 p3) that broadcaster must "take reasonable precautions to insure that a survey which he uses in an advertising campaign is valid." If stations don't take precautions, they shouldn't use ratings at all until NAB "or some governmental unit" has system of auditing, he stated.

Now an Oklahoma attorney (planning to run for Congress next year) as well as ratings consultant, Richardson offered this program for "major operator" to follow: "First thing he should do would be to acquire the services of a qualified person if he does not have one within his own organization and send this person or persons to the rating service or services which he uses.

"He should have this person do a complete audit and analysis of a recent survey for his market. This person could be a certified public accountant, a statistician or another person acquainted with broadcast measurement research. . . He should completely tabulate every questionnaire, and in fact, reproduce the rating report in every detail.

"Second, the sample should be analyzed as it was drawn. . . as to the design of the sample and its execution in the field. Third, all weighing and editing procedures used by the rating company should be analyzed. . . Fourth, a certain number of the persons which the company claims to have interviewed for the survey should be re-interviewed on a random basis to ascertain if in fact the interviewing was done in the field."

Richardson also said he was "impressed" with RAB's proposed radio methodology study, said he also believed that it's an FTC violation to print ratings, shares or total home figures "as exact figures."

Major rater we've checked said 4-point plan would lead to "chaos." He said all broadcasters should have assurances that ratings were arrived at properly but that even if 10 broadcasters required this type of individualized validation, it would cut down on production, could lead to doubling of facilities & cost. He observed that about 430 TV stations & 1,200 radio stations buy ratings and that Nielsen & ARB each turn out more than 600 local TV reports a year.

Govt. source close to FTC-FCC ratings action said Richardson's program is fine statement of ideal validation, but speculated that even FCC wouldn't require this of individual licensees.

In other development, RKO General is identified as the major station group which will underwrite ARB's radio methodology study, as we disclosed 3 weeks ago (Vol. 3:35 p3). Study will be conducted in Detroit using personal diaries to measure both in-home & out-of-home listening.

This will be TV rater's first radio activity since 1952, except for recent tests in Baltimore & Washington. Personal diary technique differs in that it seeks to measure individual listening as opposed to family listening expressed in "homes." Two diary formats will be tested—one is radio-only, other will also measure TV, newspapers, magazines. About 2,800 total diaries will be placed. In addition, there will be 2 validating samples—for in-home & out-of-home.

Study will be conducted in Detroit's TV area. This, said Frank Boehm, RKO General research & promotion dir., will permit "analysis of radio's value as a complement to TV." Pres. Hathaway Watson said study "could result in a new syndicated local radio measurement, providing more complete, valid and reliable audience estimates than have been available before."

NEW RIDE ON THE PAY-TV TROLLEY: "Tempered optimism" is phrase which might cover Tom O'Neil's outlook for pay TV. RKO General chmn., in one of his infrequent news conferences (in Hollywood), said he doesn't think pay TV will be profitable for some 5-10 years—and that "everybody has oversold" the idea. However, he went on, he expects subscription TV eventually to produce 3 times the income free TV does.

O'Neil said RKO General expected to lose \$4 million in its Hartford 3-year test, is prepared to lose \$10 million, but that experiment is "well worth it."

Consequence of overselling pay TV, O'Neil said, is that everyone—notably Broadway producers—ask too much money for their output. He's also unhappy about failure of 20th Century-Fox & Universal to release films for Hartford.

With new Subscription TV Inc., heavily backed and boasting Pat Weaver as president (Vol. 3:37 p4), now moving toward closed-circuit cable pay TV, it's significant that O'Neil said he's considering closed-circuit, too. This isn't surprising, in light of fact RKO is a major CATV operator.

Weaver hasn't said anything yet, may be under wraps until SEC acts on STV's proposed public stock offer. When he does open up, he has enormous capacity for generating excitement. It will be intriguing to see whether he has his old magic—subdued during the 8 years since he left NBC.

STV's entry has unquestionably started new wave of pay-TV talk. For example, pro football teams are beginning to talk up pay TV in some form or another—perhaps theater TV—when current free-TV contracts run out. In Cleveland, Indians Pres. Gabe Paul reported he's negotiating with STV, said: "We're interested in some system—which one I don't know for sure at this time."

CONGRESS AND 'EDITORIAL FREEDOM': Handful of articulate broadcasters from small & large communities made strong & literate pleas last week for less regulation in editorializing, if not in other areas. At 2nd and probably final round of House editorializing hearings (Vol. 3: 29 p3), station men said unhampered on-air views were necessary to help keep communities informed, especially with declining number of newspapers and with fewer competitive newspaper voices in same community.

If broadcasters had any substantial effect on congressmen, it wasn't immediately discernible. Lawmakers seemed impressed as station operators recounted their policies & efforts to be fair. But Rep. Moss (D-Cal.), whose pending HR-7072 would make "equal time" apply to editorializing when political candidate is attacked or if his opponent were favored by station editorial, said: "Majority of broadcasters are responsible and fair, but it's never the majority that brings about the need for legislation." Rep. Younger (R-Cal.) is another who favors some sort of specified guarantees on fairness, chiefly because a station requires federal license.

Rep. Rogers (D-Tex.), chmn. of Communications Subcommittee, hasn't indicated his leanings. He asked most witnesses: If there were to be "guidelines," should Congress or FCC set them? If there had to be additional rules, broadcasters said, they favored Congress providing them. Rogers wanted to make clear at outset that hearings were not intended to harass industry, 'as suggested by some. He said hearings were started because broadcasters didn't know what was expected of them.

Highlight of hearings was testimony of Gerald Sanders, KZZN Littlefield, Tex., later involving statements from NAB & FCC. He said recent edition of sponsored "Life Line" show assailed signing of nuclear test ban treaty. Then came request for free "equal time" from Citizens Committee for a Limited Nuclear Test Ban Treaty. He called NAB, which advised him to grant request as a "practical judgment." Surprisingly, Moss & Younger, who favor tighter fairness rules, were aghast. They thought station went beyond its obligation. "I know of no effort to make you go beyond offering reasonable opportunity to answer," said Moss. And Rogers said he thought station would have been fair if it told Citizens Committee it had opportunity to pay for response.

FCC cleared up specific "Life Line" issue by week's end, in response to similar problem facing WKUL Cullman & WARF Jasper, Ala. It said under fairness doctrine station is free to make its own determination in providing contrasting views (see story p. 2).

NAB Pres. Collins issued statement to clarify its advice to KZZN. He said because of confusion over FCC's July 26 interpretation of fairness doctrine, NAB felt it necessary as practical matter to advise station to grant "equal time." Collins reiterated NAB's basic philosophy that "it is the broadcaster's integrity and his judgment from which real fairness must come."

Witnesses at editorializing hearings, in addition to KZZN's Sanders: John Tyler & Thomas Martin, KFDDA-TV Amarillo; Jesse Helms, WRAL-TV Raleigh; Clarence Jones, WQIZ St. George, S. C.; Ben Strouse, WWDC Washington; Mitchell Wolfson & Ralph Renick, Wometco stations; Arthur Arundel, WAVA Arlington; Harry Thayer, WGHQ Kingston, N. Y.; Barry Sherman, WQXI Atlanta; Leon Goldstein, ACLU; A. Maxwell Hague, Broadcast Editorial Reports.

FCC CATV-MICROWAVE POLICY: FCC hasn't budged yet in its position that microwaves to serve CATV systems won't be granted unless grantees agree not to duplicate—30 days before & after—programs telecast by local station.

A couple of unusual situations have been before Commission—one of which was decided last week, another still pending. In first, Wentronics Inc. had a microwave to serve its Casper, Wyo. CATV system with Denver ETV station; Wentronics had accepted FCC's 30-day non-duplication condition—but Wentronics didn't want the condition to apply to its relay of Denver commercial stations. Sorry, said FCC, the condition applies to whole CATV system, not just to one microwave channel.

In Austin, Tex., 2 CATV operators are stringing cable—and fighting each other. Capital Cable Co. has microwave to get out-of-town stations, and it had accepted non-duplication condition. TV Cable of Austin isn't using microwave, has receiving antenna on KTBC-TV's 1,137-ft. tower; it advertises that programs won't be delayed. KTBC-TV has option to buy 50% of TV Cable of Austin, and it has asked Capital Cable not to duplicate, simultaneously, its programs with out-of-town signals. Capital Cable went to FCC, argued that KTBC-TV has put it at unfair advantage, is asking that 30-day condition be waived.

FCC also set for hearing the microwave applications of Minnesota Microwave Inc., to determine impact of its service to CATVs on KCMT Alexandria. At same time, however, Commission turned down petitions for reconsideration, by KLTU Tyler, Tex. and KTAL-TV Texarkana, of microwave grants to serve CATVs in their areas.

"**Communications and the Community**" is theme of Group W's 5th Public Service Programming Conference, to be held Nov. 11-13 in Cleveland (Vol. 3:36 p5), it's announced by Pres. Don McGannon. Sessions are expected to gather several hundred TV-radio executives, govt. officials, prominent educators, entertainers, press. Prior conferences—held in Pittsburgh, San Francisco, Baltimore, Boston—have set high standard for industry meetings. Programming vp Richard Pack is in charge.

State associations should have fulltime offices, Jack Williams, exec. secy. of Georgia Assn. of Bcstrs. told convention of Louisiana Assn. of Bcstrs. last week. He said: "Any success we may have had... is due to our 24-hour-a-day, 7-day-a-week, service to the small broadcasters, helping with their employment, legal & government problems, public relations, technical questions & license renewals." Such offices "can move swiftly" in opposing "federal encroachment," he said.

WFGA-TV keeps Ch. 12 Jacksonville, FCC ruled in final decision. It agreed with examiners' initial decision holding that applicant Jacksonville Bcstg. Corp. is disqualified for having attempted *ex parte* influence on Commission, but disagreed with them regarding applicant City of Jacksonville, said latter wasn't responsible for such under-the-table efforts.

Time to answer Pres. Kennedy's Sept. 18 TV-radio address on tax cut was sought quickly by Republican National Committee Chmn. William Miller, promptly given by the networks. Networks indicated they had intended to offer time for response.

Personals

John Lynch, former special projects div. program mgr., promoted to mgr., ABC News, Washington, reporting to bureau chief Robert Fleming.

Everett H. Erlick, AB-PT vp-gen. counsel, and **Sydney H. Elges**, NBC public information vp, named co-chairmen of new Bcstg. & Adv. Div. of American Jewish Committee's Appeal For Human Relations, formed to combat bigotry and advance cause of human rights.

Harry E. Smith now heads GE's Syracuse broadcast equipment operations as mgr. of new Visual Communication Products Program (which also includes audio equipment); he moves from marketing mgr. of former Technical Productions Operation, which had been headed by **Robert L. Casselberry**, now mgr. of Planning, Standard Products, Communication Products Dept., Lynchburg, Va., with responsibilities in mobile radio, telecommunications, power line carrier.

James Robertson, ex-WTMJ-TV Milwaukee & WTTW Chicago, resigns as NET network affairs vp to become vp-gen. mgr. of upcoming Los Angeles ETV Station (Community TV of Southern Cal.). . . **Rudy Bretz**, ex-UCLA ETV, named vp-TV systems planning, National Education Sciences Corp.

Caywood C. Cooley Jr., Jerrold community systems div. mgr., promoted to product planning dir. . . **Lawrence T. Pfister** appointed audio products mgr., Gates Radio.

Malcolm M. Burleson, Metropolitan Bcstg.'s engineering dir., elected vp, hq WTTG Washington. . . **Ira J. Goldstein**, Metromedia asst. gen. counsel, moves office to Los Angeles.

Donald F. Fischer, ex-WCKT Miami, named promotion mgr., KTVI St. Louis. . . **J. Kelson Weber**, Nielsen media research div. account exec., elected vp.

Thomas J. White Jr., ex-Avery-Knodel exec. vp, appointed gen. sales mgr. for radio, Adam Young. . . **Ransom Y. Place Jr.** promoted to radio sales service dir., Peters, Griffin, Woodward.

Donald J. Trageser, ex-asst. gen. mgr., radio KDKA Pittsburgh, appointed vp & gen. mgr., radio WEEI Boston.

George W. Bowe, asst. program mgr., WTIC-TV Hartford, promoted to head new TV-radio special programs div. for documentaries & public service.

Add TV golf splurge: (1) "CBS Match Play Classic," 32 leading pros teamed for tourney running weekly Dec. 28-April 5, 4-5 p. m. Sat., with \$150,000 prize money—\$50,000 to winning team. (2) Fourth Network Inc., 2301 W. 3rd St., Los Angeles, headed by John R. Vrba, ex-KTTV Los Angeles, starts with Frank Sinatra Tournament Nov. 9-10 on 125 stations, has Palm Springs Classic Feb. 1-2, USC-Ohio State football game, plans sports documentaries, general entertainment programs.

New CATV systems under construction: Gainesville, Fla., University City TV Cable Co., Box 13795, James L. Milliken mgr.; Decatur, Ala., Decatur Cable TV Inc., 1628 Fifth Ave. SE, Helmut Dieter mgr.

Feature article on CATV—what it is, its problems, etc.—was carried in Sept. 15 "N. Y. Herald Tribune."

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Add new TV uses, from address by James Quirk, publisher of "TV Guide": "Two years ago we received a letter from a lady in New Jersey who requested that we send her copies of all the August issues of 'TV Guide'. It seemed that the lady was due to become a mother, and the only way she could determine the stork's arrival time was to pinpoint the date of a TV show she had seen nine months previously. We sent the lady her magazines; she located her program and sent us a warm letter of thanks. Unfortunately, she never did tell us what show she had been watching that eventful day, so we can only guess. We think it was either 'Naked City,' or 'I Search for Adventure.'"

ABC-TV was elated by viewers' response to its new-show debuts last week, as measured by 26-city Trendex report for Sun.-Thur.. showing it leading all networks in ratings & share of audience each night of period. For 5 evenings, ABC-TV said its average rating was 18.7. share of audience 39.1, compared with 11.9 & 24.9 for CBS, 12.0 & 25.0 for NBC. On Tues. evening, ABC's rating was 23.3, share of audience 48.6. ABC introduced all of its new shows last week, and its network competition was largely end of summer schedule, but included some new CBS & NBC shows.

Portable broadcast Videotape recorder has been introduced by Ampex at \$14,500. New transistorized VR-660 is similar to VR-1500, designed for closed-circuit use, except that output signal meets FCC standards for broadcast without additional equipment. Like VR-1500, it uses helical scanning and is incompatible with standard console broadcast recorders. Deliveries of unit, which weighs less than 100 lbs., are scheduled to begin early next year.

Portable video tape recorders, made by Machtronics and sold by Storer, now meet FCC standards. MVR-11, 68 lbs., sells for \$13,850; MVR-15, 78 lbs., is \$15,750. Henry J. Davis, Storer Programs, N. Y., heads broadcast sales.

Annual outing of Federal Communications Bar Assn. is set for Oct. 7, again at Washingtonian Country Club near Washington—golf, ball game, tennis, beer, dinner, etc.

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

MORE FACTS ON COLOR TV MARKET: Dimensions of color TV's market, together with dealer & set-owner attitudes toward color, were presented exclusively in these pages last week (Vol. 3:37 p6) in form of highlights from Sylvania's color study, one of most exhaustive ever conducted. Here are some additional findings from the survey of 17,590 families, and interviews with dealers in 15 cities.

Bear in mind that Sylvania's survey was conducted early this year. In fast-breaking color TV market, many changes in parameters and attitudes could well have occurred since then. It's understood, in fact, that Sylvania Market Research Dir. Frank W. Mansfield is updating his projections of color set sales. We will report them as soon as they're available. Among survey highlights:

Color set ownership: As might be expected, ownership is most heavily concentrated in larger cities—32.3% of color sets were in cities with population of 2 million or more, 29.7% in cities of 500,000-2 million, 18.6% in cities of 50-500,000, 9.5% in cities of 2,500-50,000, and 9.9% in rural areas. In cities of 50,000 and above, concentration of color sets was proportionately greater than population distribution—in smaller cities & rural areas it was less. In other words, color ownership per capita increases with increasing city population.

Greatest percentage of color sets are located in East North Central area (29.9% of them are there), followed by Pacific area (20.9%), Middle Atlantic (17.5%), South Atlantic (8.7%), West South Central (8.4%), New England (5.7%), West North Central (3.8%), Mountain (3%), East South Central (2.7%). However, greatest density of color sets, on per-population basis, is in Pacific area, where 2.69% of respondents had color sets, followed by East North Central (1.95%), and New England & West South Central (1.42% each).

Exposure to color TV: Higher income families are more likely to have seen color TV programs—77% of those in \$10,000-&-up bracket have seen color, and percentage declines steadily with decreasing income brackets to 39% for those who make less than \$3,000 a year.

Why people like color: Comments by color set owners on what they like most about their sets were placed in following general categories: Color & reception, 35% of respondents; adds interest to viewing, 30%; nature-travel-scenery, 22%; enjoy it generally, 8%; movies, 5%; sports, 3%.

Why people buy color: Survey attempts to classify reasons for buying. Under general grouping of "favorably impressed," 24% of owners are listed, with circumstances broken down this way: saw in friend's home, 7%; demonstration, 7%; other, 10%. "Economic reasons" are given for 27% of purchases, with this breakdown: old set worn out, 15%; other, 12%. "Progress of art" was reason for most purchases (38%), broken down this way: color now interesting, enjoyable, 21%; color has been improved, 6%; more color programs, 11%. "No particular reason, just wanted one," accounts for 19% of purchases. Some 5% were received as gifts.

Dealers' displays. In 15-city shopping tour, interviewers counted number of color sets displayed by dealers, as compared with black-&-white. Los Angeles was No. 1 in ratio of color-to-b&w sets displayed (N. Y. ratio wasn't given), where 16.6% of sets counted by shoppers were color. Boston was next, with 15.2%, followed by Dallas (13.7%), Denver (12.9%), Indianapolis (12.2%) & Pittsburgh (10%). In remainder of cities, fewer than 10% of display sets were color.

Reception in stores. Interviewers weren't satisfied with quality of color pictures displayed in stores. In only 10% of cases did interviewers have favorable opinion of color pictures they saw in stores; opinion was unfavorable in 17.3% of cases, neutral in 76%. Nevertheless, salesmen's competence won 70.7% favorable vote from interviewers.

Service contracts were mentioned by 76.7% of dealers. In 34% of cases, contracts were compulsory; in 26.7% recommended; in 17.3%, available but not recommended. There was no extra charge

for contracts in 49.3% of cases. In others, charge was about equally divided above & below \$35 (15.3% vs. 16.7%).

Dealer service on color: Fewer stores repair color sets than b&w. While 40.7% of dealers said they made their own b&w repairs, only 30.4% said they serviced color. Among reasons for not offering color service: Arrangements made directly with manufacturer or his representative (33%); cheaper to subcontract (31.8%); too costly to maintain service dept. (19.3%); special training required for servicemen (5.7%). However, those who did color servicing were more likely to make a profit on them than on b&w—25.5% of stores said b&w repairs were a profitable operation, and 29.3% found color repairs profitable.

COLOR TUBES—ADMIRAL AND OTHERS: Those rumors you've been hearing—that Admiral is exploring possibility of producing color tubes—are true. Admiral officials give "no comment" reply when asked, but it is known that company has hired Marvin Rathfelder, ex-Rauland special products mgr. and onetime National Video plant mgr. His working title is said to be "vp in charge of color tube plant."

It's understood that no decision has been made, but Admiral's exploration results from dissatisfaction with present ration of color tubes and prospects of continuing color tube shortage for some time. Color tubes are on allocation, and many large set makers—including RCA Victor—aren't getting as many as they'd like.

If Admiral does go into tube business, it's understood, it would manufacture rectangular color tubes only—no black-&-white. It probably would take Admiral at least 2 years to get going, and by that time switchover to 25-in. rectangular tube would have occurred (Vol. 3:37 p8).

Seriousness of Admiral's intentions aren't known. It would take at least \$10 million and possibly 100 scarce engineers to put anybody in color tube business today. It's no secret that all 3 experienced tube makers now tooling up for color tube production are having more difficulties than they'd anticipated—gearing up to produce color tubes is almost indescribably difficult operation. Here's how color picture tube situation stands as of this moment:

(1) Corning Glass Works is "on schedule" in its development of 25-in. rectangular 90° color bulb. Based on its announcement to set manufacturers July 1962 (Vol. 2:30 p7), this means bulbs could be delivered starting some time between Jan. & Aug. 1964.

(2) Sylvania says it will meet its goal of 20,000 color tubes during 4th quarter of this year, although there are reports it has lowered its sights to 15,000. It is currently making color tubes in small quantities.

(3) Rauland expects to reach volume production of color tubes "in a matter of weeks," according to Zenith Pres. Joseph S. Wright. He also reiterated Zenith's goal of 200,000 color set sales this year.

(4) National Video conceded it's still having difficulty producing 23-in. rectangular 90° color tubes for Motorola, and that it had cut back initial production because rejection rate was 50%. Motorola, now 6-8 weeks behind schedule on 23-in. color sets, now says it's "moot question" how many will be delivered in time for Christmas.

(5) RCA hopes to produce close to million color tubes this year, sees demand for more than 1.5 million in 1964 (Vol. 3:37 p8).

National Video's problems were explored during stockholders meeting in Chicago last week. Pres. Asher Cole explained difficulty is still "cross-contamination between colors and lack of adherence of the dots to the screen," but added: "We are beginning to see daylight and we feel that the major portion of the expense of getting into color tube business is behind us." When rectangular tube is in production, he said, it will cost perhaps \$5 more than conventional 21-in. round color tube.

In its black-&-white business, National Video reported improvement—having turned out 232,575 tubes in 3 months ended Aug. 31, up from 227,447 in same 1962 period.

In reporting that 25-in. rectangular bulb development is progressing on schedule, Corning Electrical Products Div. Vp-Gen. Mgr. Allen W. Dawson said program will cost more than the \$4 million

originally estimated. At time of original announcement of rectangular color bulb development program, Corning told set makers bulb would cost them \$20-\$25, compared with \$15 for current round color bulb.

Dawson, whose business hinges on astute prediction of trends in TV, made these observations about 3 phases of color & b&w market:

- (1) "Color business is great, almost unbelievable—much better than most people realize it is."
- (2) "Tinyvision could be awfully good next year, with sales of American small sets running between 500,000 and one million. Incidentally, American tube manufacturers pay less for U.S.-made tinyvision bulbs than Japanese tube manufacturers pay for Japanese-made tinyvision bulbs."
- (3) "The Shelbond picture-tube concept [requiring no safety glass] seems to be gaining great acceptance. But we still think the twin-panel bonded tube is the finest picture tube made." Meanwhile, Owens-Illinois has developed new version of bare-faced tube, Kimcode III, which—like Shelbond—does not require fiberglass sleeve around funnel.

* * * * *

Motorola still anticipates record 3rd quarter sales & earnings, despite fact that production troubles with 23-in. rectangular tube have delayed output of its new color sets by 6-8 weeks, Pres. Robert W. Galvin reported. "Adverse effects of the delay," he said, "have been offset to a considerable degree by other factors"—such as "excellent" volume by semiconductor & communications equipment divs., "splendid" demand for radios, "pickup" in alternator business, and good acceptance of b&w TV line. Galvin also forecast record 1963 sales, said earnings would show improvement over 1962's \$3.03 a share (before a 25% capital gain).

RECORD TV SALES LIKELY THIS YEAR: Enough of year's sales results are in to warrant guarded prediction that 1963 could well set all-time record for TV unit sales. To do so, it would have to surpass boom year of 1955, when distributor-to-dealer sales totaled about 7.45 million (including color). There's growing belief this may happen.

It all depends on color sales. If they reach 750,000 this year, record will probably be set. This is based on our assumption that b&w sales will total 6.71 million this year, which seems probable on basis of preliminary 8-month sales figures, which show b&w distributor-to-dealer sales at 3,941,000, up about 6.5% from last year's 3,692,000. Although TV sales for last half of 1962 were excellent, gain of at least 6.5% should be maintained for rest of year—due in large part to popularity of 11-in. sets.

Total TV sales may well run to about 7.87 million this year, if you include imports—making 1963 far-&-away biggest TV sales year, since there were no TV imports during record 1955.

Sales of domestic radios (excluding auto) should wind up at about 10 million this year, 15% short of last year's 11,757,000. At the 8-month point, distributor radio sales are about 16.5% behind last year—5,471,000 units vs. 6,571,000. Radio sales for rest of year probably won't lag as far behind 1962 as they have during first half, because current radio slump had its beginnings in last year's 2nd half. Trend is showing already, with preliminary Aug. distributor sales estimate of 838,000 radios, just 1% below the 849,000 sold in Aug. 1962.

Sales of radios actually will set all-time record this year, if you include imports. Total will probably be around 20 million sets (excluding auto & "toy" sets), marking first time sales of imports have matched domestic product.

Domestic phono sales are headed for record, too—due to wind up year at about 5.5 million, or 15% ahead of last year's 4.84 million at distributor-to-dealer level.

In TV, sales were below comparable 1962 month for first time in July, according to EIA figures. Preliminary estimates, however, indicate that Aug. showed gain again, its 536,000 distributor sales being about 3.5% ahead of Aug. 1962's 518,000.

TV inventories at end of Aug. were in excellent shape. At manufacturer & distributor levels, total stocks were 8% below year-before figure. Radio inventories were also down about 8% in face of 16.5% decline in sales. For official EIA 7-month figures, see p. 11.

N. Y. GETS TOUGH ON ADS: "False advertising in the conduct of any business, trade or commerce or in the furnishing of any service in this state is hereby declared unlawful," declares N. Y.'s new False Advertising Law which became effective Sept. 1. Statute is all-embracing, gives Attorney General Louis J. Lefkowitz "an additional strong weapon with which to combat the false and deceptive practices which continue to plague consumers and honest merchants and service people," and likely will be trailblazer for similar legislation in other states.

False ad statute is "aimed directly" at companies and people who prepare ads, empowers attorney general to take violators to court for civil penalties of \$500 for each violation. TV & radio stations, as well as print media, are exempt. Law is gunning for ad preparers, includes in-store ads, signs and circulars, and it leaves them little room to be other than factual.

N. Y.'s law defines false advertising comprehensively: It means advertising, "including labeling, which is misleading in a material respect; and in determining whether any advertising is misleading, there shall be taken into account (among other things) not only representations made by statement, word, design, device, sound or any combination thereof, but also the extent to which the advertising fails to reveal facts material in the light of such representations with respect to the commodity to which the advertising relates under the conditions prescribed in said advertising, or under such conditions as are customary or usual."

Lefkowitz amplified: "This all-embracing definition makes the honesty of an ad the test of its lawfulness. Failure to reveal essential facts becomes as important as the use of outright falsehood or deception; inadvertence on the part of the advertiser is as fatal as intentional misleading."

We spoke with Albert G. Seidman, attorney in charge of FTC's N. Y. office, on importance of new legislation. He told us: "This law is particularly important in N. Y. because FTC has jurisdiction here over large retailers who are in interstate commerce but who are forced to compete with local retailers, many of the cash-and-carry type, who do not come under our jurisdiction." He noted that "this is the first state law with the civil penalty provision," forecast "it would seem only logical that many other states will follow N. Y.'s lead." He pointed out that many states have criminal statutes covering false & misleading ads, but "being criminal statutes, they are cumbersome to enforce. Further, the authorities, already burdened by criminal cases, do not in many instances have the time to get into these commercial crime cases." He said N. Y.'s law "fills a need we are most conscious of," added that it could be applied as well to service industries "generally not subject to the FTC."

* * * *

N. Y. City Council passed and relayed for Mayor Wagner's signature a Fair Sabbath Law which will permit small, family-operated businesses to remain open on Sun. if they close another day of the week. It covers only stores operated by owners or their immediate families.

TOPICS & TRENDS

Singer Sewing Machine Co. may import TV sets for sale under "Singer" brand name in its own retail stores. Company spokesman said this was "under consideration, but that doesn't mean we've decided to do it." Some 60 Singer outlets in N. Y. metropolitan areas are currently handling Magnavox line on "test" basis. Some Singer stores are also displaying Westar Japanese-made TVs, Singer having purchased entire inventory from Litton subsidiary Westrex Co. Alpine, leaving TV import business. Singer spokesman pointed out that Westar sets—and the proposed imports—were small-screen receivers not competitive with Magnavox line.

Integrated circuits should start showing up in consumer entertainment equipment by 1965, according to prediction by Joseph D. Hurley, marketing mgr. of Westinghouse Molecular Electronics Div., which recently dedicated \$2-million integrated circuit plant at Elkridge, Md. (See "Molecular Revolution in Consumer Products," Vol. 3:5 p7.)

German version of barefaced picture tube has been introduced by Standard Elektrik Lorenz, ITT affiliate. Looking like a cross between Shelbond & Kimcode, it has bonded steel shell around rim, with mounting flanges, and steel jacket bonded to forward portion of funnel.

TV STATION MARKET-BY-MARKET INCOME & EXPENSES IN 1962 Report by FCC for Markets with 3 or More Stations

TIME SALES:

TV MARKETS (1)	NO. OF STATIONS IN OR MORE OPERATION (2)	NO. REPORTING STATIONS \$25,000 OR MORE TIME SALES (3)	NETWORKS (4)	NATIONAL AND REGIONAL ADVERTISERS AND SPONSORS		LOCAL ADVERTISERS AND SPONSORS	TOTAL STATIONS REPORTING (7)	TOTAL BROADCAST REVENUES ² (8)	TOTAL BROADCAST EXPENSES (9)	TOTAL BROADCAST INCOME ³ (10)
				(5)	(6)					
ALBANY-SCHENECTADY-TROY, N.Y.	3	3	\$1,769,217	\$4,171,663	\$1,120,038	3	\$6,315,949	\$4,432,445	\$1,883,504	
ALBUQUERQUE, N.M.	3	3	637,716	670,237	1,073,564	3	2,258,541	1,963,523	295,018	
AMARILLO, TEX.	3	3	529,057	627,274	1,167,080	3	2,247,342	2,079,528	167,814	
ATLANTA, GA.	3	3	1,920,953	4,900,155	2,874,711	3	8,578,041	5,822,564	2,755,477	
BAKERSFIELD, CAL.	3	3	438,562	744,322	988,681	3	1,972,939	2,076,791	123,852-	
BALTIMORE, MD.	3	3	2,413,171	8,414,497	2,831,439	3	12,063,319	8,476,622	3,586,697	
BEAUMONT - PORT ARTHUR, TEX.	3	3	556,097	928,555	550,470	3	1,796,159	1,691,837	95,678-	
BINGHAMTON, N.Y.	3#	2	*	*	*	3	2,781,916	1,735,199	1,046,717	
BOSTON, MASS.	3	3	4,213,980	17,540,151	6,027,559	3	24,026,017	12,252,237	11,773,782	
BUFFALO-NIAGARA FALLS, N.Y.	3	3	2,482,228	8,697,803	3,099,577	3	12,043,928	7,844,161	4,199,767	
CEDAR RAPIDS - WATERLOO, IOWA	3	3	952,322	1,398,532	534,394	3	2,689,424	2,201,256	488,168	
CHARLESTON-OAK HILL-HUNTINGTON, W.VA.-ASHLAND, KY.	4	4	1,770,390	2,106,503	1,187,899	4	4,789,132	3,909,063	880,069	
CHARLESTON, S.C.	3#	3	652,171	514,964	778,436	3	1,871,180	1,565,503	305,677	
CHATTANOOGA, TENN.	3	3	740,249	894,950	667,869	3	2,164,774	2,143,552	21,222	
CHICAGO, ILL.	4	4	7,054,125	34,199,857	10,573,458	4	48,713,762	29,712,522	19,001,240	
CINCINNATI, OHIO	3	3	2,636,125	5,989,501	2,541,772	3	11,107,538	6,686,425	4,421,115	
CLEVELAND, OHIO	3	3	3,530,265	13,828,650	3,879,551	3	19,759,822	10,118,245	9,621,577	
COLORADO SPRINGS-PUEBLO, COLO.	3	3	365,273	530,601	708,873	3	1,562,268	1,574,571	12,303-	
COLUMBIA, S.C.	3	3	530,792	928,481	720,623	3	1,734,717	1,734,717	501,491	
COLUMBUS, OHIO	3	3	1,769,176	5,722,156	2,477,788	3	9,390,350	5,891,318	3,499,032	
DALLAS - FORT WORTH, TEX.	4	4	2,529,261	7,522,725	4,150,637	4	12,801,343	8,756,825	4,044,518	
DENVER, COLO.	4	4	1,361,121	4,293,642	2,311,271	4	7,699,734	5,345,256	2,354,478	
DES MOINES - AMES, IOWA	3	3	1,156,533	2,472,925	871,763	3	4,003,330	3,153,243	850,087	
DETROIT, MICH.	3	3	4,737,242	12,707,920	5,287,163	3	20,232,778	10,969,223	9,263,555	
EL PASO, TEX.	3	3	482,239	682,052	1,053,004	3	2,106,641	2,000,445	106,196	
EVANSVILLE, IND.	3	3	794,191	762,500	746,466	3	2,196,456	2,013,180	183,276	
FLINT-SAGINAW-BAY CITY, MICH.	3	3	1,096,732	2,072,047	739,663	3	3,428,988	2,852,475	576,513	
FLINT WAYNE, IND.	3	3	879,616	1,142,066	773,944	3	2,584,645	1,949,544	635,101	
FRESNO-HANFORD-VISALIA, CALIF.	6	6	913,478	1,822,197	1,287,073	6	3,497,579	3,839,727	342,148-	
GRAND RAPIDS-KALAMAZOO, MICH.	3#	3	1,913,712	4,582,495	629,562	3	6,761,511	3,587,208	3,174,303	
GREEN BAY, WISC.	3	3	1,079,707	1,530,620	730,587	3	2,977,217	2,466,986	490,231	
GREENVILLE-SPARTANBURG, S.C.-ASHEVILLE, N.C.	4	3	1,004,810	1,505,749	926,418	4	3,532,721	2,549,593	774,128	
HARRISBURG-LANCASTER-YORK-LEBANON, PA.	5	5	1,452,971	2,946,126	1,183,528	5	4,733,834	3,717,233	1,016,601	
HARTFORD-NEW HAVEN-NEW BRITAIN-WATERBURY, CONN.	5	5	2,008,953	7,926,938	1,336,410	5	10,370,434	6,759,938	3,610,496	
HILO, HAWAII	3	3	*	*	*	3#	*	*	*	
HONOLULU, HAWAII	4#	4	457,000	962,720	2,330,126	4	3,549,234	3,395,306	153,928	
HOUSTON-GALVESTON, TEX.	3	3	1,984,658	6,778,977	2,239,556	3	9,761,650	6,304,526	3,457,124	
INDIANAPOLIS-BLOOMINGTON, IND.	4	4	2,135,058	6,598,003	2,685,897	4	10,727,396	6,765,439	3,961,957	
JOHNSTOWN-ALTOONA, PA.	3	3	1,417,055	2,302,319	579,148	3	4,022,671	2,134,230	1,888,441	
KANSAS CITY, MO.	3	3	2,280,059	6,536,446	2,348,762	3	9,692,335	6,720,892	2,971,443	
KNOXVILLE, TENN.	3	3	937,744	1,521,457	930,556	3	2,899,801	1,972,773	927,028	
LAS VEGAS - HENDERSON, NEV.	3	3	147,486	279,252	1,567,698	3	1,874,274	1,417,297	456,977	
LINCOLN-HASTINGS-KEARNEY, NEBR.	3	3	739,198	885,663	870,453	3	2,598,321	1,850,650	547,671	
LITTLE ROCK, ARK.	3	3	845,896	1,081,280	896,081	3	2,692,534	2,116,897	575,637	
LOS ANGELES, CAL.	8#	8	6,845,247	36,163,611	20,988,614	8	56,622,760	42,684,065	13,938,695	
LOUISVILLE, KY.	3	3	1,583,143	3,999,144	1,273,317	3	6,158,751	3,460,988	2,697,763	
MADISON, WISC.	3	3	633,060	1,190,200	591,607	3	2,271,563	1,759,317	512,646	
MEMPHIS, TENN.	3	3	1,816,889	5,322,750	1,128,658	3	5,731,001	3,584,257	2,146,764	
MIAMI, FLA.	3	3	1,839,260	6,719,402	2,971,569	3	10,826,617	6,887,705	3,938,912	

(over)

TIME SALES:

TV MARKETS	NO. OF STATIONS IN OR MORE OPERATING TIME	NO. RE-PORTING STATIONS \$25,000 OR MORE	TIME SALES									
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
			NATIONAL AND REGIONAL ADVERTISERS AND SPONSORS ¹ AND SPONSORS ¹ / NETWORKS	ADVERTISERS AND SPONSORS ¹ / LOCAL ADVERTISERS AND SPONSORS ¹ / REPORTING STATIONS	TOTAL BROADCAST REVENUES ² /	TOTAL BROADCAST EXPENSES	TOTAL BROADCAST INCOME ³ /					
MILWAUKEE, WISC.	4	4	2,291,172	7,019,040	2,684,280	4	10,602,818	6,913,168	3,689,650			
MINNEAPOLIS-ST. PAUL, MINN.	4	4	2,636,324	6,486,793	4,491,651	4	13,519,250	10,257,873	3,261,377			
MOBILE, ALA.-PENSACOLA, FLA.	3	3	819,447	1,367,162	938,207	3	2,914,618	2,464,171	450,447			
MONTGOMERY, ALA.	3#	2	*	*	*	2	*	*	*			
NASHVILLE, TENN.	3	3	1,494,134	2,219,666	2,054,635	3	5,211,981	4,018,152	1,193,829			
NEW ORLEANS, LA.	3	3	1,669,610	3,926,761	2,173,335	3	6,689,128	5,367,345	1,321,783			
NEW YORK, N.Y.	6	6	13,116,672	63,523,038	15,416,350	6	84,406,248	46,677,127	37,729,121			
NORFOLK-PORTSMOUTH-NEWPORT-NEWS-HAMPTON, VA.	3	3	1,514,252	2,133,714	1,749,562	3	4,972,764	4,003,813	968,951			
OKLAHOMA CITY-ENID, OKLA.	3	3	1,569,477	3,420,579	1,508,795	3	6,104,409	3,892,092	2,212,317			
OMAHA, NEBR.	3	3	1,507,147	3,028,366	1,039,933	3	5,117,534	3,671,719	1,445,815			
URLANDU-DAYTONA BEACH, FLA.	3	3	836,075	1,324,651	1,114,660	3	3,090,577	2,435,825	654,752			
PADUCAH, KY.-CAPE GIRARDEAU, MO.-HARRISBURG, ILL.	3	3	784,959	1,007,669	285,028	3	1,944,385	1,529,334	415,051			
PEORIA, ILL.	3	3	838,238	1,121,709	740,506	3	2,472,031	2,317,953	154,078			
PHILADELPHIA, PENN.	3	3	6,123,449	22,532,580	5,503,042	3	30,300,297	17,958,880	12,341,417			
PHOENIX-MESA, ARIZ.	4	4	858,445	2,252,233	2,354,491	4	5,203,913	4,752,668	451,245			
PITTSBURGH, PA.	3	3	3,611,811	12,910,122	4,535,351	3	18,466,914	10,273,852	8,215,062			
PORTLAND-POLAND SPRINGS, ME.	3	3	1,026,183	1,752,671	796,588	3	3,241,222	2,931,924	309,298			
PORTLAND, ORE.	4#	4	1,752,897	4,743,376	2,040,105	4	7,501,581	6,246,625	1,254,956			
RICHMOND - PETERSBURG, VA.	3	3	1,176,299	1,417,443	937,890	3	3,724,594	2,828,583	896,011			
ROANOKE - LYNCHBURG, VA.	3	3	1,077,185	1,224,624	894,056	3	2,922,731	2,300,968	621,763			
ROCHESTER, N.Y.	3#	3	1,289,729	2,741,813	1,244,134	3	4,663,385	3,812,746	870,639			
ROCHESTER-AUSTIN, MINN.	3	3	584,211	602,242	369,372	3	1,713,378	1,345,048	368,330			
MASON CITY, IOWA	3	3	1,308,104	4,383,124	1,535,029	3	6,155,399	5,462,728	692,673			
SACRAMENTO-STOCKTON, CAL.	3	3	1,068,769	1,651,968	1,534,529	3	4,166,520	3,936,015	230,505			
SALT LAKE CITY-OGDEN-PROVO, UTAH	4	4	1,226,341	2,437,639	1,555,464	4	4,614,167	4,123,325	490,842			
SAN ANTONIO, TEX.	4	4	3,988,374	14,009,339	6,754,808	4	22,301,270	13,197,786	9,103,484			
SAN FRANCISCO-OAKLAND, CAL.	5	5	2,094,366	6,172,616	2,207,651	5	9,705,624	8,383,170	1,322,454			
SEATTLE - TACOMA, WASH.	3	3	1,001,893	1,593,191	984,705	3	3,232,858	3,138,126	94,732			
SHREVEPORT, LA.-TEXARKANA, TEXAS	3	3	652,456	836,112	613,051	3	2,085,829	1,930,921	154,908			
SOUTH BEND - ELKHART, IND.	3	3	890,736	2,042,487	859,186	3	3,341,104	2,948,512	392,592			
SPOKANE, WASH.	5	5	1,194,016	1,857,702	1,267,102	5	3,984,589	2,878,596	1,105,993			
SPRINGFIELD-DECATUR-CHAMPAIGN-URBANA-DANVILLE, ILL.	4	4	2,922,823	9,391,593	3,249,113	4	13,459,737	9,240,893	3,898,844			
ST LOUIS, MO.	3#	3	1,567,681	4,429,384	1,817,765	3	6,171,269	3,397,199	2,774,070			
SYRACUSE, N.Y.	3	3	1,349,931	3,909,115	1,793,844	3	6,208,533	4,109,447	2,099,086			
TAMPA - ST. PETERSBURG, FLA.	3	3	452,937	526,182	1,216,354	3	2,111,922	2,045,375	66,547			
TUCSON, ARIZ.	3	3	1,221,121	2,359,086	1,271,630	3	4,444,996	3,533,125	911,871			
TULSA, OKLA.	3	3	2,788,509	9,231,269	2,634,732	3#	14,632,666	10,428,148	4,204,518			
WAILUKU, HAWAII	4	4	1,091,179	1,919,371	969,957	3	3,537,075	3,139,766	397,309			
WASHINGTON, D.C.	3	3	1,030,076	1,433,491	952,479	3	3,252,657	2,865,590	367,067			
WICHITA-HUTCHINSON, KANS.	3	3	668,634	1,076,851	455,608	4	2,084,187	1,816,190	267,997			
WILKES BARRE-SCRANTON, PA.	3	3	309,713	3,215,371	395,006	3	3,810,552	3,474,768	335,784			
YOUNGSTOWN, OHIO	308	299	\$153,241,966	\$461,863,703	\$191,437,087	307	\$738,382,842	\$501,716,819	\$236,666,023			
SAN JUAN-CAGUAS, PUERTO RICO	3	3				3						
TOTAL 91 MARKETS												
MARKETS LESS THAN 3 STATIONS												
TOTAL 183 MARKETS												
TOTAL 274 MARKETS												

1/ Before commissions to agencies, representatives and others.
 2/ Total revenues consist of total time sales less commissions plus talent and program sales.
 3/ Before Federal income tax.
 # Not all stations in this market operated a full year during 1962.
 * Data not published for groups of less than 3 stations.
 † Little and Wailuku have 3 and 2 satellite stations, respectively, whose financial statistics are included in the reports of their parent stations.
 ‡ Denotes Inas

TV-RADIO SALES DOWN: TV sales were below comparable 1962 month for first time this year in July—but they were down by only about 1,000 sets, and Aug. sales made handsome recovery (see p. 9). Official figures, released last week by EIA, show distributor-to-dealer sales for 1963's first 7 months were about 7% above comparable 1962 sales.

EIA's production statistics show all-channel sets constituted 20% of July TV output, and 13% of total production for year's first 7 months, up from 9% in same 1962 period. In July, all-channel output was 168% ahead of July 1962, and for 7 months it was running 67% ahead of last year.

Radio sales to dealers continued far below last year, down about 24% for both July and for 7-month period. FM, nevertheless, continues to shine, up 78% for July (from July 1962) and up 44% for year. For first 7 months of year, FM sets constituted 17% of total factory output (excluding auto sets, both AM & FM), compared with 8% for first 7 months of 1962.

Auto radio production was below same 1962 month in July for first time this year, dropping by 18%, but for full 7 months car radio production was 11% higher than year-ago and heading for all-time record. Auto radio this year so far constitutes a full 43% of total radio output, up from 35% in same period last year.

Here are EIA TV-radio sales & production figures:

TV-RADIO DISTRIBUTOR SALES

Month	Block-&White TV		Radio (excl. auto)	
	1963	1962	1963	1962
January	503,821	465,836	453,348	562,869
February	535,999	521,275	616,036	697,893
March	601,797	580,876	818,510	917,236
April	395,166	364,742	637,443	809,499
May	378,215	310,799	598,410	772,479
June	541,810	480,510	811,923	1,040,598
July	448,441	449,528	698,043	921,089
TOTAL	3,405,249	3,173,566	4,633,713	5,721,663

BLACK-&WHITE TELEVISION PRODUCTION

Month	Total		All-Channel	
	1963	1962	1963	1962
January	484,415	488,869	58,032	39,609
February	557,931	541,494	63,713	46,715
March	696,435	659,251	76,481	48,323
April	548,637	510,587	70,405	51,107
May	507,499	474,647	57,208	39,409
June	665,004	620,653	107,500	50,283
July	384,291	336,409	75,589	28,359
TOTAL	3,844,212	3,631,910	508,928	303,805

RADIO PRODUCTION

Month	Total		Auto Radio		FM	
	1963	1962	1963	1962	1963	1962
January	1,229,507	1,350,630	594,505	530,589	87,641	76,510
February	1,389,652	1,464,797	657,691	480,232	75,544	84,216
March	1,568,381	1,810,417	677,613	607,510	100,940	81,010
April	1,359,769	1,472,654	596,899	519,296	102,208	63,193
May	1,384,063	1,444,074	555,812	504,846	119,756	62,292
June	1,653,866	1,721,873	670,106	629,004	154,818	92,287
July	990,605	1,134,250	331,816	403,946	120,825	68,037
TOTAL	9,575,843	10,398,695	4,084,442	3,675,423	761,732	527,545

July factory sales of TV picture tubes topped year-ago volume by 38,600 units but slipped more than \$246,000 in value. Factory sales of receiving tubes were downbeat all the way—off 1.4 million units and \$1.5 million. EIA's July report shows sales of 603,622 TV picture tubes at \$10.8 million, compared with 565,022 at \$11.1 million in July 1962. For year to date, units trailed 1962's first 7 months 5.1 million vs. slightly more than 5.1 million. Value trailed \$94.4 million vs. \$98.4 million. July receiving tube sales dropped to 22.7 million units from 24.1 million, dollar value dipped to \$18.1 million from \$19.6 million. Cumulatively, 7-month unit sales lagged behind 1962's Jan.-July period 188.9 million vs. 207.6 million. Dollar value trailed \$155.9 million vs. \$174 million. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	890,246	\$16,846,046	27,025,000	\$ 22,524,000
February	639,392	11,990,595	26,382,000	22,354,000
March	760,524	14,223,503	30,285,000	25,643,000
April	771,073	14,197,385	26,167,000	21,521,000
May	703,393	12,888,058	26,662,000	21,600,000
June	707,541	13,462,906	29,332,000	23,764,000
July	603,622	10,818,297	22,688,000	18,148,000
Jan.-July 1963	5,072,791	\$94,426,791	188,875,000	\$155,856,000
Jan.-July 1962	5,121,165	\$98,397,051	207,625,000	\$173,952,000

Lag between space-age technology and civilian applications was called one of biggest challenges to industry by RCA Group Exec. Vp W. Walter Watts recently in address to Downtown Rotary Club of Houston. All Americans will benefit from "business fallout of space," he said, but scientific & engineering skill to translate these developments to commercial uses is in short supply. One long-range solution to this "drastic imbalance," he asserted, lies in vigorous effort to increase number of students choosing science & engineering professions.

"We'll meet Japanese prices—we're going to fight them." So we were told by Sarkes Tarzian, pres. of Sarkes Tarzian Inc., one of the "big 4" TV tuner manufacturers, in commenting on use of Japanese-made tuners by 3 major set makers. Tarzian said his company had made "no deal" with any Japanese tuner manufacturer. The other 3—General Instrument, Standard Kollsman & Oak Mfg.—all have licensing or affiliation agreements with Japanese tuner makers.

Symphonic Electronic Corp. has moved its N. Y. hq to new Pfizer Bldg., 235 E. 42nd St., from former offices at 10 Columbus Circle. Phone: TN 7-8700. Engineering, purchasing, production & service facilities remain at Lowell, Mass. (consumer products) & New Brunswick, N. J. (defense equipment).

Litton Industries shareholders have authorized issue of 3 million shares of new \$5 par convertible preferred stock which will make company "more effective in taking advantage of acquisition opportunities," Chmn. Charles B. Thornton reported.

Admiral's 11-in. portables will be fair-traded at \$99.95 and \$109.95 (step-up models) by Admiral-Chicago & Admiral-Boston. Admiral's Metropolitan Div. (N. Y.-Newark area) has been fair-trading full line for 13 months.

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
Famous Players Canadian	1963—6 mo. to June 30	—	—	\$ 877,248 ¹	\$0.50	1,737,072
	1962—6 mo. to June 30	—	—	861,843 ²	.49	1,737,072
Lafayette Radio Electronics	1963—year to June 30	\$ 30,994,518	\$ 1,466,766	761,264	.72	1,061,675
	1962—year to June 30	24,936,144	1,232,674	676,372	.64	1,061,675
National Video	1963—qtr. to Aug. 31	4,007,198	—	105,575	.09	1,233,334
	1962—qtr. to Aug. 31	3,919,658	—	86,690	.07	1,233,334
Regency Electronics	1963—year to June 30	1,389,598	—	84,260 ³	—	—
	1962—year to June 30	782,328	—	(103,934)	—	—
Rollins Bcstg.	1963—qtr. to July 31	2,126,160	—	255,739	.27	957,244
	1962—qtr. to July 31	1,928,715	—	168,642	.18	955,475
Silicon Transistor	1963—6 mo. to June 30	2,322,000	—	201,000	.35	533,958
	1962—6 mo. to June 30	1,131,000	—	123,000	.23	516,250
Technicolor	1963—6 mo. to June 30	38,288,423	—	1,703,199	.64	2,655,921
	1962—6 mo. to June 30	26,609,554	—	828,606	.31	2,623,218
Walter Reade/Sterling	1963—6 mo. to June 30 ⁴	5,500,000	—	220,000	.14	—
	1962—6 mo. to June 30	4,202,063	—	163,149	.10	—
Vocaline	1963—6 mo. to June 30	988,000 ⁵	—	83,845 ⁵	.16	520,550
	1962—6 mo. to June 30	960,000	—	18,000	.03	520,550

Notes: ¹Before \$82,336 (5¢ a share) profit on sale of fixed assets. ²Before \$841,343 (49¢) profit on sale of fixed assets. ³Includes \$40,000 tax credit from tax-loss carry-forward. ⁴Preliminary. ⁵Record.

"Investment sheen seems to have rubbed off the stocks of many TV and radio broadcasting companies," noted Sept. 15 "N. Y. Times," adding: "The question that remains is whether the stock market has already discounted prospects of favorable earnings for the near future. Some security analysts feel that the opportunity for rapid price appreciation in radio and TV stocks has been diminished and that future growth will be at a more leisurely pace." However, report continued, "a survey of half a dozen leading brokerage firms and a leading advisory service shows that virtually all have recommended CBS, RCA and other broadcasters." Here are some thumbnail sketches: "The consensus seems to be that CBS could earn as much as \$4 a share this year" vs. \$3.27 in 1962. . . "There were also selected recommendations for RCA but these studies covered the company on an electronics basis rather than as a broadcaster" . . . "Metromedia has only about one-tenth of the market value of CBS [but] the company is willing to give battle to any other company that would attempt to usurp its role as a growth company" . . . "Rollins Bcstg. has improved its financial position as a result of programming aimed at the Negro population" . . . "Taft Bcstg., with about 7% of its outstanding stock held by institutional investors, was considered a leading long-term investment by Bache & Co." . . . "AB-PT was called an 'interesting' situation by a leading brokerage house."

ITT will hold its Oct. 1 board meeting in West Berlin, in plant of West German affiliate Standard Elektrik Lorenz AG, which employs some 32,000 in 17 plants throughout country.

MERGERS & ACQUISITIONS: Tung-Sol tried to throw a block at Purolator's attempt to obtain stock control (Vol. 3:36 p11) by obtaining temporary restraining order on Purolator's offer to buy 200,000 shares at \$22 each. However, U.S. District Court dismissed Tung-Sol's complaint several days later for lack of jurisdiction. Tung-Sol termed price inadequate, said company & shareholders will suffer "irreparable injury" if offer goes through, charged Purolator with "having breached a confidential relationship" by using "for its own benefit" information received from Tung-Sol during earlier merger talks. Purolator as of Sept. 4 owned about 130,000 shares or 14% of Tung-Sol's outstanding stock, would own 35% if it acquires additional 200,000 shares it seeks. . . Litton Industries, in process of acquiring Adler Electronics (Vol. 3:36 p12), also has agreed in principle to acquire Clifton Precision Products, Clifton Hts., Pa. maker of space vehicle & aircraft electronic equipment. Acquisition requires approval of directors of both firms, Clifton's shareholders, California Corporations Commissioner. Under proposed stock exchange, Litton would pay some \$8-10 million.

Technicolor has declared its initial stock dividend and its first cash dividend since 1957, both payable Oct. 21 to holders of record Sept. 30. The 12 1/2¢ cash payout was described as a "regular quarterly dividend." and company hopes to pay it regularly. Stock dividend is 2%.

CTS Corp. has increased common stock dividend to 15¢ a share from 12 1/2¢, payable Oct. 18 to holders of record Sept. 30.

WEEKLY **Television Digest**

with

Consumer Electronics . . .

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

SEPTEMBER 30, 1963

NEW SERIES VOL. 3, No. 39

SUMMARY-INDEX OF WEEK'S NEWS**Broadcast**

HENRY STRIKES AT INDUSTRY POCKETBOOK in IRTS speech attacking 'over-commercialization,' gets polite but cold reception. Industry hikes pressure on congressmen, gets more support (p. 1).

EIDOPHOR COLOR PROJECTOR now in production; demonstration hailed by show-business spectators; TNT says it will present theater-TV entertainment & sports events (p. 3).

ADMEN TOLD THEY'RE PART OF RATINGS PROBLEM: Rating Council expects final word in week or 10 days on whether AAAA-ANA will serve on board. Accounting firm that will do auditing will be picked shortly. Ranges idea stirs more comment (p. 3).

INDUSTRY COMBATS NEW TALL TOWER CRISIS: NAB, Maximum Service Telecasters, et al., say new FAA 'antenna farm' criteria would disrupt TV service, cause interference. Other standards would seriously limit location & size of towers, they say (p. 4).

NBC CHARGED WITH 'COERCION' in Philadelphia case, FCC Broadcast Bureau urging denial of license renewal for 'naked use of network power.' Commission unlikely to accept recommendation (p. 5).

Consumer Electronics

COLOR TV OUTPUT estimates, year-by-year for 1954-1963, indicate some 1.7 million sets in use by year's end (p. 7).

EIA GIRDS FOR IMPORT FIGHT; expanded Imports Committee forming, should be ready to go 'within a few weeks,' Chmn. Robert Sprague tells us. Work progresses on over-all battle plan to provide 'look at the situation and to develop resistive measures, while there is time' (p. 7).

CONSOLE PHONOS increasing share of market hints that console boom may succeed portable boom of last 12 months (p. 9). July phono sales by distributors exceed July 1962 figure by 2%, but 7-month sales are up 20% (p. 10).

HENRY STRIKES AT INDUSTRY POCKETBOOK: Broadcasters are likely to be even unhappier with new FCC Chmn. Bill Henry, if possible, than they were with predecessor Newt Minow. Minow's main emphasis was on programming. Henry is hot on programming, too, but he chose to hit broadcasters in even more sensitive spot—pocketbook—in his most important speech to date.

Henry had bluest of blue chip audience when he spoke last week to International Radio & TV Society in N. Y., the annual affair attended by all commissioners. "Over-commercialization" was his theme. It was the kind of speech that broadcasters get madder about, the more they think about it. His reception was courteous, and applause was polite but cool. Fact is, Henry raised hell with commercials, said FCC intends to do something about it.

FCC staff members attending luncheon were pleased with speech, said they thought reaction was good. But, privately, many industry people seethed. Networks wouldn't comment, said they'd give views in papers to be filed in the rule-making proceeding. People we talked to didn't care for speech one bit. "Arrogant," said one. "Worst speech by a public official I've ever heard," said another.

NAB Pres. Collins had this comment: "The chairman feels that a better job should be done in broadcast commercial practices. And so do I. So do most licensees, I believe. The question is 'how' and 'when.' We believe this should come from self-regulation. The chairman thinks the time for this is running out. I believe it is running, but I will fight to insist that it is not out. It is really incredible that with all the danger lights we do not have better support for our codes."

Code board meetings next week shape up as something of a showdown, could be critical. Collins is bound to push for stronger codes, while some board members will oppose him vigorously.

Though Henry had stern speech, opinion in Washington is that FCC is unlikely to adopt any stringent ceilings on commercials. Rule-making was voted by bare 4-3 majority—and powerful congressional opposition has been sparked by broadcasters.

Whole Missouri House delegation, for example, last week joined in letter to FCC blasting proposal. Missouri senators are expected to follow suit. Recently, whole Oklahoma delegation protested to FCC. Many individual members of Congress have done same, including Sen. Allott (R-Colo.) last week.

Speech stirred Rep. Rogers (D-Tex.) into quick assertion that FCC has no power to limit commercials (nor to impose license fees). He said he plans hearings on his bills to prohibit both (HR-8316 & HR-6697) in Oct. or Nov. He said that agencies such as FCC cannot assume powers which Congress has not expressly given them. Such powers, he asserted, "must be granted by the operation of the legislative processes of the Congress." He declared that "assumption of that power by an independent agency, even though they do not have the right to do so, places in jeopardy many businesses in the communications industry and in related pursuits."

So what did Henry say? Excerpts: "In a free enterprise, commercial broadcasting system, advertising is part of the price we pay to get the programs. But when it begins to interfere unduly with the programs, to limit unreasonably the time devoted to them, to restrict the content put into them or to frustrate by interruption the enjoyment and understanding the public gets out of them, we have a real problem... In fiscal 1962, we received approximately 2,500 complaints about advertising, of which about 35%—the biggest category—related to length, amount and frequency..."

"I have been told, many times, that this is not something about which the government needs to be concerned. After all, so the reasoning goes, advertisers and broadcasters want to keep the public's attention and good will... And the broadcaster who over-commercializes runs the risk of losing his audience to a competitor who doesn't. So the free market and the public's ability to turn the dial, according to this view, will keep commercialization within tolerable limits..."

"Where is that other station? Who wins the argument between the man who wants to put in another commercial and the one who wants to keep it out? The public, after all, will take a lot of punishment in order to watch or listen to a program it likes."

Newspapers lapped up Henry's needling, particularly such things as his criticism of "teasers," giving example of: "Good Evening, Ladies & Gentlemen. The President has just asked the Congress to declare war. We'll be back with that story after a word from our sponsor." Also, his quote of cartoon: "And so, Ladies & Gentlemen, it looks like the end of civilization as we know it. And now here's David Krank for the Ajax Oil Company." Broadcasters are accustomed to such kidding—but not from FCC chairmen.

Henry sought to assure audience he still has faith also in self-regulation: "The content of commercials—the question of taste and intelligence—is in many ways the biggest problem of all. But except for matters such as fraud and deception, problems of content should be handled by forces inside the industry." He also said: "I recognize the real efforts in the field of self-regulation that have been made by the subscribers to the NAB Codes, and of the progress there is being made."

Henry tried to assure industry that Commission doesn't intend to be arbitrary, that it recognizes different standards should apply to 50-kw outlets vs. 250-watters, to big-city stations vs. isolated towns, to daytimers vs. fulltimers, etc. But he said FCC needs concrete suggestions from industry, not "dog-eared denunciations and over-simplified, unsubstantiated conclusions."

But broadcasters aren't likely to tell FCC how to draft specific ceilings. Early comments are now being filed, and they generally attack Commission proposal as violation of First Amendment and of anti-censorship provisions of Communications Act. Then, there are comments such as those, for group of clients, by firm of Covington & Burling, which said "negative attitude" toward commercials is "more emotional than logical... simply snobbery... rate-making... intolerable administrative burden [for FCC]... Advertising, after all, pays for Project Mercury coverage as well as for soap opera..." Comments alluded to Henry's count of 2,500 complaints (35%, or 875, regarding length, amount & frequency). These amount to "eighteen one-thousandths of one percent" of American TV homes, comments noted. NAB and many other major entities plan to file comments this week. They'll be among most interesting in recent FCC history.

EIDOPHOR COLOR PROJECTOR IN PRODUCTION: Color version of Eidophor Theater-TV projector was unveiled last week by Theatre Network TV Inc. (TNT), its U.S. & Canadian distributor. Comments of demonstration audience—from show business, sports & broadcasting fields—were highly favorable.

TNT Pres. Nathan L. Halpern announced at demonstration that his company, leader in closed-circuit networking, plans to re-enter field of theater-TV programming as result of availability of color Eidophor. However, Halpern explained to us, this will be on occasional basis, for "outstanding entertainment & sports events which are unique"—rather than daily, regularly scheduled programming as announced early this year by National General Corp. (Vol. 3:9 p3).

National General will be using GE's Talaria light valve projector, which operates on principle similar to Eidophor. Both systems accommodate standard NTSC color signal and are capable of modification for various color or line standards. GE says its production of Talaria is "on schedule."

Color Eidophor is currently in production and available from TNT on immediate-delivery basis. TNT has declined to make price public (as has GE), but said its system will be "competitively priced." Prices of both systems are believed to be roughly in neighborhood of \$50,000.

Swiss-developed Eidophor color projector is being manufactured by Ciba subsidiary Gretag Ltd., Switzerland (which holds patents), and giant Philips of Netherlands. Some 124 black-&-white Eidophors are now in use in U.S. Since color projector was evolved from b&w Eidophor, Halpern said, basic b&w Eidophor components are interchangeable with components in color projector.

Color Eidophor uses 3 electron guns, 3 lens systems and 3 cassettes (mirror & fluid control-layer assemblies). Talaria employs only 2 electrons guns & lens systems, uses different type of control layer with transparent window instead of mirror.

TNT makes these claims for color Eidophor: can project on screens up to 50 X 38 ft.; more than 4,000 lumens of screen brightness; contrast ratio of 100-1; resolution more than 700 lines; geometric distortion less than 1%. It uses 2 1/2-kw xenon lamp as light source. One spectator who has seen demonstrations of both color Eidophor & Talaria called them "reasonably parallel" in performance.

Among comments from audience at initial demonstration at TNT Technical Center, Woodside, L. I., was this, from veteran of TV industry: "Over-all quality was excellent, color very good, resolution & geometry very good, flesh tones fine."

Audience at demonstration was star-studded, including Paramount's Barney Balaban, 20th Century's Spyros Skouras, Madison Sq. Garden Pres. Ned Irish, RCA's W. Walter Watts, heads of 4 large theater chains, National Football League officials, et al.

ADMEN TOLD THEY'RE PART OF RATING PROBLEM: New Rating Council overtures to Presidents John Crichton of AAAA & Peter Allport of ANA, to have groups serve on Council's board, are reportedly making progress (Vol. 3:37 p2). The 2 still feel that ratings reform is broadcast industry problem, but NAB is trying to convince them that agencies & advertisers are part of the problem. Council expects final answer in week to 10 days, so that it can file incorporation papers.

Council will shortly evaluate bids of major accounting firms—such as Price, Waterhouse and Touche, Ross, Bailey & Smart—to select one to conduct audit of ratings under RC supervision.

Proposal of Harris Subcommittee staff to report ratings in ranges instead of single estimates continues to create industry fuss (Vol. 3:35 p4). Charles Howze, Subcommittee chief counsel, addresses Advertising Research Foundation Conference Oct. 1, is expected to illustrate point by using 1933 Securities Act as example. It's understood he'll say that registration & prospectus statements are required to provide maximum information so that investors can buy intelligently. If they prefer to rely on a hot tip, that's their business, but at least they've had benefit of proper data. He'll also say that no figures are better than those inadequately gathered.

Compromise idea we heard from Dan Denenholz, research vp of rep Katz Agency, appears to have merit in opinion of those we've consulted at NAB, ratings firms & Harris Subcommittee. He suggests that ratings be printed as they are in individual estimates, but that ratings reports provide a separate easy-to-read table showing ranges involved.

This would appear to accomplish Subcommittee's objective of having ranges dramatize variance factor. At same time, it would meet objections of raters, who claim vastly increased costs would result if all ratings had to be expressed in ranges. It also would assuage Rating Council, whose chief objection is that ranges wouldn't accomplish much because buyers would end up using single estimate anyway, by averaging high & low points.

Interest in ranges idea is running high, with apparently much at stake. Ruth Jones of J. Walter Thompson sat in on Rating Council meeting few weeks ago, strongly favors ranges, wrote Chmn. Don McGannon: "I am still disturbed about the reluctance of the Council to endorse the 'range' concept. You, as an experienced broadcaster, will realize that 'precise' numbers have a virtual strangle hold on the broadcasting industry. . .

"While some researchers might argue that 'range' reporting is only accurate when based on a perfect sample, perfect response, perfect tabulation, etc., it seems logical that 'ranges' are far closer to the truth than the present 'precise' figures. . . An opinion had been expressed that buyers would use the average of the highs and lows if this concept were adopted and therefore the specific 'precise' figures would be better. I don't believe that an arbitrary statement can be made as to what buyers would do. . .

"I feel that the 'range' principle could be a breath of fresh air for programming innovation. . . It will enable broadcasters to present their true qualifications and images to buyers—good management policies, good local live programming. . . I can assure you than many agencies, broadcasters, research people and leading representatives, as well as the ARF, RAB and TvB, are strongly in favor of the 'range' concept."

In other development, RAB Pres. Ed Bunker predicted that in future media will place more emphasis on "researching research." On pending radio methodology study, he told American Marketing Assn.: "Within a few weeks we may be able to announce that RAB and NAB have joined forces to finance a study of radio measurement methods.

Also on radio front, Sindlinger made presentations last week to show computer service that will provide demographic data and buying plans of consumers, covering all media. In addition to national service for ABC Radio & NBC Radio, company is ready to report local measurements of 67 major U. S. markets, with sample sizes of no less than 2,000 each. It uses recall technique measuring "yesterday's" media exposure.

INDUSTRY COMBATS NEW TALL TOWER CRISIS: There's real concern that new criteria for height & location of tall towers, as proposed by Federal Aviation Agency, could seriously impair present & future TV service.

New standards for "antenna farms" are unilateral, giving consideration only to aviation needs, completely ignoring broadcast requirements, NAB commented last week. It said new maximum heights criteria are "arbitrary" & "overly restrictive" and would "severely limit" location sites. NAB also objected to new "hazard rule"—judging towers on basis of "adverse" effect on aviation, rather than present standard that structure shall not constitute a hazard to air navigation.

MST said FAA proposals appear to favor only one antenna farm per community. This would be "simply impossible" in most cities without violating FCC co-channel & adjacent-channel mileage standards, affecting both TV and FM allocations, MST stated. It said proposals could lead to "vast areas of interference" and "drastic loss of service."

Practical effect of proposals would be to disallow "any" tower more than 1,000 ft. above ground and "most" towers more than 500 ft. above ground, MST said. It pointed to suggestion banning any structure more than 500 ft. above airport elevation within a radius of 10 miles of an airport having a 5,000 ft. runway. Few metropolitan areas with TV stations don't have such airports, MST declared. Similarly, MST said proposals would ban any structure above 500 ft. within a radius of 5 miles of an airport with runway of 2,000-5,000 ft. It concluded that most cities, even small ones, have at least one such airport.

Assn. said that 1957 Joint Industry-Govt. Tall Structures Committee committed itself to more than one antenna farm per community and supported concept of having aviation interests compromise their needs "to the fullest extent possible" to provide maximum TV service to public.

NBC CHARGED WITH 'COERCION': FCC's Broadcast Bureau, which usually takes the tough line in recommendations to Commission, hasn't changed. Its suggestion is that NBC be denied renewal of its WRCV-TV Philadelphia, so that it would have no license to trade for WNAC-TV Boston, as it proposes to do.

NBC's reaction was to issue brief statement that Bureau's conclusions are "untenable" and that its arguments will be rebutted in pleadings to be filed by Oct. 21.

Bureau concludes that NBC got its Philadelphia station by pressuring Westinghouse. Latter owned the outlet, wanted NBC-TV affiliation for its Pittsburgh station. Bureau claims that NBC wouldn't give the affiliation until Westinghouse agreed to swap Philadelphia station for NBC's Cleveland station. Said Bureau:

"NBC's entire pattern of conduct with respect to the Pittsburgh affiliation reveals a deliberate effort to attain the Philadelphia station through the naked use of network power, which can only be properly characterized as bald coercion."

Bureau leaves unanswered the obvious question: If NBC is so bad, why should it be permitted to keep any other stations? We put the question to knowledgeable FCC sources, got this answer: "The conclusion was limited to this proceeding. It isn't necessary to say more."

Statement does say this: "We have no doubt that through the many years the NBC network has made innumerable and important contributions in the field of broadcasting. The network enjoys a vast and generally receptive audience. However, without attempting to detract from NBC's contributions, it must be observed that these contributions are not always without self-serving objectives." Such language suggests that Bureau may consider loss of one station, with value running well into 8 figures, may be enough punishment. However, Commission isn't very likely to accept Bureau's harsh recommendation.

Network TV billings were up 3.8% in July—\$66,744,800 vs. \$64,291,000 for July 1962. Billings for first 7 months increased 5.7%—\$477,863,500 vs. \$452,063,600. July figures for each network: ABC, up 2.1% from \$15,708,700 to \$16,039,200; CBS, up 6.2% from \$25,793,400 to \$27,401,900; NBC, up 2.3% from \$22,788,900 to \$23,303,700. TvB also reported that cosmetics & toiletries advertisers increased network & spot TV buys by \$18.4 million for Jan.-June 1963, biggest increase of any category. Expenditures jumped 20.7%, from \$88,882,590 to \$107,264,900. Total TV outlays for all products for first half jumped 12.5% to \$854,042,900 (\$442,877,000 for spot, \$411,165,900 for network).

ETV advocate FCC Comr. Lee, urging broadcasters to support educational medium, said ETV is carrying much of the load of public service programming. His remarks were to be aired on Sept. 29 "Mark Evans Show" on WTTG Washington, celebrating first anniversary of ETV WETA-TV.

Red Goose production company has been formed by Renee Valente, for 12 years a top executive of Talent Associates Paramount Ltd. Partners: John Wray, former Ed Sullivan show dir., and Burr Smidt, set designer.

Philips will export TV cameras to U.S., under guidance of CBS-TV, according to announcement at week's end by North American Philips Co., which hopes to market both color & b&w cameras under Norelco brand name. Heart of new cameras will be Philips-developed "Plumbicon" tube, said to produce uniform color picture free of halos, shadows & blurring. Norelco claims new tube has all advantages of vidicon, particularly in ease of handling, with none of the smearing, which bars vidicon from many live broadcast uses. Plumbicon color cameras, says Norelco, are smaller than current b&w image orthicon cameras and can operate under "relatively normal" lighting conditions. Amperex will handle sales & applications of Plumbicon.

Fourteen top writers affiliated with "N. Y. Herald Tribune" will be featured by Corinthian stations in video taped 2 1/2-min. weekly features. More columnists will be added later, and features may be fed to other stations. The 14: Roscoe Drummond, Robert Donovan, Marguerite Higgins, Stewart Alsop, Red Smith, Earl Mazo, Rowland Evans & Robert Novak team, Eugenia Sheppard, Walter Kerr, Judith Crist, Maurice Dolbier, Emily Genauer, Earl Ubell.

HEW has received 6 new applications seeking \$1,104,028 for ETV construction grants. So far, 27 have been filed requesting \$5,394,822. New applications: San Jose Office of Education, \$75,575 to activate Ch. 54; U. of Maine, \$110,017 to activate Calais Ch. 13; Greater New Orleans TV Foundation, \$188,156 to expand Ch. 8; U. of Idaho, \$111,211 to activate Moscow Ch. 12; New Mexico State U., \$204,537 to activate Hatch Ch. 12; U. of Illinois, \$414,532 to expand Urbana Ch. 12.

Add CATV entries by major broadcasters: Meredith Bcstg. confirms it's negotiating with Jerrold Corp. for joint operation of systems in Melbourne, Eau Gallie & Ormond Beach, Fla. It's also planning to seek franchise in Cocoa Beach.

Senate has passed S-1193 requiring parties who want to intervene in FCC hearing to do so 30 days after publication in "Federal Register." Present practice is 10 days before start of hearing. Similar HR-5327 is pending before House Commerce Committee.

Revocation & renewal proceedings have been ordered by FCC against radio WTIF Tifton & WDMG Douglas, both Ga.—on charges of unfair competition against WSIZ Douglas, misrepresentations, unauthorized transfer, character qualifications.

Red Skelton-Johnson's Wax celebrate 10 years together at Oct. 1 luncheon of L. A. Advertising Club. Agency Foote, Cone & Belding claims it's longest star-sponsor relationship in network TV.

ABC-TV gets exclusive rights to 1964 U.S. Summer Olympic Trials. NBC-TV will telecast Tokyo Olympic games Oct. 1964. Trials will be telecast on 18 dates between April 4 & Sept. 20.

Broadcaster Gordon McLendon of Dallas said he "might possibly" run against Sen. Yarborough (D-Tex.) in next year's primary.

Overseas Broadcast Services named European rep for Teleguide, closed-circuit hotel service providing N. Y. tourists with information.

Personals

James Levey, ABC-TV asst. to program development dir., promoted to daytime programming mgr. . . **Alfred I. Miranda**, ex-asst. to pres., ABC International TV, appointed dir. of new client relations dept., CBS TV Stations National Sales.

Robert Northshield, NBC News & Public Affairs producer, promoted to gen. mgr. . . **Jack Deutscher**, NBC organization development mgr., promoted to organization development, employment & training dir.

NBC Chmn. Sarnoff leaves Sept. 30 for Orient, Middle East, Europe, in connection with 1964 Olympics.

FTC Comr. A. Leon Higginbotham nominated by President Kennedy as U. S. district judge for eastern Pa. . . **Alvin M. King**, NAB stations relations field dir., promoted to newly-created state assn. liaison dir.

Paul Blakemore Jr. named head of "Television Age" midwest adv. sales. . . **Leonard G. West**, ex-ITA Electronics & RCA named chief project engineer, CCA Electronics.

Donald H. McGannon, Group W pres., addresses Broadcast Advertising Club of Chicago Oct. 8. . . **William Dozler**, Screen Gems west coast vp, appointed senior vp for production & west coast operations.

Robert Schmidt, KAYS Hays, Kan., elected AP Radio & TV Assn. pres. Other officers: **Tom Eaton**, WTIC Hartford, eastern district vp; **Carl Lee**, WKZO-TV Kalamazoo, central district vp; **F. O. Carver**, WSJS Winston-Salem, southern district vp; **John Thompson**, KRCA-TV Los Angeles, western district vp.

Bernie Sandler, promotion mgr., radio WGR Buffalo, promoted to similar post, WGR-TV, succeeded by **Richard D. O'Connor**, ex-sales promotion mgr., Curtiss-Wright.

Joseph S. (Dody) Sinclair, pres. & gen. mgr., WJAR-TV Providence, is separated from his 2-year-old whiskers, grown for membership in Brothers of the Brush to celebrate city's 325th anniversary; (Television Digest will be tickled to report whether other major beards remain outstanding in TV-radio industry).

Tom A. Reynolds, WOR-TV-AM N. Y. traffic mgr., promoted to operations dir., succeeding **Bernard (Barney) Boyle**, retired. . . **G. Woodruff Sloan Jr.** promoted to WTIC-TV Hartford regional sales mgr.

George M. Green, business mgr. & secy.-treas., KOSA-TV Odessa, Tex., elected vp-gen. mgr. & asst. treas. of licensee Southwest States' TV-radio stations.

Charles H. Colledge, RCA Broadcast & Communications Products Div. vp-gen. mgr., was slated to leave at weekend for 2-week European circuit to confer with network people in Rome & London, inspect RCA microwave facilities in Madrid; returns Oct. 17 for RCA Victor board meeting in Montreal.

Carl Lindemann Jr., ex-NBC News special projects vp, appointed NBC sports vp, succeeding **Tom S. Gallery** who has joined Subscription TV Inc. as rep & sports dir. **Willard E. Walbridge**, KTRK-TV Houston exec. vp-gen. mgr., elected chmn. of TV Information Committee, governing body of TIO, succeeding **Clair McCollough**, Steinman Stations pres. . . **Perry Smith** promoted to NBC sports mgr.

Obituaries

Albert L. Capstaff, 50, pres. & gen. mgr., Virgin Isle TV Cable Corp. & former NBC executive, died in sleep at home in St. Thomas; he also had residence in Darien, Conn. He was producer of Kay Kyser & Jack Benny radio shows, was vp-programs for NBC Radio 1959-1962. He's survived by wife, 3 daughters, son.

George Frechette, 57, pres. of WSAU-TV-AM Wausau, vp & gen. mgr. of WFHR Wisconsin Rapids, died Sept. 24 of heart attack. He's survived by wife, son, daughter.

NEW & UPCOMING STATIONS: WNTV (Ch. 29 ETV) Greenville, S.C. received STA Sept. 25 for Sun. Sept. 29 start. It's year's 10th new starter and with last week's debut of WVAN-TV (Ch. 9 ETV) Savannah, Ga. (which got program test authorization Sept. 16) and Sept. 12 start of WHYI-TV (Ch. 12 ETV) Wilmington, Del., raises ETV operating total to 82 and U. S. over-all total to 644. WNTV has GE transmitter & 146-ft. tower built by Greenville Iron & Steel Co. R. Lynn Kalmbach is gen. mgr.; George E. Blair, educational dir.; Henry J. Cauthen, dir. of production & engineering; Charles S. Morris, technical dir. WVAN-TV is 2nd station to get on air of 4 planned by Ga. State Board of Education. It will use personnel at WXGA-TV (Ch. 8 ETV) Waycross; James Rodgers as resident engineer. Other CPs held by State Board are WJSP-TV (Ch. 28 ETV) Columbus & WCLP-TV (Ch. 18 ETV) Chatsworth; neither has definite starting dates.

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

KFME (Ch. 13 ETV) Fargo, N. D., installing antenna on 426-ft. Blaw-Knox tower this month, is keeping to Nov. 1 target for programming, reports **Clair R. Tettemer**, gen. mgr. It has 10-kw RCA transmitter nearly ready at site on U. S. 81, 2.5-mi. S. of Fargo.

KBLU-TV (Ch. 13) Yuma, Ariz. has set Dec. 1 target for start as CBS-TV outlet, writes **Robert W. Crites**, gen. mgr. It has 2-kw Dynair transmitter scheduled for delivery in late Sept. Construction of studio-transmitter building began in late Aug. It will use 200-ft. Blaw-Knox tower. Base hourly rate hasn't been set. Rep will be **Grant Webb & Co.**

WNJE-TV (Ch. 77 ETV) Glen Ridge, N. J., hopes to begin "early in 1964", says **Robert Pellet**, project dir. It is planned as first of 4 interconnected uhf ETV stations designed to serve entire state. Fund-raising campaign is still underway and order for transmitter hasn't been placed. It has "considerable" amount of other equipment donated by CBS, NBC & WOR-TV. It will share tower of radio WJRZ West Orange, paying only maintenance. Vacated school in Glen Ridge will be used for studios & offices.

ETV has own splash for new season, quite impressive—with press kits, news conferences, brochures, etc. Write NET, 10 Columbus Circle, N. Y., for material describing shows you might want your children to watch. We took our press kit home.

New CATV franchise: Daytona Beach Shores, Fla., to Halifax Cablevision Inc., subsidiary of Community TV Systems, New Haven, Conn. (**William Schlank**, Pres.).

Consumer Electronics

MANUFACTURING, DISTRIBUTION, FINANCE

COLOR OUTPUT ESTIMATES, 1954-63: One of questions we're asked most frequently is—How many color sets have been sold to date? Actually, of course, nobody knows but RCA—and RCA ain't telling.

For the last year, however, we have been using production & sales estimates which we have carefully developed on basis of best evidence—by poring over material gathered during color's 10-year history, by considering all estimates & guesses from others, and by drawing on any available surveys.

The figures are rough guidelines of estimated color TV production—but through 1961 they can also be used to represent distributor-to-dealer sales. After 1961, with many more models on market, many more dealers handling color, it's common sense to assume there has been inventory buildup and sales have been lower than production figures.

For some years, we have given 2 figures. These represent our high & low estimates, in cases where evidence suggests considerable variation. All told, they indicate about a million color sets in use at beginning of 1963. These figures are merely rough guides, and are submitted as our guesstimates. We believe them to be close to truth, but we make no guarantees:

1954. . .	10,000 (15-in. sets)	1959. . .	85,000-91,000
1955. . .	28,000-35,000	1960. . .	110,000
1956. . .	40,000-78,000	1961. . .	185,000
1957. . .	48,000-82,000	1962. . .	460,000
1958. . .	60,000-89,000	1963. . .	760,000

Naturally, we're anxious to flush out any more precise or more accurate figures. Therefore, we'll be delighted to hear (and print) any rebuttal to these estimates, and to correct any errors in this tabulation. Just send us your own tabulation, and we'll gladly print it, with or without attribution.

EIA GIRDS FOR IMPORT FIGHT: EIA is determinedly marshalling its forces and facts for full-scale attack on increasingly nettlesome import situation before it festers into irrevocable trouble. Commenting on EIA board's strongest action to date on imports (Vol. 3:37 p9)—substantial appropriations, approval to recruit support from all EIA members, determination to have stronger voice in 1964 trade negotiations under Trade Expansion Act—Sprague Electric Chmn. Robert C. Sprague, EIA dir. & chmn. of EIA Import Committee, told us last week:

"The intelligent thing is to do something now, before the situation gets out of hand. Nothing catastrophic is going to happen overnight, of course, and the Japanese certainly aren't going to take over the U. S. electronics industry. However, we are faced with a long-range problem of severe competition in many areas as foreign countries develop competence and allocate resources. Our purpose now is an intelligent effort to look at the situation and to develop resistive measures, while there is time. The textile industry waited too long, and now it is in a quota situation."

EIA is working on its battle plan, but "it wouldn't be proper for me to divulge details until our new committee has been organized and has developed and approved the over-all plan," Sprague said. EIA has authorized expansion of Imports Committee to include 2 representatives from each product division. "I'm waiting now to hear from the heads of the divisions on their appointments," he told us, "and our committee certainly should be formed and ready to go within the next few weeks."

Where will EIA committee go? Four distinct avenues of attack are open, according to EIA sources. After thorough study of import situation, and properly armed with facts and figures, Imports Committee possibly will take one or more of these steps: (1) Request Tariff Commission

to increase rates on electronic products. (2) Through office of Christian A. Herter, President Kennedy's special representative for trade negotiations, seek more advantageous negotiations of reciprocal agreements via GATT—General Agreement on Tariffs & Trade. (3) Ask Customs Bureau to invoke Anti-Dumping Act in certain electronics product classifications. (4) Ask Congress to tighten Anti-Dumping Act.

Need for intensified EIA action at this time, Sprague told us, is dictated by "dramatic increase in imports" over past several years and threat of more to come. Spiraling import rate was detailed by Sprague in Aug. 15 letter to Herter. U. S. imports showed 11.1 million radios in 1962—nearly double 1960's 6.5 million. TV sets—263,000 units in 11 months from mid-1962, and, Sprague emphasized, "current imports [are] about 10 times 1961 level." Radio tubes—51.9 million in 1962 from 27.6 million in 1960, or "an increase of 90% in 2 years." Sprague also gave Herter these facts on 1962-vs.-1961 Japanese exports to U. S.: TV sets, "almost a 6-fold increase in one year" to 158,591 in 1962 from 23,151 in 1961. Capacitors—up more than 100% to 70 million from 34 million. Transistors—up almost 100% to 11 million from 5.7 million. Component parts for electronic products—"an increase of almost 900% to \$11.2 million value in 1962 from \$128,000 value in 1961.

Emphasizing that parts manufacturers "suffer double impact" from imports—by direct competition from imported parts and from loss of domestic business through imports of TVs, radios, other end products—Sprague informed Herter that worse is yet to come: "We believe that a major assault on the domestic market for parts by foreign producers is in prospect. We have information from Tokyo outlining Japan's 5-year plan for the production of electronic apparatus. It is significant to us that the projected production of electronic components in general is set at a 213% increase by 1967. This is almost double the 1967 target figure for consumer type end products."

EIA is seeking to have electronic components deleted from Schedule 6, part 5, "Electrical Machinery and Equipment" category of Tariff Schedules of the U. S. (1963) for purpose of separate consideration as entity by Tariff Commission. "To lump electronic products," Sprague wrote Herter, with "array of other articles for the purpose of determining whether the entire classification, as an entity, should be considered for future tariff reduction, is to disregard the separate and distinct competitive situation of electronic products. Electronic capacitors, resistors, tubes and semiconductors, several of which may be held in the palm of the hand, and selling for a few cents to a few dollars each, cannot be considered, for trade agreement purposes, on the same basis as an electric generator selling for several million dollars."

There's another important reason, Sprague told us, why electronic components merit special tariff protection. "If the commercial and industrial areas of our industry are adversely affected by imports, there will certainly follow an adverse effect on our research, development and production capabilities in the field of military components."

Trade Expansion Act, Sprague told us, "introduced a new policy for this country—that an industry is expendable in the national interest. I question that it is reasonable for a nation to allow an industry to be sacrificed simply because a foreign country decides to specialize and allocates resources. There should be some protection—and there isn't in the Trade Expansion Act.

Here are capsules of other import subjects covered in our conversation with Sprague:

(1) Dumping problem. "We're the only industrial country that doesn't have an adequate anti-dumping law. We have to prove 2 things—that the product sells for less here than it does domestically, and that it does catastrophic damage. That 2nd point is difficult to prove. Just across the border, in Canada, they only have to prove that the product, in the same quantity and of the same quality, sells for less than in the country of origin."

(2) Balance of trade. "Balance of electronics trade is currently about 3 to 1 in our favor—but that's a misleading picture because the balance is favorable only in military electronics and in some industrial areas. If our military aid program should cease, that favorable balance would cease overnight."

(3) Affiliation deals with Japanese firms. "This is strictly a defensive measure. Our companies certainly would prefer to make the products at home. Sprague Electric also has plants abroad, but they're there to serve those areas, and the way the economy is booming in those areas, those

plants will be increasingly busy. As for companies that have formed Japanese affiliates for the purpose of exporting to the U. S., I have no facts or figures on those operations specifically, but I know that some of those companies have not done well financially over-all. It may be just a matter of happenstance."

(4) Possible retaliation by foreign customers. "They're much more restrictive abroad. Nobody there has to buy from us unless they want to."

(5) Possibility of voluntary curtailment by foreign competitors. "Some relief may come through voluntary action by our friends overseas. They certainly don't want to get us mad. They know that if we do get mad we have both the resources and the energy to do something about it." Fact is, foreign competitors have at times shown their awareness of this.

Sprague summed up situation this way: "What the import situation will be, or what form protection will take, in the next 5, 10 or 15 years is impossible to determine, of course. However, it would be unintelligent not to recognize the potential for trouble and to do something about it now. If you're intelligent and aggressive, you can do something about it. The danger comes when you stick your head in the sand."

BIGGER SHARE FOR CONSOLE PHONOS? It's too early to tell for certain, but console phono boom may be shaping up as successor of portable boom the industry has been enjoying for more than year now. For 3 successive months, consoles' share of phono market has been greater than last year, thus reversing strong first-quarter trend to portables.

In early part of 1963, by far the greatest part of distributor sales increases over 1962 were represented by portables. As latest EIA figures on p. 10 show, trend has changed since April. Total sales are continuing to run ahead of 1962, and greater percentages of the increase are being accounted for by consoles.

Console business, of course, is far more seasonal than portable sales, and ratio of consoles-to-portables sold swings widely from season to season. For first 4 months of 1963, consoles' percentage of total distributor sales mix lagged comparable 1962 months, although actual sales in units were higher.

In Jan. 1963, consoles accounted for only 36% of total phono sales (vs. 48% in Jan. 1962), 42% in Feb. 1963 (vs. 47% year earlier), 39% in March (vs. 42%), 35% in April (vs. 36%). Crossover came in May, when 37% of total phono sales were consoles, compared with 30% in May 1962. In June, 32% were consoles, up from 25% year earlier. In July, 29% of sales were consoles, vs. 27% in July 1962.

Good console sales, in fact, kept total phono sales for July 1963 ahead of those of July 1962. Portable sales for month were about 1% below comparable 1962 figures, while consoles were up 11.5%—bringing total sales for month to about 2% higher than year-earlier figure.

It may be functional furniture, it may be FM stereo, which provided sales boost for consoles. But whatever it was, phono console market developed added strength during traditionally dull warm months.

For phono sales figures, and further analysis, see p. 10.

TOPICS & TRENDS

World electronics sales will more than double in next 6 years to \$40 billion from current \$19 billion, in opinion of Ampex Pres. William E. Roberts. He emphasized "constantly changing" shape of world markets, however, added: "Today the U. S. is the largest market for microwave components, but within 10 years Europe will be the largest. In the past, the U. S. has been the dominant market for TV & radio, but now it is Europe. The European market for military electronics & computers is growing faster than the U. S. market." To retain leadership as supplier of some 2/3 of world electronic production, U. S. companies, Roberts said, must make all "major management decisions on the basis of worldwide opportunity."

JULY PHONO SALES: Paced by increased share of console sales (see p. 9), July distributor sales of phonos were about 2% higher than in July 1962. This was slimmest 1963-over-1962 margin in a year where every month has seen increases over comparable year-before month.

Even though margin over 1962 was slight, July sales can be considered quite good, since comparable month—July 1962—was unusually good sales month, up 18% over July 1961. For first 7 months of 1963, distributor-to-dealer sales were running 20% above comparable 1962 period.

Here are EIA's monthly distributor & factory sales figures, with 1962 comparisons:

Month	PHONO DISTRIBUTOR SALES					
	1963			1962		
	Port. & Table	Console	Total	Port. & Table	Console	Total
January . . .	204,073	112,452	316,525	115,998	103,730	219,728
February . . .	192,858	137,114	329,792	130,104	109,316	239,420
March	211,745	134,407	346,152	173,056	126,201	299,257
April	169,478	77,252	246,730	129,175	72,017	201,192
May	129,535	75,513	205,208	136,405	59,159	195,564
June	215,036	100,007	315,043	203,670	70,856	274,526
July	211,645	87,336	298,981	214,007	78,293	292,300
TOTAL	1,334,370	724,081	2,058,451	1,102,415	619,572	1,721,987

Month	PHONO FACTORY SALES					
	1963			1962		
	Port. & Table	Console	Total	Port. & Table	Console	Total
January . . .	205,955	135,741	341,696	137,090	122,469	259,559
February . . .	190,352	149,923	340,275	130,495	124,917	255,412
March	200,571	129,142	329,713	166,408	132,075	298,483
April	165,016	76,190	241,206	120,793	62,309	183,102
May	123,486	62,723	186,209	132,749	54,543	187,292
June	305,946	149,253	455,199	247,932	135,605	383,537
July	230,282	106,766	337,048	220,196	90,197	310,393
TOTAL	1,421,608	809,738	2,231,346	1,155,663	722,115	1,877,778

RCA plans to transfer its TV-radio transmitter engineering and production operation from Camden, N. J. to new facilities at Meadow Lands, Pa., near Pittsburgh. Transfer date has not been set, RCA told us, refuting union claim that move is slated to begin Oct. 1. RCA would not comment on statement by high IUE, AFTE, and ASPEP unions that it rejected their joint offer to rebuild at their own expense the building to be vacated, a "deteriorating" 40-year-old structure which RCA says is no longer "suitable." Unions said they were prepared to spend \$1.9 million to modernize structure. Also slated for transfer from building is RCA's broadcast antenna operation, which will move to facility now under construction at Gibbsboro, N. J., 20 miles away. Conversely, RCA has transferred from Meadow Lands to Camden its marketing operation for 2-way radio and audio-visual equipment.

EIA TV-radio production figures were again unavailable last week, as in preceding week. EIA spokesman said problem is failure of some companies to report—leaving figures incomplete. He said reason for non-reporting wasn't known.

"**World's smallest 10-transistor AM-FM radio**" is claim made by Sharp Electronics for its new \$39.95 set, which measures 3 1/4 x 4 3/4 x 1 1/2 in.

DISTRIBUTOR NOTES: Olympic Radio & TV appoints new distributors: **John Iverson Co.** (Robert Brown, sales & svc. mgr.), branches in Minot & Mandan, N. D., for North Dakota; **Anderson-Young Electric Co.** (John M. Young, pres.; Ralph V. Mills, secy.-treas.), Lubbock, Texas, for western Texas and eastern New Mexico. Olympic also names **Franklin H. Kark** district sales mgr. for middle-eastern U. S., **Roy L. Thistle** factory sales rep for Maine... **Delmonico International** opens factory branch in Baltimore, at 2330 Hollins St., **Bernard D. Smith** mgr... **Sprague Electric** appoints **Robert Peters** N. Y. state & metropolitan area sales mgr, effective Jan. 1... **Minnesota Mining's Revere-Wollensak Div.** names **David Gassner** eastern regional sales mgr. for consumer products, **H. B. LaGrandeur** western regional sales mgr. for consumer products, both new posts... **Olympic Radio & TV** names **Thomas A. Cutler** pres. of Olympic TV of Missouri, St. Louis... **Sylvania** appoints **McGregor Distributing** (Malcom Bates McGregor pres.), 511 W. Olive St., Springfield, Mo., distributor for 31 Missouri counties, Kansas's Cherokee & Crawford counties, Oklahoma's Delaware & Ottawa counties... **Roberts Electronics** names 7 new distributors: **Sidles Co.**, Des Moines, Ia., **Roskin Distributors**, Hartford, Conn., **Bluff City Distributing**, Memphis, Tenn., **Choquette & Co.**, Providence, R. I., **Clairvals Corp.**, Endicott, N. Y., **Allied Appliance**, Cambridge, Mass., **Miller Jackson Co.**, Oklahoma City, Okla.; appoints **Roy J. O'Donnell** regional mgr. for Montana, Utah, New Mexico, Colorado, southern Idaho, El Paso, Tex.; **O. B. Elliott** regional mgr. for the Carolinas... **Sylvania** will sell direct in Washington, D. C. market, succeeding distributor **American Wholesalers**.

Labor news: **Westinghouse** has proposed to its 4 national unions a 3-year labor contract providing 2 pay increases averaging 14¢ an hour and improved fringe benefits. A 7¢ increase begins when pact becomes effective, will be followed by 5-10¢ boost April 1965. Current pact with IUE, IBEW, UE & Federation of Westinghouse Independent Salaried Workers expires Oct. 15. These 4 unions represent some 67,000 of Westinghouse's 115,000 workforce... **GE refuses to bargain** in good faith, IUE protested to NLRB last week. GE has offered 5% wage increase but, union accused, has adopted "take it or leave it" attitude. GE denied charge, said it still stands on 5% offer but has made "substantial concessions" in other benefits. Shortly after filing charges, IUE accepted GE proposal for 3-year contract on wages, 5-year pact on benefits. Two 2.5% wage boosts provide 7¢ increase retroactive to Sept. 23, another 7¢ in April 1965. IUE, which represents some 70,000 GE workers, had sought 7 1/2¢ boosts, plus cost-of-living adjustments. Comparing GE & Westinghouse offers, IUE spokesman estimated former's total package at 23¢ an hour, Westinghouse's at about 20¢.

New transistor radio line was announced last week by ITT's Distributor Products Div. All packaged with accessories, they are: 6-transistor pocket radio, \$14.95; 8-transistor, \$14.95; 9-transistor, \$34.95; 9-transistor AM-FM, \$39.95; AM-FM battery or AC walnut finished AM-FM stereo radio in walnut finish cabinet, \$169.95.

Admiral is now producing 10,000 TV and radio sets daily, including more than 500 color receivers, has boosted employment at its Harvard, Ill. electronics facility to record 3,600 from 2,450 last year. Plant is now running a 2-shift operation.

Trade Personals

William E. Boss, longtime (15 years) RCA TV executive & color TV coordinator, and most recently exec. vp of distributor Southern Wholesalers, Washington, D.C., joins Admiral as b&w TV sales mgr., a new post.

Joel J. Zimmer, former asst. to pres., elected vp of Symphonic Electronic Corp. and its subsidiary Symphonic Radio & Electronic Corp.

Milton Selkowitz, former national sales mgr. of defunct CBS Electronics' Columbia Phonograph Dept., and gen. mgr. for past year of Sealy Mattress (Vol. 2:49 p11), joins Audio Dynamics, New Milford, Conn. audio components maker, as mktg. dir.

John L. Burns, former RCA pres., now Rawlings Corp. chmn. (Vol. 3:36 p11), elected to boards of General Battery & Ceramic Corp. and Russell, Burdsall & Ward Bolt & Nut Co. He's also a dir. of A & P, Oxford Paper Co., Worthington Corp. and State National Bank of Conn., and a consultant to RCA.

Webcor forms 3-man management team—**Paul Roth**, marketing, **John Luttrell**, finance, **Herbert Gumz**, manufacturing—reporting to Chmn.-Pres. **Titus Haffa**.

John Hanway promoted to ITT administrative dir.

Milton J. Shapp, Jerrold chmn.-pres., receives "President's Achievement Award" from alma mater Case Institute of Technology.

Frederick T. Henry promoted to commercial product engineering, Sylvania Home & Commercial Electronics Div.

S. Edward Franklin joins General Instrument's F. W. Sickles Div. as operations vp, headquartering at Chicopee, Mass.

Harold J. Ruetz appointed mgr. of Dominion Electrohome's new Product Development Div.; **Leo F. Fitzpatrick**, consumer products gen. sales mgr., also named Consumer Products Div. mgr.; **Norman E. Bartlett**, private trade label sales mgr., also appointed Private Trade Label Div. mgr.

Charles J. O'Donnell appointed Standard Kollsman Industries operations vp.

James W. Evans promoted to exec. vp of Hazeltine's Hazeltine Electronics Div.

Charles O. Cary named mktg. vp, Hazeltine's Hazeltine Electronics Div.; **M. S. Wilson** appointed vp.

Theodore L. Jacobsen appointed mktg. dir. of Litton Industries' Westrex International Div.

Robert J. Stahl named Sylvania product planning mgr., a new post. . . **Harvey G. Foster** appointed GT&E Service Corp. security dir.

Walter W. Slocum, International Resistance pres., elected a Leeds & Northrup dir. . . **John H. Rubel**, former Asst. Defense Secy. for research & engineering, named Litton Industries vp & technical planning dir.

Lou Burdick rejoins Webcor as distribution mgr., succeeded by **Harry Ellis** as Argus Inc. tape recorders product mgr. Ellis also continues as catalog sales merchandise mgr.

Everett F. Carter named mfg. mgr., Sylvania Chemical & Metallurgical Div., a new post.

Dr. Elmer W. Engstrom, RCA pres., receives first annual Aerospace Electrical Society award Oct. 9 in Los Angeles for his contributions to data processing management techniques in aerospace industry; others to be honored by AES are NASA administrator James E. Webb and Rep. George P. Miller. (D-Cal.).

Dr. Robert N. Hall, GE Research Labs physicist, will receive IEEE's David Sarnoff Award in Electronics at Oct. 30 National Electronics Conference, Chicago, "for his outstanding contribution to the scientific understanding of semiconductors and for their application to electronics."

John P. Buchan, Ampex finance vp & treas., also named controller, succeeding **John N. Latter**, recently appointed Consumer Products Div. vp-gen. mgr. (Vol. 3:37 p11).

Robert G. Shortal, onetime vp asst. financial editor, joins RCA's Public Affairs staff.

Leonard L. Rosenfeld promoted to Jerrold mgr. of manufacturing.

Obituaries

Emil J. Simon, 74, radio communications pioneer and founder & pres. of Intercity Radio Telegraph Co., died Sept. 14 of heart attack at Midtown Hospital, N. Y. He had numerous radio developments to his credit: Simon radioguide, host of military communications devices. Intercity Radio Telegraph, founded in early 1920s, linked 6 cities. It was liquidated in early 1930s. During World War II, Simon directed production of military radio equipment at Radio Navigational Instrument Co., N. Y., was a radio consultant in his later years.

Howard G. Stokes, 75, retired AT&T radio ad mgr., died Sept. 21 in St. Luke's Hospital, Utica, N. Y. He joined Bell System in 1911 as ad copywriter, retired in 1948. Several of his posts included: educational dept. development mgr. of Western Electric subsidiary Electrical Research Products (1929-31), AT&T ad supervisor (1936), radio ad mgr. (1946). He is survived by widow, son, daughter.

Extension of deadline for filing replies to Symphonic's treble-damage anti-trust suit (Vol. 3:29 p7) was requested last week by attorneys for Nippon Electric N. Y. Inc. and Sumitomo Shoji N. Y. Inc., firms named among defendants. The firms are scheduled to file motions in N. Y. Federal Court Oct. 1 to postpone date for answering complaint from Oct. 7 to Dec. 7. Both firms claimed their investigations required much work in Japan. Attorney for NEC N. Y. is Robert L. Clare Jr. of Shearman & Sterling; Sumitomo Shoji N. Y.'s counsel is Stewart W. Richards of Beer, Richards & Haller. Symphonic is represented by Milton R. Wessel of Keye, Scholer, Fierman, Hays & Handler.

Admiral has been guilty of discriminating in prices and promotional allowances to its TV, radio and other product retailers, FTC examiner Loren H. Laughlin charged in an initial decision. He reported that Admiral in 1956 & 1957 charged larger dealers lower prices than their smaller competitors for the same products in Milwaukee, N. Y. and District of Columbia trading areas. Promotional allowances to certain retailers were not made equally available to competitors, he also charged, and called for desist order.

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
Arrow Electronics	1963—6 mo. to June 30	\$ 2,519,700	\$ 48,000	\$ 24,500	\$.06	430,000
	1962—6 mo. to June 30	2,513,400	112,000	55,000	.13	430,000
Avco	1963—9 mo. to Aug. 31	381,342,360 ¹	34,465,770	16,515,770 ¹	1.48	11,163,726
	1962—9 mo. to Aug. 31	288,908,388	25,893,933	12,390,933	1.14	10,885,903
	1963—qtr. to Aug. 31	135,061,647 ¹	—	5,358,994 ¹	.48	11,163,726
	1962—qtr. to Aug. 31	103,209,830	—	4,017,808	.37	10,885,903
Friendly Frost	1963—6 mo. to July 31	12,386,013	—	(54,858)	—	937,620
	1962—6 mo. to July 31	14,864,857	—	(181,215)	—	937,620
Gulton Industries	1963—6 mo. to Aug. 31	14,712,000	439,000	215,000	.17	1,260,000
	1962—6 mo. to Aug. 31	14,471,000	1,441,000	704,000	.62	1,131,370
	1963—qtr. to Aug. 31	8,027,000	467,000	229,000	.18	1,260,000
	1962—qtr. to Aug. 31	7,516,000	693,000	340,000	.30	1,131,370
Outlet Co. (WJAR-TV Providence)	1963—year to July 27	19,290,079	1,709,258	854,577 ²	1.72	497,100
	1962—year to July 27	19,353,693	2,091,398	990,827	1.99	497,100
	1963—6 mo. to July 27	7,978,183	321,831	177,331	.36	497,100
	1962—6 mo. to July 27	8,142,373	707,012	336,347	.68	497,100
Screen Gems	1963—year to June 29	64,377,000	7,562,000	3,800,300 ¹	1.50	2,538,400
	1962—year to June 30	52,188,900	7,063,200	3,466,300	1.37	2,538,400
Wometco Enterprises	1963—9 mo. to Sept. 7	14,826,918	—	1,514,068	1.04	1,438,968
	1962—9 mo. to Sept. 8	13,099,915	—	1,317,031	.92	1,008,857
	1963—qtr. to Sept. 7	4,876,176	—	470,608	.32	1,438,968
	1962—qtr. to Sept. 8	4,184,814	—	400,834	.28	1,008,857

Notes: ¹ Record. ² Before \$68,586 non-recurring costs.

MERGERS & ACQUISITIONS: Warwick Electronics & Pacific Mercury Electronics shareholders have approved proposed merger plan (Vol. 3:34 p11) under which former will be survivor and Pacific Mercury will become an operating division. Approval of Cal. Corp. Commission also is required. . . ITT has agreed in principle to acquire for some \$15.9 million in stock Gilfillan Corp. of L. A., radar pioneer and early TV set producer. Proposed acquisition, subject to approval of Gilfillan shareholders and boards of both firms, calls for issuance by ITT of 0.1283 share of common and 0.068 share of cumulative preferred (\$100 par value with 4% dividend, convertible into ITT common at \$65 each) for each Gilfillan common share. . . Raytheon has acquired for undisclosed sum name and certain assets of Sideband Engineers Inc., Rancho Santa Fe, Cal. maker of amateur radio transceivers. . . Wometco Enterprises has agreed to purchase for more than \$1 million cash Coca-Cola Bottling Works of Nashville, Tenn., which also operates plants in Lebanon & Springfield, Tenn. and holds 50% interest in bottling companies in Dickson & Columbia, Tenn.

Ravenswood Corp., Annapolis, Md. maker of stereo equipment, reportedly has been seized by Internal Revenue Service for alleged non-payment of \$42,181 in excise taxes (4th quarter of 1962 & first half of 1963) and \$20,742 in withholding taxes for 1963's 2nd quarter. We called Ravenswood for confirmation and details, were notified that company phone has been disconnected.

Metromedia expects 3rd quarter earnings to climb to "more than 20¢ a share" from 14¢ (\$271,036) a year earlier, and total year profits to rise to "at least \$2 a share" from 1962's operating net of \$1.40 (\$2,489,639). Richard L. Geismar, vp & treas., also reported Jan. - Aug. broadcast revenue rose 30%, earnings 40%, said "we hope to pay a little more in dividends next year if earnings warrant." Sales in 3rd quarter are foreseen at "about \$17 million" vs. \$12 million year earlier, at "about \$65 million" for total year vs. \$53.1 million.

National General believes earnings in its 1963 fiscal year ended Sept. 25 rose to \$3.5 million from fiscal-1962's \$2.3 million on sales of some \$48 million vs. \$43.1 million. Pres. Eugene V. Klein reported experiments on joint GE-National General national theater TV network system (Vol. 3:9 p3) are nearing completion at Westwood, Cal., said system will be operating in 10 theaters by May. Company is now "husbanding cash for our projects," he said, but likely will consider paying cash dividends "within the next year or 2."

Purolator now owns "about 30%" of Tung-Sol's 926,826 outstanding shares, indicating gain of 148,000 shares from its tender offer (Vol. 3:38 p12), which expired Sept. 26. Purolator Pres. James D. Abeles said firm hasn't "decided yet" on another tender offer, explained company bought Tung-Sol at \$22 a share when it was listed at \$17 because any "definite buying" on market "would have pushed the stock out of range."