

APR 6 1959

APRIL 6, 1959

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VOL. 15: No. 14

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The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

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FCC

LOTS OF TALK ABOUT ALLOCATIONS—but nothing conclusive, as FCC holds several meetings, and spectrum claimants file in 25-690-mc proceedings (pp. 1, 2, 5 & 6).

EIA SEEKS TO EASE NSRC ANTI-TRUST ANGLE by getting FCC's assurance that work would be valuable, and by inviting Commission engineers as observers (p. 3).

EQUAL TIME RELIEF OUTLOOK BRIGHTENS as FCC starts drafting Sec. 315 amendment to revise its own newscast ruling. Harris says action is "imperative" (p. 6).

Programming

WHAT PRICE POST-1948's?: Hollywood's major studios may be in for a surprise when they try to sell their post-1948 movies to TV. Los Angeles stations, among most important film buyers, are wary of price & quality (pp. 2 & 8).

Networks

PUTTING THE SQUEEZE ON TV PICTURE, researchers have compressed bandwidth from 4 to 1 mc. Work by Bell Labs and Technicolor may lead to transoceanic networks (p. 3).

JAN. NETWORK BILLINGS ARE DOWN from Dec., says Printers' Ink, but it's the best Jan. in history, adds TvB, running 5% ahead of Jan. 1958 (p. 7).

CATV

CATV SYSTEMS PROSPER DESPITE PROBLEMS. New Factbook shows 2,000,000 getting TV via cable. (p. 4). Other news (p. 11).

Educational TV

ETV AS 4TH MAJOR NETWORK IN 5 YEARS is seen by NET pres. John F. White as organization gets final Ford \$5 million and moves to N.Y. (p. 11).

Advertising

PONTIAC'S COMBINE OF SPECIALS & soft sell proving effective; more to come. Other laurels for specials added by new Schwerin Research study (p. 13).

Film & Tape

TV LABOR TALKS IT OVER at closed-door session in N.Y. Unions discuss tape, international sales & production (p. 14).

Manufacturing & Distribution

TV's LACKLUSTER FIRST QUARTER has some silver linings. Retail sales figures low, but are improving in relation to '58. "Something new" still needed as hypo (p. 16).

NEW TUBES FROM OLD GLASS: Picture-tube rebuilding is now a \$200 million industry, accounting for 75-90% of replacements (p. 17).

Finance

GOOD YEAR FOR AB-PT reported in its 1958 statement. Wometco's TV earnings (p. 20). Other news (p. 19).

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LOTS OF TALK ABOUT ALLOCATIONS—BUT: There was a substantial hustle & bustle about TV allocations last week—but still nothing conclusive. FCC met on subject twice, and about the only thing resembling a consensus is an agreement to explore concept of getting more vhf channels from the military in exchange for uhf. All Commissioners recognize that if exchange is negotiated, it will be long process.

The rub is this: what to do in the meantime, if anything? And that's where FCC splits. Some members have formed more definite conclusions than others. For example, Comr. Cross likes the idea of dropping vhf channels into neediest markets by cutting mileage separations, using directionals, precision offset carrier, etc. He'd try to keep this limited to the major markets with severe shortages. He also thinks uhf should become a "local" service like local radio, and he'd set a 10-kw ceiling on uhf—with some exceptions for higher power. In addition, he'd let uhf start as translators, with as little as 5 watts, build from there.

Comr. Lee, for one, doesn't get excited about long-range acquisition of more vhf channels—though he has no serious objection to exploring it with the military. He'd rather shift everyone to uhf as fast as possible, presumably permanently, but he can't get support on this from his colleagues.

One reason for FCC's intense work on problem is that it now has TASO's technical report and is preparing to brief Senate Commerce Committee on its progress—no date set yet.

Senate Committee is getting ready too, Chairman Magnuson (D-Wash.) having called attorney Kenneth Cox back from Seattle as special counsel. Cox has made an exceptional record handling such problems, working hand-in-hand with Committee's very knowledgeable communications counsel Nicholas Zapple. There were these additional developments last week:

(1) Everyone clamoring for a chunk of the 25-890-mc portion of the spectrum, which includes all TV channels, filed mass of data to justify their claims (p. 5), preparatory to presentation of oral testimony which may start in couple of months. Also in there pitching to protect all TV channels was Assn. of Maximum Service Telecasters (see below).

(2) Office of Civil & Defense Mobilization, under prodding from Rep. Bray (R-Ind.) & industry (Vol. 15:12), released Dec. 29 report by President's Special Advisory Committee on Telecommunications (p. 6).

(3) Kenneth Norton, Bureau of Standards' top radio propagation man, in March 27 letter to FCC Chairman Doerfer, repeats an allocations argument he made 10 years ago—that more vhf service would be provided if station co-channel separations were reduced to 100 miles or less. He acknowledges that rural coverage would suffer at expense of multiple services for cities but apparently believes that more would be gained than lost. He suggests that small towns may be served by "thousands" of vhf boosters, and he sees no point in attempting to shift all TV to uhf. Norton holds title of "Chief, Radio Propagation Engineering div., Central Radio Propagation Lab," is stationed in Boulder, Colo.

MST URGES FCC TO HOLD LINE ON ALLOCATIONS: Strongly & voluminously, Assn. of Maximum Service Telecasters spoke up last week to protect all TV channels from any inroads—by non-broadcast radio services, military, etc.—as it filed direct testimony in FCC's huge investigation of all uses of 25-890-mc portion of spectrum. MST had concluded that TV industry must respond most forcibly—and in light of insistent demands by other services (see p. 5) its precautions appear justified. MST makes these recommendations in its testimony.

(1) Ch. 2-13 must be retained. (2) More vhf channels would be "most desirable." (3) If more vhf is obtained, part of the uhf could be given up. (4) No uhf channels should be relinquished except in exchange for vhf. (5) No degradation of existing service should be permitted.

Statement by MST exec. director Lester W. Lindow stresses fact that although TV has about half the spectrum in 25-890-mc band, it has only 3.5% of non-govt. "usable channels" in the band.

Describing "the role of TV in American life," Lindow calls attention to more than 50 million sets-in-use, more than 20% of average viewer's waking life spent watching TV, rapid occupation of TV channels as compared with radio's growth, investment by public & industry of \$26.3 billion to date, service to 50.5 million persons per vhf channel, 3,563,960 "active uhf TV viewing homes" as of spring 1958, approximately a million people within uhf translator service areas, farm TV households with more than 14 million people, TV's major role in advertising.

If all TV were moved to uhf, Lindow states, there would be great loss of area covered. He also asserts that wired-TV coverage is no palliative, because cost would be prohibitive & rural areas would be unserved. MST's statistical data was prepared with aid of economist Harold G. Ross, formerly on NAB staff.

Consulting engineer Howard T. Head made following points: (1) Any reduction in TV's 6-mc bandwidth would degrade picture, particularly color, and obsolete all sets. (2) Reduction of interference through "precise carrier offset" or "very precise carrier frequency control" (permitting cuts in station separations) haven't been tested adequately. (3) Directional antennas still await thorough field testing. (4) Uhf reception suffers from antenna, transmission line and noise problems.

WHAT PRICE POST-1948's?: Major Hollywood film studios, with more than 2500 post-1948 pictures in their vaults, will face genuine problems when they seek to sell these to TV. We checked stations in Los Angeles, long one of the most important film buying centers in TV, found no particular enthusiasm for post-1948's. Buyers are wary of high prices, of quality, and of adaptability of Cinemascope pictures to small TV screen. Most of post-48 is in wide, Cinemascope process.

Two batches of pre-1948 movie product are currently being offered around Los Angeles, with no takers. They're an NTA package of 88 20th-Fox pictures and a Screen Gems package. So future appears anything but rosy for studios planning to sell post-48's (see p. 8).

EIA SEEKS TO EASE NSRC ANTI-TRUST ANGLE: A large step has been taken to minimize any possibility of anti-trust law violation in the procedures of National Stereo Radio Committee—obviously with hope of enticing recently-resigned RCA back into the fold and of inducing CBS to join. Both have been staying away to avoid taking the slightest risk that Dept. of Justice might get suspicious of joint efforts by competitors (Vol. 15:12).

Electronic Industries Assn. Pres. David R. Hull got ball rolling by asking FCC for its blessing on NSRC—which is to gather technical information, not to recommend specific stereo standards to FCC. Chairman Doerfer responded with pleasure: "The Commission recognizes that valuable information will be developed by your group and would be pleased to receive such information as you may feel is pertinent." Doerfer also offered FCC engineers as observers—and Harold Kassens & Julian Dixon have sat in on NSRC deliberations.

This FCC endorsement can't immunize anyone from anti-trust prosecution, but it tends to minimize it under the "Peyton Ford" formula. This refers to Oct. 19, 1950, statement by Dep. Atty. Gen. Ford, who listed 5 procedures to reduce possibility of anti-trust violations: (1) A finding by a govt. agency that work of group such as NSRC is needed. (2) Agendas for meetings initiated by Govt. (3) Govt. officials serving as chairmen. (4) Complete minutes kept. (5) Groups remaining "purely advisory." Ford made it clear at the time that compliance with foregoing by no means created a blanket of immunity from prosecution, though he said it would tend to minimize risks.

EIA gen. counsel Wm. L. Reynolds analyzed NSRC's anti-trust posture for NSRC Chairman Dr. W. R. G. Baker last week—and he said that "they are consistent with the operating principles & procedures applicable to all engineering committees of this assn.," indicating that NSRC should be neither safer nor riskier than any other similar group. Reynolds stated that NSRC (and TV Allocations Study Organization, of which EIA is a member) followed spirit if not exact form of Ford's 2nd & 3rd recommendations.

RCA & CBS hadn't studied latest developments, thus couldn't indicate whether they're ready to join NSRC. Each has a stereo system and presumably will work toward getting it adopted by FCC—whether they participate in NSRC or not.

PUTTING THE SQUEEZE ON THE TV PICTURE: The future of worldwide TV networking—by island-hopping relay, space satellite or transoceanic cable—may well depend on complex & unpublicized work in bandwidth reduction now being carried on independently in several widely-scattered labs in this country & abroad. Important byproducts may be relatively inexpensive long-distance networking relays and simple, compact portable military TV relay equipment.

Important successes have been achieved in funneling TV picture information into a narrow band of frequencies for relaying purposes—a 4-to-1 reduction already can be accomplished under some circumstances, without loss of picture quality.

No relief from TV allocations dilemma is promised at this time by electronic bandwidth reduction. It requires complex equipment at transmitting & receiving ends and in foreseeable future its only use will be for point-to-point relays.

Here's why bandwidth-reduction is so important to long-distance networking: A single-channel TV transmission requires 4 mc of frequency—nearly 4 times the space occupied by the whole AM broadcast band, for example. To harness new over-horizon long-distance microwave techniques, tremendous power is needed—and the wider the band of frequencies you relay, the more power you need. If you can cut width of TV picture in half, you'll need only half the power to send it a given distance—or it can be sent twice as far with same power.

Transoceanic cables have been eyed as potential TV carriers—but Atlantic cable can accommodate only 160 kc. Thus, TV signal would have to be chopped to 1/25 of its present width to squeeze it through the cable. Research engineers are convinced that this is possible.

The bandwidth-reduction technique which is getting most attention today is based on the fact that TV pictures are never as crowded with details as they could be. If you jammed a single TV picture with all the possible detail its 4 mc could carry, you would have a fine-mesh checkerboard pattern with about 250,000 "picture elements" (minimum perceptible details). But in reality, no TV picture ever carries much detail. Therefore, in reality, it shouldn't require 4 mc.

Method known as "statistical coding" is used to take advantage of this fact. Picture details are coded & rearranged, so that the only bandwidth needed is for the details which are actually in the picture.

The parts of the picture which have no detail (solid black, white, grey, etc.) need not be transmitted—merely “suggested.”

TV picture is painstakingly & electronically picked apart, the “detail” information rearranged & translated by computer into an electronic shorthand which represents entire picture but only “suggests” portions of picture which don’t contain details. Computer at receiving station “transcribes” the shorthand, reconstructing original picture. Digital coding techniques take advantage of physiological & psychological phenomena of vision as well as straight electronic science.

Two leaders in field of bandwidth reduction research are Bell Labs and Technicolor Inc. Bell’s project at Murray Hill, N.J., under R. E. Graham, is now concentrating on digital technique, after evaluating many proposed methods. To date, using relatively “simple” equipment, Bell has been able to reconstruct satisfactory TV picture with only about 50% of the information contained in original picture—equivalent under ideal circumstances to a reduction of picture bandwidth to 2 mc. More elaborate equipment, according to Graham, can accomplish a cut of maybe 3-1 without picture degradation.

Technicolor Inc., which started band-reduction research 5 years ago in search of video tape recording techniques as a diversification move, has developed system it calls “synthetic highs.” It reduces high-frequency elements (which comprise about 3.65 mc of the 4-mc picture) to basic code, reconstructing them synthetically at receiving end. Technicolor’s equipment can reproduce commercial-quality picture using as little as 1 mc under certain conditions, says Dr. W. F. Schreiber, project director.

Transatlantic cable could accommodate TV, even on basis of present knowledge, he says—but, although viewable, it would be degraded. The 25-to-1 reduction could be accomplished partly by digital coding, the rest of the way by reducing frame rate & resolution (number of lines).

A bonus of coded TV, according to Dr. Schreiber, is fact that Technicolor system—being non-synchronous—can be transmitted using one set of standards (U.S. 525-line system for example) and decoded into another set (British 405-line, French 819, European 625). For military purposes, TV picture can be kept secure by applying standard cryptographic techniques to the computer-coded signal.

Among others working in bandwidth reduction is Florida Micro-Communications, Miami, whose use of a different technique—velocity modulation or “slow-scan-fast-scan” in connection with proposed Caribbean network—was described in February (Vol. 15:6).

CATV SYSTEMS—BATTLING BUT PROSPERING: Although community antenna operators have their hands full of battles on startling number of fronts—FCC, Congress, courts, legislatures, town councils, utility commissions, etc.—they’re still conducting a thriving business. Working from updated CATV directory in our new spring-summer TV FACTBOOK, now going into mails, we find that about 2 million people in U.S. now get their TV via CATV—up about 200,000 in 6 months.

New directory is more complete than any previous one, is based on high rate of response to questionnaires from CATV owners. We’ve also made it more realistic—by weeding out systems purportedly in operation but never fully verified. This actually reduces number of systems listed—to 555 vs. 610 six months ago—but final result is more accurate. Canadian figure is 144, up from 140. Herewith are key figures derived from our analysis:

(1) Total U.S. homes served, 549,967—vs. 492,345 six months ago. Canadian total: 67,594—vs. 58,988.

(2) Estimated potential of the systems now operating, 952,470—vs. 934,864. Canadian: 124,975—vs. 152,713.

(3) Average number of subscribers per U.S. system, 1215—vs. 1056. Canadian: 815—vs. 479. (Considerable jump in averages is attributable in large part to fact we’ve decided to exclude systems with fewer than 100 connections when computing averages, because most of these are tiny affairs, have no prospect of developing into a true “business.”)

(4) Average potential per operating U.S. system, 2103—vs. 2068. Canadian: 1506—vs. 1161.

CATV directory occupies 25-page section of the FACTBOOK, includes: name of company, address, telephone, no. of subscribers & estimated potential, date of start, make of equipment, principal officer, stations received. Directory also includes for first time a separate listing of the 31 U.S. & 7 Canadian operators owning 2 or more systems.

The FCC

More about

THE SPECTRUM HUNGER: The never-ending demand for more & more frequencies, by every kind of radio user, was pointed up sharply last week when all parties filed copies of their direct testimony in FCC's proceeding examining the allocations in the entire 25-890-mc band (see p. 2). In the following paragraphs, we summarize the allocations requests & recommendations of the major parties filing comments:

Aeronautical Radio Inc. "We most strongly urge" retaining the allocation of frequency band 126.8-132-mc for aeronautical mobile service. Also "it is shocking that in this day & age and in these United States there exists no public telephone service to aircraft." Supports common carriers' request for frequencies separate from safety & aeronautical services to supply such service.

American Broadcasting-Paramount Theatres not ready to submit evidence. Wants to look over TASO report first. Meanwhile continues to think that "the future of TV allocations should be determined before any overall reallocation of frequencies in the 25-890 band is attempted."

American Municipal Assn. "We could double the use of mobile radio by using only a small portion of the present allocation between 470 mc and 890 mc to TV broadcasting. Such allocation would reduce the potential number of TV stations from 70 to 56. We therefore strongly urge the allocation of a portion of this 470-890 mc spectrum presently allocated for broadcasting to the mobile service. This we feel is absolutely necessary."

American Petroleum Institute. Petroleum & natural gas industries' "use of radio can be clearly justified." It "can see no justification for moving present petroleum radio service users to other bands." (Frequencies in 48.56-49.50-mc band have been assigned since April 1, 1958, in petroleum radio service on shared basis with forest products radio service.)

American Rocket Society. Requests the following assignments of spectrum for space communications: 25.6-25.65 mc, 37 & 38 mc "or equivalent frequencies separated approximately 1 mc for ionospheric studies," 148-150.8 mc, 24 mc in the 216-260-mc band, 25 mc in the 309-450-mc band.

American Taxicab Assn. seeks 10 channels in the 152-162-mc band.

American Telephone & Telegraph Co. urges that TV's 765-840-mc band be reassigned to "domestic public mobile radio service for use by land line telephone carriers . . . secondarily for common carrier fixed, and that TV's 840-890-mc be assigned to common carrier fixed service as a replacement for the 890-940-mc band.

Assn. of Maximum Service Telecasters. (See p. 2).

Central Station Electrical Protection Assn. requests allocation of a band for the exclusive use of "those engaged in furnishing fire, burglary and other protective services."

Electronic Industries Assn. recommends: (1) That FCC permit educational institutions to use uhf channels to distribute classroom instruction programs—because the use of cable over wide areas for this purpose "may become prohibitive." (2) An additional 40.8 mc of spectrum be allocated to public safety, industrial & land transportation services, to provide 1200 more voice channels—4.8 mc under 100 mc, 18 mc from the 100-300-mc band, 18 mc from bands above 300 mc. Estimates that there were 695,000 transmitters in the services in 1958, will be 1,390,000 in 1963, 2,650,000 in 1968, 5,000,000 in 1978.

FM Broadcasters urges that "present standards governing FM broadcasting remain unaltered." What with stereo coming up, "any reduction in that bandwidth (88-108) would be completely contrary to the public interest."

Institute of High Fidelity Manufacturers Inc. "FM cannot be reallocated to a different band" because the cost would be prohibitive—"any change now would result in a disastrous obsolescence of existing equipment. No other band appears feasible."

Joint Council on Educational TV hopes "TASO's findings & recommendations will prove helpful to the Commission." Meanwhile repeats its Nov. 3, 1958, petition to FCC for "thorough investigation of TV allocations as a first step toward removing some of the serious obstacles to effective noncommercial telecasting, particularly in large metropolitan areas." It's "wholly unrealistic" for commercial broadcasters to argue that uhf channels won't do for them in a vhf market "but are good enough for noncommercial broadcasting."

Lenkurt Electric Co. Inc. concurs with AT&T's request that TV's 765-840-mc band be allocated for common carrier service.

Motorola Inc. suggests that TV be allocated 30 channels in the 174-354-mc band. "The adjacency of these channels will provide essentially equal propagation characteristics for all channels, assure the sale of 'all-channel' receivers, and generally promote a healthier TV complex. This suggestion obviously eliminates present Ch. 2 through 6 and starts TV with Ch. 7. As distasteful as this at first may appear, it is a feature which can be accommodated with proper planning so as to minimize negative reactions. The benefits that will accrue are definitely the lesser of evils. Such an adjustment can be managed over a 10-year period minimizing the obsolescence to set owners. The equipment changes required of the broadcasters are comparatively minor and can be accommodated with minimum hardship." Also suggests: "Fundamental to any rational allocation plan is the necessity of placing all allocations in the hands of one authority, with govt. & non-govt. assignments allocated alike by this single authority."

National Assn. of Broadcasters. "It will be impossible to make specific concrete recommendations" until the industry & FCC have had a chance to study the TASO report—and that will take "many months." Moreover, until proposed studies by President & Congress are completed, little can be done "to determine the proper place in the spectrum that TV should occupy." Meanwhile, the "status quo should be maintained." Also states that it "would be most inappropriate to make any changes in the existing FM broadcasting standards," particularly in view of study by National Stereophonic Radio Committee of various stereo systems, and also because of national defense program plans for post-attack use of FM channels & existing FM stations.

National Assn. of Educational Broadcasters. In view of "already harrassed history of educational FM, [we] would urge that the educational FM service, at least, be left unmolested."

National Assn. of Manufacturers' Committee on Manufacturers Radio Use requests the assignment of 4 low-powered frequencies in the 152-162-mc band to be shared with forest products & petroleum radio services, 4 unshared higher-powered frequencies in 152-162-mc, 10 general purpose frequencies in 152-162-mc to be shared with forest products & petroleum, 10 pairs of unshared frequencies in 460-470-mc for mobile relay & general production purposes, 2 pairs of unshared frequencies in 460-470-mc for plant security & emergency purposes.

National Assn. of Taxicab Owners Inc. requests 10 additional frequencies in the 150-160-mc band.

National Committee for Utilities Radio estimates there will be need for 6000 assignments in the power radio service within 10 years. The present assignment is 54 channels in the 30-50-mc band, 19 in 152-174-mc, 10 in 450-460-mc. Estimates there will be need in 10 years for 83 in the 30-50-mc band, 23 in 152-174-mc, 20 in 450-460-mc.

National Mobile Radio System proposes that the FCC: (1) Create local boards "which would have jurisdiction over mobile radio bands on a geographical basis." (2) Investigate the possibility of narrowing the bands on all frequencies between 25 & 890 mc. (3) Reallocation of 25-80-mc "on the basis of growth and utilization of radio channels in the last 5 or 10 years, and that allocation of new channels developed in the future be made upon the same basis."

RCA Communications Inc. recommends that frequencies be allocated in the 25-38-mc band for "ionospheric reflection propagation."

Special Industrial Radio Service Assn. urges expansion of allocation to special radio uses whether or not a broad-band common carrier system is established—because such a system "will not supply the type of mobile-to-mobile communications so vital in many special industrial applications."

U.S. Independent Telephone Assn. suggests "transfer of the band 840-890-mc to common carrier fixed" for public telephone service, although it recognizes it is asking for a part of the space set aside by FCC for TV translators.

More about

WHAT THE ADVISERS ADVISED: The Office of Civil & Defense Mobilization ignored the most important recommendations of the President's Special Advisory Committee on Telecommunications, when it asked Congress to pass a law establishing a 5-man study commission (Vol. 15:6). That's clear from the text of SACT's Dec. 29, 1958 report, released last week by OCDM after the latter had been criticized for withholding it.

A permanent high-level 3-man "National Telecommunications Board" with access to the President was a "must" to manage the Govt's communications resources—SACT told the President and OCDM director Leo A. Hoegh But Hoegh wants only a 1-year study by a group which would be dismissed after submitting its report.

Another significant difference: SACT suggested that new board's members be nominated by the President and confirmed by the Senate. OCDM would have a 5-man commission set up—all appointed by the President without Senate confirmation.

Such differences may be academic for the immediate future, because congressional leaders don't like OCDM's ideas at all—fearing military domination of the study commission—and the White House doesn't like SACT's "permanent board" suggestion. However, the poor management of govt. communications—aside from the problems of split authority over civilian & govt. uses of frequencies—are likely to plague all administrations until they get the recognition they deserve. Among the key paragraphs of SACT's report are these:

"A consideration disquieting to many is the fact . . . that the law establishes a dual control over the radio frequency spectrum, the President having responsibility for govt. use & the FCC for non-govt. use. Thus there is no individual, agency or board invested with the responsibility for the effective use of the radio spectrum as a whole.

"In reviewing the structure as it has developed, the committee was continuously struck by the absence of adequate provisions for high-level consideration on the govt. side of a variety of matters of vital national importance in the area of telecommunications. The FCC provides a vehicle for adequate consideration of the non-govt. area. In sharp contrast, as indicated earlier, decision in the area of govt. use or of conflict between govt. & non-govt. use, are often made by compromises at the operational level by staff members, who though competent in their fields, do not necessarily have the total picture of national interest. There is also an unfortunate absence at present of anyone in the executive branch with adequate knowledge, experience, and stature to act for the President in these matters, and there is not available therein an organization adequate to accumulate the information & experience upon which to base sound action."

As special assignments for the proposed new board, SACT recommended that it conduct a 2-year study of the spectrum, working jointly with the FCC, plus a 2-year evaluation of Govt.'s use of communications.

One SACT suggestion which OCDM did adopt was the idea of beefing up the telecommunications staff within OCDM—and we hear that OCDM is trying to "raid" engineers from other govt. agencies, including FCC Commissioners' own engineering assistants.

EQUAL TIME RELIEF? Long-suffering broadcasters' hopes for legislative relief from—or at least clarification of—political equal-time rigidities of Sec. 315 of the Federal Communications Act brightened on 2 fronts last week.

The FCC itself was reported getting ready to urge Congress to do something about the Commission's own 4-3 letter-of-the-law Lar Daly ruling that newspaper shots of office-holders who are candidates constitute campaign pitches which their opponents are entitled to match (Vol. 15:8-13).

And Chairman Harris (D-Ark.) of the House Commerce Committee, which must clear any Sec. 315 revision, told us "it's almost imperative that something be done." It was his strongest statement yet on equal-time issues, which have been raised repeatedly—but fruitlessly—at other sessions of Congress.

Chairman Magnuson (D-Wash.) of the Senate Commerce Committee, reached at his Seattle home during the Easter recess, was less positive about any need for congressional action. "I'll reserve judgment until I see what the FCC sends up," he told us.

The FCC hadn't agreed in informal discussions on the language of any Sec. 315 recommendations for Capitol Hill. But one Commission source told us "there's going to be some revision suggested, obviously," and that an amendment probably will be proposed to exclude carefully-defined news programs from equal-time requirements. No action by FCC is likely, however, until after an April 17 deadline for filings for reconsideration of the Lar Daly ruling.

Such an FCC-recommended amendment would be in line with a bill (HR-5839) by Rep. Cunningham (R-Neb.) to remove legitimate newscasts from the area of political broadcasts. So far it's the only Sec. 315 measure submitted in either House or Senate, but Harris said he may introduce similar legislation himself. And Sen. Allott (R-Colo.) said he will introduce a companion to the Cunningham Bill when Congress resumes business this week.

"I do have some ideas," Harris said. "In view of what has happened, the matter ought to be clarified. Legislation is desirable, and I plan to have something on it later."

Networks

Slight Drop in Network Volume: The 3 TV networks showed a 1% drop in advertising volume for Jan., compared with Dec., on the latest *Printers' Ink* index of national advertising. Only network TV, weekly magazines and outdoor advertising were off. The comparison for TV is better, however, when made with Jan. a year ago: network TV is up 4% over that month. The general index for all advertising shows a rise of 2% over Dec. but compared with one year ago, it is unchanged. Radio suffers the heaviest percentage drop for the one-year comparison, with a minus 22, Jan. vs. Jan. Women's magazines (-7) and outdoor advtg. (-11) were the 2 other media with decreases. (The last column in the table below shows the average index for 1958, adjusted to reflect a preliminary estimate of national advertising dollars.)

	Index		% change from		1958 Year Average
	Jan. 1959	Jan. 1958	1 month ago	1 year ago	
General Index.....	215	214	+ 2	0	208
Total Magazines.....	162	161	+ 1	+ 1	154
Weekly	172	169	- 5	+ 2	170
Women's	125	134	+10	- 7	116
General Monthly....	210	197	+ 6	+ 7	188
Farm	111	109	+17	+ 2	100
Newspapers	188	188	+ 4	0	185
Network TV	444	427	- 1	+ 4	422
Network Radio	28	36	0	-22	30
Business Papers	232	225	+ 6	+ 3	221
Outdoor	135	152	- 8	-11	157

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52.

CBS Notes Wall St. Interest: "On [our program] planning boards," Dr. Frank Stanton, pres. of CBS Inc., told the N.Y. Society of Security Analysts last week, "is a project to deal with the whole question of money management for the general audience—a program that will attempt to provide information on investments, budgeting and related matters." Such a TV series, Stanton said, is necessary "to enlarge public understanding of vital financial issues."

He did not elaborate on when such a series would be developed and launched, but the network has been experimenting with 3 hour-long TV programs, titled *The Dollar Debates*, discussing inflation, budgets and taxes, that have given network program staffs what amounts to a shakedown cruise in Wall St. matters.

The CBS president also touched lightly on some financial highlights in the network's own history, such as: In 1949, when TV was still largely an electronic glimmer, net sales at CBS were "about one-fifth as large" as in 1958, and its property, plant, equipment and investments totaled "about one-third of what it is today." CBS "invested \$53.1 million in TV broadcasting before we began to make a profit from it."

In reviewing the firm's 1958 report, Stanton said that "To assume we are anywhere near the upper limit of growth, or that the state of the broadcast art is soon going to cease to evolve, is to put oneself in the position of the patent office official who resigned in the 1880's because everything had been invented."

Long strike against CBC by 75 French language TV producers in Montreal, which started in Jan. (Vol. 15:1) and won support of 1200 other unionized employees of govt.-operated system, has been settled on compromise terms. The producers won CBC recognition of their union (Association des Realisateurs). CBC won a stipulation that the union won't affiliate with any labor federation.

Network Television Billings

January 1959

(For Dec. report see TELEVISION DIGEST, Vol. 15:7)

BEST JANUARY EVER: The total 3-network gross time billings for January were the best in history for that month, TvB reported last week. The figure came to \$52 million, a \$2.5 million increase over January 1958, representing a 5% rise. ABC had the largest percentage rise for the 6th consecutive month.

Daytime sales increased while nighttime billings dipped slightly. Daytime gross billings were \$18.3 million, compared with \$15 million for Jan., 1958, an increase of 21.4%. Nighttime was \$33.7 million vs. last year's \$34.5, a drop of 2.0%. The report for January:

	NETWORK TELEVISION		
	Jan. 1959	Jan. 1958	% Change
ABC	\$10,647,078	\$ 9,168,609	+16.1
CBS	22,129,248	22,094,015	+ 0.2
NBC	19,299,853	18,344,111	+ 5.0
Total	\$49,606,735	\$52,076,179	+ 5

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

Day after KGW-TV Portland, Ore. switches from ABC to NBC on April 26, we are told by mgr. Walter Wagstaff, the first full network color feed out of Portland (NBC-TV's *Truth or Consequences*) will originate from KGW-TV's studios.

WHYN-TV (Ch. 40) Springfield-Holyoke, Mass. became a primary ABC-TV affiliate April 1, it was announced by Alfred R. Beckman, ABC-TV v.p. for station relations. Charles N. DeRose is gen. mgr. of the station; Hampden-Hampshire Corp. is licensee.

Congress

Russian jamming of Voice of America broadcasts has become so intense that the U.S. is using recordings of jammings themselves as a counter-propaganda device. In his semi-annual report to Congress last week, USIA dir. George V. Allen said that tapes of jammed broadcasts from last year's UN General Assembly sessions on the Middle East, showing how the Russians even prevented their own delegate Andrei Gromyko from being heard, were used repeatedly by radio networks abroad. Allen also said VOA signals to Eastern Europe have been improved by rescheduled to concentrate power & circumvent jamming.

Congress has been asked by the Hollywood AFL Film Council to launch a full-scale investigation of so-called "runaway" foreign telefilm & movie production by American producers. Hollywood labor, in making its plea to Congress March 31, said such production "is giving aid & comfort to the Communist conspiracy against the free world." It adopted a resolution to be presented to the national AFL-CIO demanding that the next national labor convention vote in support of a national consumer boycott of all such U.S. pictures.

Search for spectrum experts to head a scheduled House Commerce subcommittee study (Vol. 15:13) continued last week with no staffers selected—and no hearings scheduled. Chairman Harris (D-Ark.) wanted ex-FCC member Dr. Irvin Stewart as staff dir., but Dr. Stewart declined the job, explaining that he had other commitments. He told Harris he'd be available for occasional consultation.

Programming

More about

POST-48 PARADOX: No one in Hollywood seriously doubts that the major studios will sell their post-1948 pictures to TV. The only question involved is when—and for how much. Republic Pictures has already sold its post-1948 product, incurring the wrath of Hollywood talent guilds by not cutting them in for a percentage of the profits. Republic managed this by the simple expedient of going out of production, so that being put on the guild's various "unfair" lists—and it was—became a meaningless gesture. The chances are that when other studios follow suit, they, too, will do so without cutting the guilds in. This may mean they would go out of production, but they would not go out of business; they'd remain as financiers & distributors of independent movie product—a trend which is already under way. (The guilds long ago agreed that the majors could sell TV any movies made prior to Aug. 1, 1948, without paying the creative talent involved; hence the 1948 cutoff date.)

Los Angeles stations—which show no enthusiasm for the post-1948 product—give us varied and provocative reasons for their attitude:

KTTV, which bought the Metro backlog 3 years ago, (with Metro allowed to buy 25% of the station's stock at the time) and has long been an important film buyer, is now making a cautious approach. Program v.p. Bob Breckner told us: "One of the problems to be faced is the fact that most of the post-1948's do not have the quality of the pre-1948's. We pay on the basis of quality & need. There is always a crying need for good pictures, but not for pictures in bulk. The best of the post-1948 pictures were made by independents, and they'll probably hold out longer than the major studios."

KNXT, CBS outlet in Los Angeles and buyer of the entire Paramount pre-1948 backlog last year, has stopped buying. Program dir. Don Hine tells us: "We have 700 Paramount pictures as well as some others, including post-1948 United Artists pictures—and we've stopped buying. We have a 7-year supply, actually, but will probably augment it again in a couple of years. Not all of the Paramount product is usable—some is too old, some not good. We're still screening the pictures. We're interested in talking with anyone who has post-1948's. I've heard that when the majors release them, it will be a few at a time, and the price will be too high. Then there is the problem that so many of these pictures were made in Cinemascope. We are not interested in average pictures."

KCOP gen. mgr. Alvin Flanagan tells us he, too, hears post-48's will be released to TV in small groups. "I'm interested in them, but the price is important. I just don't know. NTA has a package of 88 pictures (pre-1948's) around, and Screen Gems is also offering a package. I'm told NTA is releasing another batch in April some time. I don't think the real big pictures will be on free TV. They'll be on pay TV. That's just as inevitable as the sun. It's progress."

Six hour-long TV shows on Easter Sunday afternoon (4 in color) were said by NBC to comprise the longest unbroken parade of hour-shows in network history. The sequence began at 4 p.m. with Mary Martin, and wound up at 10 with the finish of the *Chevy Show*.

SOAP STILL STRONG: Those serials on TV are still the staple diet of daytime TV and will continue to be the backbone of programs in pre-evening time, we're told by Oscar Katz, v.p. CBS daytime programs.

Katz, in Hollywood for the kickoff of CBS's new daytimer, *On the Go*, with Jack Linkletter as host, says, "The average daytime serial on TV has far more to offer than the radio soaper had. It has far more plot, characterization & sophistication. I don't mean the Hollywood-N.Y. type of sophistication—I mean subjects never touched on in the old days—such as infidelity & unwed mothers.

"We have experimented on these serials, seeking new values. A good example is our *The Verdict Is Yours*. This is really a daytime serial with a strong element of reality added. We retain the soaper type, but add to it with this courtroom element of reality," he explained.

Katz tells us the network has considered filming TV soapers, but finds 2 things against it. "The cost is too high, and there's a question whether telling continuing plots will go over on reruns."

Katz adds that 40% of the CBS daytime programming is soap opera (examples: *Love of Life*, *As the World Turns* & *Edge of Night*), and he feels the shows have more stability than any other type of daytime programming.

"There is a slight trend toward rerunning nighttime shows in the daytime, and I look for that to intensify. *Our Miss Brooks*, *I Love Lucy* and similar shows are ideal for daytime programming on reruns. It brings expensive production & big names to daytime TV in the only way daytime can get them. Eventually the standard route may be for nighttime filmed shows to go daytime before they enter syndication," Katz says.

There is a limited market for kid TV shows. "They're tough to sell," he comments. As an example he points to CBS's *Captain Kangaroo*, "one of the best," but nevertheless a money loser. Costs are high—CBS spends \$1 million on it a year. "However, we're considering a new sales plan, to make it cheaper," Katz adds, and the show will stay on indefinitely despite its losses.

Besides *On the Go*, CBS plans for the first time a daytime series of specials called *The Women*. Regular daytime shows will be pre-empted to present them. The first, in May, will ask "Why do they marry young?" The next will probably come on in September. CBS has signed Claudette Colbert as the show's hostess. "Both *On the Go* and the specials are new concepts in daytime TV," Katz says. The Linkletter series, *On the Go*, starts April 27. It will be a mobile show, with Jack introducing people & places as he tours the country.

CBS is also considering one or 2 audience participation shows for its daytime schedule. It had considered a soap version of *Mildred Pierce*, but has dropped the project because of problems.

ABC Films' 8 Series: ABC Films Inc., pres., Henry G. Plitt, now on the Coast lining up new series, tells us he's working on 8. He is reluctant to discuss details of the series until contracts are signed, but expects decisions on most to be reached this week. He did say, however, that ABC films will create series for ABC network & for syndication. "I think," he added, "syndicated programs will have to be action-packed. We have a dual target—to create shows for the network & for syndication or regional sales. We are going to create programs for the network. If the series don't wind up there, we'll release them for syndication or on a regional basis," he said.

Theme Song Value: Look for TV shows next season to rely more heavily on theme songs, in view of the success this season of signature songs created for 77 *Sunset Strip* & *Peter Gunn*. Both these series carry leitmotifs that have made considerable impact on the public, and have unquestionably helped ratings & stature. Nor can the lesson of Hollywood movies be ignored: theme songs with picture titles have often bolstered box office receipts.

Theme-song success is, of course, no push-button affair, as some past-season results show. The ballad for *Wyatt Earp* has cut no swath, nor have those for *Wagon Train*, *Yancy Derringer*, *Jim Bowie*, or *Shirley Temple's Storybook*.

Nonetheless, telefilm makers, recalling Jack Webb's "dum-de-dum-dum" & Walt Disney's "Davy Crockett," can see real value in theme songs.

Guest Relations: This practice of Hollywood stars trading guest shots on their TV shows—done to get top names yet avoid their going price by the simple expedient of trading—is not without its dangers. For example, Dean Martin, currently sought by Timex to star in 4 spectaculars next season, is hesitant because, by the trading practice, he would be on about a dozen TV shows next season. Martin has always been reluctant about over-exposure.

"After I had Bing Crosby and Phil Harris on my shows this season, I had to guest on theirs. Bob Hope will be on my May 2 show, and that probably means I'll guest on one of his," Martin told us.

However, he'll take the Timex offer. The only question is whether for the 4 specials the sponsor wants, or the 3 Martin prefers.

Meanwhile, Dean's former partner, Jerry Lewis, after doing 2 shows, apparently will not be on TV any more this season. No sponsor. Lewis is currently reactivating his TV film production company, naming Ernest Glucksmann as his executive producer. Jerry's company is several years old, but hasn't yet gone into production. He and Paramount are discussing a deal with the studio to finance.

British Post-48's for TV: More than 40 post-1948 features may be released as a TV package this summer by United Artists Associated. Though UA is sitting tight on its backlogs of Hollywood pictures, it has acquired a large group of recent J. Arthur Rank films, via Lopert Films, a UA subsidiary, following the withdrawal of Rank from its attempt to crack the U.S. distributor market with its own firm. Some of the films have American actors.

Some are still involved in theatrical playdates, and a few are so new they've never been seen by U.S. audiences. The UA pattern, we are told will be to "get as many theatrical engagements as possible, then throw them onto the market by mid-1959."

Included are some sizable movie attractions, such as the high-budgeted "A Night to Remember" and "The Pursuit of the Graf Spee."

Using the facilities of KPRC-TV Houston as a production base, a live Western Series sans plot is slated to begin April 30 on NBC-TV. It is entitled *Texas Rodeo*, will be produced on video tape by Saddlerock Corp., Houston, and will feature highlights of classic rodeo contests such as bronc riding & calf roping. The show will replace the filmed Western, *Jefferson Drum*, and will compete with *Luce* reruns & *Leave It To Beaver* on CBS & ABC.

Stations

Million-Dollar Movies: Investment in film properties made by new stations going on the air can easily rival the total expenditure for the station's physical plant. For example: KPLR-TV St. Louis, new vhf independent (Ch. 11), bowing as the market's 4th outlet in mid-April.

James L. Caddigan, onetime Du Mont executive who is v.p. & gen. mgr. of the station, has so far signed for \$1.3 million worth of syndication series & feature-film packages. He has picked up 3 packages from Screen Gems (78 *Powerhouse*, *Triple Crown*, and *Sweet 65*), one from ABC films (*Anniversary*), and one from Flamingo (*Dream*), plus assorted features from United Artists Associated and Hollywood TV Service.

Availabilities on KPLR-TV film shows are due for presentation to agencies by the station's newly-assigned rep firm, Peters, Griffin, Woodward. WPIX N.Y. & KTLA L.A., both PGW-repped, have sold 80 to 90% of their film availabilities to national or major regional advertisers, usually on 26-week or 52-week deals—a sales rate that has gotten the outlets fairly quickly off the hook on their film costs.

Rep. George P. Hollingbery's pres. Harry A. Wise Jr. adds the following to our recent (Vol. 15:11) ^{spot symposium:} "Spot TV in the first quarter of 1959 ^{ads vs.} The 2nd quarter should also be 10% to 15% better than the 2nd of 1958. The 3rd quarter of this year seems to be the pivotal quarter. If we can get by that without any crippling strikes that might paralyze basic industries, I feel 1959 should end up as the best year we have ever had in the spot TV business. We have found spot TV to be an excellent barometer of business conditions in general. If there is any kind of a business slowdown, we feel it almost immediately in spot TV, and conversely, when business is good, and buying is on the increase, spot-TV buying is also on the increase."

Orlando Ch. 9 "influence" case (Vol. 15:13) should be heard by a "special master or other court-appointed officer," rather than FCC, according to WORZ Inc., which had lost the decision to WLOF-TV (Mid-Florida TV Corp.). "The Commissioners are all human," WORZ told the Court of Appeals, "and it is only natural that they would be reluctant to disturb their grant to mid-Florida especially as it has gone ahead and, at considerable expense, constructed its Orlando TV station pending the appeal and has now been on the air for more than one year." WORZ also asked the court to issue a show-cause order requiring FCC and WLOF-TV to come forth & tell the court why WLOF-TV's grant shouldn't be cancelled.

FCC was upheld by the Court of Appeals last week in rejecting a protest by Federal Broadcasting System Inc. (radio WSAY Rochester, N.Y.) against renewal of the license of its competitor WBBF (Star Broadcasting Co.). WSAY had complained that it lost \$16,000 in advertising accounts because WBBF gave 25% discounts to sponsors who also patronized Star's WGVA Geneva. WSAY also accused WBBF of "arbitrary refusal" to permit WSAY "to rebroadcast sponsors' programs." The Court of Appeals, which had remanded the case to the FCC in 1956, agreed with the Commission that such discounts "are not per se unreasonable" and that WSAY's request for rebroadcast authority "was patently unreasonable in scope."

NEW AND UPCOMING STATIONS: Revival of WXIX (Ch. 18) Milwaukee as an independent is planned about 30 days after FCC approves transfer to new WXIX Inc. (Vol. 15:13), reports Gene Posner, pres. of Milwaukee Radio WMIL, principal stockholder of WXIX Inc. Transfer papers are to be filed with FCC this week. The station will cater to local advertisers, operate 4 p.m.-midnight daily basically as a film outlet but with live news & weather shows. Studios will be in the Schroeder Hotel where the transmitter is located. Rates are not set. Gill-Perna will be rep. WXIX was taken off air March 31 by CBS, and on the following day Storer's recently acquired WITI-TV (Ch. 6) began as the CBS-TV Milwaukee outlet. The on-air station count changes to 552 (87 uhf).

* * *

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

KHTV (Ch. 27) Portland, Ore., has changed the target for its start as an independent to June 1, reports pres. & 55% owner Wally Matson, also owner of a CATV system there. It has a 1-kw RCA transmitter formerly used by KPTV on same uhf channel, and the remodeling of Signal Hill transmitter house has begun. Engineering has been completed for a 200-ft. Fisher self-supporting tower. Base hour will be 3:30. Reps will be Gill-Perna and Ayres, Allen & Smith (West).

WCHU (Ch. 3) Champaign, Ill., planned as satellite of WICS (Ch. 20) Springfield, has set April 23 target for test pattern, May 1 for programming, writes Jerrold (Jerry) Merritt, WICS chief engineer. It has on hand an RCA transmitter, Pylon antenna and all other gear except film equipment. It will use a 50-ft. tower fabricated by Aeromotor Co., Chicago, on the roof of 70-ft. hotel building. WICS base hour is \$400. Rep is Young.

Storer Bestg. Co. last week sold WAGA Atlanta to Memphis drug firm Plough Inc. for an undisclosed amount in order to remain within the 7-station limit after purchase of KCOP Los Angeles (Vol. 15:11). Plough also owns WMPS Memphis, WJJD Chicago, WCAO Baltimore and WCOP Boston. After FCC approval, Plough will vacate present WAGA quarters which will be used for expansion of Storer's WAGA-TV facilities. Other radio station sales last week: KROW Oakland, Cal., by Sheldon Sackett, long-time newspaper & radio man, for \$800,000 to McLendon Investment Corp., owners of KILT Houston and KILF Dallas . . . WEDR Birmingham, Ala., by Edwin Estes (WMOZ Mobile & WPFA Pensacola) for \$225,000 to Washington auto dealer Vincent Sheehy Jr. and ex-WTTG mgr. James Bonfils . . . WTTT Arlington, Fla., by Harold King (WTHR Panama City, WDAT Daytona Beach, WFAB Miami) for \$125,000 to Theodore Weber, ex-CBS publicity & promotion dir. and more recently adv. mgr. of *Philadelphia Daily News*, and his wife . . . KGHJ Little Rock, Ark., by the same Harold King for \$125,000 to Washington realtor Michael Heller and theater exec. Eugene Kramer . . . KTUR Turlock, Cal., by A. R. McMillen & Assoc. for \$115,000 to Cleveland group headed by TV-radio personality Danny Landau . . . WALY Herkimer, N.Y., by Louis Adelman and Washington lawyers Krieger & Jorgensen for \$75,000 to George Baker, ex-program mgr. of WRC-TV Washington and fellow National Academy of Science employe Richard Thorman. Broker for KTUR was Allen Kander & Co. Blackburn & Co. was broker for all others except WAGA & KROW.

Station Boycotts Okayed: It's all right for an ousted union to picket TV & radio stations and conduct advertiser boycott campaigns against them if the purpose is to increase revenues of unionized competitors—and not to force re-recognition of the union, the NLRB decided last week.

The ruling came in a tangled case involving WKRGTV & WKRGMobile, Ala. and IBEW radio broadcast Local 1264, which lost its bargaining rights in 1957 in an NLRB representation election. IBEW members then picketed the stations to denounce them as non-union, asked 100 advertisers to transfer business from WKRGTV & WKRGMobile to other area stations, distributed lists of sponsors who persisted in patronizing the 2 stations. Management of WKRGTV & WKRGMobile charged that these activities were Taft-Hartley Act violations because they were attempts to make the stations negotiate with the no-longer-recognized union. The IBEW insisted that its only aims were to protect contracts of members at the other stations and help them get more business.

NLRB examiner William F. Scharnikow, upheld by 3 board members who participated in the case, recommended dismissal of the management complaint against the IBEW on ground that minority picketing & boycotts are unlawful only if union recognition is the objective.

Tighter license renewal rules for privately-operated Canadian radio stations were announced last week by the Board of Broadcast Governors. Renewals no longer will be considered to be automatic but will be based on "performance of stations in the light of the responsibilities placed on the board under the Broadcasting Act," said chairman Dr. Andrew Steward in Toronto. A proposed change in regulations also will make it possible for the board to renew licenses in a staggered system for less than 5 years. The present rule provides that they "shall continue in force for a period of 5 years." If approved by the Minister of Transport, the new system would apply to 171 licenses up for renewal April 1.

CBC Board of Broadcast Governors has recommended the approval of 5 TV licenses to Canadian Bestg. Corp. for: Corner Brook, Nfld. (Ch. 5), Kenora, Ont. (Ch. 8), Moncton, N.B. (Ch. 11), Trail, B.C. (Ch. 11), and French language outlet in Winnipeg (St. Boniface), Man. (Ch. 6). Other recommendations were for licenses to Stanley Shenkman (on behalf of firm to be incorporated) for Cornwall, Ont. (Ch. 8), and to CHBC-TV, Kelowna, B.C. For a satellite at Princeton, B.C. (Ch. 70). The request by J. M. Cameron for a grant in New Glasgow, N.S. (Ch. 7) was denied.

WEAR-TV (Ch. 3) Pensacola, Fla. was sold last week for \$1.5 million to Rollins Telecasting Inc., owner of WPTZ (Ch. 5) Plattsburgh, N. Y. and applicant for Ch. 12 in Wilmington, Del. by Charles W. Smith, Mel Wheeler Associates. Wheeler, who owns WJDM (Ch. 7) Panama City, Fla., will remain as mgr. of WEAR-TV. Rollins also owns radios WJWL Georgetown, Del., WAMS Wilmington, WRAP Norfolk, WNJR Newark, WBEE Harvey, Ill., WGEE Indianapolis & KATZ St. Louis. Broker in the deal was Blackburn & Co.

Miami Ch. 7 case was reopened by the FCC last week as expected, and a hearing will be conducted, starting at a date to be selected. The issues will be similar to those in the Miami Ch. 10 & Boston Ch. 5 proceedings—to find out whether any Commissioners or applicants were involved in back-door "influence" pitches. The Ch. 7 decision was won by WCKT. FCC's latest move stems from allegations made last year before the Harris subcommittee.

Efficiency study of NAB headquarters operations, authorized by TV & radio boards at Miami sessions in Feb. (Vol. 15:6), has been started by Stewart-Dougall & Assoc. Inc., N. Y. management consulting firm (30 Rockefeller Plaza). Purposes of the survey, first of its kind, are to determine whether the NAB staff is organized properly and whether members are receiving adequate services. No deadline for a report was set, but one is expected this year.

Single TV application filed last week was by KVLV for Ch. 12 in Alpine, Tex. Total applications outstanding are now 91 (17 uhf).

The expired CP of WAIM-TV (Ch. 40) Anderson, S. C., was reinstated by FCC last week, and the station was given special temporary authority to operate until July 1.

New zoom lens for TV studio use has been announced jointly by BBC and Taylor, Taylor & Hobson div. of Rank Precision Industries Ltd., London.

Auxiliary Services

Experimental 250-watt Ch. 10 co-channel booster was granted by the FCC last week to WTEN (Ch. 10) Albany, N.Y. The opposition by WJAR-TV (Ch. 10) Providence was rejected, the Commission said, because the experimental station would be permitted to operate only during hours when WJAR-TV is off the air—thus causing no interference. Meanwhile, WFBG-TV (Ch. 10) Altoona defended its application for a co-channel experimental booster in Johnstown (Vol. 15:11-12) against opposition filed by Johnstown's WJAC-TV (Ch. 6) & WARD-TV (Ch. 56) by asserting its program includes original field-test research into "precision offset," etc. WFBG-TV engineering consultant Frank Kear states: "WJAC Inc. also suggests that the proposed experiment might better be carried out under controlled laboratory conditions. Such a recommendation is patently absurd. Numerous laboratory experiments over a long period of time have established certain facts concerning the ratio of desired-to-undesired signal to produce a picture of predetermined quality. However, laboratory tests cannot predict the extent to which a given ratio of desired-to-undesired signal or a preferred signal-to-noise ratio can be maintained throughout a service area under actual conditions of rough terrain [in the] Johnstown area."

Extensive FM background music schedule offered by TV Cable Corp., Kingsport, Tenn. community antenna system, comprises 3 monaural channels and one stereo—in addition to 5 TV signals. The aural material is delivered via FM—88.75, 89.60 & 90.5 mc for the monaural, 88.75 & 89.60 for the stereo. The system uses 6 eight-hour tape recorders (Magnecoorder & Alto-fonic) and programs from 6:30 a.m. to 2 a.m. the next day. The system reports about 200 homes, offices, industrial plants, etc. taking the new service. It charges home owners \$1.50 plus 12¢ tax annually for aural service. Commercial establishments pay on the basis of number of speakers—\$15 a month for 2 speakers, graduated up to a maximum of \$35 a month for 10 or more speakers.

Three translator CPs—on Ch. 73, 77 & 83—were granted by FCC last week to Quincy Valley TV Inc., Quincy, Wash. FCC also reinstated the expired Ch. 78 CP of Libby Video Club, Libby, Mont.

Translator starts: K71AQ Milton-Freewater, Ore. began March 18 repeating KHQ-TV Spokane . . . W79AB Palmerton-Slatedale-Slatington, Pa. began March 5 with WOR-TV N. Y.

Educational Television

ETV—'4TH MAJOR NETWORK': Give educational telecasters 5 more years to spread, and NET (National Educational TV & Radio Center) will rank with CBS, NBC & ABC among viewers as a national network, pres. John F. White predicted last week.

Keynoting a one-day net-sponsored "forecast for the future" conference in Washington, White said he isn't as "expansive" about ETV as GE's Paul Chamberlain, who thinks educational stations will outnumber commercial outlets in 10 years (Vol. 14:39).

But he told representatives of 61 educational, scientific, religious & civic organizations at the sessions, that NET not only will be "recognized as the 4th major TV network" by 1964, but within 10 years "every major city & many smaller ones also will have at least one educational TV station on the air—and a large number of them will be operating multiple channels."

White cited ETV's growth from its on-air start in May 1953 with the U of Houston's KUHT, to the 42 stations operating now & 18 CPs outstanding. "We will give the malcontent minority the substance it craves; we will offer the majority an opportunity for new adventures in learning," he promised.

One reason for non-commercial TV's advance against financial odds and commercial competition for viewers was suggested by gen. mgr. James Day of KQED San Francisco, which has chronic trouble meeting payrolls. He said viewers used to write: "We like your programs because there aren't any commercials." Now they say "We like your programs because we are tired of being entertained."

Said exec. dir. Ralph Steetle of the Joint Council on Educational TV: "The future is unlimited for educational TV because it is a positive & substantive effort to provide educational values at all levels of influence. ETV has not been built upon the temporary discontent with the changing program face of commercial TV. Indeed, it has frequently been aided by its colleagues in the industry."

FCC Chairman Doerfer and Cmr. Hyde, Cross & Ford attended a luncheon session, but made no speeches. Another guest of the conference was ex-Comr. Frieda B. Henneck, an insistent advocate of ETV during her 1948-1955 term. Joining with NET in the meeting was the Advisory Council on Educational TV.

Grant & Move for ETV Center: Final ETV grant of \$5-million by Ford Foundation to National Educational TV & Radio Center, to be applied to operating expenses for 5 years starting next Jan., was announced last week as Center headquarters were moved from Ann Arbor to N.Y.'s Coliseum Bldg. The Center was started in 1953 with \$1,350,000 from the Foundation. Subsequent grants brought total contributions to \$6,565,390 in the 6 years since.

Foundation pres. Henry T. Heald said the Center "eventually must totally rely upon a broad base of support from public school systems, colleges & universities, commercial broadcasters, community contributions, local foundations, and business & industry."

Funds were announced in another action by the Foundation to continue support for the 3rd and 4th year—through the 1960-61 school year—of the National Program in the Use of TV in Public Schools. The program is presently aiding TV classroom instruction in 11 cities and will expand to include systems in Des Moines, central Mich., central Ohio, western Fla. and Anaheim, Calif.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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WEEKLY NEWSLETTER TV & AM-FM ADDENDA AM-FM DIRECTORY
Published Saturdays Published Saturdays Published in January

TELEVISION FACTBOOK Published in March and September

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Personals: Edmund W. Pugh Jr., treas., Coca-Cola Co., appointed v.p.-finance, CBS Inc., starting May 1 . . . Robert H. Van Roo, ex-WXIX Milwaukee, named v.p. & gen. mgr., WTCN-TV & WTCN Minneapolis-St. Paul . . . Allan B. Connal promoted to operations mgr., WRCA-TV N.Y. Manny Sternfeld to accounting & budgets mgr., WRCA-TV & WRCA . . . Alan D. Courtney & Carl Lindemann Jr. have been promoted to program v.p.'s, NBC-TV . . . Philip Luttinger, ex-Bresnick Adv., Boston, appointed research projects supervisor for CBS-TV . . . Ira Delumen named to newly-created post of sales service mgr., production sales, CBS-TV operations dept., moving from present post of dir., administrative services . . . Rolland V. Tooke, Cleveland area v.p. of Westinghouse Bestg. outlets KYW-TV & KYW, appointed exec. v.p. of WBC group, effective May 1 . . . William G. Hunefeld, currently on sales staff of KPX San Francisco, named mgr. of the Los Angeles office of newly formed, Westinghouse-controlled Television Advertising Representatives . . . Frank Sheehan named western district mgr., Arrow Productions, rerun film subsid. of Independent TV Corp. . . . Arthur Spirt named a v.p. of NTA program sales, a div. of NTA, headquarters in Chicago. . . . Donald J. Quinn, ex-McGavren-Quinn rep, named gen. sales mgr. WNTA-TV, Newark-N.Y. . . . James A. Yergin named adv. & promotion dir., WOR div., which encompasses WOR-TV & radio N.Y. . . . G. Richard Swift named pres., Bolling Co. TV div. G. William Bolling III becomes v.p., asst. to pres. & pres. of radio div. Henry J. O'Neill appointed N.Y. TV sales mgr.; Lloyd A. Raskopf, N.Y. radio sales mgr. . . . Carl G. Zimmerman, former producer of *The Big Picture*, named news dir. of Storer's WITI-TV Milwaukee . . . Martin Codel, ex-owner, and now assoc. publisher of TELEVISION DIGEST, has opened new offices in Washington's new Solar Bldg., 16th & K Sts., NW (Telephone: District 7-9292). He plans to enter the book publishing business, among other activities . . . Joseph A. Ryan, ex-NBC-TV business & trade editor, appointed p.r. dir., WBZ-TV Boston, starting May 4, succeeding Fran Corcoran, named to new post of community relations dir. . . . Robert M. Grebe, ex-ABC trade news editor, appointed p.r. dir., TvB. He is succeeded at ABC by Art Foley . . . W. D. (Dub) Rogers, pres. & gen. mgr., Texas Telecasting Inc. (KDUB-TV Lubbock, KPAR-TV Sweetwater-Abilene, KEDY-TV Big Spring, and radio KDUB Lubbock), has been renamed pres., Lubbock Chamber of Commerce . . . Dr. Arthur L. Lebel, asst. chief, State Dept. telecommunications div., is serving as chairman of U.S. delegation to

9th plenary assembly of TV's International Radio Consultative Committee (CCIR), which is meeting April 1-30 in Los Angeles. He's also chairman of the whole assembly. . . . Larry Lowenstein, special services dir., CBS-TV, will become exec. dir., Rogers & Cowan N.Y. office . . . Robert J. Mullen, ex-Traction Adv., appointed gen. mgr., Cincinnati office of WLW Promotions Inc., transit adv. div. of Crosley Broadcasting Corp. . . . Mike Shapiro, WFAA-TV Dallas, elected pres., Assn. of Bestg. Executives of Texas, succeeding Howard Fisher, Rogers & Smith Adv., Dallas . . . Norman S. Ginsburg, ex-NBC film div., appointed asst. sales promotion mgr., CBS Radio Spot Sales . . . Fly, Shuebruck, Blume & Gaguine, Washington broadcast attorneys, moved April 1 to City Bank Bldg., 1612 K St. NW. Same phone . . . Cottone & Scheiner, Washington TV-radio law firm, has moved to 1001 Connecticut Ave., NW. Same phone . . . Andre Ouimet, dir. of TV for Montreal, appointed planning dir., CBC . . . Jean Nadon, mgr. of CJMS Montreal, elected pres., l'Association Canadienne de la Radio & de la Television de Langue Francaise (French-language section of Canadian Association of Broadcasters). Maurice Dansereau, CHLN Trois-Rivieres, named v.p.; Andre Daveuy, CKAC Montreal, secy.-treas. . . . William G. Rolley, ex-WCAU Philadelphia, named gen. sales mgr., Theatre Network TV Inc. (closed circuit). . . . Ely A. Landau, NTA chairman, and Oliver A. Unger, pres. of recently-acquired National Theatres subsidiary, formally elected to parent company's board. William H. Hudson, petroleum producer, and Rurt Kleiner investment banker, also named National Theatres directors . . . Vernon Burns, NTA international v.p. & managing dir., National Telefilm Associates Inc., has been placed in charge of all operations in the United Kingdom, Europe, the Near East & Africa. Samuel Gang promoted to sales dir. for Latin America, the Far East & Australasia . . . Kevin O'Sullivan named regional sales mgr., N.Y. div. of Independent Television Corp. George Gray appointed Northeast district mgr., syndicated sales . . . Harry Sohigian, ex-TELEVISION DIGEST, Washington, establishes Mercury House Inc., advertising-public relations firm specializing in TV-radio-electronics, 1830 Jefferson Pl. NW, Washington (District 7-6669) . . . Clifton Utley, NBC Chicago commentator retires, for health, from daily programs on WNBQ and WMAQ radio, will continue WMAQ Sunday stint . . . Leon A. Kreger elected creative mktg. v.p., Wilding Picture Productions.

Ralph H. Garrett promoted to chief of FCC's aural new & changed facilities branch, broadcast bureau, and John D. Fulmer to chief of license, administration & service regulation branch, public safety & amateur div.

John B. "Steve" Conley, special asst. to pres., Westinghouse Bestg. Co. & former gen. mgr., Westinghouse Radio Stations Inc., retiring after 34 years with WBC & Westinghouse Elec. Corp., was last week tendered a testimonial dinner by the N.Y. exec. staff & station executives.

Russell L. Heberling, who died on March 7 (Vol. 15:11) left his entire estate, estimated at \$250,000, to his widow.

Obituary

Robert P. Speer, 43, special asst. to dir. of U.S. Information Agency, died March 30 of lung cancer. Surviving are his son, parents and a brother.

Tom Harker, retired national sales dir., Storer Bestg. Co. died March 13, after long illness, in Long Beach, Calif.

Dr. Edward Lester Lloyd, 55, London business consultant & former exec. v.p. of A. C. Nielsen Co., died March 30.

Advertising

PONTIAC'S \$4-MILLION STRAIGHT 8: Pontiac will continue its present TV formula of soft-spoken, soft-sell commercials & musical specials during the 1959-1960 season. Total TV billings, via MacManus, John & Adams agency, for an 8-show schedule are expected to top \$4 million—about twice what Pontiac was spending in TV a couple of seasons ago.

Just 3 seasons ago, MJ&A wasn't convinced that network TV could sell cars, and said so in a now-historic statement. Today v.p. Henry G. Fownes & other MJ&A executives have no doubt that TV can do a sales job—provided the approach is a fresh one.

"For auto commercials on TV," says Fownes, "It's not enough any more just to transport viewers to the General Motors proving grounds. The public is saturated with this cliché. The road test commercial has just about had it."

To get away from what Fownes calls "the sacred cows of auto demonstration selling," MJ&A has been heading, more and more, in the past 2 years toward a subtle brand of Pontiac TV sell. A carefully picked team in N.Y. & Detroit has evolved such blends of clever copy, music and TV I.Q. as the Mike Nichols-Elaine May takeoff on soap operas that formed one of the 2½-min. commercials in Pontiac's Phil Silvers special.

Does a soft-sell commercial get across? "Trendex gave us a sponsor identification of 93% for that show," Fownes told us. "Most auto sponsors would be lucky to get a quarter of that figure with a routine TV buy. We found, in a survey, that the majority of viewers could play back almost all of the sales points in the commercial—even though we sneaked in the sell without belting anybody. Apart from this, we find that a sizeable number of viewers tell us they intend to visit their Pontiac dealer out of sheer gratitude next time they're buying a car."

The final evidence of a TV campaign is, of course, sales. And Pontiac has moved up in the past 2 years from 6th place in the auto industry to a tie with Olds for 4th.

Fownes believes TV still "is not the prime salesman for cars that it is for soap & cigarettes." But that its best sales foot is forward for Pontiac when the selling is low pressure & the show has "excitement"—i.e., name values, a promotional build-up, and the feeling of being a special event. "Then, TV becomes a prime ambassador for us, taking Pontiac out of the realm of being a reliable but stodgy car into a glamour area."

Would the restyled Pontiac commercials work as well in an alternate-week film show as in a big-budget special with Victor Borge, such as the one planned for video tape shooting this summer in Copenhagen?

"Definitely not," says Fownes. "You need the right framework for that kind of commercial, and you'll only get it in a special. Also, buying a big show enables the advertiser to take a full 2½ mins. for a commercial to do a creative selling job."

WCNY-TV Carthage-Watertown, N.Y., raises its base hour from \$250 to \$300, min. from \$50 to \$60 effective April 1. This corrects the figures stated in Vol. 15:13.

Station Rate Increases

Station:	Base Hour	Minute	Date
WABC-TV New York	\$4150 to \$4250	\$950 to \$1110	March 15
KTRK-TV Houston, Tex.	\$1000 to \$1100	\$250 to \$ 275	March 13
KTBS-TV Shreveport, La.	\$ 500 to \$ 550	\$125 to \$ 150	April 1
WTVO Rockford, Ill.	\$ 350 to \$ 400	\$ 70 to \$ 80	April 1
KNAC-TV Fort Smith, Ark.	\$ 250 to \$ 300	\$ 50 to \$ 60	April 1

Schwerin Swears by Specials: Confirming the suggestion made earlier this year by Ed Murrow, Schwerin Research Corp. released a study this month indicating that "documentary & public service programs gain very strong approval for their sponsors."

Other Schwerin findings from its survey of test audiences: "Specials" do about 50% better than half-hour weekly non-dramatic shows in gaining viewer approval of the sponsor. Dramatic specials are slightly more influential than musicals. The good will toward the sponsor is not particularly lessened by specials that emerge as "turkeys"—viewers apparently are willing to appreciate the effort, if not the result. But this tolerance does not exist for the non-special, general run of half-hour film shows. Mediocre shows in this category, Schwerin says, have lowered viewer respect for the sponsor.

Schwerin also reported on another study it had made—this one on "before-&-after" commercials. Researchers studied 350 representative 60-second commercials, and assigned them "effectiveness indexes." The before-&-after film spots—about a quarter of the total—were substantially more effective than other types.

People: Latham Ovens and Warren Sumner elected Donahue & Coe v.p.'s . . . Robert W. Bode & Donald S. Gibbs elected senior v.p.'c Kudner Agency . . . G. T. C. Fry & Robert R. Burton promoted to senior v.p.'s, Kenyon & Eckhardt . . . Harry Burton, ex-BBDO, appointed v.p., McCann-Erickson, Los Angeles office . . . Alvin Kabaker, Compton Adv. TV-radio v.p., named gen. mgr., Los Angeles office . . . Seymour Molbegott promoted to new post of sales promotion mgr., Pepsodent div., Lever Bros. . . . Ben Norman, ex-Doyle, Dane, Bernbach, joins Cunningham & Walsh TV-radio dept. . . . Perry L. Shupert, sales & adv. v.p., Miles Labs, named treas., Advertising Federation of America succeeding David H. Kutner, distribution mgr., Motorola . . . James F. Egan, Robert Hayes & Harry M. Ireland named senior v.p.'s, Doherty, Clifford, Steers & Shenfield . . . Stanley J. Keyes Jr., former pres. of St. George & Keyes Adv., named chairman of newly formed Adams & Keyes Inc. B. D. Adams is pres.; Edward C. Hoffman, exec. v.p.; Alfred A. Anthony, Thomas Dixey & Jack Hardy, senior v.p.'s; James H. Cobb, James J. Freeman, Thomas A. Gullette, William D. Sloan & Robert J. Black, v.p.'s . . . Harry E. Beekman named chairman; Joseph L. Packard, pres.; Nicholas G. Ciangio, exec. v.p.; H. Edward Beekman Jr., secy.-treas., and William Wilbur, senior v.p., newly formed Wilbur-Ciangio, Beekman & Packard Adv. . . . Carroll L. Cheverie, ex-H. B. Humphrey, Alley & Richards, appointed treas., Clinton E. Frank . . . Leonard Eisen, formerly with Pulse, joins Lubell Adv. Assoc. . . . Marilyn Doorley promoted to media dir., Doyle, Dane, Bernbach Los Angeles office . . . Joseph D. Onofrio, ex-Leo Burnett Co., and William E. Smith, ex-Burroughs Corp., have formed Onofrio & Smith Inc., adv., & p.r., 550 Fifth Ave., N.Y. . . . William Rich, ex-Newton Adv., is pres. of newly formed Rich, Bryan & Curtis Adv. (50 E. 42nd St., N.Y.) . . . J. Wesley Rosberg, senior v.p., The Buchen Company Adv., appointed to technical comm. of Advertising Research Foundation . . . Alan Peers named v.p., Kameny Assoc.

GE's Willard H. Sahloff, housewares and radio v.p., on Marie Torre, on subject of GE's show, *College Bowl* (on which college students match wits): "We're killing 2 birds with one stone. We're contributing to a field that needs helping, and we're winning friends for our products. We're trying to sell a philosophy—and the hell with the rating!"

Compton Loses TV Account: TV-oriented Chase & Sanborn instant & regular coffees—which spends some \$4 million annually for time & production costs in network TV, and about \$2.5 million in spot TV—left the Compton agency last week, and shifted back to J. Walter Thompson, which it had left 10 years ago.

Compton, which is heavily (some 60% of billings) in TV, is playing an active role in the print-vs.-TV media rivalry. Compton's plan (Vol. 15:12) is for a number of major magazines (thus far, *Look*, *SatEvePost*, *Newsweek*) to carry spreads aimed at creating "that TV-guilty feeling" among viewers who would rather spend most evenings watching than reading.

J. Walter Thompson, the current leader in the ad industry in agency TV billings, carefully avoids inter-media squabbles.

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Besides Compton plan adopted by some magazines, entire magazine industry is represented in 2 positive campaigns in progress. The first of these was launched March 30 in *Advertising Age*, and continues in 5 subsequent issues, using testimonials by advertisers extolling magazines. Members of the Magazine Publishers Assn. are also financing a 40-page promotional booklet insert in *Western Advertising* and *Sales Management* which will carry testimonials from 36 national advertisers. The two efforts, totaling expenditure of more than \$100,000 will stress the theme that more national advertisers sell in magazines than in all other major media combined.

In Other Media: Color is moving forward on the newspaper front. Color advertising (run-of-paper) was up 7.2% in 1958 over 1957, reports *Editor & Publisher*. The new total, 122.6 million lines, is an all-time peak . . . Rudolf Flesch, Viennese-born expert on the English language, is the latest to join the print-media commentators on the subject of TV. It will be one of the topics to be covered by his new thrice-weekly *Register & Tribune* syndicated newspaper column, to be launched this week . . . *SatEvePost* reported \$750,000 in liquor linage for 1958's last quarter, expects \$5 million in liquor revenue for 1959 . . . *Newsweek* reports 1959's first quarter as its highest yet in ad income: \$5,430,103. Circulation was also at a high.

Copy research—the evaluation of advertising messages—is being "dangerously skimped" by advertisers who "spend millions on space & time, but refuse to spend a penny on evaluating the message used in that space & time." So said David Ogilvy, pres. of Ogilvy, Benson & Mather, to the Advertising Research Workshop of the Assoc. of Natl. Advertisers in N.Y. last week. He termed the practice among advertisers of making agencies pay for such research as "short-sighted," stating that agencies can't afford this "because their profits have shrunk to 0.6% of sales." A similar plea was made by Henry Schachte, exec. v.p. of Lever Bros. & ch. of ANA board.

RAB's Miles David, promotion dir., last week gave a bullish pat-on-the-back modern radio commercials, terming them "the most creative in history" in a tape-recorded panel discussion staged by the Trenton, N.J. ad agency of Eldridge, Inc. David declared enthusiastically: "Creative people are discovering you can paint better pictures with ideas than you can with anything else. The trick is to generate the ideas, and that's being done today in radio better than ever before."

TV & radio advertising awards have been set up by the Canadian Assn. of Broadcasters, Box 627, Ottawa.

Film & Tape

TV Labor Talks It Over: An inter-union meeting in N.Y. last week explored "labor unity" in the face of fast-breaking industry changes caused by such technical developments as video tape, and a deadlocked situation between commercial film producers & a major craft union.

Officials of unions representing TV technicians (NABET, IBEW, IATSE) and talent (AFTRA, RTDG, WGA, but not SAG) met at the invitation of NABET in a closed-door session at the Belmont Plaza.

Gist of the session: The technical unions, worried about a network changeover to Mon.-thru-Fri. production of live shows via tape, wanted to discuss such AFTRA arrangements as the recent talent contracts that cover tape on a per-show, rather than hourly, basis, and have clauses preventing stockpiling of shows within 60 days of contract renewals. In addition, international sales & production of taped TV shows were explored, as well as "automated" radio stations. On another score, the technicians felt out AFTRA and the other talent unions concerning the honoring of "united front" picket lines.

No immediate solution is in sight in the current labor dispute between the Film Producers Assn.—an industry group composed of N.Y. telefilm & commercial producers—and United Scenic Artists Local 829, now picketing 6 leading production firms. The issue between the union, representing set designers & construction crews, and the producers is not a contract renewal.

Local 829 wants the FPA to agree to "promulgated rates" largely derived by negotiation with theatrical producers. FPA wants to draw up its own contract, and says it is willing to arbitrate at any time, but won't in the meantime pay a union increase.

Hal Roach Studios were closed down for an indefinite period following the decision of the board of Scranton Corp. to ask a federal court to appoint a receiver or trustee for the company. Meanwhile, the Jack Wrather Organization moved its *Oh Susanna* from the Roach lot to Desilu-Culver. *The Dennis O'Keefe Show* is also expected to move to Desilu-Culver. At Roach Studios, telephone service was cut off April 2. Studio officials hope the appointment of a receiver will pave the way for quick sale of the enterprise. Scranton, which last Friday received court permission to reorganize under the Bankruptcy Act, owns 100% of the studio's stock. Controlling interest in Scranton is owned by F. L. Jacobs Co., now in the hands of 2 sets of receivers & one set of trustees, and involved in extensive litigation.

United Artists is blueprinting a plan whereby its independent movie producers would produce segments of anthology series to be packaged and sold by United Artists TV. V.p. Bruce Eels is in Hollywood discussing this project with UA producers, who include such independents as Hecht-Hill-Lancaster, Mirisch Co., Edward Small, Seven Arts Productions, Otto Preminger Productions, Batjac, and Dore Schary's company. Most are understood to have agreed to join in the TV project. UA TV plans both a one-hour and a half-hour weekly dramatic anthology series, as well as a series of 12 one-a-month 90-minute specials. Individual films may be pilots for prospective series.

Milton Berle & George Burns have formed B&B productions in Hollywood. They plan several TV film series, the first of which will be *The Milton Berle Comedy Theatre*, a half-hour anthology series of 39, with Berle hosting all and starring in 13, Burns producing.

New York Roundup: Benton & Bowles may become the first major agency to set up a tape commercials dept. within its TV structure . . . The first CBS Films series to be scheduled for color production will roll its pilot film in France on April 24. It's *The Man from Antibes*, a Sam Gallu production starring Robert Alda & Melville Cooper . . . Ziv TV now has 22 TV series (mostly reruns of previously released U.S. series dubbed or titled) in foreign syndication, with sales reported by Ed Stern, head of Ziv International, in 37 countries. The growing foreign market has prompted Stern to set a 200% sales increase as the firm's goal in the next 3 years . . . United Artists Associated, feature-selling offshoot of UA, scored a hot sales week, with a total of 20 station sales of various feature and cartoon packages. Three of the sales, all to small outlets, were for the entire UAA libraries . . . The fast recapture by Official Films of some 400,000 shares of stock acquired in 1956 by Dick Powell, David Niven and Charles Boyer in a stock-for-films deal has an interesting inside story, sources in N.Y. relate. Real reason for the quick purchase of its stock (which took almost all of the available funds of the film distributor) is that fast-expanding Buckeye Corp. tried to buy the stock in Hollywood. Official, fearing a loss of control, rounded up the funds almost overnight to head off Buckeye . . . Bristol-Myers and Sun Oil, sponsors of N.Y. airings of Ziv's *Sea Hunt* syndicated series, were notified a few weeks back that they'd have to vacate their Saturday-night 10:30-11 spot on WCBS-TV for an incoming Ray Milland network show. Since *Sea Hunt* has been scoring strong local ratings, both sponsors protested vigorously, but the network was firm. WCBS-TV offered other slots as an alternative. Into the deadlock stepped WABC-TV, which offered the same time slot & the largest promotion budget in WABC's history for a syndicated show, and landed the business.

TV Recorder Shipments: Ampex shipped 40 more Videotape Recorders to 19 customers during March, including recorders ordered at the NAB convention.

These stations received the first recorders in their market areas, according to Ampex: WLWT Cincinnati, KFMB-TV San Diego, KGBT Harlingen, Tex., WDAF-TV Kansas City, KTNT-TV Tacoma, Wash., KTEN Ada, Okla., KFJZ-TV Ft. Worth, Tex. Other stations receiving recorders in March: WFLA-TV Tampa, KTRK-TV Houston, WPRO-TV Providence.

Other recorder shipments: TV de Mexico (7); Sports Network, N.Y.; Mobile Video Tape Services, Los Angeles; John Guedel Productions, Los Angeles; Peter DeMet Productions, Chicago; Convair Inc., Benbrook, Tex.; Sakata Shokai, Japanese Ampex distributor (4); Siemens & Halske, Germany, European distributor; Rank Cintel, London.

Ampex's Videotape Cruiser bus continued its barnstorming tour of U.S. industries & production centers with a visit to Detroit, where it was viewed in action by nearly 500 auto industry executives.

Commercial film firm, Robert Lawrence Productions, N.Y., continues to thrive, despite the competition from video tape. It lists a current total of 112 TV commercials being filmed, a new peak for the 7-year-old company.

SMPTE's 85th convention May 4-8 in the Fontainebleau Hotel, Miami Beach, will have "Films & TV for International Communication" as its theme. Gen. John Bruce Medaris, army missile chief at Huntsville, Ala., will be a special speaker.

Hollywood Roundup: Desi Arnaz is back from Jamaica, where he conferred last week with CBS bd. ch. William Paley on Desilu's new product for next season, including Desilu Playhouse . . . Mark Goodson & William Todman are in from N.Y. for a look at their new telefilm properties now in production . . . NTA national sales mgr. Johnny Graff is here for sales meetings . . . AB-PT pres. Leonard Goldenson arrived this week from N.Y. for network conferences. Also here for ABC is Henry Plitt, making his first coast visit since being named pres. of ABC Films . . . Guild Films pres. John J. Cole is here to discuss 2 tape deals with KCOP . . . Samuel Schneider, ex-Warner Bros. v.p. and Jack M. Warner are forming Jack M. Warner Productions, an independent company to produce movies, TV film series and commercial & industrial pictures. Schneider will be pres. His associate is the son of Warner Bros. pres. Jack L. Warner . . . *Helimarine*, a projected half-hour 20th-Fox TV series, is being expanded into an hour-long venture, based on U.S. Marine Corps operations. The producer is Herbert B. Swope Jr. . . . MCA joined Jack Chertok & Edmond O'Brien's Emerald Productions for a 3-way partnership on *Johnny Midnight*, new private-eye series which Chertok will produce, with O'Brien starring. MCA is financing the pilot . . . Ziv-TV has signed Walter Doniger to a 3-year exclusive contract as producer-director-writer . . . Jack Benny & George Gobel will alternate half-hours on their shows on CBS next season in Sunday 10 p.m. time slot, with Lever Bros. sponsoring . . . R. J. Reynolds bought two Revue series, *Johnny Staccato* (private-eye) starring John Cassavetes & Chick Chandler, and *Shotgun Slade* (Western) starring Scott Brady . . . Guild Films have arranged with XETV Tijuana to syndicate tapes of the jai alai games there. Since XETV has no tape equipment, the games will be brought to Los Angeles on film & transferred to tape on KCOP . . . Erle Stanley Gardner's *Cool and Lamb* properties have been revived by CBS as a prospective series. The project has been off-and-on-again for years at the network. The pilot was shot a few years ago, but was junked by CBS which didn't like it . . . On the basis of a presentation, Warner Bros. has sold an hour-long action series, still untitled, to American Chicle, Whitehall Pharmacal and Carter Products for next season. Show will be on ABC Wednesday 9-10 p.m. The *Donna Reed Show* is being moved to Thursdays, in accordance with demands from the star and her producer-husband, Tony Owen . . . David Heilweil is resigning as producer of Four Star's *Richard Diamond, Private Detective* series due to a movie commitment at Columbia. Four Star pres. Dick Powell takes over as producer until a replacement is signed. Kent cigarettes is buying another 5 first-runs and 13 reruns of the series . . . Tom Moore, ABC programming v.p., is here for business talks . . . Zsa Zsa Gabor tells us she's decided not to star in the projected *Zsa Zsa in Paris* series to be produced by Alex Gottlieb, but will star instead in a new still-untitled situation comedy series by producer-writer Charles Isaacs . . . Lever Bros. has cancelled *Lux Playhouse* (Revue). The show leaves CBS following this summer's reruns. . . . Some kind of production record was set in the past season by Vincent Fennelly, who has turned out 84 half-hour telefilms. He is producer of 35 *Trackdown* segments, 13 *David Niven Show* episodes, and is exec. producer of 36 *Wanted—Dead or Alive* telefilms . . . Moses wants to be press agent for the Ten Commandments. Producer Jess Oppenheimer, of NBC's *The Commandments* series has received a letter from press agent Charles Moses, pointing out that he is the logical man to handle the series. . . . Jerry Stagg is now casting *Cur Town* series.

TV's LACKLUSTER FIRST QUARTER: How's the TV business? It all depends on who you ask. A few manufacturers can honestly say "sensational." But industry-wide, you hear the chanting of the familiar refrain: Too much emphasis on portables; still needed is that "something new" to spark receiver sales. There are a couple of silver linings, though.

These are plus-&-minus factors which enter into first-quarter picture and outlook for rest of year:

Retail sales figures: First 2 months of 1959 saw 949,704 sets purchased by public—8% decline from last year's Jan.-Feb. sales of 1,030,213 and lowest Jan.-Feb. sales since 1952. Distributor sales were also down 8%. (Radio sales, on other hand, were up to 1,175,000 from 840,000 last year.) There's an optimistic side to the picture, though. Feb. TV retail sales—somewhat above 448,000—were just a stone's throw from Feb. 1958 sales of 448,727, contrasting with big Jan. dip (Vol. 15:12). Seasonally adjusted, industry statisticians figure this is a going annual rate of 5.7 million—not bad at all (barring, of course, complete 4th-quarter breakdown a la '58.)

Portables still hot: Although all TV categories were down from last year in first 2 months, portables & table models showed smallest decline—to 571,000 from 576,000 (less than 1%). Consoles dropped to 364,000 from 431,000 (15½%), combinations to 15,000 from 23,000 (nearly 40%). Average prices were substantially unchanged.

Inventories down: Bright ray of light is healthy condition of inventories—indicating production is now geared closely to sales and that sets in pipelines can easily be flushed through to make way for new models without distress selling. At end of Feb., inventories were down to respectable 1.6 million in all channels, as compared with 1.9 million at end of first-quarter 1958.

Brand-switching: A few companies are enjoying bumper TV years, and apparently increasing their share-of-market. Among those claiming sizeable first-quarter sales boosts over last year are Zenith (up 25% in TV-radio), Motorola (TV up 35%) and Sylvania (TV up 43%).

'Something new': Set makers still look to new square-cornered tube with built-in safety glass for substantial sales boost next fall & winter—principal question being how many of the new 23-in. tubes & sets can be produced how quickly. Though they'll be shown in many 1960 lines, last-minute snags in circuit redesign may well delay quantity output by some set makers this year. Trend in these new sets will be toward a still slimmer look—due to elimination of separate safety glass, picture tubes may protrude from front of cabinet as well as back.

Regional sales pattern: NARDA chairman Mort Farr sizes up market this way after recent talks with dealers from all over country: "East, slow & sloppy. Midwest, better. Far West, very good business."

Economic indicators: Gross national product—total output of goods & services—rose in first quarter to record annual rate of \$464 billion, and prognostications for rest of year by most experts were favorable. Consumer installment credit is increasing & home building is actually enjoying a boom—both good portents for TV-hi-fi-appliance business.

EIA's promote-TV campaign: Advertising & public relations topkicks of most major set makers in EIA's "public relations task force" met in Washington last week to plan "be a 2-set family" campaign (Vol. 14:49). Each set manufacturer will devise own advertising approach built around same theme.

There is some open opposition to big 2nd-set push. As one industry leader put it: "Second sets are portables. How about a campaign to make a TV set a piece of furniture again?" He was referring to trend—discussed at the meeting—to relegate TV set to recreation room, kids' room, etc. Though there was general agreement that prospects for 2nd-half upturn were good, everybody also agreed that what is still needed most is that "something new" to obsolete today's TV. And there are still those who say the "something new" won't be the square-cornered picture but color TV.

Color enthusiast Mort Farr told us: "I'm still crazy enough to predict that in a year or a year-and-a-half there'll be a shortage of color sets. When it catches fire, tubes will be the bottleneck. RCA can only turn out 240,000 tubes a year—and it will take the others 2 years & \$20 million to get in the business."

TV-RADIO PRODUCTION: TV set production was 94,378 in week ended March 27 vs. 94,648 in preceding week & 78,057 in same 1958 week, EIA reports. Year's 12th week brought production to 1,277,991 vs. 1,137,916 last year. Radio production was 259,070 (97,621 auto) vs. 269,051 (100,804 auto) in preceding week & 195,005 (61,701 auto) last year. In 12 weeks: 3,331,517 (1,259,938 auto) vs. 2,431,229 (806,052 auto).

OLD GLASS, NEW TUBES: Rebuilt picture tubes accounted for 75-90% of the replacement market last year, RCA electron tube div. mgr. D. Y. Smith is quoted in April 3 (Los Angeles) *Wall Street Journal* roundup of the tube remanufacturing industry. Annual sales of rebuilt picture tubes now top \$200 million, says the article. RCA's entry into the field with its widely-advertised Monogram line of rebuilt tubes may have spurred sales of all rebuilt.

Laurence Perrish, a former brewer who now heads Pioneer Electronics, Santa Monica, Cal., is credited with originating the tube-rebuilding business. His company sold \$1.5 million worth last year, expects to hit \$2 million in 1959. American Standard TV Tube, Jamaica, N.Y., reports a 25% increase from 1957 to 1958 and expects a similar rise in 1959. Cardinal Mfg. Co., Kansas City, Kan., is now rebuilding 8000 tubes a month, enjoyed 22% increase in 1958 and anticipates 10-12% lift this year. Calvideo, Los Angeles, also now at the 8000-a-month rate, is up from an average 6500 last year.

Not mentioned in the *Wall Street Journal* article: The forthcoming "twin panel" picture tubes—which bid to become the industry standard in a year or 2—are said to be extremely difficult, if not impossible, to rebuild. One reason is that the heat required for reprocessing the tube is sufficient to remove the bonded safety glass, a fact which is causing some merriment among tube & glass makers. But rebuilders are confident they'll find a way.

Philco may be first to show a battery-operated portable TV this spring or summer, recurrent reports in the industry indicate. It's said that the set will be unusual and extremely compact with small, low-power-consuming picture tube (some reports say it will be as small as 2-in.) using a magnifying system to bring picture up to viewable size. At week's end, no Philco officials could be reached for comment.

Strike at Westinghouse's Metuchen, N.J. plant continues, halting output of TVs, radios, hi fi. Strike by IUE Local 491 began midnight March 25. At issue are work quotas, sub-contracting by Westinghouse, and job assignments. About 700 hourly-paid employees are being supported by 700 other Local 491 technical & salaried people. Product inventories are satisfactory to meet retailer needs, company states.

Four plants of Erie Resistor Corp. in Erie, Pa., were idled last week by strike of 450 IUE members. The union stopped work April 1 in a dispute over wages, vacation pay, group insurance.

Philco International pres. Harvey Williams is in Milan with other Philco officials, reportedly looking at factory buildings. According to Italian sources, Philco plans to assemble TV sets & appliances there from shipped-in parts, and eventually manufacture.

Japanese electronic products will be shown in N.Y. from June 16 to 20, at an exhibition in the Statler-Hilton. Electronic Industries Assn. of Japan said about 40 manufacturers are expected to display.

Raytheon & Pye Penalized: Violations of U.S. export controls on Iron Curtain shipments were charged last week to Raytheon & to Pye of England by the Commerce Dept's Bureau of Foreign Commerce, which placed the former on probation for one year & denied export privileges to the latter for 6 months. BFC's order also: (1) Suspended licensing director Thomas J. Kelly of Raytheon's international div. for 7 months & placed him on probation for 5 more months. (2) Denied participation in exports to Raytheon export mgr. Eliseo E. Blanco for 6 months & placed him on probation for an additional 6 months. Penalties were imposed after BFC found that Pye Telecommunications obtained more than \$250,000 worth of TV microwave equipment from Raytheon under licenses listing England as the ultimate destination, then turned the shipment over to Pye Ltd. for re-export to "unauthorized destinations." All parties consented to the order, BFC said, adding: "Neither Raytheon nor its 2 employes was found to have had actual knowledge of Pye Ltd's transshipments." No suspension of Raytheon was ordered "because of its record of cooperation with U.S. Govt. depts. in national defense, mutual security and related export programs and its correction of intra-company procedures to prevent any recurrence of violations."

"Multi-million-dollar research contract" has been awarded to RCA by the Navy for study & development of new communications systems related to the Polaris missile programs. Expected to require 70 researchers at the outset and increase to more than 100 within a year, the long-term RCA Labs project will be directed by Ralph S. Holmes, ex-dir. of research contracts. Technical director will be David D. Holmes, ex-dir., radio research labs.

Japanese parts will be used in a new Motorola pocket 6-transistor radio made to retail at \$29.95. The first sample-quantity batch of the sets will be imported from Japan, but regular production runs will be made in the U.S. with some parts—including one vital tuner component not available from American manufacturers—imported from Japan.

Sonora Electronics Inc., Chicago TV-radio manufacturer, last week filed a Chapter XI bankruptcy petition in federal court. Assets & liabilities each totaled \$1,081,400. Sonora was purchased a year ago by Earl Muntz & Frank Atlas from Thomas F. Kelly & Assoc., which, in turn, bought it in April 1957 at a public auction conducted by the Internal Revenue Service.

Symphonic Electronic Corp., manufacturer of phonos, radios & hi fi, has been sold by F. L. Jacobs Co. to 3 of its former owners after a stormy court battle. The buyers are pres. Max J. Zimmer, Howard A. Jacobs & Bernard H. Lippin. Zimmer announced that Symphonic has "officially severed its affiliation" with the Jacobs firm.

Exclusive Sylvania models of radios & phonos will be manufactured for fall distribution by the Golden Shield Corp. to Credit Retail Jewelers.

Pilot Radio Ltd.—European manufacturer of Pilot radios—is slated to be sold April 1 for cash to Ultra Electric Ltd., of England. The new owners are also acquiring Pilot trademarks for 17 European countries.

Trade Personals: Mark W. Cresap Jr. will be pres. & chief exec. officer under Westinghouse Electric Corp.'s newly revised by-laws. Gwilym A. Price, chairman, will remain active in an advisory & consulting capacity, assuming at the same time the position of pres. of bd. of trustees, U of Pittsburgh . . . George M. Gardner, co-founder & chairman of Wells-Gardner & Co., plans to retire and reside in Honolulu . . . Edward C. Caliguri, ex-Zenith, appointed sales promotion mgr., TV & stereo-hi-fi products, Motorola . . . E. K. Wimpy promoted to mktg. research mgr., CBS-Hytron . . . Dr. George H. Brown, RCA engineering v.p., leaves for European vacation April 17, returns May 17. He'll join Mrs. Brown who left April 4 . . . Hugh A. Young, ex-Packard-Bell Electronics Corp., appointed West Coast technical mktg. consultant, Hallicrafters Co., Chicago . . . Daniel R. Ozsvath appointed merchandising mgr., market planning-receiving tubes, RCA electron tube div. . . . Jacob L. Miller named Washington, D.C. district sales mgr., Sylvania Home Electronics, succeeding John Cantwell, resigned. Ralph S. Blakesley appointed Milwaukee district sales mgr., William C. Cohan, Toledo—both new districts . . . Donald Plunkett, ex-Capitol Records, elected pres., Fairchild Recording Equipment Co., succeeding Sherman Fairchild . . . Norman Weinstroer, ex-Coral & Brunswick Records, appointed gen. mgr. of new disc div. of Rank Film Distributors of America. He will also be a Rank v.p. . . . Gene Edwards promoted to sales engineering mgr., Gates Radio Co., Harris-Intertype Corp. subsidiary. Edward J. Wilder named western regional sales mgr., Robert W. Kuhl, govt. contracts mgr. . . . Kenneth C. Prince, ex-gen. mgr. & counsel, Electronic Industry Show Corp., named secy.-treas., Harmon-Kardon Inc. . . . Harry Finkel, former Chicago correspondent for Fairchild Publications, named publicity dir., Merchandise Mart . . . Max Schneiderman, ex-Du Mont Labs, named engineering mgr., oscilloscope div., Electronic Tube Corp., Philadelphia. Richard T. Rude named engineering mgr., special products div. . . . Harry B. Lyford, ex-Monroe (Wis.) *Evening Times* & USIA, joins Commerce Dept.'s office of international trade fairs, as public information chief . . . John Haerle promoted to Collins Radio's Texas regional sales mgr. Ed Gagnon named broadcast sales mgr., headquartering in Cedar Rapids . . . John D. Goodell named product development group mgr., CBS Labs, Stamford, Conn.

RCA will bring color TV to Russia this summer, at the American National Exhibition in Moscow for 6 weeks beginning July 4. Color TV will be presented from a glass-walled studio, and piped to 16 locations around Sokolniki Park. RCA will also offer its closed-circuit color setup to other American firms not present at the fair, to tell their stories on film. Visitors will be able to see themselves on color TV in a special display. Regular color TV broadcasting has been announced by the USSR to begin later this year. U.S. stereo will also be showcased at the exhibition, with the Institute of High Fidelity Manufacturers sponsoring a display & demonstration.

Obituary

J. James Ebers, 37, asst. dir. of development, Bell Telephone Allentown lab, died March 30 in Allentown. Mr. Ebers had worked mainly on the development of the transistor in his 8 years with Bell. Surviving are his wife, 4 children and his parents.

Charles Ainsworth Rice, 62, pres., United Electronics Co. of Newark, died March 29 of a heart attack. He is survived by his wife, son, daughter and 2 grandchildren.

Space

TV SPACE RELAYS: Excitement about the use of space satellites for long-distance TV relaying is growing, both here & abroad—as evidenced by a published Soviet plan for a TV sputnik within 7 years, and a fantastic unconfirmed report of a transatlantic U.S. TV satellite to be put in orbit in June.

Contrasted to the TV-pie-in-the-sky stories but equally breathtaking, was the Navy's announcement that it hopes to use the moon as a passive relay in a permanent Washington-to-Hawaii radio link capable of handling all Navy messages within a year.

Does moon-bounce transmission offer TV possibilities? "That depends on how good your crystal ball is," said a Naval Research Lab spokesman. He stressed, however, that the projected initial circuit will be for message communications only and TV doesn't figure in any present plans. He added that "eventual possibilities with natural & artificial satellites are endless."

Russia's Ministry of Communications has received an official proposal that development & construction of an active TV-relay satellite be made part of the current 7-year plan, which began this year. There was no indication whether the proposal has been accepted.

As described by the Soviet magazine *Radiotekhnika*, the project would involve placing a satellite in orbit about 22,400 miles from the earth—revolving so it "hovers" continually over the same portion of the earth. The proposal by Prof. S. I. Katayev provides that the TV satellite hover over the vicinity of Indonesia, relaying telecasts to every point in Russia, and also covering Europe, Asia, Africa and Australia. Katayev said the project is "quite feasible." Problems to be solved, he added, include selection of the best frequencies for the project, development of transmitting & receiving equipment which could operate several years without servicing, as well as long-life power sources & automatic scanning antennas.

U.S. space authorities have told congressional committees that a world communications network based on hovering and solar-orbiting satellites could be launched within 5 years—but TV wasn't in their immediate plans.

The U.S. Navy meanwhile announced that it plans to establish its Washington-Pearl Harbor communications link via the moon within a year. Among the advantages of the moon-bounce transmission: (1) High message capacity (though it couldn't handle TV because of power requirements for wideband transmission). (2) Invulnerability to jamming. (3) High reliability—it's not susceptible to ionospheric disturbances. (4) Conservation of frequency spectrum—the Navy has tested moon-bounce transmission at frequencies from 30 to the little-used 3000-mc band and hasn't yet found an upper limit.

In using the moon as a passive reflector the Navy will transmit & receive signals with 84-ft. parabolic antennas. The link will be usable only when the moon is in sight of both Hawaii & Washington—4 to 14 hours daily, depending on the moon's orbit.

Spokesmen for the National Aeronautics & Space Adm. and Defense Dept. snorted in disbelief, and said they hadn't been advised, when asked about a copyrighted April 3 London dispatch in the *Boston Globe* reporting "hush-hush negotiations" between U.S. & Britain to arrange transatlantic transmission by satellite in June. The occasion would be Queen Elizabeth's visit to the western hemisphere. Story said U.S. would put the satellite in orbit.

Finance

Standard Coil reports increased sales & gross income for 1958, but net income was down from 1957 because of an operating loss carry-forward approximating \$500,000 (34¢ a share) in tax credit in 1957. Before taxes, the 1958 income totaled \$1,343,887 vs. \$823,062. Standard Coil's annual report states that the tuner div. increased its sales by 10% over 1957 despite a 22% drop in TV set production in 1958. Acceptance of the new "Golden Grid" Neutrode tuner should improve sales this year, with unit tuner sales for the first quarter running about 50% ahead of 1958's same period. Other highlights: Standard's research lab has developed a transistorized tuner for battery TV sets and is now in a position to start limited production, depending on set makers' plans. A color TV tuner has also been developed, and the company is also doing basic pay-TV research "under contract for a leading company in the field." Eight radio manufacturers have ordered Standard's FM tuner. The financial summary for 12 months ended

Dec. 31:	1958	1957
Sales	\$69,489,636	\$61,330,530
Net income	558,887	802,862
Earned per share	36¢	55¢
Shares outstanding	1,568,182	1,470,000

Philips Electronics reports a 212% increase in earnings on an 84% sales gain for 1958. The annual report attributed the improvement to the company's new management and emphasis on electronics during the last half. The company formerly was A. Hollander & Son, specializing in fur processing. For the year ended Dec. 31:

	1958	1957
Net sales	\$14,832,677	\$8,072,512
Net income	1,175,893	376,819
Earned per share	1.31	42¢
Shares outstanding	899,272	896,872

Buckeye deal to buy Transfilm is now firm. The farm equipment company's new Buckeye Entertainment Div., which has lately diversified into acquisitions of Pyramid Productions & Flamingo Telefilm Sales, acquired Transfilm (1958 billings of \$2 million, mostly film commercials) Mar. 30 for 52,632 shares of Buckeye common, plus 36,250 shares of Buckeye's 5% preferred Series A. Corporate operation of Transfilm remains unchanged.

Ling Electronics Inc., Richardson, Tex., has acquired more than 80% of the stock of Altec Cos. Inc., Anaheim, Cal., sound equipment producer (Vol. 15:8) on a share-for-share exchange basis. Altec and its subsidiary Altec Lansing Corp., and its div., Altec Service Co., have an annual sales volume of about \$7 million; Ling's sales for the fiscal year ended July 1958 totaled \$6.9 million. The company will become Ling-Altec Electronics Inc.

General Telephone & Electronics, the new entity which resulted from the merger of General Telephone and Sylvia, plans a public offering of about 800,000 additional common shares this spring. Stockholders at the April 25 meeting will be asked to increase the authorized common shares from 25 to 30 million, preferred stock from 1,420,792 to 2.5 million. The funds from the sale of common stock—about \$52 million—will be used to finance expansion.

Erie Resistor Corp. reports 1958 net income of \$510,441 (57¢ a share), down from \$542,811 (68¢) in 1957.

Canadian Admiral Corp. reports net profit of \$589,457 (\$.204) in 1958.

Muter Co. reports 1958 net earnings of \$356,105 (44¢ a share), vs. \$377,819 (47¢) in 1957.

Muntz TV profits increased by 54% for 6 months ended Feb. 28, compared with the similar 1958 period. Sales rose by 47%, a rise attributed by Muntz pres. Wallace A. Keil to new sales outlets. In 4 months, he reported, 430 dealers have been added, bringing dealerships to over 20,000. He looked for good business & a profit in the remaining 6 months of the fiscal year, normally a slow period. Muntz is increasing private-label production, and expects a third of its output to be in this category. For 6 months ended Feb. 28:

	1959	1958
Sales	\$3,652,746	\$2,491,136
Net earnings	252,572	164,236
Earned per share	23¢	15¢

Motorola expects its first-quarter earnings to total \$1 a share or more, compared with first-quarter-1958 profits of 35¢ a share. The earnings increase is attributed to improved TV set sales (which Motorola says are up more than 35%), stereo phono sales, pickup in mobile communications radio and better auto sales (Motorola makes radios for Ford, Chrysler and American Motors).

Hoffman Electronics reports increased profit for 1958 on somewhat lower sales. As previously reported by pres. H. Leslie Hoffman (Vol. 15:11), military orders accounted for 49.5% of total sales, industrial 16%, home entertainment 16.2%, replacement parts 10.72%, semiconductors 2.84%. The report for the year ended Dec. 31:

	1958	1957
Sales	\$39,544,064	\$40,968,617
Net income	1,712,509	1,655,372
Earned per share	2.31	2.23
Shares outstanding	741,328	735,610

Wells-Gardner's 1958 profits were somewhat higher than the preliminary estimate released in March (Vol. 15:7), and both profits & sales were well ahead of 1957. The private-brand TV-radio manufacturer stated in its annual report that the sales increase was in civilian lines, govt. sales being about the same in 1957 & 1958 for the year ended Dec. 31:

	1958	1957
Sales	\$19,947,123	\$15,687,999
Net income	608,515	76,573
Earned per share	1.47	18¢

Twentieth Century-Fox improved its earnings for 1958 despite a slightly lower sales & gross income, and raised the yield per share to \$3.30, compared with \$2.49 for 1957. For the year ended Dec. 27:

	1958	1957
Sales & gross income	\$124,998,120	\$127,662,227
Net income	7,582,357	6,511,218
Earned per share	3.30	2.49
Shares outstanding	2,293,186	2,617,486

For 13 weeks ended Dec. 27:

Net income	\$ 991,336	\$ 887,360
Earned per share .....	.43	.34

Republic Pictures Corp. reports a sharp decline in net income for the 13 weeks ended January 24:

	1959	1958
Net income	\$202,850	\$911,725
Earned per common share ..	5¢	41¢
Shares outstanding	2,004,190	2,004,190

National Theatres' 5½% sinking fund subordinated debentures (\$18,573,896 of the \$20,000,000 authorized) have been admitted for trading on the American Stock Exchange.

National Union Electric reports higher sales & lower profit for 1958. For the year ended Dec. 31:

	1958	1957
Net sales	\$11,578,909	\$9,840,489
Net income	425,007	570,856
Earned per share	24¢	33¢

GOOD YEAR FOR AB-PT: ABC-TV's sharp financial improvement was responsible for pushing parent American Broadcasting-Paramount Theatres' total operating income to an all-time high for 1958. Net profit was substantially ahead of 1957, totaling \$6,116,000, \$1.40 per share: \$1.21 per share resulting from operational profit, 19¢ from capital gains.

ABC's operating income totaled \$136,967,316 (vs. \$109,393,113 in 1957) or about 56% of AB-PT's total operating income for 1958. Theatres contributed \$94,279,485 (vs. \$95,280,214 in 1957), merchandise sales & other income \$13,574,440 (vs. \$11,203,669).

In the annual report, pres. Leonard H. Goldenson reported on various facets of AB-TV's 1958 operations.

ABC-TV: "The network reported the largest increase in audience & the largest percentage increase in gross time billings of all 3 networks." ABC-TV's share of network nighttime home viewing (for Dec.) rose from 10% in 1953 to 26% in 1958. Its primary affiliates increased to 92 from 72 and direct live coverage of U.S. TV homes to 86% from 82%. New facilities are planned in N.Y. & on West Coast.

Owned stations: "The TV stations continued to report profitable improvement as they derived particular benefit from the strengthened network programming. The radio stations can also be expected to show improved results as a consequence of the changes made during the year both in local management & programming and in the radio network operations."

Film syndication: ABC Films continued to expand, and "plans are presently under way to broaden its participation in the rapidly-growing international-TV field."

Radio network: "We are keeping the ABC radio network loss to a minimum by streamlining the operation and yet providing the public, our affiliates and advertisers with a well-balanced programming structure."

Theaters: "Theater gross income was off slightly from 1957. Profits held about equal to the previous year's level, primarily due to operating economies & an extra week's business in the 1958 fiscal year." Having disposed of 26 theaters in 1958, AB-PT now operates a total of 511.

Records: Three-year-old Am-Par Record Corp. "made notable progress in 1958 with marked improvement in sales & earnings."

Electronics: The 3 companies in which AB-PT holds interest (28% in Microwave Associates, 36% in Technical Operations Inc., 33% in Dynametrics Corp.) have declared no dividends, reinvesting their earnings in the business, but "the market value of our stock interest in the 2 companies whose stock is publicly traded is substantially in excess of our investment of approximately \$800,000 in the 3 companies."

Disneyland Park (33% owned): Reported record attendance & revenue in its 4th year of operation.

AB-PT's net worth is listed as \$85,146,000, up from \$83,718,000 the preceding year. The consolidated report for 12 months (ended Jan. 3):

	1958	1957
Income	\$244,821,241	\$215,877,026
Net profit	6,116,060	4,894,524
Earned per share	1.40	1.10
Shares outstanding	4,149,363	4,149,363

Corporation	Common Stock Dividends		Stk. of record
	Amt.	Payable	
Daystrom Inc.	\$0.30	May 15	Apr. 27
Dominion Electrohome ..	.30	May 22	May 7
National Theatres .....	.12½	May 30	Apr. 16
Outlet Co.	1.25	May 1	Apr. 21

Wometco's TV Earnings: The proposed public offering of 325,000 shares of stock in new Wometco Enterprises Inc.—the Wolfson-Meyer TV-radio-theater operation (Vol. 15:11) was filed with SEC last week, and a March 27 preliminary statement showed these facts about this latest publicly-owned TV-radio entity:

Its properties include WTVJ Miami, WLOS-TV, WLOS-FM & WLOS Asheville, N.C., 22 motion picture theaters (20 in greater Miami, one each in Palm Beach & Tampa) and a confectionery merchandising business covering not only theaters but vending machines elsewhere.

The pro forma financial report shows the combined enterprises' 1958 sales were the highest since 1948 (no data given before 1949), although net income (\$588,737) was lower than that of 1956 & 1957 (see report below). A breakdown of the \$9,366,098 gross income in 1959 reveals that 47.8% (\$4,476,297) came from "TV & related operations," 37% from motion picture theaters, 6.2% from confection sales, 4.4% from vending machines, 4.6% from other sources.

Importance of TV in Wometco's earnings picture is shown graphically in the breakdown of net operating income before taxes (\$1,247,913). Some 83.7% of this (\$1,044,190) was contributed by TV operations, 3.9% by theaters, 8.7% by confection sales, 2% by vending machines, 1.7% by other sources.

The 1958 gross broadcasting revenues of WTVJ Miami totaled \$4,328,940, of which network programming provided 13%, national spot 55%, local advertising 32%. Gross receipts of WLOS-TV Asheville (ABC) totaled \$547,063 and "operations to date have not been profitable."

In its application with the SEC, Wometco showed ownership of numerous municipal & state bonds and other securities, including 213 shares of Metropolitan Bcstg. Co., 700 AB-PT, 300 CBS, 400 Du Mont, 10 Outlet Co., 200 Westinghouse. FCC last week approved the transfer of control of the stations to the new Wometco Enterprises.

The pro forma earnings summary of Wometco Enterprises for 1958 & 1957 (earnings per share are based on the proposed 363,730 Class A & 540,000 Class B shares):

	1958	1957
Total gross income	\$9,366,098	\$9,273,084
Net income	588,737	833,344
Earned per share	65¢	92¢

The Outlet Co., Providence department store which owns WJAR-TV & WJAR, and whose sale currently is the subject of litigation (Vol. 14:49, 15:10, 12), showed improved sales & earnings for the year ended Jan. 31, 1959. Although no breakdown was available, it's certain that the lion's share of the profits was contributed by the broadcasting operations. For 12 months to Jan. 31:

	1959	1958
Sales	\$15,771,029	\$15,504,986
Net income	894,051	764,757
Earned per share	8.99	7.69

AFTRA is proposing an income-tax plan to the Treasury Dept. that would level the peaks & valleys of tax liability for performers (and all others) who have widely-fluctuating incomes. The plan, drawn up by announcer Dwight Wiest, would permit any taxpayer to divert 20% of gross income into non-interest-bearing govt. "income tax bonds," and deduct that amount in figuring his taxes. Later, in a leaner year, when the taxpayer cashed his bonds, he would be required to declare them as income.

Electronic Research Assoc., for 6 months ended Nov. 30, reports net income of \$96,936 (97¢ a share) vs. \$66,532 (66¢) in same 1957 period.

APR 13 1959

APRIL 13, 1959

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VOL. 15: No. 15

The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FCC

MORE TALK OF CH. 2-13 "INTERIM" DROP-INS at FCC as Commissioners seek to relieve "problem markets" pending hunt for more vhf spectrum (p. 1).

FCC'S PLANS ON AFFILIATIONS & OPTION-TIME include rejection of most of staff's recommendations on affiliations (p. 2). Other FCC news (p. 5).

Congress

ANTI-PAY-TV WAR RENEWED BY HARRIS, taking up where FCC left off in rules for broadcast system tests. He demands that all wired pay TV be covered, too (p. 3).

EQUAL TIME AS "GAG" ON BROADCASTERS is seen by Sen. Allott if FCC's *Lar Daly* ruling isn't reversed. Sen. Thurmond joins fight to amend sec. 315 (p. 4).

Stations

MACK-WHITESIDE TRIAL STARTS—but slowly; 3 days spent in picking jury for Miami Ch. 10 conspiracy case. Last-minute illness pleas fail (p. 3). Other station news on p. 9.

Advertising

TV COMMERCIALS ARE GETTING BETTER, says FTC's monitoring chief Sweeny. He finds fewer fraudulent claims on air, gives NAB credit for help in campaign (p. 3).

'YOU AUTO BUY LIVE TV' is next season's slogan as Ford signs with NBC-TV for 39 shows (60-, 90-, and 120-min.) & Chevy renews *Dinah Shore* for \$13 million (p. 12).

Manufacturing & Distribution

TV-RADIO SERVICE BILL was \$2.5 billion last year, 25% higher than retail price of all TVs, radio & phonos sold in '58. Table shows service industry gross since 1950 (p. 16).

PRODUCTION-SALES FIGURES for first 2 months show TV sales down, production up, compared with 1958. Radio sales sharply ahead of 1958. Picture, receiving tube sales up (p. 17).

NEW COLOR TV RECEIVER system, claimed to cost 30% less than present sets and offer improved performance, now under development by 5-man engineering team (p. 17).

Networks

NETWORKS SALES BRISK as major advertisers start to lock up their fall schedules in an early season (p. 6).

Programming

NO TIME FOR COMEDY as the funnymen of film take their falls in cancellation time (p. 7).

NO CEILING ON AGENT'S COMMISSIONS? Talent unions oppose N. Y. bill that would remove ceilings for commissions paid by performers to talent agents (p. 8).

Film & Tape

ONE OF TV'S REAL VILLAINS is insecurity of Hollywood's TV film industry—and no solution in sight (p. 13).

Other Departments

AUXILIARY SERVICES (p. 10). **FINANCIAL** (p. 20). **EDUCATIONAL TV** (p. 20).

MORE TALK OF CH. 2-13 'INTERIM' DROP-INS: There's growing sentiment at FCC to come up with an "interim" TV allocations solution consisting of mileage cuts which would permit dropping in of Ch. 2-13 stations in limited number of important markets. This is no fait accompli, of course, but majority of Commissioners seem convinced that they're duty-bound to provide more station competition and that no technique except the foregoing holds any immediate promise.

Sympathy for the mileage-cut concept has been voiced at various times by Comrs. Doerfer, Craven & Cross. We can recall neither pro nor con expressions about it from Comrs. Hyde, Bartley, Lee or Ford—but, on the basis of many discussions with them in recent months, we think it a fair possibility that at least one may join mileage-cut forces, making a majority.

The talk is all about "limited" drop-ins for "critical" markets—but all Commissioners say they're aware of the tremendous difficulty of staving off pressures for further reductions in standards. But some members are willing to try it.

Dozen or so markets lead the speculation as candidates for drop-ins, if they ever come. ABC provided a list last year when it petitioned the FCC to add specific vhf channels to following (Vol. 14:28): Louisville,

Syracuse, Rochester, Providence, Jacksonville, Knoxville, Birmingham, Grand Rapids-Kalamazoo, Shreveport, Greensboro-Winston-Salem-High Point. FCC has since added Ch. 8 to the list. ABC had also asked that Ch. 3 be moved to point half-way between Mobile & Pensacola, and Ch. 5 from Enid to Oklahoma City.

ABC said there were about 35 "problem markets" among the first 125, but it offered no specific allocations to take care of the balance.

Meanwhile, FCC remains unimpressed with the suggestion of Bureau of Standards' Kenneth Norton that wholesale reduction of vhf mileage spacings to 100 miles or less would be more efficient (Vol. 15:14). Commission objections: If cities were mathematically spaced, Norton would be right—but they aren't.

One interesting aspect of Commission's allocations deliberations is that its staff members, particularly engineers, are almost unanimous in the belief that a shift of all stations to uhf is the answer. Obviously, their arguments don't impress their bosses.

FCC's PLANS ON AFFILIATIONS & OPTION-TIME: Digging into recommendations for changes in network regulations among those proposed by its staff, FCC has made some tentative decisions, is expected to make them final & public soon. It's understood that Commission will reject staff recommendations which would have required networks to:

- (1) File with FCC their affiliation criteria.
- (2) File reports on affiliation changes & reasons for them.
- (3) File reports on disposition of station requests for affiliation.
- (4) Ignore, in considering affiliations, fact that station is operated by a multiple owner.
- (5) Offer programs to non-affiliates in cities where affiliates don't accept them & to non-affiliates in other cities when requested by advertisers.
- (6) File rate-making procedures & formulas.
- (7) Make public all affiliation contracts.

On the other hand, FCC has voted tentatively to:

- (1) Reduce option-hour segments from 3 to 2½ hours.
- (2) Define "straddle programs" (those falling partly in option time, partly out) as coming entirely within option time.
- (3) Require networks to extend from 8 to 13 weeks the notice to affiliates of their intention to exercise options.

FCC's previous actions on recommendations of its staff were to announce its opinion that option-time is "reasonably necessary" to network operations (Vol. 15:10), to propose to order networks out of the spot rep business (Vol. 15:5), to start an investigation into alleged network program "tie-ins" (Vol. 15:9). One staff suggestion—that "must buy" be outlawed—is now moot, with no network using it after CBS & NBC dropped practice (Vol. 14:49, 15:2).

In the tie-in investigation, FCC chief examiner James Cunningham, who will preside, has set May 4 for start. He'll indicate, in week or so, who's to appear—presumably networks first. Attorneys Ashbrook P. Bryant & James F. Tierney will represent Commission's broadcast bureau.

FCC'S PALLIATIVE FOR STATION-CATV FRICTION: FCC has come up with one idea, after long debate, to meet the complaints of small-town TV stations which assert that community antenna systems are driving them out of business (Vol. 14:11 et seq). Scheduled to be announced next week is Commission's recommendation to Congress that it pass law requiring CATV systems to: (1) Get permission of stations before they pick up & feed signals to subscribers. (2) Carry the signals of stations located in the communities they serve.

FCC wants to go no further than that, doesn't want to request permission to regulate the whole CATV business, which would be unwelcome administrative chore. If Congress buys the Commission suggestions, small-town operators may be satisfied—but CATV operators won't be. Latter have been planning, if legislation such as foregoing is proposed, to plump for laws throwing the problems into FCC's lap. That is, they'd prefer that FCC, not stations, determine whether or not a CATV system should be allowed to pick up & distribute stations' signals.

ANTI-PAY-TV WAR RENEWED BY HARRIS: Promoters of wired pay-TV systems were put on firm notice last week by House Commerce Committee Chairman Harris (D-Ark.) that he hasn't forgotten—and that he doesn't like them any better than he likes any prospect of broadcast pay-TV operations.

Wired systems weren't mentioned in FCC's 3rd pay-TV report prescribing rigid tests for broadcast systems (Vol. 15:13), which otherwise was in line with pending Harris bill aimed at pay-TV in all shapes & forms. Omission conformed with FCC's position that it lacks jurisdiction over intrastate wired TV, and operators may have hoped they were in the clear—free of FCC controls or Congressional obstacles. Harris intends otherwise.

There'll be no retreat on wired pay-TV front, Harris told House. He introduced new bill supplementing his omnibus anti-pay-TV resolution. It would forbid operation of any wired system ("interstate or intrastate") which hasn't been subjected by FCC to "limited tests"—conditions to be laid down by Commission in "public interest." And even if tests are completed successfully, wired systems couldn't go into regular operation until "adequate governmental authority" to regulate them has been spelled out for FCC—by "a future Congress."

Harris may not get his new bill enacted at this session, but he has set out traplines for delaying actions against wired systems, at least. They could run on several years, keeping promoters in state of uncertainty—and inaction. Harris again made it clear, incidentally, that his bill doesn't have anything to do with community antenna systems.

MACK-WHITESIDE TRIAL STARTS—BUT SLOWLY: It looks like a long spring in court for ex-FCC Comr. Richard A. Mack. His long-awaited trial with his long-time lawyer friend & benefactor Thurman A. Whiteside on charges that they conspired to rig FCC's Miami Ch. 10 award to National Airlines' WPST-TV (Vol. 15:13) finally is under way. But it's already beginning to set records in D. C. Criminal Court for time-consuming legal maneuvers & counter-maneuvers.

Jury selection alone took 3 full days last week in Judge Burnita S. Matthews' U. S. District Court in Washington. And even that process—usually completed within hours—was delayed while opposing counsel argued issues of illness, and Mack was denied another plea for postponement. Whiteside tried to put off trial on ground that Arthur J. Hilland, one of his battery of attorneys, needed 2 more weeks to recuperate from virus pneumonia.

"Publicity, propaganda & knowledge" of celebrated case made it tough to find unprejudiced jurors, Mack's chief counsel Nicholas Chase explained, as the 73-member panel was subjected to extraordinary screening. Had prospective jurors heard about last year's sensational House expose of Ch. 10 case? (More than half admitted they had.) Would they give more credence to members of Congress than others who might testify? Did any know ex-White House aide Sherman Adams? etc. Jury of 6 men & 6 women—half of them govt. employees—at last was seated, and 2 alternates stood by.

Deeply tanned, betraying nervousness, Mack took little part in these preliminaries. But fellow-defendant Whiteside scribbled copious notes on big pad of paper, huddled constantly with his lawyers. As actual testimony was scheduled to start this week, prospect for protracted proceedings to come was indicated not only by defense stratagems but by govt. prosecutor J. Frank Cunningham's roster of probable witnesses—73 of them. No familiar Ch. 10 case names were missing. They included National Airlines' George T. Baker, ex-FCC Chairman Paul R. Porter, Miami's A. Frank Katzentine, Judge Robert H. Anderson, Perine Palmer Jr., etc., etc. Cast of characters was ready for full rerun.

TV COMMERCIALS ARE GETTING BETTER: Cynics may scoff, but we have it on word of one of TV's most constant viewers that quality of commercials is improving. He is Charles A. Sweeny, chief of Federal Trade Commission's TV-radio monitoring unit. Sweeny spends good deal of his working time in front of set, ready to record offensive advertising as FTC evidence (Vol. 14:49)—and he ought to know.

"Chronic TV critics in the street may not see it," Sweeny told us, "but I do. It appears to me that there is a steady trend toward improvements. Commercials are better than they used to be. There are fewer fraudulent or misleading matters that we think we can sustain in cases against advertisers. Maybe there's no improvement in the moral tone of some commercials, but from a legal standpoint there has been."

Awareness that FTC's policemen are watching them no doubt deters some sponsors from making

wilder claims, Sweeny said. He thought that it's possible too, that Washington stations whose programs are seen regularly might be exercising extra restraints—although he has detected no signs of that.

But self-policing by TV also is responsible for better commercials, Sweeny added. For instance, one of FTC's biggest beefs—use of "man in white coat" to imply medical endorsement of drug preparations—isn't seen much now. "The NAB stepped in there and it isn't troublesome any more," Sweeny told us.

Campaign against objectionable commercials is by no means over, however. Latest FTC complaint in TV field (against Continental Wax) was issued 2 months ago, and few more than dozen TV cases have been started since monitoring unit was set up in 1956. But Sweeny & his special 3-man headquarters staff will stay on job.

In fact, FTC's monitoring work may be expanded. House Appropriations subcommittee chairman Thomas (D-Tex.) said in FTC hearing testimony released last week that maybe monitors "ought to use another system." He didn't recommend more money for Sweeny's unit to do it this year, but Thomas suggested that monitors might preview commercials—presumably at agency level—so that bad ones could be stopped before they get on air.

Congress

EQUAL TIME AS 'GAG': A bipartisan push for amendment of Sec. 315 of the Federal Communications Act to eliminate newscasts from equal political time requirements developed in the Senate last week, catching up with earlier moves in the House (Vol. 15:14).

Sens. Allott (R-Colo.) & Thurmond (D-S.C.) introduced similar measures (S-1604 & S-1585) as companions to a House bill (HR-5839) by Rep. Cunningham (R-Neb.) which would nullify the FCC's Lar Daly ruling that an appearance by a candidate in TV newscasts obligates stations to offer equal time to his opponents.

A leader in the congressional insurrection against the FCC's booster edict at the outset of this session (Vol. 15:10), Allott took the Senate floor and went on the air to denounce the Commission's equal time interpretation as a "gag" on broadcasters. And Thurmond, a member of the Senate Commerce Committee, warned that the ruling "may become a substantial detriment to public interest."

"This interpretation has far-reaching effects," Allott said on the floor. "First, it abridges radically both the usefulness of radio & TV to our society and their freedom as news media. Second, it will necessitate, on the part of the broadcasting industry, a negative approach to the role broadcast journalism plays in our present way of life."

Allott told the Senate that it's risking TV-radio blackouts of coming political campaigns unless Sec. 315 is changed to permit broadcasters to use their own "honest judgment" about candidate's newsworthiness. If the Lar Daly ruling were applied to all news media, it "would make democracy unworkable as we know it," he asserted.

Then Allott went on CBS radio's *Capitol Cloakroom* as welcome guest of the network, which has been the most vocal industry critic of the ruling. "I really can't understand how a radio or TV newscaster can operate unless he gets some relief," he said, Adding: "I cannot see how you can take the ruling of the FCC at the present time without putting a gag upon the newscasters of the country."

Meanwhile Chairman Magnuson (D-Wash.) of the Senate Commerce Committee and Chairman Harris (D-Ark.) of the House Commerce Committee, who may introduce a Sec. 315 amendment himself, marked time on the equal-time issue. They were awaiting legislative recommendations from the FCC later this month before scheduling hearings on the bills.

In Chicago, where America First Candidate Lar Daly started the equal-time rumpus which brought on the FCC's newscast ruling, the mayoralty election ended with overwhelming reelection of Democratic mayor Richard Daley—with Daly nowhere in sight when the votes were counted.

Daly had proclaimed himself a write-in candidate—entitled to more equal time—after his primary bid to be either the Democratic or Republican nominee was ignored by the voters. He demanded that Chicago TV stations put him on the air again, but they refused on ground he was not a legally qualified candidate this time. In answer to another protest by Daly to the FCC, the Commission asked him the day before the election—too late for Daly's purpose—to prove his write-in qualifications. But Daly will be heard from again. He always is.

OVERSIGHTERS GET READY: The 1959 investigative season of the House Commerce legislative oversight subcommittee, which made headline hay in FCC fields last year, was officially opened last week. For the first time at this session, Chairman Harris got his special unit together in executive session to organize for renewed work on the Commission and other federal agencies. Harris told reporters after the session that the subcommittee discussed procedural rules, policies, staff organization under chief counsel Robert W. Lishman. No agenda was adopted and no dates for new hearings were set, however, he said.

Another impatient Senator needed FCC this week because it hasn't authorized vhf boosters. Following the recent complaint (Vol. 15:13) by Sen. McGee (D-Wyo.), Sen. Moss (D-Utah) wrote FCC Chairman Doerfer April 7: "Almost 2 months have passed since the FCC staff was directed to make a study of vhf-TV booster rule-making. Since I believe this problem has been in actual study status since some time in Jan., I cannot understand why final action has not been taken." Moss also called attention to a letter from former Sen. Dill (D-Wash.) to Sen. Fulbright (D-Ark.), in which Dill disagreed with the latter's stand—that Congress should keep its hands off the Commission (Vol. 15:10). Wrote Dill: "It should be remembered that the dominant purpose of Congress when it passed the radio law was to provide free radio service to all of the people. These little boosters come as near to doing the job as is possible in lonely parts of the country."

Baseball TV blackout bills pending in the House would deprive 13 million homes of a chance to watch games, NAB pres. Harold E. Fellows warned last week. In a letter to House Judiciary Committee chairman Celler (D-N. Y.), he asked that it take no action on the measures (HR-2370-2374 & HR-2266) until public hearings have been held—and the NAB has an opportunity to testify against them. Fellows said that only about 3.5 million homes wouldn't be affected at one time or another if Congress approves the proposed legislation. It would exempt pro sports from anti-trust laws, so baseball club owners could prevent telecasts of major games within 75 miles of minor league towns (Vol. 15:3).

Critics of USIA programs expect too much of the agency—"and too soon"—the U.S. Advisory Commission on Information said in its 14th report to Congress last week. Commission members, including GE finance committee chairman Philip D. Reed and Young & Rubicam chairman Sigurd S. Larmon, said it's unrealistic to expect that USIA efforts to communicate American policies around the world via TV, radio & other media will "win friends and influence people" instantly.

Another "ethics" bill was introduced last week—this one by Sen. Morse (D-Ore.), co-sponsored by Sen. Humphrey (D-Minn.). The measure (S-1603) would require members of the Senate & House as well as all govt. employees paid \$10,000 or more per year to file regular reports on their income, including gifts worth \$100. Violators of the proposed law would be subject to \$200 fines, 5 years in jail, or both.

The FCC

Stricter cut-off dates have been established by the FCC in an attempt to whittle down its ever-growing backlog of AM applications. The Commission described its move as follows: "Under this procedure, the Commission will periodically publish in the *Federal Register* a public notice listing a group of 50 applications which are near the top of the processing line and announce a date (not less than 30 days after publication) by which applications must be on file if they are to be considered with any of the listed applications. Under the present rules, an application is entitled to consideration with a prior filed application or applications if it is on file by the close of business on the day before the prior filed application or applications are granted or designated for hearing. The Commission has now amended Sections 1.106(b)(1) and 1.361(b) so that the 'cut-off' dates are stated in the alternative, whichever is earlier: (1) The close of business on the day before action on the earlier filed application, or (2) the close of business on the day before the date fixed by the public notice. Thus, the date fixed by the public notice is no guaranty that an application will be entitled to consideration with listed applications if filed by that date, but rather is the last possible filing date for comparative consideration even if the earlier filed application has not been acted upon by that time. Potential applicants, as in the past, must be guided in their decisions as to filing their applications by the public notices of the acceptance for filing of competing applications and the status of the processing line." The first cut-off date set is close-of-business May 15. In addition, the FCC changed its procedures regarding amendments so as to put at the bottom of the pile any application amended in any respect except regarding type of equipment. The new rules are covered in Public Notice 59-315 and the first list of applications is included in Notice 59-316—both of which are available from the Commission.

"Unwarranted censorship" of an IUE "Help Wanted" filmed program by 4 of 30 TV stations which had agreed to sell time for it, was charged last week by union pres. James B. Carey. In a letter to FCC Chairman Doerfer, he asked for "appropriate action" against Hearst's WBAL-TV Baltimore, ABC's WABC-TV N. Y., Frazier Reams' WTOL-TV Toledo and Crosley's WLWD Dayton "to compel them to sell IUE time requested." Carey reported 26 stations carried the 30-min. film on effects of unemployment on IUE members, but that the 4 outlets rejected it as "controversial or objectionable" after first accepting it. Their attitudes reflected "editorial prejudice of the station, if not the commercial & industrial policies of their owners & advertisers," Carey said.

FCC's 7th Annual Incentive Awards ceremony at the departmental auditorium in Washington April 9 was the biggest in the history of the agency. Length-of-service pins were given to 957 aides, 6 with 40 years in the Govt.—including all Commissioners except Chairman Doerfer, who has had only 6 years of federal service. Among the 54 receiving 30-year pins were Comrs. Craven (33 yrs.) and Hyde (34). Comr. Cross (28) was among the 249 who received 20-year pins. Included in the group of 622 with 10 years were Comrs. Lee (14), Bartley (18) and Ford (19). Superior accomplishment honors went to 33 employes, and 41 received citations for suggestions.

Among those receiving citations were engineers Robert J. Stratton and Walter W. Wallace, who on Christmas Eve of 1957 began a 42-hour search through the mountainous area around Los Angeles for a transmitter planted as a hoax by 4 aircraft engineers, later convicted & fined, who hoped it would be mistaken for Sputnik II's radio, which had gone dead 2 weeks before.

Political spots on TV can be identified by either aural or visual announcements, FCC said last week. Replying to a query from Bert Combs, "allegedly a candidate" for Ky. governor, the Commission pointed out that FCC rules require only that sponsored programs be identified by "an appropriate announcement."

New officers of ITU's International Frequency Registration Board are: P. S. M. Sundaram, India, chairman, succeeding Russia's Boris A. Iastrebov, and John A. Gracie, United Kingdom, vice chairman. The other members: Alfonso Hernandez Cata y Galt, Cuba; Fioravanti Dellamula, Argentina; John H. Gayer, U.S.; Ralf Eric Page, Australia; Rene Petit, France; Noel Hamilton Roberts, Union of South Africa; J. J. Svoboda, Czechoslovakia; T. K. Wang, China. Acting Secy.-General is Gerald C. Gross, U.S.

FTC chairman John W. Gwynne has submitted his resignation to the White House to return to his Ia. law practice. He set no date for leaving, but said it would be "quite soon." Chairman since 1955, the ex-House member was named to FTC by President Eisenhower in 1953. It was under Gwynne that the agency established its TV-radio monitoring unit to check fraudulent commercials (See p. 3).

TV profile of the White House will be produced by NBC-TV as a one-shot special during the 1960-61 season. "The White House Saga" will be scripted by Nanette Kutner, magazine writer and author, who has been gathering material and White House anecdotes since 1943. No date or time has been scheduled. Much of the show will be produced on location in Washington and will utilize the network's tape facilities there.

Networks

NETWORK SALES BRISK: What sales executives of each of the three networks term "the earliest sales season in years" gave every evidence in N. Y. last week of producing one of the biggest fall sponsor lineups in TV's history.

Currently, there is an over-all total of 69 night-time half-hours of sponsored time weekly on all 3 networks. CBS-TV and NBC-TV have some 25 hours apiece, with ABC-TV carrying about 20 (the total shifts slightly from week to week because of short-term deals). The unsold slack is about 20 half-hours weekly, and in terms of the fall outlook, is melting away with unusual rapidity.

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At ABC-TV—which again this year shows the most dramatic gain among the 3 networks—a total of 5¾ hours (nearly 12 half-hours) were still unsold in the fall lineup late last week. The ABC gain can be seen by a comparison with the sales levels of last year, when, in July, ABC still had 14 half-hours on its hands, and as late as Sept. a total of 10 (Vol. 14:29-36). "As of now we're 75% sold out for fall," was how ABC-TV v.p. & gen. sales mgr. Don Coyle put it to us.

NBC and CBS are also enjoying an early and bullish round of sales. "I doubt that any of the networks will hit a standing-room-only level," Edward F. Lethen Jr., mgr. of network sales development at CBS-TV, told us, adding, "However, we're pretty well sold out for fall, with our problems centering on contingency deals & sales running at a definitely higher level for this time of year. Last year, the recession held up sales. This season, advertisers all want to lock up early."

NBC-TV expects to have its fall schedules virtually set by the end of April, and predicts "one of our biggest seasons," according to Walter D. Scott, now exec. v.p. of the network. Scott's general fall sales forecast to us is that "NBC will closely rival CBS and will still be ahead of ABC, even though ABC is now in a competitive program situation 6 nights a week." NBC's sell-out level isn't clear, according to Scott, because of several time & program clearances still up in the air, chiefly from major cigaret & auto advertisers.

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General outlook: Networks expect to be fairly firm in fall schedules at least by the end of May, and possibly before—a gain of nearly 2 months over the 1958 situation. All are in a strong sales position, although all still have unsold shows & time periods. Unlike the situation last spring when recession-nipped budgets caused sponsors to delay commitments as late as July and Aug., brisk sales are now causing traffic jams on key viewing nights, with all networks deeply involved in juggling schedules and shows.

Some 450 disenchanted TV sponsors—the companies who were on network TV at some period between 1949 & 1957, but who disappeared in 1958—are described & partially listed in April 6 *Advertising Age*. The list is counterbalanced with names of first-time 1958 sponsors.

A typographical mishap reversed the totals for Jan. 1958 & Jan. 1959 in our network billings tabulation last week (Vol. 15:14; p. 7). To keep your record straight, please transpose these figures in your back-number file.

'TAPE NETWORK' FOR CBS OUTLETS: A non-network interchange of taped public service shows is planned to start May 30 for CBS-TV o&o stations—WCBS-TV N.Y., KNXT Los Angeles, and WBBM-TV Chicago. Craig Lawrence, v.p. in charge of CBS-owned stations, describes the plan—which sets a new pattern in public service programming among the networks—as follows:

(1) Each of the 3 stations will produce on tape 13 half-hour shows, of a public affairs nature but in a different field from the others. Duplicate tapes will be "bicycled" to non-originating stations.

(2) Each station will thus be airing 90 min. of public service programming each week, although actually producing 30 min. "The shows will be available for local or national spot sponsorship, and could even be bought as a group," Lawrence tells us.

(3) Apart from the show budgets themselves, Lawrence estimates that the costs for the tape interchange (making copies, shipping, etc.) will be "in the neighborhood of \$90-\$100,000 during the 13-week trial period."

(4) CBS-TV is "exploring" (but hasn't made any firm deals yet) a broadening of the plan's base to make the tape shows available for syndication to other stations, or on an exchange basis with similar shows overseas.

Although the plan is termed by Lawrence "our first use of video tape in program exchanges by CBS-owned stations," it isn't the first swap arrangement evolved by the network's o&o's. For the past 3 years, 5 of the CBS stations have been exchanging *Give Us This Day*, a 5-min. filmed religious show used at sign-off, with each station contributing its share of produced films to a pool.

The programs due to be exchanged by the three stations are: *Young Audiences*, a WCBS-TV music appreciation series aimed at school children; *Books Alive*, a KNXT literature series featuring dramatic excerpts; and *Out of This World*, a WBBM-TV science show dealing with space travel & "popular astronomy."

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ABC Building Specials: ABC, seeking to double the number of spectaculars on the network next season (5 this season), is hunting for big names to star in one spectacular a month next year. Toward this end, program v.p. Thomas W. Moore is due on the Coast this week for conferences with ABC Western div. v.p. and program dir. Sandy Cummings & Hollywood producers.

Bing Crosby is already set for 2 spectaculars next season, plus his Pebble Beach Golf Tournament. Frank Sinatra may star in 6 spectaculars, and the network will negotiate for Danny Kaye to make his live TV debut starring opposite Sinatra in one of them. ABC also wants Maurice Chevalier to star in one of the Sinatra specials.

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Counsel for Fulton Lewis Jr., arguing last week for a new trial in Federal Court in Washington, characterized as "grotesquely excessive" & "a shocking injustice" the \$145,000 damages which had been awarded Seattle educator Mrs. Pearl Wanamaker in her libel suit against the MBS commentator. Attorney Roger Rabb was referring to the jury's award for a broadcast in which Lewis linked Mrs. Wanamaker with Communists (Vol. 15:6).

William S. Paley, chmn. of CBS Inc., was scheduled for one of his rare broadcast appearances April 11, to discuss plans for next season's CBS radio coverage of the Metropolitan Opera with Lauder Greenway, the Opera's chmn., between the acts of "Tosca," final broadcast this season.

CBS Returns BMI Shares: After "careful consideration," CBS has severed its ownership link with Broadcast Music Inc., returning at the original price of \$5 per share 7,017 BMI shares purchased in 1940 and stating—in a letter from Richard S. Salant, v.p. to Sydney M. Kaye, board chairman of BMI—that CBS now prefers to be "in the position purely of a customer." Salant stated that the move had been brewing "for a long time," with CBS considering at one point "donating our stock to some charitable or educational institution interested in music." What triggered the stock return was the "overwhelming effect" of recent hearings before the Senate subcommittee on communications which, according to Salant, rendered "baseless" a pending private anti-trust suit brought against CBS by several writer-members of ASCAP.

"CBS participated in the creation of & investment in BMI to protect itself against the then monopoly position of ASCAP," wrote Salant, adding, "circumstances governing ASCAP have changed over the last 19 years." BMI, which is accepting return of the shares, will add them to its treasury holdings.

The move was foreshadowed 2½ years ago by CBS pres. Frank Stanton when he told Rep. Celler's House anti-trust subcommittee that his network would "consider" dropping its ownership in BMI after the termination of the ASCAP suit. NBC pres. Robert Sarnoff made a similar promise (Vol. 12:38).

NBC declined to comment last week on whether it would also turn back its BMI stock. An ABC spokesman said that network definitely will not give up its holdings. Before CBS turned back its 9% interest in BMI, NBC had owned 6.7%, ABC 4.5%. Since the turnback, the figures stand at about 7.3% for NBC, 5% for ABC. Remainder of the stock is held by individual stations.

Sports Network Expands: Sports Network Inc., little known outside the telecasting industry, is currently in an expansion & diversification move. Headed by Richard E. Bailey, the "network" specializes in providing stations with live telecasts of out-of-town sporting events. Its busiest time is spring-summer, when it is covering the 4 corners of the country supplying "away" baseball games to hometown stations. Sports Network expects to televise 600-700 sporting events this year.

Sports Network already has 3 mobile TV units & \$300,000 worth of equipment for live sports coverage. It is now supplementing this gear with Ampex Videotape recorders, of which 2 have been ordered. "We'll have 3 or 4 before the summer is over," Bailey told us.

The network soon plans to move all its facilities except its exec. offices to a new production center at Rutherford, N. J. All its TV tape recorders will be mobile, but also available for use in Rutherford, N.J. Video tape will be used to overcome time clearance problems for relaying of sports events to stations, and other ventures.

No legal action following an accident on *County Fair* was expected last week by NBC, or Gale-Gernannt Productions Inc., the producers. On April 6, a contestant, Manfred J. Weber, a builder of Eastchester, N.Y., was seated on stage, blindfolded, engaging in a stunt with his wife, who was suppose to stamp out a burning fuse to a fake firecracker. Flour & wet sawdust, according to NBC, were released above his head to simulate an explosion, and became ignited, burning Weber, who was hospitalized by his doctor. Mrs. Weber was quoted on Tuesday as contemplating no action. All contestants sign a form releasing the network & other participants from liability for injury.

Programming

No Time for Comedy: While it's too early to spot a pattern in the wave of cancellations of Hollywood telefilm series, comedy seems to be taking the worst of it now. At this, the half-way mark in the cancellation season, about 20 telefilm series have lost their sponsors.

In a few cases—and they're the exceptions—series which lost sponsors have found new ones, and will be back—e.g., Jack Benny, Gale Storm—but most shows suffering such a fate are through permanently. Comedy shows which have lost their sponsors include besides Benny, Ed Wynn, George Burns and Bob Cummings. (The Benny series, it should be noted, is both a film & live show, the comedian this season having filmed about half of his episodes.)

However, even the Westerns aren't immune, with cancellations hitting series such as *Cimmaron City*, *Jefferson Drum* and *The Californians*. Other casualties include *Behind Closed Doors*, *The Lineup* (it may be back), *Lux Playhouse*, and *Bold Journey*. Coast-based live TV shows which have been cancelled include Eddie Fisher, George Gobel (he'll be back with new sponsor), Buddy Bregman, *Pursuit*, and Lawrence Welk's Wed. night show.

NBC has had most of the cancellations to date, losing sponsors on 9 film shows & 5 live ones. CBS lost sponsors on 5 film & one live series, ABC 5 film & one live series.

Only comfort to Hollywood executives & producers amidst this annual deluge of cancellations is that for every film show cancelled, another will take its place.

Oscar's \$22,000 Boner: An expensive miscalculation occurred last week when the annual Oscar Awards telecast on NBC ended 20 mins. short of the 2 hours for which it had been scheduled—20 minutes worth about \$22,000. NBC filled out the time with a sports film, and was temporarily baffled by the unprecedented situation of someone contracting for network time, and then not using the full amount. Late Tues. the network decided it must pay the stations for the unused time, and made it clear it expected the Academy to reimburse it for the amount. Payment will be mostly on a C-time basis since the end of the awards show was seen at a late hour in most areas.

Aside from its timing failure, the show was a vast success in drawing audience, amassing a Trendex of 57.8—10 pts. higher than any previous Academy show—and was seen in 29 million U.S. homes (4 out of 5 homes with sets) by 75 million viewers. CBC-TV network also carried the show for Canada. Almost 200 NBC radio stations as well as CBC radio network carried the proceedings to listeners.

Meanwhile, critics across the country singled out Jerry Lewis—who came on in an over-frilled dress shirt adorned with nickel-sized black studs and a burlesque jazzbo tie—for trying to fill time at the end by appropriating the show as a personal spectacular.

"The antics of Mr. Lewis," wrote Jack Gould, "were inexcusable. As a starter he sought to group President Eisenhower, Sammy Davis Jr. and Frank Sinatra for the purposes of a gag. He thereupon detracted from the dignity of the award to Susan Hayward as the year's best actress by ordering the audience to applaud her a second time with greater enthusiasm. His tiresome behavior reached a climax in his efforts to turn the telecast into a Lewis TV comedy show. His was a tour de force of uncompromising ineptitude." Jerry didn't prevent John Crosby from enjoying the show. Said he: "Somewhat timorously, I'd like to venture the opinion that I found the Academy Awards telecast gripping."

News & the 'Comprehension Gap': There is a widening gap between the flow of news information to the American public, and the "growing complexity of what must be understood," Sig Mickelson, v.p. of CBS and gen. mgr. of CBS News, said in an address prepared for the Texas Assn. of Broadcasters and members of the Texas state legislature April 13 in Austin, Tex. The gap is growing, said Mickelson, "despite the addition of TV to the communications media."

The job of narrowing this gap is complicated by "restrictions which hamper our total information effort," said the CBS newsman. As a prime example, Mickelson termed the FCC's recent Section 315 ruling "a most damaging blow" to TV news. Study of voter turnout in recent elections, he said, "proves to my complete satisfaction that TV created new interest in, and understanding of, issues and candidates," and added that "a blackout of political coverage by TV would be a staggering loss to the voters."

With the 1960 election campaigns heading into their first stages, adherence to the equal-time ruling would mean that TV "would have to abandon the unique tools of our trade and rely entirely on second-hand reporting—filtering the news through reporters and editors," Mickelson warned.

Equal time isn't the only problem, he added. "On the national as well as the regional level, TV's information activities are frequently hampered by the lack of equal access to official news," he said. "Our battle for permanent recognition of our requirements never ends."

The public itself must work to narrow the gap of comprehension, Mickelson said. "We can program until our image orthicon tubes wear out and our towers crumble. The newspapers can print until their presses disintegrate. But it won't do any good unless the public is interested and has some minimum background for understanding."

A total of 85 TV stations now being served by Associated Press—all formerly served as a consequence of common ownership with radio members—are now associate members in their own right, Frank J. Starzel, gen. mgr. of AP, stated last week. The number of TV & radio outlets with AP service—1878—has "nearly tripled" since 1947.

Newspapers & broadcasters bury their mistakes but give full coverage to public officials' errors, charged James C. Hagerty April 5 on CBS' *The Great Challenge*. The White House press secretary asked: "Why don't they correct their stories on the same page, under the byline of the reporter who made the mistake?"

New Pilots, Old Ideas: Ad agency men who've been busily viewing new TV film pilots on the Coast generally feel that they present nothing new, are imitative & disappointing.

For example, Sam Thurm, top TV executive of Lever Bros., shopping for two shows, went to Hollywood for a week, during which he saw 5 to 6 pilots daily. Thereafter he confided to associates: "They were rather disappointing. There was nothing new or different from what is on the air right now." He bought nothing.

Walter Bunker, Y&R coast v.p., another busy viewer of new pilots, tells us, "Ninety percent of the shows are variations of what's on TV today."

We would attribute lateness of the buying season this year to buyers waiting to see if any of the pilots still coming off the assembly line will have more to offer.

First live, sponsored color show in Washington is a series of eight 15-min. programs on WRC-TV—5:15-5:30 p.m. Sat. gardening show sponsored by Gustin Gardens Inc., local nursery, starting April 11.

No Ceiling on Agents' Commissions? Representatives & members of broadcast talent unions, principally AFTRA, protested last week to Gov. Nelson A. Rockefeller of N.Y. concerning the "Gilbert Bill" that seeks to do away with present state ceilings on commissions paid by performers to agents. The bill—which has obvious significance in affecting future costs of TV production—is an amendment to the state's general business law concerning employment agencies, and was passed late last month by the legislature. It now awaits Rockefeller's signature. State Sen. Jacob H. Gilbert of N.Y.C. sponsored it.

The prime complaint of the unions is that the wording of the bill—which creates the category of "artists' managers" in N.Y. and allows agencies to change their fee structure without authority of the Comr. of Licenses—would, as AFTRA puts it, "permit an agent to collect any amount up to 100% of the performer's payment for an engagement."

Talent agencies, although not squaring off for a battle with the unions on the issue, are expected, however, to deny that they have any such intentions, pointing chiefly to the fact that their fees (generally 10%) are derived by negotiations with & franchises from talent unions. "The going rate on talent commissions now is just double what the present laws provide in the way of basic employment agency commissions in N.Y.—5% for the first 10 weeks," one exponent of the agency point of view told us.

Late last week, Albany sources were indicating that the whole subject might be explored in a series of hearings prior to any official action by N.Y.'s governor. Meanwhile, unions representing performing talent were drumming up support of additional members against the measure.

Peabody Winners Named: For mature & intelligent treatment of their assignment, Chet Huntley & David Brinkley (*NBC News—The Huntley-Brinkley Report*) last week won the 1958 George Foster Peabody Award in the classification of TV News. The 19 series of Peabodys saw *Playhouse 90* (CBS) take the award for TV Dramatic Entertainment, including a particular mention for producer Fred Coe. The award for TV Musical Entertainment was made to *Lincoln Presents Leonard Bernstein & the N.Y. Philharmonic*, CBS.

Other TV awards: Entertainment with Humor, *The Steve Allen Show*, NBC. Education, *Continental Classroom*, NBC. Programs for Youth, *College News Conference*, ABC. Programs for Children, *The Blue Fairy*, WGN-TV Chicago. Contribution to International Understanding, "M. D. International" (on *March of Medicine*), NBC. Public Service, CBS-TV.

Writing, James Costigan and "Little Moon of Alban" (*Hallmark Hall of Fame*) NBC. Special Awards: "An Evening with Fred Astaire," NBC, and Orson Welles and "Fountain of Youth" (*Colgate Theatre*), NBC.

Radio Awards: News, WNEW N.Y. Public Service, *The Hidden Revolution*, CBS. Education, *Standard School Broadcast*, Standard Oil Co. of Calif. Contribution to International Understanding, *Easy as ABC*, ABC-UNESCO.

The awards were announced by Peabody board chairman Bennett Cerf, and presented by Dean John E. Drewry of U of Ga.'s Henry W. Grady School of Journalism. WBC pres. Donald H. McGannon presided.

Taped repeats of this season's top *Playhouse 90* dramas will occupy the entire summer season on that CBS show. In previous years, kine recordings & films were used.

Stations

NEW & UPCOMING STATIONS: KPLR-TV (Ch. 11) St. Louis, one of the few stations due to go on the air in a major market this year, hopes to begin programming as an independent outlet April 25. Studios will be adjacent to Chase-Park Plaza Hotels, and RCA 25-kw transmitter will be at Reavis Barracks Rd. & Ave. H, Lemay, Mo. Two German technicians are now in St. Louis, installing a newly-engineered antenna from Siemens-Halske Co. on the 1214-ft. tower which KPLR-TV will share with KMOX-TV (Ch. 4). The antenna is said to be unique in that it uses a continuous transmission line from transmitter to antenna, without splicers or couplings, also in that it does not require gas or fluid for dehydration or any de-icing device, operating "perfectly," regardless of thickness of ice. Principal owner and pres. is Harold Koplar of Chase and Chase-Park Plaza Hotels. James L. Caddigan, onetime Dumont exec., is v.p. & gen. mgr. Rep will be Peters, Griffin, Woodward Inc.

* * * *

WTOM-TV (Ch. 4), formerly WBDG-TV Cheboygan, Mich. plans May 16 programming with NBC-TV, writes pres.-gen. mgr. & 30% owner Les Biederman, who also operates WPBN-TV (Ch. 7) Traverse City & a string of 5 Michigan radio stations called the Paul Bunyan Radio Network. Stainless 500-ft. tower with 6-bay antenna has been ready since last Dec. & a 5-kw RCA transmitter is now being installed in studio-transmitter building on U.S. Rt. 23 near Cheboygan. Delayed by severe winter, construction has just started on 2 microwave towers necessary for picking up network from parent WPBN-TV. Robert Mills, ex-WNEM-TV Bay City, will be gen. mgr. Base hour will be \$200, with station also to be sold in combination with WPBN-TV. Rep. will be Hal Holman.

WKBM-TV (Ch. 11) Caguas, P. R. has changed programming target to June 1, states owner Ralph Perez Perry, who also operates WSUR-TV (Ch. 9) Ponce & radio WKVM San Juan. Du Mont 5-kw transmitter has been installed and a 6-bay RCA antenna is in place on the 200-ft. Lehigh tower. Studios will be in San Juan. Angelet Escudero, from WSUR-TV, will be gen. & sales mgr. Base hour will be \$265. Rep not chosen.

CHAB-TV (Ch. 4) Moose Jaw, Sask. has a June 1 target for programming, reports promotion mgr. Terry McBurney for owner J.D. Moffat. RCA 6-kw transmitter has been installed and construction of a 440-ft. stainless tower began this month. The RCA 12-slot antenna is scheduled to arrive by mid-April. Base hour will be \$200. Rep will be Television Representatives Ltd.

KDPS-TV (Ch. 11, educational) Des Moines has an April 27 programming target, reports station mgr. C. F. Schropp, who also is director of audio-visual education for grantee Des Moines school district. Installation of a 5-kw RCA transmitter & a 300-ft. stainless self-supporting tower with 6-bay antenna has been completed.

Only TV application filed last week was by the Independent School District of Richardson, Tex., a suburb of Dallas, seeking commercial Ch. 23 for non-commercial use. Total applications outstanding are now 89 (16 uhf).

Parking-lot fire at KTTV (Ch. 11) Los Angeles on April 1 destroyed studio props and spread to an adjoining apartment building. KTTV cameras covered the fire.

Stereo Radio Progress: National Stereo Radio Committee's important Panel 1 (system specifications) held its 2nd meeting April 9, and—as one member put it—"poured the concrete for the base" of its tabulation of specifications of the 17 systems now before it (Vol. 15:10).

The panel made a start in preparing a table to classify the various systems—which include proposals for TV, FM & AM stereo broadcast techniques. Systems aren't considered "frozen"—new systems can be proposed at any time. In fact, CBS research v.p. Peter C. Goldmark currently is working on a new stereo broadcast system.

CBS's system will be submitted to NSRC, although it's not a member—having declined to join because of fears of possible anti-trust charges in connection with the all-industry effort (Vol. 15:12, 14). CBS is currently studying an FCC statement and an EIA legal interpretation aimed at minimizing this danger, but hasn't yet revealed whether it will stay out or join up. RCA, which pulled out of NSRC for the same reason, also says its legal dept. is studying the FCC statement. Research & engineering v.p. Douglas Ewing told us: "We have the papers but are not yet in a position to know what we are going to do . . . We must study how RCA will be affected."

NSRC's Panel 1 plans to meet again in about 2 months.

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Cancelling scheduled May 1 oral argument in the Boston Ch. 5 "ex parte" case, examiner Horace Stern merely stated that the argument is "subject to rescheduling at a later date in event argument before examiner should be found necessary." The speculation is that he cancelled because he didn't want the proceeding to coincide with the court trial of ex-Comr. Richard Mack & attorney Thurman Whiteside, for fear that publicity in his case might prejudice the other.

Continental Telecasting Corp., which owns radio stations KRKD & KRKD-FM Los Angeles, has reached agreement to sell all its stock for \$1,200,000 to Communications Corp. of California. CTC's sole stockholders are Al Zugsmith, Frank Oxarart and Jack Feldmann. CCC is owned by a syndicate consisting of auto dealer Bob Yeakel, Irving Feld, KRKD sales manager Bob Fox, Metro producer-writer Bob Smith, Albert Marks, Sydney Sundheim, E. L. Brooks, Dawkins Espy, Oxarart, Feldmann, Zugsmith.

Latest station group to expand its TV-radio news operation is Corinthian Bestg. Corp., which on April 6 added the services of News Associates to function as its Washington Bureau, providing "specifically tailored" news & features for Corinthian's 4 TV & 2 radio outlets. In addition, news directors of the Corinthian stations will undertake "periodic travel assignments" in this country and overseas as part of the expanded news coverage, according to Johnston F. Northrop, asst. to the pres. of the station organization.

Takeover of KBET-TV (Ch. 10) Sacramento, bought by J. H. Whitney & Co. for \$4,550,000 (Vol. 14:49) was consummated April 9 by new Whitney subsidiary Great Western Bestg. Corp. Pres. of Great Western is C. Wrede Petersmeyer, who also heads Whitney's Corinthian Bestg. Corp. Acting gen. mgr. of KBET-TV is Petersmeyer's asst. Johnston F. (Jack) Northrop, who replaces John H. Schacht, resigned, until a new v.p.-gen. mgr. is appointed.

Weather maps are received by facsimile from Washington every 20 minutes at WLW Weather Service (WLWT & WLW Cincinnati). Crosley Broadcasting says its stations are the only ones in the world with such an installation for the exclusive purpose of serving TV & radio audiences.

That 'Oldest Station' Fight: KDKA Pittsburgh reacted stonily last week to claims by KCBS San Francisco that it was "the first regular broadcasting station in the world"—a title it celebrated from March 30 to April 3, upon completion of "50 years of broadcasting." Also heard from about the KCBS claim was WWJ Detroit, long-time sparring partner with KDKA for "oldest station" honors.

Lester R. Rawlins, gen. mgr. of the Pittsburgh station, told us over the phone: "Our license was the first for regular broadcasting. Look in the Dept. of Commerce records!" (The station was indeed the first regularly licensed broadcasting station, with the date of Nov. 2, 1920.)

The KCBS claim is based on new research done by Gordon B. Greb, asst. prof. at San Jose State College. In *Journal of Broadcasting* (U of So. Cal.) he offers historical data to show that in 1909 Charles David Herrold made his first successful broadcast to crystal-set-equipped audiences in the San Jose valley—receivers which Herrold himself had installed. "There is ample evidence that Herrold operated on a daily schedule from 1910 forward," Greb states. Later licensed as KQW, the station became KCBS.

However, says KDKA's Rawlins, "So what? Experimental stations & ham stations were all over. The same is true of Dr. Frank Conrad in East Pittsburgh. He would go on the air in the same way as this fellow in California." (Conrad's 1919 station 8XK, became KDKA.) Will KDKA modify its "pioneer-station" claim? "No!" The claim appears on letterheads & ads of the Westinghouse Broadcasting Co. station and will remain.

Less of a fighting stance is taken by WWJ, which began broadcasting Aug. 20, 1920, but did not receive a commercial license until after KDKA. Edwin K. Wheeler, gen. mgr., says: "We call ourselves 'the world's first radio broadcasting station.' However, we have soft-pedaled this claim in the last few years—and it looks now like these people out West might beat us both by 10 years!" Wheeler added that he was getting tired of the whole squabble. "We use the claim only seldom—and then only when KDKA gets rambunctious. We seldom make the statement locally now, and never on the air. As a matter of fact, advertisers aren't interested in what you were: they look at you *now*."

Conelrad test April 17 (Vol. 15:13) will work better than ever, predicts FCC's Kenneth W. Miller, chief of program, but he says that it will take about 6 months to complete certain new engineering details. He notes that networks have insisted on 5 minutes of "talkup" at the beginning and end of the 30-minute test, plus announcements during the alert—to impress the public with the fact that the test is not "the real thing."

Ammunition for National Radio Month, May, reaches station managements this week. RAB is sending 900 members a package of 17 jingles on the Radio month theme, "Radio . . . always in tune with you," a checklist of 101 sales ideas, and voice copy. NAB's kit for 1900 members includes 30 & 60 sec. jingles performed by 20 musical artists.

Experiments with special test signals may be continued until Oct. 3, FCC said last week as it extended the deadline in its rule-making from Apr. 3. Two years ago, the Commission started the rule-making to determine what kinds of signals should be transmitted between frames for the purpose of checking a variety of elements in the transmission (Vol. 13:14).

Visual Electronics Corp., supplier of station equipment, has moved to larger quarters at 356 W. 40 St., N. Y. 18.

Los Angeles' Ch. 34 was awarded to Sherrill C. Corwin last week by FCC, which sustained the initial decision issued by examiner Basil P. Cooper last Aug. (Vol. 14:32). Corwin, owner of 15 Cal. theaters & 15% of KAKE-TV (Ch. 10) Wichita, as well as being grantee of KBAY-TV (Ch. 20) San Francisco & KFMX-TV (Ch. 27) San Diego, won out over the opposition—a partnership doing business as "K-uhf"—because of the latter's finances, which were less than \$7500 cash.

Planning to merge their applications for Ch. 5 in Weston, W. Va., off-air stations WJPB-TV (Ch. 35) Fairmont, W. Va. & WENS (Ch. 22) Pittsburgh last week were given until Apr. 23 to reach a consolidation agreement in a ruling by FCC examiner Jay. A. Kyle. The merger would reduce competing applicants to 2, the other being WAJR Morgantown, W. Va., controlled by steel plant owner Agnes J. Reeves Greer who also owns other off-air Pittsburgh station, WKJF-TV (Ch. 53).

Sale of KXII (Ch. 12) Ardmore, Okla. (formerly KVSO-TV) for \$160,000 to Texoma Land TV (headed by Bill Hoover, KTEN Ada, Okla.) was approved by the FCC, which also approved the station's site-move application. At the same time, the Commission turned down the petition of KFJZ-TV (Ch. 11) Ft. Worth, which requested that Ch. 2 be shifted from Denton, Tex. to Ft. Worth, and that Ch. 11 be shifted from Ft. Worth to Denton.

RCA shipped 6-kw transmitter April 10 to WOW-TV (Ch. 6) Omaha, and a custom slotted antenna April 9 to WLEX-TV (Ch. 18) Lexington, Ky.

Auxiliary Services

Problem of illegal boosters bothers the Ariz. Bcstrs. Assn., which wired FCC this week: "The 40 radio stations and 8 television stations who are members of the Ariz. Bcstrs. Assn. are seriously concerned about the problem of illegal vhf television booster operations. We will consider this problem and submit recommendations to the FCC at our spring meeting April 24th and 25th. We strongly urge that the Commission delay any action on this matter until after these dates. We further urge that all Commission decisions on vhf boosters be guided by good engineering practices and not be dictated by political pressure. The entire membership of the Ariz. Bcstrs. Assn. is squarely behind the FCC in this matter."

FM will be added this week to Jerrold's 2000-subscriber S. Jersey Cable Co., Ventnor (Atlantic City), N.J. At no extra cost, subscribers with FM sets will be able to receive all of Philadelphia's FM stations through the community antenna. If the experiment meets with subscriber approval, Jerrold will study the possibility of adding FM to some of its other CATV systems.

Community antenna system in Glendale, W.Va., has been discontinued by owner Sam Shaw after 7 years of operation. Shaw says he lost \$1500 in the last 4½ years, largely because viewers are now getting substantial service from stations they can pick up with their home antennas.

Three translator CPs granted by FCC last week: Ch. 74, Likely, Cal., to Likely TV Club . . . Ch. 77, Pendleton, Ore., to Umatilla Rural TV Inc. . . . Ch. 76 Canby, Cal., to Canby TV Club.

Translator starts: W74AC Claremont, N.H., began April 1 repeating WRLP Greenfield, Mass., replacing W79AA Claremont, which now carries WCAX-TV Burlington, Vt.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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PUBLICATION OFFICE

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 Hollywood 2B, Calif.
 DAVID KAUFMAN

WEEKLY NEWSLETTER TV & AM-FM ADDENDA AM-FM DIRECTORY
 Published Saturdays Published Saturdays Published in January

TELEVISION FACTBOOK Published in March and September

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Personals: James E. Szabo, sales mgr., named gen. sales mgr., WABC-TV. Robert F. Adams appointed asst. sales mgr., William Scharton, national sales mgr. . . . William D. Swanson, gen. mgr. of KTUL-TV Tulsa named a v.p. . . . William F. Budde, ex-KWK-TV & KWK (now KMOX-TV) St. Louis, named comptroller & business mgr., KPLR-TV St. Louis . . . Checchi & Co., Washington consulting economists, now at 1612 K St. NW (Executive 3-3227) . . . Len Stein, business mgr., KUAM-TV & KUAM Agana, Guam, named gen. mgr., WSTA St. Thomas, Virgin Islands . . . A. H. (Al) Constant, gen. mgr. of KBAK-TV Bakersfield, rejoins KRON-TV San Francisco in new post of station mgr., retaining his position as v.p., Bakersfield Bestg. Co. . . . Max Bice, asst. mgr. & chief engineer of KTNT-TV Tacoma-Seattle, named station mgr. . . . William Beaudine Jr., ex-MGM-TV, named film production mgr., Independent Television Corp.; Claude Traverse, ex-NBC, appointed tape production mgr. Both are new posts. Ellingwood (Bud) Kay, ex-Screen Gems, named exec. story editor . . . B. Gerald Cantor, chairman; John B. Bertero, pres.; Charles L. Glett & Jack M. Ostrow, directors of National Theatres, elected directors of subsidiary National Telefilm Assoc. They replace Burt Kleiner, Robert Westheimer, William H. Hudson & Edythe Rein, resigned. Miss Rein continues as senior v.p., NTA (Vol. 15:14). Leo Lax named gen. mgr. for NTA International's operations in Italy, France, Belgium & Luxembourg. Eric H. Haight resigns as v.p.-treas., NTA; and George Crandall resigns as p.r. dir. . . . John G. Stilli, sales mgr., KDKA-TV Pittsburgh, appointed account exec., Television Advertising Representatives Inc. . . . Val Conte promoted from sales service mgr. to new post of commercial operations mgr., KTTV Los Angeles. Al Pryor named sales development mgr., also a new post . . . Hank Warner promoted from gen. mgr., press information to press information dir., CBS-TV . . . Jim Knight named promotion dir., WTRF-TV, Wheeling, W. Va. . . . Don LeMasurier named promotion mgr. of KDAL-TV & KDAL Duluth-Superior, succeeding Dale Cowle, who shifts to affiliated radio KBIZ Ottumwa, Ia. as exec. v.p.-gen. mgr. . . . William E. Kelley, national sales mgr. of WSPD-TV, Toledo, joins AM Radio Sales Co., N. Y. April 15 as account exec. . . . Eugene H. Alnwick & Philip D'Antoni promoted from account execs. to administrative mgr. of network sales and div. mgr., respectively, Mutual Broadcasting System.

Robert McMahan promoted to v.p. & TV director of KREX-TV Grand Junction, Colo., succeeding J. L. Robinson, now gen. mgr. of KGHL Billings, Mont. Doug Weikle named director of radio KREX, Bill Cleary news director.

Norman Gittleson has resigned as exec. v.p. and gen. mgr. of WMUR-TV Manchester, N.H. . . . Herbert E. Evans named pres. of Peoples Broadcasting Corp. (which owns 5 radio stations & KVTV Sioux City, Ia.), succeeding Murray D. Lincoln who remains as gen. chairman, a new post . . . George Kolpin named sales mgr. of "extended market plan" div., CBS-TV sales dept. Raymond C. Dillon succeeds him as asst. business mgr. . . . Jack Berch, onetime ABC radio star, named senior v.p., TV commercials div., Transfilm.

Victor R. Hansen, chief of the Justice Dept. anti-trust div.—as expected—has submitted his resignation and his first asst. Robert A. Bicks is considered the strongest contender to succeed him. Bicks has played a major role in Justice Dept. activities affecting TV-radio-electronics, including personal participation in FCC's Miami & Boston "influence" hearings. Hansen will leave within 2 weeks, and plans to establish law partnership in Los Angeles with a "prominent" but unidentified friend.

McGavren-Quinn rep firm changes name to Daren F. McGavren Co., following resignation of Donald J. Quinn, (Vol. 15:14), with McGavren continuing as pres. Cy Ostrup, from Los Angeles office, is named San Francisco mgr.; Charlye King, asst. to pres., becomes West Coast business mgr.; and Walter Lake continues as Los Angeles mgr.

New regional chairmen of the Amer. Assoc. of Advertising Agencies were named last week: Wallace W. Elton, v.p. of J. Walter Thompson (East); W. Stanley Redpath, exec. v.p. of Ketchum, Macleod & Grove (East-Central); Alexander Gunn III, v.p., J. Walter Thompson (Central).

Comr. Robert E. Lee will address the spring meeting of the Arizona Broadcasters Assn., to be held April 24 & 25 in Phoenix at the Ramada Inn. Another speaker will be NAB v.p. Howard Bell, reporting on industry problems.

Vice President Richard M. Nixon will present Emmys to winners in the news & public service categories on the May 6 telecast of the 11th annual Emmy awards.

Robert Cadel, since 1947 business manager of TELEVISION DIGEST, and asst. to publisher in charge of its semi-annual TELEVISION FACTBOOK, joins *Print Magazine* in that publication's Washington business office (1519 Connecticut Ave. NW) as co-publisher.

New staff member for TELEVISION DIGEST's Radnar office is Alan J. Jacobson. A World War II radar man, with 5 subsequent years in TV-film production, he has had editorial experience on *The New York Times*, *Printers' Ink*, and TV trade publications.

The \$5.6 million sale of WSOC-TV (Ch. 9) & WSOC Charlotte, N.C. by a group headed by E. E. Jones to the Cox family (Vol. 15:5) was approved by the FCC last week, Comr. Bartley dissenting. Cox interests also own WSB-TV (Ch. 2) Atlanta, WHIO-TV (Ch. 7) Dayton, and 42.5% of WCKT (Ch. 7) Miami. They also publish the *Atlanta Journal & Constitution*, *Miami Daily News*, *Springfield (O.) Sun & News*.

Power ceiling of Class IV AM stations has been increased from 250 to 1000 watts as of April 16, the FCC announced last week in an amendment of rules. The rules permit power increases for all stations except those near Mexico or Cuba—"within an area 62 miles or less from the U.S.-Mexican border, or in the state of Florida within an area south of 28 degrees north latitude and between 80 and 82 degrees west longitude."

Advertising

YOU AUTO BUY LIVE TV: The auto industry's "big 2" last week signed up for about \$28 million worth of live shows on NBC-TV next season—2 of the most expensive single series ever placed on TV—fast on the heels of the disclosure of Pontiac's \$4 million 8-spectacular buy for next season (Vol. 15:14).

Ford will sponsor a series of 39 weekly shows—some of them one hour, some 90 minutes, some 2 hours—Tuesdays at 9:30 p.m. Basically variety-comedy in format, they'll also feature some special events. Featuring big-name performers, the total time-&-talent bill could be in the \$15 million range. Under the flexible schedule, time will be pre-empted for the 90-min. & 2-hour shows. The talent for the show will be provided by MCA. The 39-week schedule, placed through J. Walter Thompson, will include 9 repeats.

Chevrolet's 10-year preference for live TV was underscored last week with a 52-week renewal for *The Dinah Shore Chevy Show*, effective late October & for a live summer replacement series in 1960 to be produced by Henry Jaffe Enterprises. The expenditure for time & talent will be about \$13 million. Says Campbell-Ewald's A. J. (Pete) Miranda: "The auto business changes so rapidly in terms of what Chevrolet may want to emphasize in any given week—used cars, luxury, economy, roominess, etc.—that we follow live TV commercials on Dinah's show right down to air-time."

Tape commercials (less than 20% of the total), are done just before airtime when there are special effects that might not go off properly during the show.

* * *

Specials (really "just hour-long shows") will increase for 2 reasons, Benton & Bowles' Tom McDermott told *Radio-TV Daily* last week: to meet competition & help networks gain control of programming. The B&B v.p. predicted that Westerns would again be supreme (an opinion in agreement with our Vol. 15:14).

Of those watching *Zorro*, more than 3 out of 4 homes (75.1%) can correctly identify the sponsors (7-Up and AC spark plugs), according to a special 6-market "personal coincidental" survey by Pulse Inc. for ABC-TV. Other factors: The Disney-produced Western attracts 1.44 adults per set, and in the *Zorro* homes 7-Up was used more often (38.0 vs. 30.8%) than Coca-Cola, while the reverse was true in homes watching *December Bride* on CBS or *Steve Canyon* on NBC. More than 85% of *Zorro* homes owned a car, as compared with 78.6% among non-TV viewers. The study was made, says ABC, because of "a tendency to understate the adult audience for *Zorro*."

June Allyson will be hostess of a half-hour anthology series bought for next season by the textile fiber div. of Du Pont, to begin on CBS in Sept. The deal is for 39 first-runs & 13 reruns. Four Star, owned by her husband, Dick Powell, and by David Niven and Charles Boyer, will produce. Miss Allyson will star in about 10 of the episodes. This Du Pont div. has previously been in TV with spots on *The Steve Allen Show*. No title selected yet; budget probably about \$50,000 per show.

Employees of Joseph Katz Co., N. Y., have acquired the company's stock. The group, all officers of the company, include Harry Kullen, pres.; Charles W. Shugert, exec. v.p.; and Paul Carpenter, secy.-treas.

Busy Sales Week: Jack Benny will move into a 10 p.m. slot on Sundays starting September 27 under Lever Bros. sponsorship. Following the pattern of American Tobacco (Benny has been alternating with American's *Bachelor Father*), Lever will also sponsor a half-hour show at the same period with George Gobel in alternate weeks. In other signings last week:

Colgate-Palmolive bought alternate-week sponsorship of *Black Saddle*, pairing off on the Sat.-night show with Liggett & Myers, effective this week.

U.S. Steel renewed its franchise on the *U.S. Steel Hour* on CBS-TV for the 1959-60 season. It will be 4th year on CBS for the drama series.

Procter & Gamble renewed NBC-TV full sponsorship of *This Is Your Life* for the coming season, marking a 6th year with the Ralph Edwards package.

Mars, Inc. signed for Sunday afternoon, 4:30-5 p.m., sponsorship of *Broken Arrow*, starting in Oct., on ABC-TV. The film series formerly occupied a Tues. evening spot on the network.

In Other Media: Magazines are going in for a rash of their own "spectaculars," points out Grey ad agency, noting Chrysler's 3-page cover spread in *Life*, the combo "Dutch Door" ad for Pillsbury's, French's, and American Dairy Assn. in *Ladies' Home Journal*, and Ford's 36-pager in *May Reader's Digest* (reported to cost \$780,000) . . . *McCall's* is using a 25-min., cartoon, sound-slide film presentation to kid many phases of advertising, especially network TV . . . ANPA expects from 300 to 800 newspapers to participate in a "Live better . . . with a new car" campaign (Apr. 6-18) to recoup from 1958's 24% automotive lineage drop from 1957 . . . Magazine earnings in 1959, predicts United Business Service, are likely to exceed those of 1958 because of increased lineage & higher rates. They regard stocks of the leading publishers as "attractive holdings for investors." . . . All 3 Cleveland dailies recently raised their newsstand prices to 10c . . . Hearst Consolidated Publications Inc. report a 1958 advertising revenue drop of \$9.1 million, a circulation revenue drop of \$72,641, and a net loss of \$2.7 million for the year, vs. 1957's net profit of \$19,327. However, the first 2 months of 1959 show a small gain in ad lineage vs. last year's period . . . *McCall Corp.* reports \$1.1 million net profit gain over 1957, and the 2nd highest net-sales year in its history (first: 1957) . . . Magazines are currently facing the ticklish issue of whether to turn down the copy of one advertiser whose product is against the interests of a large group of other advertisers. H. W. Kastor ad agency has taken space in *Advertising Age* to protest tobacco pressure & the action by some major magazines in turning down ads for Bantron ("If you want to stop smoking").

Subliminal persuasion isn't persuasive at all on TV, 2 Indiana U professors have concluded, following a series of 5-week tests they conducted over WTTV (Ch. 4) Bloomington-Indianapolis. Melvin L. De Fleur & Robert Petranoff found that "interesting effects" of subliminal perception can be produced in classroom demonstrations, but that "subliminal persuasion may be a controversy without a factual issue" when it comes to responses of regular TV viewers. Subliminal slide commercials were superimposed on WTTV film programs, but "failed completely to produce any noticeable results," De Fleur & Petranoff reported. Similar slides ("Watch Frank Edwards") plugged WTTV's news analyst. "No measurable effect" was noted. "In fact, the size of the audience suffered a slight decline."

People: Robert M. Watson, former chairman of the board, Erwin Wasey, Ruthrauff & Ryan, joins Kudner Agency as senior v.p., member of exec. committee and dir. . . . Fred L. Lemont elected v.p., Ted Bates & Co. . . . George McGarrett, former exec. producer, NBC, named program supervisor, TV dept., Lennen & Newell . . . Ralph F. Linder, ex-Tatham-Laird Adv., Chicago, named Donahue & Coe v.p., grocery products div. Daniel M. Gordon resigns as media dir., Donahue & Coe, effective April 15 . . . Sylvester Cleary, ex-Reach, McClinton & Co., appointed adv. mgr., Mennen Co. . . . Ruth J. Cerrone & Brendan J. Baldwin elected v.p., Kenyon & Eckhardt . . . Joan Chamberlain elected v.p. Ogilvy, Benson & Mather Inc. . . . Lee Rich, media v.p., Benton & Bowles, elected to the board of directors . . . Hilliard S. Graham & Joseph Furth promoted to v.p.'s, Erwin Wasey, Ruthrauff & Ryan, Chicago office . . . Anthony S. Gee promoted from media group supervisor to media dir., Erwin Wasey, Ruthrauff & Ryan, succeeding Harry D. Way (Vol. 15:9) . . . Mark Martin Jr., Chicago exec. v.p. of Caples Co., named v.p. of Bozell & Jacobs, Chicago . . . Howard Eaton, media dir. of Lever Bros., is the new chmn. of the broadcast advtg. comm. of Assn. of Natl. Advertisers, succeeding George Abrams, pres. of cosmetics & toiletries div. of Warner Lambert Pharm. Co. Abrams continues on ANA board . . . Peter V. Lorne promoted to managing dir., McCann-Erickson Ltd., London . . . Thomas C. Wainwright, ex-Wentzel, Wainwright, Poister & Poor Adv., named v.p., Kastor, Hilton, Chesley, Clifford & Atherton.

John Forney, TV-radio v.p., Robert Luckie & Co., promoted to exec. v.p. Arden Moser, named media dir. . . . Frederick L. Olsen, media dir., Hixson & Jorgensen, elected v.p. . . . Paul Freyd named mktg. dir., BBDO, succeeding Ralph Head resigned . . . Harry E. Wholley named adv. v.p., American Home Foods, American Home Products Corp. subsidiary . . . Arthur Sawyer, ex-Young & Rubicam, San Francisco, named media dir., Johnson & Lewis Adv. . . . Samuel Chew, partner in Chew, Harvey & Thomas, Philadelphia, resigns April 15 to form his own agency . . . Jan Tangdelius, promoted from exec. v.p. to pres., Fulton, Morrissey Co., succeeding the late John G. Maynard . . . Lee Peer, ex-KSHO-TV Las Vegas, has formed a new agency, Adler, Peer & Assoc. (810 West Keno Lane, Las Vegas) . . . William Eisner, formerly v.p. and creative dir., Carl Nelson & Assoc., has opened his own agency—William Eisner & Assoc., with offices at 176 W. Wisconsin Ave., Milwaukee.

Jack J. Page, ex-pres. of Page Productions, named v.p. for TV, O'Grady-Andersen-Gray, Chicago . . . C. R. (Bill) Pope Jr., promoted to v.p. & gen. mgr. at Holst & Male, Honolulu . . . Arthur P. Felton, ex-Cunningham & Walsh v.p. & mktg. dir., named to new post of mktg. dir., American Brake Shoe Co. . . . Milford Baker named contact dept. mgr., Young & Rubicam . . . George R. Darcy, senior v.p., Robert H. Bush, public relations v.p. resign from Rumrill Co., effective July 1.

J. Ward Maurer, who retired April 1 as adv. v.p. of Wildroot Co., was cited by Advertising Research Foundation for "eminent service to and constructive leadership of the ARF," at a board meeting. Ben R. Donaldson, board chairman, made the presentation.

Obituary

Howard Corbin Wilson, 77, founder & honorary chairman of Wilson, Haight, Welch & Grover Adv., Hartford, died April 6 at Hartford Hospital following a short illness. He is survived by his wife, a son and 2 daughters.

Film & Tape

INSTABILITY—FILM'S REAL VILLAIN: When the TV-film industry was younger, there were about 80 separate TV film companies. The laws of economics have cut that figure in half, and some Hollywood observers predict that eventually there may be only 10 or 15 organizations. Sometimes the insecurity of it all adds up to an incredible Alice-in-Blunderland existence, as producers, executives & even production companies are banished after a disastrous year.

Currently Hollywood is facing up to another buying season for TV film, &, conversely, another season when shows are cancelled. The TV-film industry, as usual, watches anxiously as ad agency representatives scurry to & from N.Y., peer at the multitude of pilots—decide whether to retain their present shows or replace them.

On the experience of past years, 40 telefilm series will be cancelled before all this activity subsides. That's about two-thirds of all telefilm series on prime network time. The result of this turmoil is an annual re-evaluation at all the TV film companies, and often a change in personnel if the company has not done well.

Instead of bringing a solution to the dilemma of insecurity, time has only increased the instability. In the past season many shows were cancelled after 13 weeks on networks, some even sooner. The era when 39-week series contracts were commonplace has become a fond memory to Hollywood's executives & producers. Some of those precious contracts are still handed out, but on the whole, agencies & sponsors appear to become more cautious, and more inclined to sign short-term deals.

One of the new hour-long shows sold for the coming season is reported to have a sponsor for only 5 shows. Its fate thereafter depends on its quality & ratings. Last year a new hour-show was sold with no firm commitment; the sponsor said he'd simply buy it from week to week—depending on ratings. Luckily for the studio & network involved, the series made the grade; otherwise there would have been an enormous financial loss.

Producers plead that the only solution is the 39-week deal which gives them a chance to turn out better quality and build ratings. But admen argue that a sponsor who invests a lot of money in that long a series—which the public subsequently chooses to ignore—will remember the experience long after cancelling the show. (*Medic*, it will be recalled, used to refer to this as a trauma.)

Sympathetic ad agency men say that if it were up to them, they would contribute to stability by accepting 39-week contracts. But, after all, they point out, they represent a client & can't afford to risk a bad investment.

Nobody seems to know the answer to it all. It does explain, however, why Desilu is the leader in the industry one year, Revue another, Screen Gems still another—and why executives flit from one company to another—and why TV producers, increasingly cautious, would rather make a Western, with a fairly good chance to sell, for example, than an offbeat series which, although of top quality might nevertheless scare off potential buyers.

Because 200 telefilm pilots are being turned out in Hollywood this season, Don Sharpe, head of Sharpe-Lewis Productions told us they have postponed plans to film 3 this spring. Says he: "This is the wrong year to make them. There are too many." The projects: *Night Patrol* & 2 untitled hour-long action-drama series.

Hollywood Roundup: Albert J. Cohen, recently resigned as producer of the Ann Sothern show, has formed the independent telefilm company, American Television Productions. First series venture is *Cardigan, Special Detective, Honolulu*. . . . Producer-writer Allen Rivkin makes his debut as a telefilm producer on *Troubleshooters* for Meridian Productions. Keenan Wynn & Bob Mathias star.

J. Walter Thompson is seeking—unsuccessfully so far—3 half-hour telefilm series for next season. Client 7 Up will probably withdraw from *Zorro*, & Quaker Oats has dropped *Naked City*. . . . No decision has been reached yet on whether Walt Disney will continue production of *Zorro* next season. . . . NBC has set still another western *Wichita Town*, for next season. The series, to star Joel McCrea and his son, Jody, will be produced by the Mirisch Co.

CBS will finance filming of 2 segments of *The Last Frontier*, 20th-Fox TV hour-long series. The network will buy 11 more scripts. Martin Manulis Productions and Art & Jo Napoleon will co-produce the series for 20th. . . . *Bachelor Father* telefilm series moves from CBS to NBC June 18—for 65 weeks. American Tobacco & American Home Products are alternate sponsors.

Stranger Than Fiction is the title of a new TV series planned by Andrews-Spears-Wolper Productions.

Movie producer-writer Charles Schnee planning his debut in film TV, with 3 series. He has finished the pilot script of a new Western series, plans a private eye series, and is negotiating for a 3rd series. . . . Duties of Ted Rogers, film programming chief of Jack Wrather's ITC, have been expanded to encompass tape & live productions of the company. . . . Producer-writer Rod Serling is in discussions with Goldwyn and Metro to rent production space for his *Twilight Zone* series for CBS.

Paramount will finance pilots for *On Guard* series & *Heave Ho Harrigan*. The former, about the Coast Guard, is being done in association with Rear Adm. Thomas S. Dykers (ret.); the latter with Goodson-Todman Productions. . . . Samuel Fuller will produce a new Western series, *Trigger-Happy*, for CBS.

Screen Gems is planning another Western pilot, *The Peacemaker*. . . . *GE Theatre*, produced by Revue, will probably be renewed, but GE will also most likely cut the budget for next season. GE reps & Revue executives are now in renewal discussions, involving more reruns & less sponsor outlay.

Reall Drug is shopping around for specials for next season. . . . Lever Bros., through BBDO, has renewed the Groucho Marx show for next season.

Paramount will tape a half-hour pilot for *The Happy Time*, an adaptation of Samuel Taylor's 1950 Broadway play, at the company's KTLA studios. Claude Dauphin, who starred in the play, June Vincent and Mischa Auer have been cast. . . . General Foods and P. Lorillard have bought *Hennessey*, the new Jackie Cooper comedy series co-produced by Cooper & Don McGuire for CBS to show next season. No time set.

Union squabbles can be blamed for increasing reliance by independent Hollywood producers on foreign sources for recorded music used in films, the NLRB has been told. Testifying in a dispute between the unaffiliated Musicians Guild of America & AFL-CIO AFM over bargaining rights (Vol. 14:30), studio lawyer Gunther H. Schiff said that producers are subject to picketing if they sign contracts with either rival union. So they go overseas to get recordings rather than face disruption of production by U.S. musicians, he said.

New York Roundup: NBC-TV will move one of its top production executives in as head of fast-growing TeleSales subsidiary that's expected to rack up over \$1.5 million in video-taped commercials this year. . . . United Artists is reported seeking TV rerun rights to some 740 RKO features which Matty Fox's C & C Super Corp. has been distributing in first-run TV deals (largely on a barter basis) since 1955. . . . Tape's inroads in the film industry is bringing some action from at least one major supplier. Eastman-Kodak has established a new p.r. campaign to boost the use of TV film—particularly its still-experimental process in which film will be developed and ready for screening within a few minutes.

CBS-TV is said to be planning a special motivational research study on *The Invisible Man*, a British-produced film series due to return to the network May 21. . . . Only one night a week in *The Jack Paar Show*—Fridays—will actually be live after April 16. The Monday-through-Thursday shows will all be pre-taped. The Friday program is primarily a showcase for legitimate theater stars.

Film syndicators who do business with overseas markets are making another attempt this week to organize their own export association. Representatives from such firms as CBS Films, MCA, Screen Gems and UA-TV will meet at CBS this week to discuss the proposal. . . . Screen Gems is now in full production on *Stakeout*, being filmed on location in Florida and due for syndication this fall. No studio interiors are used in the series, and Florida residents play all the bit parts.

Loretta Young Show will be dropped by Procter & Gamble only if it is unable to have the show moved out of its present Sunday-night time slot. (They prefer not to be opposite competing Lever Bros. who'll be sponsoring Jack Benny & George Gobel on CBS.) In any event, Miss Young is committed to NBC for 3 more years. Purchase by NBC-TV of the half-hour film show could bring some 200 episodes into the California National fold for syndicating as a daytime rerun package. Also proposed as a future syndication group: Reruns of *The Phil Silvers Show*, which is owned by CBS-TV and is being dropped at the end of its 4th season by the current sponsors.

First independent telefilm outfit to have a link with a major music publisher is likely to be Jack Wrather's Independent TV Corp. Wrather's attorneys last week were examining the books of Mills Music, Inc.—which holds rights to many top tunesmiths, including Hoagy Carmichael—preparatory to a purchase deal said to be in the \$3-\$5 million category. Buying Mills would give Wrather (who also owns a major interest in Muzak) a pool of material, a publishing outlet for new songs developed in TV series, and other advantages in his multi-faceted broadcast & telefilm operations. Movie ownership of a music publisher isn't new (Warner Bros. pioneered it years ago, and every movie major is in the music act today), but so far it hasn't been explored in the TV field.

Bulova Watch Co., once a leading spot TV advertiser, is making a network TV splash this spring, having signed short-term (3-5 wks.) participations on 4 NBC shows.

Sampling of TV movie tastes has just been concluded by WRCA-TV N.Y., which ran one-shot ads in newspapers asking viewers to select the movies they would most like to see on forthcoming weekends, from a list of 50 features in the station's film library. Nearly 10,000 replies were received. Top 3 winners: "Call Northside 777," "The Rains Came," "Mother Wore Tights." Air dates are being set.

How Tape Boosts Audiences: Network advertisers got a 20% audience bonus last summer because video tape has "made possible network telecasting during periods of greater audience potential." So states an NBC research study of sets-in-use figures for the Eastern time zone during 1958 daylight saving time.

With tape, says NBC, the network schedule can be carried from 7:30-10:30 p.m. when sets-in-use average 53.4 in daylight saving time. "If tape had not been available, this same schedule would have been carried from 6:30-9:30 p.m., when sets-in-use average 44.4." With viewing habits unbroken during the summer, the result is increased evening audiences. "Network audiences in video tape markets were 20% higher during daylight saving time, 1958, than in 1957, while there was virtually no difference during the regular season."

Ampex plans no change in its Videotape recording system to incorporate "electronic quadrature adjustment," featured on RCA TV tape recorders (Vol. 15:12). In response to "numerous inquiries," this statement was issued last week by Videotape Recorder inventor Charles P. Ginsburg, Ampex mgr. of video engineering: "When a broadcaster must splice together 3 or 4 short taped commercials there is no time to twist manual quadrature adjustment knobs or any other knobs. I am deeply concerned about the misunderstanding to which broadcasters have been subjected concerning quadrature alignment of video recording heads. I believe that it is irresponsible to propose using local, manually-adjusted delay-lines for control of this important factor in TV tape interchangeability."

Tape's ability to permit movie-like "location dramas" was to be demonstrated April 12 with an *Omnibus* hour-long adaptation of "The Strange Ordeal of the Normandier." Robert Saudek, producer, actually taped the nautical melodrama in 3 shooting days (April 8, 9, 10) last week aboard a freighter berthed at Bayonne, N.J., using 8 cameras, a 20-man crew and 15 cast members. A rented Hudson River excursion boat functioned nearby as control room and floating hotel.

That film or tape is the preference of most Hollywood stars is no secret. They share an aversion to the live brand, in which anything can happen—and usually does. Says Rhonda Fleming, who made her live TV debut recently on NBC's *Chevy Show*: "It's killing. I asked everyone why the show wasn't done on tape, and nobody could give me an answer. If a performer can live through one of those live shows, he can live through an atom bomb."

TV commercials taped in big batches at one-stop retail shopping centers by local stations using mobile units will be "far easier to prepare than even your print advertisements," Howard P. Abrahams, v.p. of TvB, told a Miami convention of retail merchants. Unless stores choose "to study TV," he warned, they run the risk of missing "new customers and markets."

Another tape show will soon be syndicated. ITC is the latest to take the plunge (as predicted Vol. 15:12), with *Ding Dong School* as its first tape property. The well-known juvenile program, which went off NBC-TV two seasons ago, will again feature Dr. Frances Horwich, will be produced by ITC's Ted Rogers, and will be offered to tape-equipped stations starting June 13.

TV competition is hurting Melbourne movies. A survey by the Australian government finds that 17 theaters have closed in the last 12 months, in the city & suburbs.

O, Pioneer! The shutdown of the Hal Roach studios in Hollywood came as no surprise to coast telefilm industry figures. While Hal Roach Jr.'s current difficulties stem directly from his alignment with the Scranton Corp. & F. L. Jacobs Co., to whom he sold the studio, it was apparent even before the sale that trouble was in the making.

Roach is one of telefilm's pioneers. He started producing them 11 years ago, when few in Hollywood were even taking notice of the new electronic medium.

As commercial TV began to make impact on the American audience, Roach's Culver City studio prospered, turning out series fast & inexpensively, such as *Public Defender & My Little Margie*. While the studio was not noted for quality, it was doing well.

Several years ago young Roach made a deal for a series to be produced in conjunction with the Screen Directors Guild, the idea being the Guild would give the services of Hollywood's top movie directors & the prestige of its name, in return for a 50-50 profit split. A sponsor was found & the series was seen on NBC. Unfortunately, as it developed, movie directors who excelled in the theatrical film medium were unaccustomed to the pace of TV. In addition, there was no single producer of the series, which was handled by several individuals both with the Guild & the Roach studio. As a result, the quality of most of the series was inferior, and it was cancelled after one season. This failure was a distinct setback for Roach.

He obtained less & less business, and became involved in further difficulties. His own agency, William Morris, sued him in Los Angeles for over \$300,000 it claimed he owed on commissions. His sale of the studio to Scranton was announced at a typical Hollywood press conference, at which Roach said \$20,000,000 in production of movies and TV film was planned. None of these ambitious plans came into being, and as Scranton became involved in legal difficulties with the Govt., Roach's own position became precarious. There followed his short term as pres. of Scranton & his subsequent ouster.

Today, the trail of the pioneer is indistinct in the Los Angeles smog. Roach may yet make a comeback, but meanwhile the studio his father built, and where he turned out the vintage Hal Roach hits—Laurel & Hardy, Abbott & Costello—is closed. When you call the Roach lot today, the voice at the other end—a recording—says with dreadful impassivity: "Sorry, the number you are calling has been disconnected."

Iron Curtain viewers will soon have their first TV look at some U.S. silent movie comedies, Paul Talbot, pres. of Fremantle Intl. Films, N.Y., tells us. His firm has just signed its first east-of-the-Curtain telefilm deal through its London office, selling 20 quarter-hour episodes of its *Movie Museum* series to Poland's Telewizja Warszawa. The limited circulation (80,000 sets) in Poland and tight funds make it a very small money deal, says Talbot, but he anticipates peak viewing in TV-equipped areas for the snatches of old Chaplins, Keatons, etc. in the series. The sale underlines some degree of "independence" for Poland as a Red satellite, inasmuch as similar conversations held last year with Moscow TV officials bogged down, and no Russian deal could be made.

Russians will see video tape recordings at the American National Exposition which begins July 25 in Moscow. Ampex will install a color VTR at the exposition and will tape one hour daily of the special RCA-NBC live programming which will be presented there (Vol. 15:14). Tapes will also be made of American products at the exposition.

Trade Report

APRIL 13, 1959

TV-RADIO SERVICE---\$2.5 BILLION INDUSTRY: The public now spends about 25% more each year for maintenance & installation of TVs, radios & phonos than it does to buy new ones.

Nation's 1958 bill for home electronics repair & installation was \$2.4957 billion—according to Sylvia's Frank Mansfield, director of EIA's marketing data dept. For new TVs, radio & phonos, American public paid less than \$1.9 billion last year.

Maintenance-installation bill for 1958 breaks down this way: \$818.4 million (factory value) in replacement parts, components & tubes, to which is added \$540.1 million in distribution revenues (markup) and \$1.1372 billion in servicing & installation revenue (labor). TV repairs & installation accounted for at least 75-80% of total, possibly much more.

The 1958 figures represent a drop from the \$2.5192 million of 1957, interrupting steady upward progression. Decline was due to decrease in sales of replacement parts, antennas, etc. Rise is expected to resume this year.

Expenditures for servicing each year since 1950, as compiled by Frank Mansfield:

Year	Parts (factory cost)	Distribution revenue	Servicing & installation	Total
1950	\$243,400,000	\$160,600,000	\$ 354,600,000	\$ 758,600,000
1951	335,400,000	221,400,000	463,200,000	1,020,000,000
1952	432,600,000	285,500,000	565,000,000	1,283,100,000
1953	516,600,000	341,000,000	665,900,000	1,523,500,000
1954	574,500,000	379,200,000	794,300,000	1,748,000,000
1955	705,400,000	465,600,000	929,900,000	2,100,900,000
1956	810,900,000	535,200,000	1,002,800,000	2,348,900,000
1957	868,600,000	573,300,000	1,077,300,000	2,519,200,000
1958	818,400,000	540,100,000	1,137,200,000	2,495,700,000

* * * *

TV service expenditures should increase progressively year by year most observers believe, because of these 2 factors: (1) Increase in number of sets-in-use, particularly as result of trend to multi-set homes. (2) Increasing life-span of TV sets.

Average life of a TV set now is about 9 years, according to best estimates. In 1955, the figure was 7 years. In next decade—says Mansfield—average set will be 11 years old before it's discarded. (Vol. 15:10).

Nation's 140,000 TV service technicians loom large in future of TV—and set manufacturers are anxious to be on good terms with them. Relations & communications between set makers and independent servicemen often haven't been too good in past. Collectively through EIA and individually, manufacturers are seeking to remedy this.

Stress is being placed on ease of servicing in the design of most new TV models. Accessibility of tubes & parts is improving. Even the controversial printed-circuit boards are getting a thorough going-over for service ease, as set makers heed technicians' complaints. Manufacturers won't give up printed circuits—which they're convinced are more foolproof than conventional wiring—but they're adopting methods to make circuits easier to trace, components simpler to replace (see p. 18).

Furor over so-called "captive service" warranty policies of some manufacturers & distributors is beginning to die down, thanks largely to conferences between set makers and independent technicians' groups. Some manufacturers & distributors have modified their original all-inclusive warranty plans to give independent technicians a better crack at warranty servicing business.

TV-RADIO PRODUCTION: TV set production was 111,563 in week ended Apr. 3 vs. 94,378 in preceding week & 70,309 in same 1958 week, EIA reports. Year's 13th week brought production to 1,389,554 vs. 1,221,299 last year. Radio production was 263,316 (104,090 auto) vs. 259,070 (97,621 auto) in preceding week & 148,040 (41,698 auto) last year. For 13 weeks: 3,594,833 (1,364,028 auto) vs. 2,604,244 (853,035 auto).

PRODUCTION-SALES FIGURES: Official EIA statistics for the first 2 months of 1959 confirm our size-up last week of this year's first quarter (Vol. 15:14). They show TV set sales down—both on a monthly basis & cumulatively—from last year. Nevertheless, production for the first 2 months was some 53,000 less than sales—indicating manufacturers' caution. For February alone, however, production was about 11,000 higher than sales.

For January, EIA estimated manufacturers shipped only 370,650 TV sets—compared with 437,026 TV sets produced & 501,704 sold at retail during the same month. Here is the picture of TV set production & sales for the first 2 months of 1959 compared with the same 1958 period:

	1959		1958	
	Production	Sales	Production	Sales
January	437,026	501,704	433,983	581,486
February	459,492	448,173	437,026	448,727
TOTAL	896,518	949,877	804,396	1,030,213

Production of uhf-equipped TV sets totaled 34,678 in Feb. 1959, vs. 35,841 in Jan. & 34,048 in Feb. 1958.

* * * *

Radio sales were booming during the first 2 months of this year. EIA's recap of production & sales:

	1959			1958		
	Auto Radio Production	Total Radio Production	Sales (excl. auto)	Auto Radio Production	Total Radio Production	Sales (excl. auto)
January	420,052	1,124,737	700,490	249,679	1,026,527	534,640
February	432,551	1,125,385	474,888	268,445	876,891	420,065
TOTAL	852,603	2,250,122	1,175,378	618,124	1,739,177	839,942

* * * *

TV picture tube sales for February were sharply higher than last year—738,336 vs. 556,136. For the first 2 months of the year, the tally was 1,523,242 vs. 1,178,046. Receiving tube sales for the first 2 months were up to 64,305,000 vs. 56,466,000.

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
January	784,906	\$15,209,896	31,150,000	\$26,308,000
February	738,336	14,084,922	33,155,000	28,630,000
TOTAL	1,523,242	\$29,294,818	64,305,000	\$55,438,000

Sales of Olympic TV, radio & phonos in Feb. were 38% higher than Feb. 1958, and first-quarter sales should exceed the same 1958 period by 35%, according to Olympic pres. Morris Sobin. "There is every indication," he added, "that this trend will continue well into the 4th quarter." He said that TV production is being maintained at the Jan. rate for the first time in the company's history, and "present indications are that this level will continue through June."

U.S. State Dept. turned down a request by the Dutch Govt. to drop the anti-trust suit filed by the Justice Dept. against GE, Westinghouse & Dutch Philips (Vol. 14:48, 52, 15:3-5). The suit alleges that patent operations of the companies' Canadian subsidiaries constituted conspiracy to shut other U.S. firms out of the Canadian market.

Export of 50,000 Japanese transistors by Tokyo Shibaura Electric Co. (Toshiba) to U.S. through Motorola has been approved by Japan's Ministry of International Trade. Presumably they're for use in Motorola's forthcoming pocket transistor radio (Vol. 15:14).

Sylvania spring promotion is giveaway 48-page handbook of baseball facts & figures containing complete major & minor league schedules, to be available through TV-radio service dealers.

NEW COLOR TV SET? An entirely new color receiver system, the first to be seriously proposed since Philco's "Apple" design, has been developed by little Andromeda Inc., 3742 Howard Ave., Kensington, Md. Claimed for the system are improved quality on NTSC standards and a production price of at least 30% below present sets.

Guiding spirit behind Andromeda Inc., a 5-man research & development outfit, is pres. Arnold Lesti, former research director of ACF Industries' Avion div. and head of data processing there, onetime senior engineer at Bureau of Standards and ITT.

His system uses single-gun tube which emits 3 color beams, one-piece color tube with horizontal phosphor color strips. Andromeda has 4 patents on the system. Lesti describes "aided feedback correction of color registration" as the key principle of the system. His description:

"The one-piece single-gun color tube has 3 close beams which are independently modulated. Horizontal color phosphor strips on the screen make possible full resolution of picture detail. The green & red beams are modulated by a weak pilot carrier frequency of 10 mc which is on at all times and used in a non-critical manner. The phase of the pilot frequency on one beam is different from that applied to the other. The pilot frequency is so weak that no practical interference to the picture dark regions is produced.

"Feedback detection of the errors of registration is achieved by either phototube or secondary emission sensing and phase detection whenever the pilot frequency beams strike the blue phosphor or secondary emission surface over the blue strips."

Lesti says that his tests have proved the basic ideas sound. He has been using 3 specially built tubes from Thomas Electronics but now is looking for more complex tubes. He adds that his biggest problem is to get the kind of tubes he wants, and speculates that he'll have a set ready to demonstrate in about 6 months.

"The Fabulous Growth of Color TV" headlines full-page newspaper ads by RCA Philadelphia distributor Raymond Rosen & Co., marking 5th anniversary of color set production & noting the increase in color programming, equipped stations, etc. Stating that more than 30,000 people in the Delaware Valley now own color sets, the ad says area bankers generally offer easier terms on color than b&w sets. First Pennsylvania Co., it says, "in recent months has been financing 3-6 times as many color TV sets as in the same period during the previous year—and has yet to repossess a color-TV set because the owner was dissatisfied with its technical performance."

New cathode material, "cathode nickel N132," has been developed by RCA and will be used in the manufacture of more than 50 popular entertainment tubes. Produced by a special vacuum-melting process, the new nickel "substantially improves the overall quality & performance of electron tubes," RCA said.

Fifth annual meeting on electron devices has been scheduled by IRE for Oct. 29-30 at the Shoreham Hotel, Washington. William J. Pietenpol, Sylvania, is chairman of the general committee. John A. Hornbeck, Bell Labs, is technical program chairman.

New recommended standards for electronics industry now available from EIA engineering dept., 11 W. 42 St., N.Y. 36: RS-216, Standard Method of Test for Adhesion of Printed Wiring (50¢); RS-217, Wound Cut Cores (60¢).

Printed-Circuit Problems: Receivers with printed circuits are more reliable than the hand-wired variety, 8 out of 10 TV-radio manufacturers said in a survey conducted by the Institute of Printed Circuits. Nine of the 10 said they use printed circuits in their TV sets, all 10 use them in radios, 4 use them in hi fi. Eight of the 10 said that servicemen's complaints about printed circuits weren't warranted. The firms responding to the survey were Admiral, Emerson, GE, Magnavox, Motorola, Philco, RCA, Sylvania, Warwick, and Westinghouse. A survey answered by 1870 technicians, conducted by National Alliance of TV & Electronic Service Assns. (NATESA) gave these facts: (1) Of 90,660 service calls in one week, 471 were directly attributed to printed board failure. (2) About 84% said improper board mounting was the chief cause of trouble. (3) Technicians' complaints, in order of frequency of mention were poor accessibility, difficulty of pinpointing component failures, conductor lifting, board breakage. (4) Some 42% felt that printed-circuit boards have improved recently, and an equal percentage saw no improvement.

NATESA exec. dir. Frank Moch outlined these steps now being taken by manufacturers to ease printed-circuit servicing problems: Westinghouse, RCA, GE & Philco will print schematic diagram on the bottom of the boards; Motorola will code conductors for easy tracing. Sylvania will use a flexible board which virtually eliminates breakage; all companies have devised methods to prevent conductor lift.

Electronics industry ranks high in U.S. technical research programs detailed in a new report, *Technical Research Activities of Cooperative Associations*, by the Senate judiciary patents subcommittee headed by Sen. O'Mahoney (D-Wyo.). Listed among 50 "top-ranking corporations as to expenditures on technical research & development" are American Bosch Arma, AT&T, Avco, Collins Radio, GE, IBM, ITT, Motorola, RCA, Raytheon, Sylvania, Westinghouse. Copies of the report are available for 20 cents from the Govt. Printing Office, Washington 25, D.C.

Monopolistic injury to consumers needn't be shown in a private anti-trust suit for damages, the Supreme Court ruled last week. Reversing a decision by Circuit Court Judge Stanley N. Barnes, former Justice Dept. anti-trust chief, the Supreme Court reinstated triple damage claims by Klor's Inc., San Francisco appliance store, against its neighbor Broadway-Hale Inc. and 10 manufacturers, including RCA, GE, Zenith, Philco, Emerson. Klor's alleged the defendants conspired to withhold merchandise from it except on unfavorable terms. Judge Barnes dismissed the suit on grounds that hundreds of other stores in San Francisco sold the same goods and that Klor's hadn't shown that "the public is or conceivably may be injured" under the Sherman Act by the purported practices. But the Supreme Court held that the alleged conspiracy "is not to be tolerated merely because the victim is just one merchant whose business is so small that his destruction makes little difference to the economy."

"Play TV from your car battery"—for vacations, picnics, etc.—is the theme of the promotion for a new solid-state inverter which converts 6- or 12-volt DC to 115-volt DC. Containing no moving parts, it's made by Magnetic Amplifiers Inc., 632 Tinton Ave., N.Y. 55.

RCA Victor Records has signed an agreement for record pressing in Cuba. A new Cuban company, Discuba, has been formed under the leadership of longtime RCA distributor Jesus Humara.

Go stereo or face a decline in business, 5000 juke-box operators were warned April 7 by Abraham Schwartzman, exec. secy. of Institute of High Fidelity Manufacturers. Addressing Music Operators of America convention in Chicago, he predicted "the demand for stereo will be so overwhelming by 1960 that operators of non-stereo juke boxes will be competing in a marginal market." He estimated that 90% of the expected \$300 million retail sales of component hi-fi units in 1959 will be stereo equipment. Nearly 500 45-rpm records will be available in stereo by the end of the year, as will 80% of all records," he said. He added: "Stereo juke boxes have been found to average a 25% increase in plays per location."

Trend to single-unit stereo phonos (Vol. 15:4) has been joined by RCA, which has added first such unit to its line—so that it now has both one- and 2-piece phonos. New single-unit item is Mark XIV 60-watt stereo phono with two 12-in. & two 5-in. speakers in separate systems at each end of the 44-in. cabinet. An auxiliary matching speaker cabinet can be added, in which case all 4 speakers in the master unit become left-channel speaker system. Three new portable and one table-model stereo phonos were also introduced.

Isotopic-powered radio was demonstrated by the Atomic Energy Commission at the Fifth Nuclear Congress in Cleveland last week. An improved version of the Snap-III unit displayed at the White House in Jan., the 4-lb. generator is only 4.75 in. in diameter, has a core holding $\frac{1}{2}$ gram of polonium 210, can't wear out. In the Cleveland demonstration it powered an amateur radio transmitter & receiver, to which the FCC assigned special call letters W8NPC ("Nuclear Power Communication"). Operating on 29.06 mc, the station made 2-way contact with ham operators as far away as Albuquerque, reported reception by operators in Mexico, France, England.

First TV set using "safety tube"—safety glass bonded to picture tube (Vol. 14:30)—is the Fleetwood, built by Conrac for custom installations. Fleetwood uses Pittsburgh Plate Glass' "laminated safety tube" principle on its 21-in. sets, and its new receivers incorporating the tube were demonstrated by Pittsburgh at the recent IRE convention. Also shown at the IRE were 18- & 23-in. tubes with the Corning "contoured twin panel" safety glass. Some sets using this design will be shown in 1960 lines this spring.

G.E.'s 1955 portable TV, Ampex's 1954 portable tape recorder, Hallicrafters' 1946 SX-42 receiver, and Bell & Howell's 1955 TV & radio console are the 4 broadcasting products which make the list of "100 Best Designed Products" presented in April *Fortune*. The list is the consensus of 80 designers, architects and teachers who were polled by the Institute of Design, Illinois Institute of Technology. Other electronics names on the list: Edison Voicewriter, Bell Telephone's "500" telephone, IBM's RAMAC.

Automobile stereo systems using both RCA tape cartridges and AM-FM radio have been developed experimentally by Delco Radio, but the company has no production plans. Good results are said to have been obtained using speakers mounted on the dashboard & the rear seat deck.

Electronic Materials Conference joins this year with 1959 Electronic Components Conference scheduled at Benjamin Franklin Hotel, Philadelphia, May 6-8.

IUE Local 401 met with Westinghouse officials at Metuchen, N.J. on Friday for the 16th day of continuous negotiations, in a strike of 750 union workers that has halted production of the company's TV and radio line,

Trade Personals: Arthur L. B. Richardson, gen. counsel & secy., Sylvania Electric Products, elected v.p. Raymond R. Chapman named Sylvania plastics plant (Warren, Pa.) mgr.; Frederick G. Plett appointed mfg. superintendent, semiconductor plant, Hillsboro, N.H.; Allen B. Pitts, mfg. superintendent, TV picture tube mfg. plant, Seneca Falls, N.Y., placed in charge of Sylvania's "bonded shield" picture tube mfg. program, succeeded by Joseph D. Connors. Robtr G. Lynch named mgr. industrial equipment sales, based in N.Y. Robert A. Starek appointed entertainment sales mgr., midwest region; Craig D. Lataste, named eastern region sales mgr., Ciaran B. Kennedy, appointed industrial sales mgr. for Pacific region.

Robert McCarthy, ex-Zenith Radio Corp., named to new post of product mgr., Bell Sound div. of Thompson Ramo Wooldridge . . . Robert J. Clarkson appointed sales planning & service mgr., RCA custom record sales dept. . . . William W. Davis appointed TV-radio dept. mgr., Montgomery Ward, succeeding Clyde K. Huxtable . . . Thomas F. Horton, ex-Litton Industries, joins Washington office, Hoffman Labs . . . H. Lawrence Schmitt resigns as exec. secy., California State Electronics Association.

Jack Williams, former mgr. of adv. & sales promotion, RCA Victor TV div., named to same post in RCA Sales Corp., adding radio & Victrola products. R. E. Conley, former mgr. of adv. & sales promotion, RCA Victor Radio & Victrola div. reassigned to the corporate advertising staff . . . Raymond C. Horn promoted to mgr. of personnel at Somerville, N.J., RCA semiconductor & materials div.

Earl L. Nissen, formerly sales mgr., ex-Admiral International & Admiral Corp. Interamericana, Chicago, named consumer products sales mgr., Motorola international operations. Stuart F. Malcolm named staff asst. to dir. of international operations . . . O. Lee Ballengee, Midwest regional mgr., equipment sales, promoted to equipment sales mgr., receiving tubes, CBS-Hytron, succeeding Louis H. Niemann, named sales mgr., semi-conductor operations. Joe C. Harmony named general engineering dir.—receiving tubes, succeeding E. K. Wimpy (Vol. 15:14) . . . David H. Foster named gen. attorney, Collins Radio Co., succeeding Richard J. Flynn now finance dir., systems div. Robert W. Landee appointed research & development dir., Collins' Western div., airborne data communication . . . William S. Wheeler named military electronics div. v.p., Motorola. Rear Admiral John C. Parham, USN (ret.), named mgr., military div., headquartered in Washington.

Earl H. Blaik & James R. Kerr, Avco Corp. v.p.'s, elected directors . . . William Hyslop promoted to mgr. of Raytheon receiving tube plant, Quincy, Mass . . . Ross Yeiter appointed to new post of mktg. administration mgr., semiconductor operations, CBS-Hytron.

Distributor Notes: Motorola names Philadelphia Distributors Inc. (Arthur E. Hughes, pres.), replacing Elliott-Lewis . . . RCA distributorship in Rochester has been taken over by RCA Victor Distribution Corp., Buffalo, which purchased M. E. Silver Corp. . . . Hoffman Electronics Corp. appoints 3 South American distributors: A. Casal Varela Ltda., Montevideo, for receiver line; Casa Musical Ltda., San Jose, Costa Rica, for Trans-solar radio; and Compania "Diamantina B-H," Lima, for radio. Hasco Inc., Denver, for TV, stereo hi fi & radios.

Admiral Corp., Oklahoma City div., appoints Robert E. Lawyer, ex-Paul Davis Co., as manager, succeeding John Conger, named mgr., Admiral Corp. Denver div. . . . Hoffman appoints Cladco Distributors, Buffalo, N.Y. for consumer products in Western N.Y. & Northwestern Pa.

Electronics Personals: Dr. William H. Martin, ex-Bell Telephone Labs v.p., resigns as Army research & development dir. May 22 to undertake industrial consulting assignments . . . Richard H. Griebel named mfg. mgr., heavy equipment, in Raytheon's govt. equipment div., continuing as mgr. of N. Dighton, Mass. plant. Robert E. Sonnekson named mfg. mgr., light equipment unit. Reporting to div. chief Homer R. Oldfield Jr. will be Glenn R. Lord, light equipment asst. div. mgr. and W. Rogers Hamel, in a similar post for heavy equipment. Jesse L. Kiefer, ex-Artophone Corp., named to new post of commercial credit mgr. . . . William H. Westphal named v.p., Daystrom international operations. Lewis E. Minkel, ex-Mack Trucks Inc., appointed v.p., human relations; Robert Jerritt Jr., management services dir. becomes controller. Daniel P. Knowland Jr. named v.p., Heath Co. div., Benton Harbor, Mich., and Louis Arleson appointed v.p., & gen. mgr., Daystrom Transicoil, Worcester, Pa. Walther H. Feldmann, pres., Worthington Corp., elected a Daystrom director . . . Brig. Gen. Joseph A. Bulger (U.S.A.F. Ret.) named dir. of plans & systems, countermeasures div., Sperry Gyroscope Co. . . . Douglas M. Fouquet promoted to p.r. & adv. mgr., general atomic div. of General Dynamics.

H. Rowan Gaither Jr., board chairman of Rand Corp., & Dr. Luis Alvarez, assoc. dir., U of California's Lawrence Radiation Lab, elected directors of United Electrodynamics Inc. . . . Dr. Don R. Scheuch, Stanford Research Institute weapons systems lab mgr., appointed asst. div. dir. for supervision of research in radio systems, electromagnetics, weapons systems & communication & propagation labs.

Anti-trust spotlight will be focused this year on corporate mergers in electronics fields, according to Asst. Attorney General Victor R. Hansen. "Newly emerging industries" will be watched for infractions of anti-merger Sec. 7 of the Clayton Act, the Justice Dept.'s anti-trust div. chief told a Fordham U law institute in N. Y., adding: "By this approach we hope to prevent in the incipient stage the development of industrial market structures which, if not inhibited by govt. action, would ultimately expand the concentrated sectors of our economy." Hansen said that special attention now to "such new & growing industries of tomorrow as chemicals, plastics & electronics" will be insurance against the "pattern of concentration which today plagues autos & steel."

"World Advertising Man of The Year" is the honor bestowed on Sies W. Numann by the International Advertising Assn. He supervises a \$40-million ad and p.r. budget for Philips of Eindhoven, world-distributing Dutch electronics complex. Numann worked in the U.S. for Paul Block & Assocs., newspaper reps, and GM Export Corp. before returning to the Netherlands in 1928. The IAA meets in Vienna May 14-16.

Philco has received military contracts worth more than \$32 million in the last 2 weeks. Last week it was awarded an Air Force \$18,715,141 pact for modernization of Aircom, the worldwide long-range air communication system. The preceding week, Philco won a \$13.5 million Navy prime contract for Sidewinder air-to-air homing missiles.

Pocket clock-radio was introduced recently by Roland Radio Corp., div. of Herold Radio & Electronics, Mt. Vernon, N.Y. "Transiclock" has 7 transistors, plays 200 hours on 4 penlight batteries. The price of the unit has not yet been set.

Motorola enters instrumentation field with a battery-operated transistorized AC voltmeter at \$165.

Financial

A merger of 3 Philips companies in the U.S. with Central Public Utility Corp., a large St. Louis holding company about 40% owned by a Dutch syndicate, is under negotiation—and could result in the establishment of a large & well-heeled diversified electronics combine. The electronics companies involved are Consolidated Electronics, Philips Industries Inc. and Philips Electronics Inc. The 3 companies are virtually independent from their giant Dutch parent, N. V. Philips' Gloeilampenfabrieken, of Eindhoven. North American Philips, which owns 35.5% of the stock of Consolidated and 64.2% of Philips Electronics, is not directly involved in the merger talks. Combined 1958 sales of Consolidated and Philips Electronics totaled more than \$50 million last year. Central Public Utility has interests in fuel oil, ice and bus services in several southern cities and operates public utilities in Puerto Rico, the Canary Islands, Philippines & Haiti.

Precon Electronics Corp., N.Y. firm organized in Feb. to develop patents taken over from Photographic Analysis Inc., North Hollywood, has asked the SEC (File 2-14951) to register 175,000 shares of 75¢ par common stock for public sale at \$5 per share. The offering would be made through Charles Plohn & Co. and Netherlands Securities Co. Inc., N.Y. Precon said devices in electronic, photographic, and electro-mechanical fields are "ready to be tooled up for production."

Loral Electronics Corp., N.Y. producer of military equipment, has filed SEC registration (File 2-14934) for public sale of 250,000 common stock shares through an underwriting group headed by Kidder, Peabody & Co. and Model, Roland & Stone. Proceeds would be applied to general funds to increase inventories & enlarge facilities.

Jerrold Electronics will report record sales & earnings for the year ended Feb. 28, it is understood. Its net earnings are expected to approximate \$350,000 or about 35¢ a share, vs. \$105,281 (12¢) in the preceding fiscal year. Sales were in the range of \$7,500,000 vs. \$6,055,647.

Westinghouse has filed statements (Files 2-14942 & 2-14943) with SEC for registration of 1,400,000 common stock shares—400,000 to be offered under its employee stock plan, 1,000,000 under its restricted stock option plans for officers & executives.

Admiral's first-quarter sales were up 15% over the \$38,418,799 reported for first-quarter 1958, pres. Ross Siragusa said last week. He added that "resumption of a dividend will be considered, provided the earnings improvement continues."

Philco will spend about \$40 million this year for research, engineering & development, as opposed to \$35 million in 1958, pres. James M. Skinner Jr. told stockholders.

Varian Assoc. will declare a 100% stock dividend if stockholders approve an increase in authorized shares to 10 million from 2 million, pres. H. Myrl Stearns announced.

Standard Coil Products Co.'s new turret tuner is trademarked "Guided Grid." We identified it erroneously in last week's digest of Standard Coil's financial report.

RKO Teleradio's 5 TV & 7 radio stations had a profit of more than \$4.5 million on gross operating income of \$25,763,489, according to parent General Tire & Rubber's annual report. The RKO Teleradio div. actually operated at a loss, however, because of the costs of liquidating RKO's theatrical film operation.

International Resistance was profitable during the 10 weeks ended March 8—as opposed to a loss during the same 1958 period—v.p.-treas. Edward A. Stevens said last week. For all of 1959, he predicted sales of around \$16 million, up 10-15% from 1958. Last year, 22% of the company's sales were to the TV-radio industry, 62% to other industries & military, 14% to replacement markets, 2% export. For 10 weeks ended March 8:

	1959	1958
Sales	\$3,529,000	\$2,199,000
Net earnings (loss in 1958) ..	360,898	(148,900)
Earned per share	26¢	—

Muter Co., manufacturer of components & loudspeakers, reports a decline in net income & sales for 1958. At the end of 1958, its working capital had increased to \$3,793,277 from \$3,595,061 at the end of 1957. For the year ended Dec. 31:

	1958	1957
Net sales	\$11,636,381	\$14,301,067
Net income	356,105	377,819
Earned per share	45¢	50¢
Shares outstanding	800,313	762,729

Erie Resistor Corp. reports reduced, but "satisfactory," earnings for 1958. Earnings improved during the last half, and current shipments are running ahead of last year at this time, states pres. G. Richard Fryling. For year ended Dec. 31:

	1958	1957
Net sales	\$21,202,186	\$24,737,643
Net income	510,441	542,811
Earned per share	57¢	68¢

Globe-Union Inc. reports increased profit in 1958 on lower sales. Its report for 12 months ended Dec. 31:

	1958	1957
Net sales	\$59,246,085	\$65,036,285
Net income	1,466,621	1,339,282
Earned per share	1.78	1.62

Common Stock Dividends

Corporation	Amt.	Payable	Stk. of record
EMI Ltd. (Britain)	\$0.04	Apr. 24	Apr. 16
Storer Bestg. ....	.45	Jun. 15	May 29
Storer Bestg. Cl. B .....	.06	Jun. 15	May 29
Warner Bros. ....	.30	Jun. 5	May 20

Educational Television

Boston's Films: Boston educators are ready with 3 pilot films of classroom lessons to demonstrate how educational TV can be raised above the level of mere "lectures on film." With Fund-for-Advancement-of-Education backing, the lessons have been elaborately produced, and are the forerunners of 100 lessons on the humanities, for distribution to other secondary school systems & abroad. Encyclopedia Britannica Films will distribute color and b&w prints.

They will be shown over WGBH-TV (Ch. 2) in an inaugural run April 27-May 14. Clifton Fadiman and Yale professors Maynard Mack & Bernard M. W. Knox are featured. A highlight will be 90 minutes of dramatic performance, filmed in Toronto, of the Stratford Shakespearean Festival Company.

One N.Y. TV station will go non-commercial by 1964, predicted John F. White in Chicago last week. The pres. of the National Educational TV & Radio Center said that uhf—there is a channel now assigned to N.Y. Metropolitan Educational TV—would not satisfy the need. One of the existing vhf stations will be acquired, he indicated.

A final decision granting Ch. 8, Waycross, Ga. to the Georgia state board of education was issued by the FCC last week. Way was cleared for the grant by the dropout of competitor John H. Phipps (Vol. 15:8).

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VOL. 15: No. 16

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APRIL 20, 1959

The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FCC

VHF DROP-INS & SET-CONTROL LAW IN WORKS as FCC votes for vhf drop-ins for "critical" markets, and asks for law to forbid interstate shipment of Ch. 2-13-only sets (pp. 1 & 6).

HYDE RENOMINATED, LOOKS LIKE SHOO-IN. Senate confirmation of another 7-year term on FCC for veteran Republican attorney seems certain (p. 4).

CAPITULATION ON VHF BOOSTERS COMES FROM FCC as it suggests "safe" standards and asks Congress for necessary new laws (p. 4).

STATIONS LOSE, CATV WINS. in FCC ruling, despite proposed laws to require CATV's to get originating stations' "rebroadcast" permission (p. 5).

FCC WANTS SOME CHANGES IN COMMUNICATIONS ACT to eliminate McFarland letters, give review staff more latitude, provide fines for non-broadcast stations (p. 6).

Congress

SENATE VOTES ETV AID IN \$51 MILLION MAGNUSON BILL for equipment purchases, spurning administration objections. House prospects not so bright (p. 3).

USIA NEEDS MORE TV, says Broadcast Advisory Committee, urging Congress to triple agency's TV budget to \$2.75 million for overseas programs (p. 5).

Film & Tape

HOLLYWOOD'S ABOUT-FACE. Movie studios, once contemptuous of TV, now in race to get TV film production & rent space to TV's independents (pp. 3 & 14).

Manufacturing & Distribution

A SPRINGTIME SNAFU, THE SQUARE-CORNER TUBE will probably be used in self-defense by most manufacturers. Some set makers enthusiastic; majority just nervous (p. 18).

TV SALES PICK-UP reported from retail centers during period of traditional decline, leading to optimism by set makers. More manufacturer claims of sales boosts (p. 19).

COLOR & THE PUBLIC: Price is still biggest barrier to mass color-TV purchases, Temple U survey finds (p. 20).

ELECTRONICS SURVEYS STARTED by Govt. in first mobilization census of makers of military-industrial end products & microwave components (p. 20).

Networks

BUSINESS GROUP BACKS ATLANTIC TV relay, claims live microwave route is practical. Canadian Govt. approval awaited. Initial engineering study completed (pp. 2 & 8).

Stations

INDUSTRY "INFORMATION" PROGRAM TO COUNTERACT ATTACKS on TV moving well, according to Committee Chairman Petersmeyer—"unanimous so far" (p. 10).

Advertising

ARBITRON REPULSED IN CHICAGO, but ARB's James W. Seiler instantaneous rating service which deflates other sets-in-use data will win out in end (p. 13).

Other Departments

PROGRAMMING (p. 9). **ETV** (p. 17). **FINANCE** (p. 22).

VHF DROP-INS & SET-CONTROL LAW IN THE WORKS: In what is probably the most important breakthrough in TV allocations in years, the FCC definitely has decided to cut vhf milages on "limited" and "interim" basis to serve "critical" markets—while continuing to negotiate with Defense Dept. for more vhf TV channels. Thus, trend reported (Vol. 15:15) is now a fact, Commission having voted 5-2 for the foregoing last week—and sending to Senate Commerce Committee a statement embodying its decision.

Nothing has been announced publicly yet, but Commission is aiming to start official proceedings next week to put its decision into effect. In the voting, Comr. Bartley concurred in part but expressed concern lest uhf be bypassed, while Comr. Lee still insisted that TV should go all-uhf.

Reasoning goes like this: If we get more vhf channels or if we go to all-uhf, either course would take many years—and we need relief now. If we end up with same vhf & uhf channels we have now, we'll still need relief. And if we wind up with just Ch. 2-13, there's no alternative to mileage cuts.

Another very important aspect of Commission's plans is a request that Congress forbid interstate shipment of sets which can't receive all channels allocated—vhf & uhf or vhf & new vhf (Vol. 15:11). Here's the Commission's logic on that: If we add new channels or if we go all-uhf, stations on those channels will face

the old problem of "nobody can receives us." But if we require all-channel sets to be built, the gradual replacement over the years will create a waiting audience for new-channel stations.

Proponents of that idea believe it's an indispensable tool to any new-channel allocation plan.

Though manufacturers have always shuddered at any talk of govt. set control, which isn't new by any means, FCC proponents believe Congress will go for it and competition will put it across. Furthermore, they say, manufacturers will come out even, passing cost of extra circuitry along to public and shrugging off complaints with: "Blame Congress. It's the law."

One of biggest problems in a "limited" drop-in concept is how to keep it limited. Where do you cut off? What are "critical" or "major" markets? The FCC thinking is that one big rule-making should be proposed by Commission, letting everyone come in & make his pitch. Then, final decision would be made—and the door slammed shut. No case-by-case whittling away at mileages. In addition, anyone granted a drop-in channel would have condition in his license specifying that he can be shifted summarily to new-vhf or uhf channel—if FCC so decides; this would be designed to avoid protracted hearings & litigation.

Meanwhile, though FCC is totally cold on the allocations philosophy of Bureau of Standards' Kenneth Norton—cut all co-channel spacings to 100 miles or less (Vol. 15:14-15)—one veteran of the allocations wars, CBS v.p. William B. Lodge, got his dander up and told Norton off (see p. 6).

BUSINESS GROUP BACKS ATLANTIC TV RELAY: Substantial financial backers have been found for a privately-owned wideband North Atlantic common carrier which would link U.S. & Canada to Europe for exchanges of live TV programs as well as auxiliary military & civilian communications.

Preliminary engineering studies have been completed by Page Communications Engineers, subsidiary of Northrop Corp. Project has been discussed with U.S. & European govts. which are affected. Its start is now understood to hinge on Canadian Govt. approval of an application for construction now on file.

Idea of island-hopping North Atlantic TV-communications relay isn't new—it was first proposed in 1946 by William S. Halstead (now head of Unitel International), who is scheduled to participate in the proposed project. It is controversial—extremely controversial—and there are many in TV industry who seriously doubt its value. For example, here's how engineering chief of one network looks at it:

"Sure, it can be done—but why? It will cost a phenomenal amount of money, and just about the time it's finished, space satellites may be available for transatlantic TV. And besides, how much TV use would be made of this relay? The time differential between here & Europe makes much live TV exchange impractical. We can do almost as well right now by making tapes, putting them on jet planes for live-quality foreign TV with very little time lag.

"Look at the Florida-to-Cuba TV relay—It's available now, and very little use is being made of it. Besides, the military is building its own world-wide communications system—so it could hardly be expected to place much business with a privately-owned one. If this is such a hot idea, how come the established common carriers aren't rushing into it?"

Brushing aside these objections, a syndicate of as yet unidentified U.S. & Canadian businessmen—said to be well-known, financially able and with TV connections—are convinced that project can easily pay its own freight. TV might be relatively minor user of the facilities, however—it certainly couldn't support the costly relay. As supplement to cable, backers expect it to be valuable for military communications, telephone & teletype—with 8-10 island relay stations doubling as weather outposts & aircraft beacons.

Project would probably cost somewhere in neighborhood of \$50 million—give or take plenty more millions in either direction. It could be completed, according to Page engineers, within about 5 years, and involves techniques well within capabilities of present engineering knowhow & equipment.

Prospective backers say they have received assurances from Pentagon that U.S. military would be a prime & heavy user of the communications service. Canadian Govt. is reported to be extremely interested, and those involved in negotiations say its go-ahead may come within month or so. On receipt of approval, backers plan to incorporate (probably in Canada) and seek some public financing.

Represented at January meeting in Ottawa, to discuss project with govt. officials there, were Page engineers, and equipment makers GE, Varian Assoc. (which makes high-powered klystron transmitting tubes), General Dynamics (atomic power plants), D. S. Kennedy & Co. (maker of big tropo-scatter antennas) in addition to British Air Vice Marshal Frank Lang and the project's financial backers and planners (who are represented by Toronto attorney Glen Wilton). For details and list of attendees, see p. 8.

Technical study of project's possibilities was headed by Page's asst. engineering dir. Edwin Dyke, working with Page v.p. Herbert H. Schenck. It concluded that not more than 10 microwave hops would be necessary from continent to continent. Relay system would jump off North American continent on Baffin Island, with stations in Greenland, Iceland and the Faeroe Islands, and European terminals on coast of Scotland. At Canadian & European ends, system would be extended to nearest TV cities and connected to existing microwave routes.

Longest hop on route would be about 300 miles—Iceland's east coast to Faeroes—according to Dyke. System would carry a 1-mc channel and accommodate both east-to-west and west-to-east traffic. TV signal would be compressed from 4 to 1 mc using digital coding techniques such as developed & demonstrated by Technicolor Corp. and Bell Labs (Vol. 15:14).

Microwave relays would use ultra-reliable tropospheric scatter techniques—bending signal in troposphere to achieve over-horizon distances—now proven in scores of military & civilian installations. Page engineers, leading non-manufacturing company in tropo-scatter field, says no radically new techniques or equipment are needed. "You can get 200 miles with only a few hundred watts, 300 miles with a few thousand," says Dyke. "The antennas have to be mounted only about 150 feet off the ground, and size is no limitation."

Relay stations would be manned, and possibly powered by atomic energy—"we expect the technique to be well on the way by the time we get that far," Dyke explains.

As to alternative methods of throwing live TV picture across Atlantic, Page engineers give this size-up: Satellites—still far off, many problems, too expensive, too much power required for passive ones. Cable—not enough bandwidth; 10-30 parallel cables would be needed for good TV picture. Submarine waveguide—"the ideal method 50 or so years from now." Microwave relay-equipped aircraft—"good idea for a one-shot (somebody will probably try it within a year or 2), but not practical for everyday use."

Whether or not this long-dreamed-of relay ever reaches construction stage, it's far closer to reality than ever before, and you'll be hearing plenty more about it—pro & con—in next few months.

SENATE VOTES MULTI-MILLION ETV AID: As expected, \$51 million bill by Chairman Magnuson (D-Wash.) of Senate Commerce Committee for federal grants to states for educational TV equipment (Vol. 15:9) sailed through Senate last week, once it was called up for vote. Precedent-setting measure then was sent along to House.

Eisenhower Administration tried to block Senate passage, sending in Minority Leader Dirksen (R-Ill.) & Sen. Williams (R-Del.) to object that Magnuson measure was too costly and wasn't needed anyway. But with bipartisan backing from Sens. Schoepel (R-Kan.) & Cotton (R-N.H.), Magnuson easily won voice vote from handful of Senators who stayed on floor to hear debate.

ETV bill will have slower & tougher going in House, where Commerce Committee Chairman Harris (D-Ark.) has displayed nowhere near the enthusiasm on subject his Senate counterpart has demonstrated. Harris has put no priority tag on ETV this session—and it will take lighting of some House fires by ETV advocates to stir some action on that side.

Most optimistic forecast on House outlook we've heard came from Rep. Roberts (D-Ala.). He pushed similar Magnuson bill through Commerce Committee last year, saw it die in adjournment rush (Vol. 14:33), and put in his own bill this session (Vol. 15:4). "I'd say that the chances are good this year," Roberts told us. "I don't think last year's opposition will develop again, and I believe we'll win a majority of the Committee." But so far he lacks any assurance from Harris that ETV hearings will even be scheduled.

HOLLYWOOD'S ABOUT-FACE COMPLETED: Hollywood movie studios, which only a few years ago considered TV their deadly enemy, have by now completely reversed themselves. After a "bloodless revolution," every major studio is today competing vigorously for TV film business—in production and rentals.

Independent TV film producers once feared that when the major studios came into TV film, they would swallow up the independents. Exactly opposite is happening—Desilu buys RKO's 2 studios, MCA buys Universal-International for its Revue Productions, Republic converts itself wholly into rentable studios for TV producers. With movie industry withering except for a few big boxoffice attractions, TV's importance as a source of revenue vs. studio overhead becomes even more pointed. As result, there's far more activity in TV at the movie majors today than in movie production—as shown in roundup on p. 14.

HYDE RENOMINATED, LOOKS LIKE SHOO-IN: Almost a birthday present for FCC Comr. Rosel H. Hyde, who was born in Downey, Ida. on April 12, 1900, was President Eisenhower's action last week—renominating him for another full 7-year term following June 30 expiration of his current term.

Republican Hyde, extremely popular, highly respected by just about everyone, should have no trouble obtaining Senate confirmation. The veteran attorney has had 34 years federal service, has been in radio regulation ever since first days of Federal Radio Commission in the 1920's. He's been a Commissioner since 1946—came all the way through ranks, from clerkship to general counselship.

CAPITULATION ON VHF BOOSTERS: FCC gave in last week and said it stands ready to legitimize unauthorized vhf boosters—if Congress will perform the proper marriage ceremonies and if miscreant booster operators will clean up and make themselves presentable.

Commission asked Congress to pass 2 laws: (1) Excusing booster operators for having built without permission—amending Sec. 319(b) of Communications Act. (2) Eliminating need for boosters to have operators in attendance—amending Sec. 318. Rep. Harris (D-Ark.) promptly introduced FCC's suggested amendments in HR-6471.

If these laws are passed, FCC said, it will allow boosters to operate under following conditions:

- (1) None to use Ch. 4 or 5, because of possible interference with aerial fan markers using 75 mc.
- (2) Transmission on a channel other than that which is received—thus becoming "translators" rather than on-channel boosters.
- (3) Power not over 1 watt.
- (4) Facilities for on & off remote control.
- (5) Designation of someone to make periodic checks "and other related functions."
- (6) "The selection of transmitting frequency, appropriate minimum mileage separation from co-channel transmitters of regular TV broadcast stations (still to be determined) and such other operating conditions as may be needed to insure reasonable protection to regular broadcast & nonbroadcast services."
- (7) Must have permission of stations whose signals they translate.

Commission offered no more specific technical details. These will have to be worked out.

Problem is now squarely in lap of Congress, which had forced the FCC action. There's little doubt that new law is required to excuse the unauthorized construction, but some lawyers question the need for amendment to waive the operator requirement.

Will Congress hop to it now and legislate? You'd certainly expect it to, in light of the vigor of senatorial complaint. Will proposed legislation draw opposition from community antenna operators—the people who might fear economic competition from the vhf translator signals? Says E. Stratford Smith, gen. counsel of National Community TV Assn.:

"If the Commission makes the boosters conform to rules & standards which prevent interference, as it says it will, we could scarcely oppose it."

Some telecasters are a bit fearful, worried lest boosters cut their service areas and/or bring out-of-town stations' signals into their backyards.

Congress could let whole business slide again, of course, because FCC isn't likely to knock anyone off air (unless they're causing severe interference) while Congress is "considering" legislation. For the present, FCC is extending from June 30 to Sept. 30 the grace period for booster operations.

Militating somewhat against future years of inaction, however, is attitude of Defense Dept. & FAA—which are increasingly uneasy over potential interference to air navigation.

Contributing to FCC's decision last week was fact that its labs had finished testing sample translators furnished by Mid-America Relay System Inc. and Benco TV Assoc. Ltd. (Vol. 15:10)—and apparently is satisfied that they're safe. FCC sources say that manufacturers claim they can be built to sell for "under \$1000" or "under \$500"—they're not sure which.

Wistfully, FCC still touted its uhf translator service, even while capitulating on vhf boosters. Its announcement stated: "Uhf translators offer several distinct advantages, both as to the limitation of interference and as to the range of useful service of good grade." It's thinking about fact that uhf translators have 100-watt ceiling vs. vhf's 1 watt, plus almost unlimited co-channel & adjacent-channel elbow room.

STATIONS LOSE, CATV WINS, IN FCC RULING: FCC's decision in CATV-station battle, now that it's announced in 42-page document, turns out upon analysis to be substantial victory for CATV, defeat for small-town stations—rather than curb on CATV (Vol. 15:15).

Legislation requested by FCC would seem at first blush to be attempt to hold CATV in check where it might compete with regular stations. But it's scarcely that. FCC asks Congress to pass laws requiring CATV: (1) to get originating stations' permission to distribute their signals and (2) to carry local stations' signals "without degradation."

From practical standpoint, if laws are enacted, it isn't expected CATV systems will have much trouble getting stations' permission—for stations like the added coverage. As for carrying local stations' signals, most CATV systems do or can, with little strain.

Language of FCC's decision makes it clear that Commission doesn't want to regulate CATV and isn't asking Congress for authority to do so. Furthermore, and this is quite important, Commission doesn't intend to arbitrate the economics of CATV-station competition. It recognizes that courts insist that hearings must be given to stations which protest that competition may run them out of business—thus hurting public. But Commission's entire history on this point shows that it won't keep signals out of a town because of fears of an existing station operator. This goes for all kinds of operations—regular stations, boosters, uhf translators, etc. In fact, in last week's CATV decision, FCC affirmed its previous ruling authorizing 2 uhf translators in Lewiston, Ida., against the opposition of KLEW-TV (Ch. 3) there. Said the Commission:

"It is basically the public which must determine the question, as in all broadcasting and free-enterprise businesses . . . Our position is that we do not now know of circumstances which would justify our limiting or prohibiting the operation of satellites or translators, or of CATV systems."

Another facet of CATV's victory before FCC was latter's assertion that freeze of grants of micro-waves for CATV systems is over, and grants have been resumed. Said Commission: "it is neither proper, pertinent nor necessary for us to consider the specific lawful use which the common carrier subscriber may make of the facilities of the carrier. To take a different view would place the Commission in the anomalous position of acting as a censor over public communication, and put us under the burden of policing, not only the use of such facilities but the content of communications transmitted on the facilities. The logical extension of such philosophy would require us to deny communications facilities of any kind (message telephone, telegraph, etc.) to CATV's and, for example, to deny access to facilities to those acting contrary to our concept of the public welfare. The adjudication of these matters is beyond our province."

Thus, for umpteenth time, FCC has reiterated a "hands-off-CATV" position. Presumably, if small-town stations are to get relief, it will have to come directly from Congress. Actually, though, CATV operators would like to be licensed by FCC, to exercise once and for all the spectre of local & state regulation. They believe Commission would give them a fair shake.

The FCC decision is titled Public Notice 59-292, mimeo 71489, in Docket 12443—copies available from Commission, or our Washington office will get you one.

Congress

USIA NEEDS MORE TV: "In our opinion USIA is not in TV now"—and it needs more than 3 times its present \$660,000 TV budget to make a real start—the agency's Broadcast Advisory Committee told Congress in an appendix to the 14th report of the U.S. Advisory Commission on Information (Vol. 15:15).

Headed by ex-NBC & ABC counsel Joseph A. McDonald, Washington communications lawyer, the Advisory Committee said that USIA "has attempted to take some advantage of TV in the areas where it has been well developed [but] badly needs to establish & protect a franchise" in countries where the medium is in "early stages."

The Administration requested about \$1.2 million for the USIA's TV service overseas in fiscal 1960—up about

\$555,000 from its current appropriation (Vol. 15:4). But the broadcast advisors recommended a TV budget of at least \$2.75 million—\$1.5 million to acquire "timeless program milestones that have made TV great," \$500,000 to develop original U.S. program material and \$500,000 for productions overseas, \$250,000 "for personnel to implement this plan."

The plan for stepped-up TV activity would include: (1) Evaluation of the importance of TV in the agency's overall activities in order to provide an independent determination of policy." (2) "Sustained support of the TV activity in such tempo" that "long-range planned growth instead of a feast or famine existence" would be effected.

Approving USIA's separation of its radio & TV functions last year into 2 services, with ex-NBC International pres. Romney Wheeler taking charge of a new International TV Service (Vol. 14:40), the advisors said "a whole new reevaluation of TV as an instrument of the agency" is needed now.

The FCC

FCC WANTS SOME CHANGES: Accustomed to being the target of legislative reforms on Capitol Hill, the FCC last week sent Congress a batch of recommendations for amendments to the Communications Act which the Commission itself would like to have. Among them:

(1) Dispensing with McFarland letters now provided in Sec. 309(b). The letters were intended to permit station applicants to correct deficiencies in applications and avoid hearings. But the FCC said they've become "the largest single contributing factor" in building up its huge backlog of AM applications.

(2) Amending Sec. 5(c) to give the FCC's review staff more latitude in assisting the Commission with advice on interlocutory matters and preparing legal & factual analyses in adjudicatory cases. Comr. Ford said the section should be repealed entirely. Comr. Bartley said the recommendation didn't go far enough.

(3) Adding Sec. 508 to title V to provide \$100 fines for violations of rules by radio stations in non-broadcast services.

(4) Revising Sec. 202(b) to broaden FCC jurisdiction over common-carrier charges & services to include microwave and other point-to-point radio circuits in addition to wires for chain broadcasting—facilities which weren't perfected when act was passed in 1934.

'Ridiculous Case of Mr. Daly': Congressional support for legislation exempting newscasts from application of political equal time requirements of the Federal Communications Act (Vol. 15:8-15) developed in several new quarters last week. Rep. Rogers (D-Tex.), a House Commerce Committee member, added his own bill (HR-6326) to those already proposed in the House & Senate to exclude news programs from Sec. 315, reversing FCC's ruling in the Chicago Lar Daly case. Rep. Broyhill (R-Va.) called his colleagues' attention to an editorial ("The Ridiculous Case of Mr. Daly") in the *Virginian-Pilot* of Norfolk & Portsmouth denouncing the FCC edict. Similar editorials in the *Chicago American* and *Peoria Journal-Star* were inserted with approval in the *Congressional Record* by Reps. Derwinski (R-Ill.) & Michel (R-Ill.).

FCC was upheld last week by the Court of Appeals in the much-litigated Shreveport Ch. 12 (KSLA-TV) case (Vol. 14:17), in which the Commission's 1955 award to the Shreveport TV Co. (Don George estate) was contested in & out of court by KRMD & KCIJ. The Court of Appeals said it was "unable to say that there was no substantial basis for the Commission's findings" that KSLA-TV was the superior applicant, despite the death of important principal Don George. It added, however, that an operating license given to KSLA-TV in 1957 should have noted that the case was under review. The court suggested that "any similar future order contain the condition that it shall be void if the construction permit is ultimately denied."

Law practice before the FCC and other federal administrative agencies would be open to all members of the bar of federal courts and of any state's highest court under an eligibility measure (S-1567) introduced by Sen. Keating (R-N.Y.). Co-sponsors include Sens. Bridges (R-N.H.) & Hruska (R-Neb.).

LODGE VS. NORTON: Scarcely anyone in the FCC or industry takes seriously the allocations philosophy of Bureau of Standards' propagation specialist Kenneth Norton (p. 1), but Wm. B. Lodge, CBS v.p. in charge of affiliate relations & engineering, just couldn't stand still for some of Norton's remarks.

Analyzing Norton's letter to FCC (Vol. 15:14-15), Lodge wrote to him, with copy to FCC Chairman Doerfer, concluding that Norton had 4 theses:

"(1) That TASO should have advanced a specific allocation plan,

"(2) That the TASO report is in error in several technical details,

"(3) That the motives of industry engineers are subject to criticism, and that these allegedly sinister motives are responsible for supposed past FCC allocation errors; and

"(4) That you have & propose a superior allocation philosophy."

Lodge took these up one-by-one, stating:

(1) TASO never intended to suggest an allocation plan to FCC—and this was clearly understood from the outset by everyone, including the Commission. In fact, said Lodge, FCC presiding officers at TASO meetings directed discussions away from non-technical matters "with the admonition that the FCC did not expect TASO to make recommendations on allocation or assignment plans."

(2) In TASO's technical work, "(a) There have been honest differences of opinion among members of the panels and committees, (b) In some of these differences the majority of the members have been in disagreement with a [Bureau of Standards' central radio propagation lab] representative, (c) There may be some other method of resolving these differences than by majority opinion, but you have suggested no substitute, (d) I know of no instances in which the TASO decisions were biased by the 'selfish interests' of industry engineers, (e) Several of the detailed decisions of TASO, about which you are concerned, are still under consideration, and (f) Technical studies frequently have to be 'sawed off' somewhere short of perfection to meet deadlines and to stay within budgets."

(3) "It is my personal opinion that the industry engineers have just as much integrity & ability as your associates. I happen to believe, also, that your allocation proposal—co-channel separations of 100 miles or less—would seriously degrade TV service to the American public. But I would not imply that your recommendation involves professional dishonesty or a desire to achieve some selfish aim. Anyone with engineering training respects the value of a theoretical approach. But it seems improper for a physicist with no business experience to impugn the motives of engineers who take into account practical considerations which could hardly have received proper attention in your theoretical analysis."

(4) "In making a specific recommendation that the Commission adopt a minimum co-channel spacing of 100 miles or less, you may have attempted to take into consideration such matters as program availability, cost of station operation, economic support, and the Communications Act requirement that broadcast facilities be assigned equitably among the several states & communities . . . It does not seem unfair to question your expertness in matters involving the economic support & programming of TV stations.

"Inadequate knowledge of economics & programs, as well as some unanticipated practical problems in uhf re-

ception, led advocates of vhf-uhf intermixture to expect uhf stations to compete successfully with vhf stations. These advocates confused circles drawn on a map with actual service to the public. We now know that hundreds of theoretical circles supposedly representing uhf service to the public never eventualized into actual service. Others existed for a few years and then stopped. Your current proposal could suffer the same deficiency: Increased interference will reduce existing service areas, but how can you be sure that theoretical replacement circles will actually be built in the areas losing service—or, if built, will carry equivalent programming?"

Regarding rural coverage: "If I interpret it correctly, your reasoning runs as follows: (1) Rural areas already receive poorer TV service than metropolitan areas, (2) More people live in metropolitan areas than in rural areas, and (3) Therefore, loss of rural service should be ignored so that still more stations can be built in the more populous areas." This is an erroneous conclusion, said Lodge, because "it discriminates against the rural population of this country, and it indicates ignorance as to the extent of TV viewing at 50-to-100 mile distances from the nearest station."

Lodge noted Norton's conclusion that a reduction of 170 to 120 miles would double the potential number of stations on the channel and would decrease the grade C service per channel by only 6.5%, and then said: "For some reason you do not add the obvious corollary—that this also means cutting the service area per station to less than half."

"With that in mind," Lodge continued, "did you take into account (a) The fact that TV stations in this country are not govt. operated but are supported by income or advertising, (b) The extent to which advertisers would place programs on the reduced-coverage stations, and (c) How this might affect the stations' survival, their hours of operation, and the type of programs carried? Similarly, if service areas are reduced, how many TV services and what kind of programming would be available for the more distant TV viewer who now has the same choice of programs as the city dweller? (For example, a viewer in Bridgeport, Conn., 55 miles from N.Y., now may choose from the same 7 program services that are available to a resident of N.Y. city. What would the Bridgeport resident have under your proposal?) Did you consider the fact that, with close-spaced stations, interference ratios will be increased because of congestion in offset-carrier assignments? And did you take into account the fact that establishment of one of your close-spaced stations could deprive an area of 2 existing services? (For example, a new station on Ch. 3 in Ogden, Utah, would substantially obliterate reception in that city of KUTV & KTVT Salt Lake City, on Ch. 2 & 4)."

"Communications in an expanding economy" was the title of an address delivered by FCC Comr. Rosel H. Hyde April 14, before the Brigham Young U college of business, in Provo. He summarized the growth of the use of radio by railroads, taxis, utilities, farming, aircraft, power & petroleum, common carriers, etc.—and touched on the uses of closed-circuit TV.

Revised list of type-accepted AM & FM transmitters and monitors acceptable as of Feb. 10, was announced by FCC last week. The list, which includes FM equipment accepted for multiplex operation, is not available for general distribution, but copies may be inspected at FCC headquarters & field offices.

THRICE-TOLD TESTIMONY: The Miami Ch. 10 conspiracy trial of ex-FCC Comr. Richard A. Mack and his lawyer-friend Thurman A. Whiteside (Vol. 15:15) lumbered along last week, producing little evidence that hadn't been heard once before in House hearings on the FCC's award to National Airlines' WPST-TV—and again in the Commission's own rehearing.

It was the second week of the case before Federal District Court Judge Burnita S. Matthews in Washington. It was the first in which opposing batteries of govt. & defense attorneys got down to the jury business of building a trial record with witnesses—and the end of the marathon construction job was nowhere near in sight.

FCC General Counsel John L. Fitzgerald alone spent 2½ dull days on the stand under examination & cross-examination on transcripts of Commission proceedings in the long, bitter contest by 4 applicants for Ch. 10. The record droned by Fitzgerald stretched back to Dec. 21, 1955, when the legal staff was instructed to prepare a report looking toward a grant to National Airlines' Public Service TV Inc.

Showing that Mack was in the 4-3 FCC majority for National Airlines, govt. prosecutor J. Frank Cunningham tried to build groundwork under charges that Mack & Whiteside plotted to deliver the award. Mack's chief counsel Nicholas J. Chase tried to tear it down by showing that the grant would have gone the same way without Mack's vote—and that Mack even joined once in 1957 in a 7-0 FCC vote to reconsider.

Other early-phase witnesses included: (1) National Airlines pres. George T. Baker, who denied once more that he ever authorized anybody to offer any bribes to Mack for his support. (2) Dade County (Fla.) Circuit Court Judge Robert H. Anderson, who told again about pre-bench moves he made to get Whiteside to represent National Airlines. (3) Paul H. Scott, Anderson's former law partner, who recounted how Whiteside agreed to be helpful to National Airlines but wouldn't take a fee. (4) Mrs. Frances Kreeger, Mack's personal secretary during his term, who was called on to run through a 4-volume log of Mack's telephone calls, especially those to Whiteside.

And these prolonged preliminary proceedings in court seemed to be just a starter for more this week. If the defense has its way in the third week, the courtroom will be piled high with papers shoveled from files of the House Commerce legislative oversight subcommittee—each of them subject to study & restudy.

House Clerk Ralph Roberts was served with defense subpoenas calling on him to come into court April 20. He was asked to bring along more than 100 reports, memos, pieces of congressional correspondence and other exhibits (including the transcript of a "bugged" interview by oversight investigators with Mack) featured in last year's House hearings which forced Mack's resignation from the FCC. Under House rules, Roberts can't comply completely with the subpoenas until Judge Matthews rules on "the materiality and the relevancy of the papers & documents called for"—and that should take up much time.

Meanwhile the FCC and special hearing officer Judge Horace Stern were bending over backwards to make sure they'll do nothing to produce new publicity on Ch. 10 and other "influence" cases which might affect the Mack-Whiteside trial.

The FCC has put off Miami Ch. 10 oral arguments. Judge Stern postponed indefinitely the April 20 deadline for filing briefs in the Boston Ch. 5 case.

Networks

More about

NORTH ATLANTIC TV RELAY: Top-level U.S. & Canadian officials have been sounded out on the proposed Canada-to-Europe tropo-scatter TV-communications relay (see p. 2), and reactions, according to the project's backers, have generally been favorable. Canadian Dept. of Transport has yet to act on the group's application for construction.

Although Canadian officials at first had expressed some doubt as to the feasibility of the project, Deputy Prime Minister Howard C. Green was quoted by Maj. Gen. Frank E. Stoner (ret.), former Asst. Chief Signal Officer who is now asst. to pres. of Varian Assoc., as "intensely interested in the [plan] and . . . sure it would get high-level support."

The report was made at a closed seminar Jan. 26 at Chateau Laurier, Ottawa, at which technical & other aspects of the proposed project—which still goes under the code name NARCOM—were discussed with Canadian officials. The meeting was chaired by British Air Vice Marshal Frank Lang (ret.), 40-year veteran in the communications field and self-termed "catalyst" of Canadian & American interests "in stimulating thoughts about NARCOM."

He explained that informal discussions had been held with "communication & financial people in Great Britain, in Denmark (because of Greenland & the Faeroes) and Iceland," as well as with NATO in Paris. "They indicated positive interest in the plan, and in 2 of the countries large financial investment potentials were indicated."

Next step was a series of meetings in Washington, largely arranged by Gen. Stoner. Discussions were held with "the staff director of the President's Advisory Committee on Scientific Organization, the Chief Signal Officer, the Director of Telecommunications of the Office of the Asst. Secy. of Defense, the Chief of Naval Research, the heads of the U.S. Air Force's electronics branches, the chief engineer of the U.S. Information Service." General reactions "showed a keen interest in the plan, and indicated that a fairly high level of traffic from some of these agencies could be expected."

Marshal Lang said that the initiative "must be taken by Canadians. The majority of directors, of management & administrative personnel must be Canadian, and, as presently projected, one-third of the system at the western terminus would doubtlessly be constructed, operated and maintained by Canadian industry & technicians."

* * *

The remainder of the meeting was devoted largely to technical discussions at which representatives of Page Communications Engineers and various equipment companies discussed feasibility of the project with known techniques & equipment.

One interesting aspect was a talk by Dr. Park H. Miller Jr., head of General Atomics' experimental physics group of General Dynamics atomic research center at San Diego. He explained GD's Triga reactor as a potential power source at remote relay stations. By slight redesign, he stated, Triga can develop a thermal power output of 10,000 kw and can be easily operated by relatively unskilled personnel.

Canadian officials present at the meeting: Navy: Comdr. D. C. Rutherford, Director of Naval Communications. Comdr. J. E. Rous, asst. electrical engineer-in-chief

(electronics). Lt. Cmdr. E. M. Byrnes, head of communications engineering section. Army: Lt. Col. D. W. Kells, head of electronic & electrical div. Lt. Col. A. J. Loutit and others representing Signal Corps officials. Air Force: Dr. J. C. Arnell, scientific advisor to Chief of Air Staff. Defense Research Board—Dr. J. H. Meet, deputy dir. of physical research (electronics), A. O. Sandoz, asst. chief of Defense Research Telecommunications Establishment, and others.

Other Canadian interests represented: Telecommunications branch, Dept. of Transport; Bell Telephone Co. of Canada; Fleet Mfg. Ltd.; Varian Assoc. of Canada. Financial interests were represented by attorneys Glen M. Wilton & George Beaumont.

Discussing various aspects of the project, in addition to Marshal Lang & Gen. Stoner, were: Wm. S. Halstead, pres., Unitel International Inc., N.Y.; Herbert H. Schenck, Edwin Dyke & William Collins, Page Communications Engineers, Washington; Winn Wagner, chief of propagation div., Varian Assoc.; C. F. Merrigan, head of scatter & special equipment, GE technical products div.; Samuel Morse, GE military & industrial products div.; John Pickering, chief of communications, Canadian GE; Charles Creaser, v.p., D. S. Kennedy & Co., Cohasset, Mass.

CBS Won't Join NSRC: Still apparently troubled by anti-network winds blowing in Washington, CBS definitely has decided not to join the EIA-sponsored National Stereo Radio Committee (NSRC). It thus has indicated that it doesn't consider FCC's official blessing and EIA's legal interpretation (Vol. 15:12, 14-15) sufficient assurance that participation in the all-industry stereo broadcasting technical group constitutes sure-fire insulation from possible anti-trust charges.

RCA, which formerly was an NSRC member but backed out for the same reason, hasn't yet indicated whether it will rejoin on the basis of the new reassurances from FCC & EIA.

On another stereo front, meanwhile, the FCC granted permission to WABC N.Y. to test the Philco AM stereo system until July 15, using the experimental call letters KE2XZZ. Philco's compatible system uses a combination of AM & phase modulation on a single broadcast-band channel to produce a stereo effect (Vol. 49:13).

WFDS-FM Baltimore also received FCC permission to test single-channel stereo until July 15.

Network program "tie-in" investigation, which starts May 4 (Vol. 15:15), will begin with network witnesses, FCC presiding officer James D. Cunningham stated last week, and he ordered that their testimony "be concerned with the identification, authentication and explanation of certain exhibits, documents and other relevant papers."

NBC-TV had a busy Friday last week denying a story in April 17 issue of *Printers' Ink* which rumored a shake-up in the network's top TV brass before fall, with Robert Kintner, pres. and Robert Lewine, program v.p. who now reports to ex-Y&R program chief David Levy at NBC, due to resign. "Absolutely untrue," one NBC spokesman told us. "These rumors occur every spring." *Printers' Ink* stuck by its story. The rumors persist.

NBC, CBC and the TV & radio stations of Triangle Publications, Inc., were the recipients last week of the National Safety Council 1958 Public Interest Awards in the network category. Station awards went to 35 TV stations & 145 radio stations.

Programming

How to Reduce Production Risk: Independent packagers can make more sales by studying the marketing objectives of TV advertisers. The trick is to tailor shows to fit the needs of the sponsors, says George Gruskin, former William Morris TV executive and now a consultant who advises producers on the creation & marketing of independent TV properties.

Case history: Gruskin was approached recently by Guild, Bascom & Bonfigli (S.F.). One of their accounts, Ralston Purina, had just had a stormy session with ABC-TV, which wanted to move another film show into Ralston's *Bold Journey* slot after that show's cycle was to expire. GB&B needed another show—quick. The hitch was that Ralston wanted a show that had the same "feel," and the same opportunities for public service & scholarship campaigns as *Bold Journey*, a series of semi-pro travelogues.

Gruskin called Jerry Stagg, a producer he represents, who, after studying the Ralston operation, came up with a show that Ralston bought at first look—*High Road With John Gunther*, a half-hour location film series. Due to debut this summer, it is "the *Bold Journey* formula on a more professional level, plus a heavyweight international name," says Gruskin. "It fits the Ralston promotions like a glove."

Production, as we all know, is still risky business, even when the odds are in your favor with a strong property, adds the consultant. "It may cost you \$50-\$80,000 today to make a pilot which you're likely to sell for \$45,000 weekly. In the normal pattern, you won't break even until the show is in the repeat season, and you probably won't make a profit until the middle of the second year. Your real payoff comes later in syndication."

As an example, he cites *My Little Margie*, which brought "only \$10,000 per episode for the first 117 episodes." Meanwhile a new series with Gale Storm was evolved, and sold to Nestle, while the old moved into syndication. In the second season, the over-all break-even point was reached. In the third year, sale of rerun rights by Official Films of the first series produced a profit to the producer of—\$1 million.

Gruskin is currently readying several new program properties: *Little America*, an Andre Martin co-production starring Ann Sheridan as the wife of an American official in Germany; *Space Port*, a science-fiction series co-produced by Curt Siodmak; *Tosti & Son*, a semi-musical starring Frankie Laine & Salvatore Baccaloni.

TV-radio-press hassle over coverage of Cuban leader Fidel Castro's appearance before the American Society of Newspaper Editors in Washington last week was resolved by a last-minute compromise. Citing standing-room-only conditions in the Hotel Statler's Presidential ballroom for Castro's speech, the ASNE first decreed that no TV equipment would be permitted—and that radio coverage would be limited to a one-microphone pool. "Arbitrary suppression of freedom of access," protested the Radio & TV Correspondents Assn. "At odds with the traditional stand of those in the news business," said the Radio-TV News Directors Assn. NAB pres. Harold E. Fellows said he was "shocked & bewildered." The storm subsided after ASNE press relations chairman Alfred Friendly, managing editor of the *Washington Post*, worked out a deal with TV & radio networks for films & recordings for rebroadcasts. Note: As part of its coverage, CBS-TV thought it had lined up Castro for *Face the Nation* April 19. But the Cuban Embassy said he couldn't make it.

GOP Drops TV Plan: Proposals by ex-Republican national chairman Meade Alcorn for a series of GOP-sponsored TV shows, including one in which President Eisenhower would act as political "answer man" (Vol. 15:2), have been shelved. The TV venture would be too costly, a special subcommittee reported to the national committee. "And that pretty well puts it to rest for the time being," a GOP spokesman told us last week. Subcommittee members Richard F. Cooper of N.H., Mrs. Henry Swan II of Colo. and Tom Judd of Utah explored costs of the projected series (\$60,000 for 30 min. of prime evening network time, production costs "almost out of this world"). They concluded: "TV would appear to be far beyond our reach at the present time." But Cooper had a counterproposal. He thought the national committee might look into possibilities of buying radio spots "phased in with popular music."

Or better yet: "If every disc jockey were a zealous Republican, the battle would be more than half won."

TV film censorship by the Kan. Board of Review is provided under general terms of the state's 1917 Motion Picture Censorship Act, according to an advisory ruling by Kan. Attorney General John Anderson Jr. The question was raised by county attorney Bob Duncan of Atchison, who wanted to know if films exhibited by Kan. State College & Kan. U as well as by TV stations should be submitted first to the board for approval. Anderson said it will take court decisions to clarify "very broad & somewhat ambiguous" terms of the pre-TV law, but that as it stands, the legislation covers all public showings of films.

Nominations for Emmy awards were announced last week in 42 national categories by the National Academy of TV Arts & Sciences. Secret balloting of members will select winners in time for the May 6 award ceremony, to be sponsored over NBC by Procter & Gamble, and Benrus Watch. Of 197 nominees, CBS leads with 88½, followed closely by NBC with 84½, and ABC last with 24. The 198th nomination (in engineering) is shared equally by the 3 networks.

Tax on TV props: The Internal Revenue Service has decided (Rev. Rul. 59-111) that retailers who lease taxable articles for use as props on TV shows must collect regular excise charges on them—even if the articles are returned when the programs are over. The ruling points out that the Internal Revenue Code defines a lease as a sale for excise tax purposes, and "length of time for which the articles are leased or rented is considered immaterial."

Space-age TV previews were scheduled by General Motors for a 5-6 p.m. April 19 show on NBC-TV from the World Congress of Flight at Las Vegas. Planned shots included the Atlas satellite launcher whose nose capsule may put the first human in orbit around the earth, and the rocket-powered X-15 which is expected to put the first American into near-orbit at a height of 100 miles, and pilot's-eye views from jet planes.

Virginia Tiu, 5, was barred from *The Perry Como Show* (NBC) by the Society for Prevention of Cruelty to Children. The tiny Chinese girl from Chicago, a piano prodigy, was tentatively scheduled for April 18, but SPCC thought her too young.

First Canadian newscaster has been admitted to the parliamentary press gallery in Ottawa, restricted until now to representatives of daily newspapers & news services. He is Sam G. Ross, correspondent for 10 western Canadian radio stations.

Stations

INDUSTRY INFORMATION PROGRAM: "Unanimous agreement so far on plans & recommendations" was reported last week by C. Wrede Petersmeyer, Corinthian Stations pres., chairman of the TV Information Committee formed during last month's NAB convention to counteract the wave of criticism—particularly the attacks from other media (Vol. 15:12).

The next meeting will be in N.Y. April 20, another April 29, then recommendations will be submitted to the NAB board April 30. No firm budget has been devised to date, but the talk still centers around a \$1 million-a-year figure. The networks are expected to bear a substantial portion of the costs—perhaps \$150,000-\$250,000 each.

"Money is the least important matter. How good will the program be? That's the question. If it's good, the money will come—because it must come."

Meanwhile, CBS did a public information job of its own last week—placing full-page ads in N.Y. & Washington newspapers, stating among other things: "Every night . . . during the average minute, 61 million people are watching their TV screens, and this number grows larger every year . . . It would seem only too clear that the American people give more of their attention to TV than any other medium of communication simply because TV gives them so much more of what they want. And because they find so much of what they want, in such even balance, at a single point on the dial, they turn their attention most often to the CBS Television Network." And CBS's WCBS-TV N.Y. put out a handsome brochure touting its public affairs programs—*Chaucer, Chopin, and the People's Choice*.

Conelrad test April 17 looked good to FCC Defense Comr. Robert E. Lee—though he expects it will take a couple of months to evaluate it completely. Said he: "Nationally, I think we're going to show up well, coverage-wise. There was probably better coverage than in normal broadcasting. The purpose of the test was not so much technical—because that can be done at night—as to get the public to use Conelrad in an emergency." The test was part of "Operation Alert 1959," the 6th annual nationwide civil defense training exercise. The material broadcast explained what the Govt. and individuals will do and can do in the event of an attack. It included a message from Leo A. Hoegh, director of the Office of Civil & Defense Mobilization, who exhorted listeners to prepare themselves in every way possible. All TV, FM & AM stations—except the approximately 1200 AM stations participating in Conelrad on 640 & 1240 kc—left the air 11:30-noon EST. The test came during an interim stage of Conelrad—a substantial change in engineering, details classified.

Tributes to radio by 55 members of Senate & House representing 35 states have been collected by the NAB to promote National Radio Month in May. Among them: Chairman Magnuson (D-Wash.) of the Senate Commerce Committee: "The constant, potent voice of radio soothes & informs—but always serves." House Minority Leader Martin (R-Mass.): "It supplies the news of the world promptly & succinctly." Rep. Boggs (D-La.): "Radio certainly has played a most important role in our national life and is continuing to do so."

More from Moore: Speaking on "TV's critical decade," Richard Moore, pres. KTTV, Los Angeles, last week told the Western meeting of the Assn. of National Advertisers at Santa Barbara, Calif., that the coming decade would decide whether the selling power of TV shall be allowed to make its full contribution to the success of American marketing or whether its marketing strength will be sapped by anti-advertising influences.

Reviewing anti-advertising activity, Moore pointed to attacks on commercials in publications, in legislative & administrative areas, and to a bill pending in Calif. which would prohibit the broadcasting of commercials of more than 2 minutes and would ban broadcast of more than one commercial in a 10-min. period. Moore asserted that the acceptability of advertising should be judged by whether it is entertaining or informative or both.

The KTTV chief termed the non-sponsored telecast of the movie industry's annual Oscar awards a "sad economic waste." He opined that it carried no advertising—not even for movies—& said this reflected an attitude within the Academy that advertising would "taint" the program. "The sustaining look of the Academy broadcast was a setback for commercial TV & for the cause of marketing. Think of the news & information that could have been given to 29,000,000 homes about American goods & services," he added.

TV-radio publicity is "childish," with the broadcasting industry "generally 15 years behind business in the areas of professional public relations, planning and execution," charged Mike Santangelo, p.r. dir. of Westinghouse Bestg. Co. last week at a WBC program managers meeting in Atlantic City. "You can't wish away criticism & attacks," he stated. "Unbelievable as it may seem, broadcasting, the mass communications medium, has yet to create an image of recognition. Executives appear in the public eye as a cross between a Brooks Bros. mannequin and a circus barker." Urged the WBC chief tub-thumper: "Reject the novice, and pay for first rate p.r. talent."

Pres. Lawrence H. Rogers II (WSAZ-TV & WSAZ Huntington-Charleston, W.Va.), faced with continual national publicity about unemployment in the coal-mine areas, which he feels is reacting ambiguously against "the highly-prosperous areas of Huntington, Charleston and the Ohio Valley," has been doing on-the-air editorials personally, and making business-club speeches to help correct the problem by advocating constructive tax policies & attitudes. Rogers is frequently before his own cameras as the editorial voice of the station.

TvB's local-level TV sales clinics are scheduled to start May 5 in a tour that will touch 16 cities in 6 weeks with all-day sessions. Aimed at bringing "new sales techniques & heavy competitive selling ammunition" to local broadcasters, the clinics will cover such topics as new-audience data, anti-TV campaigns by print media, co-op advertising budgets and successful sales campaigns of TvB member stations. Target cities range from Winston-Salem to Salt Lake City.

KTTV (Ch. 11) Los Angeles plans a series of 12 local monthly "specials" varying in length from one to 3 hours. The package, sponsored by Riviera Mfg. Co., will include old movies, video tape and live material. It tees off this week with a one-hour show titled "The Dictators," filmed at Ciudad Trujillo by Paul Coates, and featuring exclusive interviews with Juan Peron & Fulgencio Batista.

CBC board of directors plans the following to improve its northern radio service: (1) Addition of CFWH Whitehorse to the CBC Trans-Canada Network. (2) New transmitters for CFYT Dawson City & CFGB Goose Bay. (3) Direct off-air pickups from CBX Lacombe, Alta. for CFYK Yellowknife. (4) Replacement of Aklavik station with new facility at Inuvik. (5) Establishment of low-power transmitter at Fort Smith. (6) Take-over & operation of the Hay River station. (7) Approval for take-over of Fort Churchill station. (8) Applications for new low-power relay transmitters at Fort Nelson, B.C. & Watson Lake in the Yukon. (9) Consideration of numerous requests for French language service in Toronto. The board also previewed film of new Royal Canadian Mounted Police TV series scheduled for premiere over CBC & BBC in the fall. Board's next meeting will be in Toronto June 22-24.

Shift of WVEC-TV (Ch. 15) Norfolk to Ch. 13 was recommended by FCC examiner J. D. Bond in an initial decision which followed an agreement by WVEC-TV's 2 competitors for Ch. 13 to dismiss their applications. WTOV-TV (Ch. 27) 50% stockholder Temus R. Bright will get \$150,000 consultancy fee from WVEC-TV and the other 50% WTOV-TV stockholder Louis H. Peterson will get 10% of WVEC-TV stock. The third applicant, Virginian TV Corp., will get 10% of WVEC-TV. The merger had been fought by WAVY (Ch. 10) Portsmouth-Norfolk.

KBLR-TV (Ch. 10) Goodland Kan. has been bought for \$5000 plus assumption of \$400,000 liabilities from 100% owner James Blair by a group headed by pres.-gen. mgr. Leslie E. Whittemore. In a separate deal, the same group is buying radio KBLR for \$145,000 plus assumption of \$25,000 in liabilities. The group includes Colorado businessmen W. L. Vanderjagt, Raymond Roark, Donald Tolland, Gordon Tolland, Eddie Jones, Casey Van Gerderan.

Price of \$50,000 is being paid to CBS for WXIX (Ch. 18) Milwaukee by Gene Posner & associates (Vol. 15:14), according to application filed with FCC last week. Posner, owner of WMIL Milwaukee, and his wife will own 51% and appliance dealer bros. Harold & Bernard Sampson 20% each. Balance (9%) is being bought by realtor Herbert S. Wilk. New owners plan to resume operation of stations as soon as the transfer is approved.

KOMO-TV (Ch. 4) Seattle's 2/3 owner, Fisher's Blend Station Inc., has bought the remaining 1/3 for \$1,833,333 from Theodore Gamble (30%) and C. Howard Lane (3.33%), principals of KOIN-TV (Ch. 6) Portland. Said W. W. Warren, KOMO-TV exec. v.p.-gen. mgr.: "We thought it was a good investment—and we bought it."

Leaving broadcast media entirely, *Philadelphia Evening Bulletin's* WCAU Inc., which sold its WCAU-TV (Ch. 10) & WCAU Philadelphia to CBS last July (Vol. 13:51 et seq.), last week sold its 50% interest in WDAU-TV (Ch. 22) Scranton to the Megargee family, which owns the other 50%, for \$700,000.

"Interim" allocations solution for Fresno area, urged last week by KJEO (Ch. 47) would assign Ch. 2, 5, 7 & 9 to Fresno, Ch. 8, 10 & 12 to Bakersfield—deleting Ch. 5 from Goldfield, Nev., Ch. 9 from Tonopah, Nev. KJEO seeks a change to Ch. 2.

Translator starts: K73AP, K77AO & K83AJ Quincy, Wash. began April 4 repeating KREM-TV, KXLY-TV & KHQ-TV Spokane.

CP for Ch. 71 translator in Newport, Ore. has been granted to Paul Kafoury.

SMPTE Agenda: These papers on TV & related subjects are scheduled for the May 3-8 semiannual SMPTE convention at Miami Beach's Fontainebleau Hotel:

Audio-Visual Communications—A Comparison of Learning Resulting from Motion-Picture Projector and from Closed-Circuit TV Presentations, by J. F. McGrane, American Machine & Foundry Co., & Morton L. Baron, U.S. Army Signal Equipment Support Agency.

Closed-Circuit TV in School & Community: the Chelsea Experiment, Lawrence Creshkoff, Chelsea Closed-Circuit TV Project, N.Y.

Implications of Continental Classroom for Open-Circuit TV Teaching, Edwin P. Adkins, American Assn. of Colleges for Teacher Education.

TV Recording—Progress Report on Video Tape Standardization, A. H. Lind, RCA. **Transient Response Considerations in Video Tape Recording,** Roger Hibbard & Harold Walsh, Ampex Corp.

Extension of Bandwidth in Video Tape Recording, Charles P. Ginsburg, Ampex Corp.

The Mixed Blessings of the Video Tape Recorder, Sidney V. Stadig, Westinghouse Bestg. Co.

Methods of Recording Color TV on Magnetic Tape, Charles E. Anderson, Ampex.

Operational Conveniences in the RCA TRT-1A TV Tape Recorder, A. H. Lind, RCA.

New Horizons for TV Tape, Ross H. Snyder, Ampex.

A Mobile Video Tape Recorder, J. Byrne Hull & H. G. Hummel, Ampex Corp.

TV Facilities—A Program-by-Program Billing System for Pay TV, K. A. Simons, Jerrold.

The Performance of TV Camera Lenses, Gordon Henry Cook, Taylor, Taylor & Hobson (England).

Gamma-Radiation-Insensitive TV Camera Lenses, John D. Hayes, Bausch & Lomb.

New Approach to Balanced Audio Levels in TV, Robert B. Monroe, CBS-TV.

Improving the Performance of TV Intercommunication Systems, A. Pierce Evans Jr., CBS-TV.

CBS Self-Normalling Video Jack, Charles J. Neenan, CBS-TV.

Russian TV Today—Color & Monochrome, J. R. Popkin-Curman, Telechrome.

TV Film Techniques—Standardized Gray-Scale Characteristic for Vidicon Telecine, L. J. Murch, CBC.

Density & Exposure Control for TV Films, Harold Wright, CBC.

Constant-Density Lab Process for TV Film, Rodger J. Ross, CBC.

MPO Infrared Matte Process, Zoli Vidor, MPO TV Films.

Technique of the Visual Squeeze, Robert Bergmann, Transfilm.

Production Techniques of an Effective TV Newsfilm Public Relations Program, Howard Back, Chrysler Corp.

Studio Lighting & Practices—Rigging for TV Studios, Ralph H. Schneeloch Jr., Inter American Equipment Corp.

Significant Developments in Studio Lighting Layouts, Rollo Gillespie Williams, Century Lighting.

Silicon-Controlled Rectifier Dimmer, Herbert R. More, Kliegl Bros., & Albert W. Malang, ABC.

New Horizons, Paul F. Wittlig, CBS-TV.

Proud of its closed-circuit missile maintenance training system which was shown off to Pentagon brass in Feb. (Vol. 15:9), the Army last week entertained National Press Club members at a luncheon with a similar show from the Army Ordnance Guided Missile School at Redstone Arsenal, Huntsville, Ala., 750 miles away. The 40-min. live show was specially written, produced and directed for the Press Club showing by 40 civilian TV professionals provided by the TelePrompter Corp. which handles the training system under Army contract. The crew included writer Bob Corcoran, technical dir. Cliff Paul and producer-director Maurey Penn, all former members of NBC's defunct *Wide Wide World*. Five mobile units and 17 cameras were used.

Multilingual TV system—designed for cities where more than one language is spoken—has been developed by William Halstead's Multiplex Development Corp., with consulting engineer Ellis D'Arcy of Gary, Ind. The system can accommodate as many as 4 multiplexed sound carriers on a single TV channel. A 3-tube decoder, which Halstead says can be made to sell for about \$10, is designed to be attached to the TV set to select the language to be heard. Halstead suggests that this technique may vastly increase audiences in cities such as Quebec, N. Y., Paris or Tokyo, where several languages are used. He says he will ask the FCC for authorization to test the system, which can also be used for TV stereocasts (by using 2 channels simultaneously).

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.
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PUBLICATION OFFICE

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Hollywood 2B, Calif.
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MARTIN CODEL

Associate Publisher

WEEKLY NEWSLETTER TV & AM-FM ADDENDA
Published Saturdays Published Saturdays

AM-FM DIRECTORY
Published in January

TELEVISION FACTBOOK Published in March and September

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Personals: William H. Trevarthen, ex-ABC (Vol. 15:7), named NBC TV network operations dir., effective April 27 . . . We regret the erroneous announcement made in Vol. 15:14 that Robert H. Van Roo was named v.p. & gen. mgr., WTCN-TV & WTCN Minneapolis-St. Paul. He was appointed promotion mgr. by Phil Hoffman, who is v.p. & gen. mgr.

James G. Hergen promoted from dir. of participating program sales to dir., NBC Telesales in chg. all commercial tape prod. & closed-circuit telecasts. William F. Storke replaces Hergen.

Paul E. Mills, ex-Westinghouse Bestg. Co. midwest TV sales mgr., appointed managing dir. of Storer's Radio WJW Cleveland . . . George H. Wilson named merchandising & promotion dir., WSTV-TV & WSTV, Steubenville, Ohio . . . Robert Doty promoted from program mgr. to local sales mgr. of WTVT Tampa, succeeding Don Menard, now national sales mgr. . . Charles E. Hinds Jr., ex-WXIX Milwaukee, named program director of WBBM-TV Chicago . . . Cabot Lyford ex-educational WGBH-TV Boston, named program mgr. of upcoming WENH (Ch. 11, educational) Durham, N.H., due on air later in spring.

Frank Stanton, CBS Inc. pres., and Mrs. Stanton left April 16 for vacation in Japan, will return May 4 . . . William T. Armstrong appointed national co-ordinator of information services, CBC, effective May 4 . . . Ralph W. Smith, ex-McCann Erickson, named gen. asst. to pres. Fernando Eleta, RPC Radio Network, Panama, now preparing to establish commercial TV station . . . Charles C. Hoffman resigns as exec. v.p., Bureau of Broadcast Measurement, Toronto audience research firm.

M. S. (Bud) Rukeyser Jr. appointed business & trade publicity mgr., NBC, succeeding Joseph A. Ryan, who joins WBZ-TV Boston . . . Thomas F. O'Neil, RKO-Teleradio Pictures chairman and retiring chairman of Brand Names Foundation, named an honorary life director of foundation. John H. Breck Jr., exec. v.p. of John H. Breck Inc., Springfield, Mass., succeeds O'Neil as BNF chairman . . . Paul E. Mills managing dir. of Storer's radio WJW Cleveland . . . Lamont L. (Tommy) Thompson, ex-CBS-TV Spot Sales, named Midwest mgr. of Westinghouse Broadcasting's TvAR, headquartering in Chicago.

Alan May elected v.p. & treas., NTA. Other NTA executive appointments: Lester Krugman, adv. & p.r. v.p.; Samuel P. Norton, v.p. in charge of legal & business affairs; David J. Melamed, administration v.p.; George K.

Gould, v.p. in charge of TV broadcast facilities (continuing as pres., NTA's Telestudios); Burton I. Lippman, asst. treas. & asst. secy. (remaining as controller). Robert Brunton, ex-NBC, named operations dir., WNTA-TV's N.Y. studios.

Simon B. Siegel, financial v.p. & treas., American Bestg.-Paramount Theatres and ABC, elected to the AB-PT exec. committee. Martin Brown, ex-Price Waterhouse, named asst. treas., AB-PT and v.p. & Asst. treas., ABC. Arthur Harvey promoted to ABC labor relations dir. for the Western div., effective May 1 . . . Lindsey Spight, former Pacific Coast mgr. & co-founder of John Blair & Co., elected pres., Television-Communications Inc., closed circuit TV producers. Joseph B. Durra named v.p.

Arthur M. Tolchin elected v.p., Loew's Theatres. He will continue as v.p. of WMGM & board member of WMGM Broadcasting Corp. . . Itsuo Araki, former MGM gen. sales mgr. in Japan, appointed gen. sales mgr., Allied Artists of Japan Inc. . . Joseph F. Greene, ex-ABC Films, appointed Eastern sales mgr., Roy Rogers Syndication Inc., headquartering in N.Y.

Max Bice, mgr. of KTNT Tacoma, also placed in charge of KTNT-TV. Del Spencer promoted to program dir., Dick Engh, chief engineer.

Donald N. Martin, NAB public relations chief since Nov. 1956, resigns June 19 to form a public relations firm with partners (to be identified later) in N.Y. & Los Angeles. His successor hasn't been named. NAB pres. Harold E. Fellows stated: "Greater strides have been made in telling the positive story of broadcasting in the 2½ years that Mr. Martin has been in charge of NAB's public relations than any comparable period in my experience as a broadcaster—and this achievement has been realized with a comparatively modest appropriation & within the framework of NAB policies established by the board of directors."

Names of Harris & Mack were in the Washington news again last week—but the stories had nothing to do with the House legislative oversight subcommittee or Miami Ch. 10. Carolyn Marie Harris, daughter of chairman Harris (D-Ark.) was queen of Washington's annual Cherry Blossom Festival, selected by lot for the honor. Her escort, detailed for the duty by the Defense Dept., was Air Force 2nd Lt. Donald Mack—no relative of ex-FCC Comr. Richard Mack.

Robert A. Bicks, 31-year-old Justice Dept. anti-trust no. 2 man, became acting asst. Attorney General in charge of the anti-trust div. last week, filling in for resigned Victor R. Hansen (Vol. 15:15). Bicks' designation by Attorney General Wm. P. Rogers to replace Hansen on an interim basis gave him a leg-up on the regular appointment, but assistant Attorney General George Cochran Doub, head of the civil div., also was reported a leading possibility for the anti-trust post.

Broadcast Advertising Club of Chicago announced last week its first grants from a new scholarship fund started this year, to 3 Northwestern U students, majoring in TV & radio.

John Blair & Co., and affiliates Blair-TV & Blair Television Assoc. station reps, will move to the Corning Glass Bldg., 717 Fifth Ave., N. Y., about June 1.

Obituary

Charles Ray Hall, 60, Screen Gems production mgr., died April 14 in St. Petersburg, Fla. of a heart attack.

Advertising

ARBITRON REPULSED IN CHICAGO: Bloodied but apparently unbowed by a setback to his Arbitron rating system in Chicago—where all 4 commercial stations refused to become regular customers after a one-month free trial—American Research Bureau dir. James W. Seiler said last week he's sure the instantaneous service will win out ultimately.

The ARB dropped its Arbitron station operation in Chicago and cancelled plans to move next into Los Angeles, where electronic recording installations already were set up. This left 5 of 7 N.Y. stations as the only subscribers to the long-heralded new system which was launched last Sept. (Vol. 14:36, 38).

"We though we'd never have a better chance than in Chicago," Seiler told us. "And I still feel very strongly that Arbitron will be *the* service there. As it is, we're just cancelling it out for now and sitting back to see what happens. We're sure that advertisers & agencies will come around to our side and demand that stations give them the accurate information which Arbitron provides."

The trouble with Arbitron, Seiler maintained, is that its sampling of TV homes (154 units in Chicago) gives stations a too-true picture of sets actually in use at any given time. Competing rating systems based on diaries, etc., provide higher sets-in-use figures which are useful to the stations in justifying nighttime rates, he said.

Nobody in Chicago challenged the accuracy of Arbitron sets-in-use records or questioned proposed charges of \$1500 per month for daily service (vs. \$375 for ARB diary reports), according to Seiler. But he said the 4 stations—ABC's WBKB, CBS' WBBM-TV, NBC's WNBQ, *The Chicago Tribune's* WGN-TV—were unwilling to pick up the tabs for a service which deflated long-accepted sets-in-use figures.

"But it's not quite as desperate a situation for Arbitron as it's made to seem in some trade press reports," Seiler said. "It's working fine in N.Y. In fact, it's doing wonderfully well there. And we don't think the advertisers & agencies are going to keep on just taking figures which the stations want to give them." Holdout N.Y. stations are NBC's WRCA-TV & CBS' WCBS-TV.

Seiler said that meanwhile the ARB will continue to use its Chicago Arbitron system for data for its multicity rating reports—and has no intention of ripping out its Los Angeles installations.

Brewers thumpingly endorsed TV in 1958, increasing their reliance on both spot & network video, even as they pulled back in newspapers, magazines and outdoor, according to TvB. The increase of the beer-makers TV expenditures was 6% over 1957, the bureau found. At the same time, investment in outdoor by brewers declined 2%, and in magazines, 19%. The newspaper report (for national lineage with local still to be computed) shows a 21% beer-dollar drop. The disposition of brewers' money in 1958 brought media these amounts: spot & network TV—\$46.1 million; newspapers (national)—\$13.9; magazines—\$5.3 million; outdoor—\$25.2 million.

TelePrompTer Corp. disputes the contention of a West Coast closed-circuit TV production company which claims to have issued the first closed-circuit rate card (Vol. 15:13). And TelePrompTer offers pretty good proof—enclosing a copy of its Rate Card No. 2, dated July 1958, outlining rates for intra-city, regional and coast-to-coast networking.

Ratings Defended: Rating services presented their case last week in Los Angeles and pointed out that no such service is supposed to be a complete substitute for judgment. The occasion was a panel discussion under the auspices of the Academy of TV Arts & Sciences.

Joseph R. Matthews of Nielsen, and William Shafer of ARB said that their business is quantitative research, not qualitative, and that at best they provide an accurate indication of the quality & percentage of homes watching a particular program. They blamed newspapers for the bad publicity & misunderstandings surrounding the use of ratings. Shafer said print media use the information destructively because they are competitive to TV. He asserted that the problem comes from the "uninformed, who read these things written by people who are even more uninformed."

Agency men on the panel (Robert L. Redd, Coast TV-radio v.p. of Erwin, Wasey, Ruthrauff & Ryan and Jack Newell, Coast media director of BBDO) agreed that the main factor in a sponsor's decision is whether the program is selling his product. This explained, they said, those instances of cancellations of high-rated programs, and renewals of low-rated shows. While ratings are valuable, they said, in the last analysis the decision is up to one man—who makes it on the basis of his experience & judgment.

The rating panelists defended their samplings as "scientifically accurate," but admitted there are limits to the reliability of ratings. Matthews said that a Nielsen rating of 20 could very well be 19 or 21 actually. But in order to cut present deviations in half, they would have to quadruple the sample size and cost, he added.

Rating 'the Sponsor's Audience': Network TV shows that are "live, creative, non-violent" and designed to create a "conscious empathy between audience & performer" do the best sales job for sponsors, said Norman, Craig & Kummel ad agency last week in releasing details of "a 9-month special study of TV network programming."

Top shows by this yardstick: Lawrence Welk, Ed Sullivan, Dinah Shore, Jack Benny, Ernie Ford, Perry Como, *GE Theatre* and quiz packages *I've Got a Secret* and *The Price Is Right*. None of the current crop of Westerns (which take top "average audience" honors in Nielsen) were on the list. Said NC&K: "Light entertainment prevailed over blood and guns," with 16 shows in the bottom 20 on the list being "of a violent or death-dealing nature."

Other conclusions: Weekly sponsorship is more effective than alternate weeks, hour-long shows are "proportionally more effective" than half-hours, evening TV is a better buy than daytime, and such extra values in shows as the sponsor's name in the title or seen on-camera during the show are "clearly profitable." Also "warm, friendly entertainment is the most effective vehicle for your commercials."

TV-radio self-policing hasn't brought "revolutionary" reform of commercials, but NAB's TV code & standards of good practice have succeeded in reducing "objectionable advertising," NAB pres. Harold E. Fellows told the Hollywood Ad Club & Chamber of Commerce in a speech prepared for a joint meeting April 20. "Much yet has to be done, obviously—but not alone in this medium," he said, calling for "not only the understanding of the general public but, in a special way, the cooperation of the advertisers and their agents."

Dollar Diplomacy: The publicity soft-pedal is now being applied to those sensational TV purchases in which huge sums of money for a star's services are involved. Reason: A growing list of clients are discovering that some stockholders hit the ceiling over the thought that this year's dividends may be going into a show with a huge price tag.

Example: Kraft Foods in the past month has been getting a small shower of letters & wires from stockholders, major & minor, concerning Perry Como's reputed \$25 million, GAC-arranged deal for an NBC-TV series.

Most of the writers don't know, and don't care, that the figure is a lumped sum for time, talent and promotion costs not otherwise much above normal. Kraft's current orders to the network & its agency can be summed up as "Don't mention money any more." Kraft itself now flatly declines to discuss the cost of its Como package.

Ford Motor Co., now closing a deal for a series of specials that will probably top \$15 million in costs for a single season, has already begun cautioning publicity people involved in the project to promote the series' names, not the costs of the names. Again, stockholder reaction, in a none-too-easy sales year for the auto industry, is feared.

Companies signing for major specials or high-priced stars have good reason to consider. A memorable example of what backfiring public reaction can do to an over-publicized money deal occurred a few seasons ago when Jackie Gleason signed his \$6 million deal with Buick, a deal then touted as "the biggest ever." When viewers tuned out in droves, and ratings started sliding within 2 weeks, faces were grim at the next stockholders session.

With packages selling at new price peaks this season, the handwriting on the public-relations wall seems clear: If you pay a big price for your show, don't brag about it. A tantalizing situation, indeed, for the usually ebullient publicity man.

People: Wilson A. Shelton, senior v.p., & creative dir., Compton Adv., succeeding Alfred J. Seaman, resigned . . . Arthur M. Menadier elected Young & Rubicam v.p. . . . William B. Carr, formerly adv. dir., McCall's Magazine, named v.p., N. W. Ayer . . . Henry Starr, v.p., Leo Burnett Co., appointed to the new post of account planning v.p.

Gerald T. Arthur, ex-media dir., Fuller & Smith & Ross, named Donahue & Coe media v.p. . . . F. Henry Larson elected v.p., Brooke, Smith, French & Dorrance . . . Frank M. Leonard, ex-Campbell-Ewald, appointed p.r. dir., Dancer-Fitzgerald-Sample . . . Rudolph Jon Wille, ex-J. M. Mathes, named mgr., Grant Adv.'s new office (42nd for Grant) in Hamburg, West Germany.

Edward F. Krein, ex-Aubrey, Finlay, Marley & Hodgson, named v.p., Western Adv. Agency, Chicago . . . Sheldon Kaplan promoted to TV-radio director of Rogers & Smith, Dallas, succeeding Howard Fisher, now v.p. & exec. dir. . . . Thomas A. Quinn, ex-N.Y. *Daily News*, and A. B. Crampton appointed v.p.'s, Quinn-Lowe adv. . . . Vance Jonson & Terry Galanoy elected v.p.'s of Stiller-Hunt, Beverly Hills . . . J. G. Waltjen is pres. of newly-formed Waltjen Assoc. adv., 2103 N. Charles St., Baltimore.

William E. Holden, v.p. & dir., Doherty, Clifford, Steers & Shenfield, elected secy. . . . James Garabrant, print production mgr., Dancer-Fitzgerald-Sample, elected v.p.

Obituary

William King Pehlert, 52, v.p. & account supervisor, Cunningham & Walsh, died April 14 in Elkins Park, suburb of Philadelphia.

Film & Tape

More about

HOLLYWOOD'S ABOUT-FACE: After a belated start—due mainly to their disdain & "pretend-it-isn't-here-&-it-will-go-away" attitude—the movies have gone all-out to capture TV film business. Every major movie studio today is producing TV film, renting space to independents, seeking tenants or doing all three (see p. 3).

Unquestionably, there are a few upper-echelon diehard movie-makers who still resent TV, but orders from main offices in N. Y. are unmistakable—and they're followed. Also, much of the original hate-TV attitude stemmed from the cinemen's fear of offending theater owners.

Not long ago, movie studios wouldn't even allow their contract players to appear on TV. That, too, has changed. Now they want them on, to get the powerful free plugs for their theater product. When Diane Varsi quit Hollywood recently, she gave as one of the reasons an edict from her studio, 20th-Fox, that she star in a *Playhouse 90*. She did, but she hadn't been happy about it, she said.

At Warner Bros. studio today there are 6 telefilm series in production—and only one movie (another is on location).

At Columbia 3 telefilm series are in production, being filmed by Screen Gems, its TV subsidiary. Of 4 Columbia movies now being made, none is at the studio. All are before cameras abroad or on domestic location.

Metro-Goldwyn-Mayer has 3 movies in production & 6 telefilm series, all but one of the TV shows being rental deals. The exception is MGM-TV's only telefilm series, *The Thin Man*.

At 20th-Fox, there are 2 movies & 2 telefilm series in production, but the studio will soon have more TV production. In addition, the studio's Fox Western lot is leased by Four Star Films, which has 5 series in production there.

Paramount has 2 movies in production, & several TV projects in preparation.

Revue Studios, the lot once owned by Universal-International but bought by MCA, is in the process of splitting movie stages so that there will be 2 telefilm stages instead of one big movie stage. Right now UI, which leases space there, has 3 movies in production. Revue has one telefilm series in production there, and 4 at Republic studios, its former production site. (Revue and Republic have just terminated their rental agreement, by mutual consent, so Revue's transfer to its new studio will be accelerated.)

The movie studios have approximately a third of the TV film business, & they're determined to get more. They have already hurt business at the independent studio rental lots in Hollywood which were prospering considerably before the majors opened their doors to TV. Such an independent studio as General Service, which once was filled to capacity, now has only 2 telefilm companies in production. The Hal Roach studio, beset by legal difficulties, is quiet, except for *The Dennis O'Keefe Show*, which hires its own production staff & crew. The Goldwyn lot, a rental operation, had no tenant until last week, when CBS decided to move 5 of its filmed series there: *Perry Mason* (currently in production at 20th-Fox), *Have Gun, Will Travel* & *Gunsmoke* (from California studios), *The Lineup* (moving from Desilu) and the Rod Serling series, *Twilight Zone*.

Busiest of the independent studios is the Desilu company which has 14 series in production at its Desilu Gower, Desilu Culver & Motion Picture Center studios. However, Desilu has 35 stages. That's why Desi Arnaz is currently busy trying to get new product for next season. No other independent studio approaches Desilu in volume of rentals.

The majors began their flirtation with TV several years ago when they sold their pre-1948 backlogs of pictures to video. Some, of course, are still involved in the distribution to TV of those old movies.

Screen Gems was one of the first to enter telefilm production, & Paramount was the last, coming in only recently. Universal-International produced a telefilm series several years ago, but, unable to sell it, shelved it; the company hasn't made one since.

To get an idea of the impact TV has made on the majors, look at the huge Warner Bros. Burbank lot, which would be virtually empty today were it not for the 6 series now in production. Warners' plans for next season indicate there will be even more such production.

Warners' activity would be duplicated—or bettered—by every major in Hollywood if it could get the business. To do so, each studio is rounding up top creative talent to lure the TV business it once scorned.

Ad agencies & sponsors, once impressed by the majors' prestige, aren't any longer. That's because when majors first got into TV production, much of their product lacked quality. As a result, the agency men & sponsors are leery of doing business with a studio simply because it's a "name." They want results, not chest-pounding, & that's why buying for next season is evenly distributed, with the independents & majors sharing alike in the TV pie.

* * *

Four Star Films, seeking to lease Republic Studios, has made a counter proposal to Republic pres. Herbert J. Yates after receiving a rental proposal from Yates. If the latter's reply is not to Four Star's liking, the company will remain at Fox Western, and rent space elsewhere for its additional needs. Meanwhile, Revue and Republic have agreed to terminate Revue's rental contracts at Republic, and the telefilm company is now moving to its new studios, the former Universal-International lot. Last week a Republic spokesman indicated there was some substance to reports NBC and United Artists are negotiating lease deals with option to buy at Republic. However, NBC sources categorically denied there was anything to it, and United Artists sources said they knew of no such talks.

ITC 'Looking, Not Buying': Jack Wrather's Independent TV Corp. isn't making any near-future purchase of a Hollywood studio lot, we're told by Wrather. "We're holding a program plans meeting in Palm Springs in May," he said. "In the meantime, we've been making our own survey of available studio space & facilities at every major Hollywood lot, and this has probably caused the reports that we're buying one."

Added Wrather: "Our operation is growing so rapidly that I'll admit we've thought about buying a studio, but we have no immediate deal in mind." Through Britain's ATV, which is a partner with Wrather in ITC, he has a link of sorts already to a film lot, since ATV owns film studios in London & Australia at which ITC shows are in production.

In addition to present activities in network & syndicated film & tape series, Wrather says, ITC may package several 90-minute network specials this fall, built around major Hollywood talents.

Videotape International: A development which may pave the way for regular international tape TV program syndication was demonstrated by Ampex April 15 at the 9th plenary assembly of the International Radio Consultative Committee (CCIR). It's "Inter-Switch," a modification of the standard Ampex VR-1000 Videotape Recorder which permits a single machine to record programs on any 2, 3 or all 4 of the TV standards now in use throughout the world.

It's not a "standards converter"—that is, it won't record on one standard and play back on another. But it will, for example, record a British 405-line from a British-standards camera, and then record a U.S. 525-line signal from an American camera at the flick of a switch. Any Ampex recorder can be converted to an "Inter-Switch" model to accommodate the British 405-line system, the French 819-line system, and/or the European 625-line system, in addition to the U.S.-Latin America-Far East 525-line system.

The demonstration at Los Angeles' Biltmore Hotel featured 525-line and 625-line tapes recorded from a dual-standard Marconi Mark III camera, with Rank Cintel 625-line monitors & Conrac 525-line monitors. Throwing a single switch changes the standards of the recorder. The "Inter-Switch" recorders & modifications will be available on special order through all Ampex distribution channels. Outside the U.S., they will be handled by new Ampex International, headed by Phillip L. Gundy, Ampex Corp. v.p.

To record a program for both U.S. & British TV on an "Inter-Switch" recorder, this procedure would have to be followed: Using U.S. standard cameras & monitors, the program is recorded with the 525-line American system, resulting in a tape suitable for U.S. TV. Then the switch is flicked to 405 lines, and the live show is reenacted and shot again using British-type cameras. This tape can be played by British stations. In effect, the single recorder does the work of 2—a U.S.-standard and a British-standard machine.

A converted passenger bus containing 2 Ampex recorders, plus a control truck built by CBS to handle as many as 6 cameras at once, is used for *On The Go*, Jack Linkletter's taped daytimer. The cavalcade includes 2 mobile power generators, a utility truck to carry cameras & other gear, and a portable dressing room truck with full make-up facilities. So eye-stopping is the full caravan that CBS plans to feature shots of it in the 5-a-week show, which starts this week.

Distinction of being "the first video-taped show in syndication sponsored by a national sponsor" is claimed for Mark Wilson's *Magic Circus*, taped at KRLD-TV Dallas. Minnesota Mining has bought it for 5 markets on a 13-week basis, and it may go on a network basis in fall. Sponsor, incidentally, is only maker of videotape.

Bound hard-cover volumes containing all 1958 issues of TELEVISION DIGEST are now available from our Radnor office. Each volume also includes: index, both 1958 issues of TELEVISION FACTBOOK, all weekly addenda, all supplements & special reports. Handsomely embossed, the book provides a convenient & unique permanent reference for your own or your company's library. Price: \$25. Supply limited. Write TELEVISION DIGEST, Box 700, Radnor, Pa.

New York Roundup: In its first week of selling a syndicated version of *Ding Dong School* on a take-your-choice basis of tape or film, ITC received calls from "all over the country," according to sales chief Al Unger. Tape-equipped stations are reported "very interested because it gives them a chance to start amortizing their equipment." ITC may launch a tape version of the old radio series, *It Pays to be Ignorant*, as its second video taped show.

Ziv TV claims a 90% renewal rate (167 markets out of 186) since Jan. on its filmed *Sea Hunt* series . . . Intercontinental TV S.A.—the European-based freelance tape firm—opened its doors in Paris for new business, with James F. Gannon, mgr., arriving from N.Y. to take up sales duties . . . You'll have no trouble finding film buyers—if you've got footage of Tibet's Dalai Lama. At the moment, CBS-TV has cornered most of the available world footage (from Lowell Thomas & from the Dalai Lama's brother, who lives in the U.S.)

Latest feature package from NTA includes 51 post-1948 features out of 64 movies—but the big sales point to stations is the inclusion of 6 old Shirley Temple films, and such Selznick oldies as "Little Lord Fauntleroy" . . . CBS Films is reported screening the pilot of Sidney Kingsley's *World in White*, filmed 2 seasons ago in N.Y.

Wagon Train, MCA hour-long film package on NBC-TV, had the lowest cost-per-1,000 score on the networks in the Jan.-Feb. Nielsen reports (\$1.64), with *Maverick* on ABC-TV (\$1.70) as a close runner-up. Altogether, ABC-TV placed 6 shows, 5 of them film packages, among the "cost efficiency" top 10 . . . NTA is said to be readying the pilot of *High Noon*, a half-hour series based on Stanley Kramer's movie, for agency presentation shortly.

Independent producer Sam Marx, whose pilot of *The Jan Clayton Show* has been shown around Madison Ave. for several months, tells us he's discussing syndication of the series with several companies. "There are many action shows & reruns in syndication, but there's a shortage of family shows. Syndicators tell me that's why they're interested in my show," Marx says.

Screen Gems has re-organized traffic dept. to separate the handling of national & syndicated programs. Alan Press, natl. traffic mgr., will be responsible for the 12 network & national spot shows and Sid Weiner, syndication traffic mgr., will be responsible for first-run, rerun and cartoon syndicated series. John Ballinger, Western traffic mgr., will continue on distribution in the 11 Western states.

ABC-TV continues to have the fewest qualms about airing another network's film show. Latest deal is for *Philip Marlowe*, a co-production between Goodson-Todman and NBC offshoot California National, which starts Sept. 29 on ABC for Brown & Williamson and Whitehall Labs (Ted Bates agency). ABC-TV has also carried the CBS-sold *Navy Log*. (*Naked City* has been cancelled.)

All Westinghouse TV stations are buying, on an individual basis, Trans-Lux TV's new *Felix the Cat* color cartoon series. Total price is said to be high in the 6-figure bracket. WBC has been inactive in group deals lately, but two seasons ago helped get Screen Gems' *Casey Jones* off to a fast start with a multi-station buy.

East Coast subscribers who wish to receive their copies via Special Delivery at their home addresses on Sunday may do so by addressing our circulation department. U. S. Special Delivery subscribers will be billed additionally \$15.60 per year; Airmail-Special Delivery \$19.22.

Hollywood Roundup: New pilot projects here include *Conquerors on Horseback*, anthology to be co-produced by Arthur Kennedy & Nick Adams; CBS Films' tentatively titled *The Promoter*, with Dick Brill as producer; Desilu's *All About Barbara*, starring Barbara Nichols & Bill Bishop, with Quinn Martin as producer . . . Screen Actors Guild last week invited the American Federation of TV & Radio Artists to discuss the possibility of a merger.

American Tobacco has bought alternating sponsorship on *Moonshot*, the Ziv TV series, for CBS next season. The other half of the series is open . . . Lever Bros., which originally bought an alternating sponsorship of *Blue Men* on CBS, has stepped it up to full sponsorship.

The TV Academy nominations include a few oddities. For instance, 31 of them go to performers or series which have been cancelled or have lost sponsors—Jane Wyman, Bob Cummings, Jack Benny, Phil Silvers, Ida Lupino, to name a few . . . Joe Hoffman will produce *Revue's* new series, *Whispering Smith*, starring Audie Murphy . . . L. Wolfe Gilbert is planning a new telefilm series called *Everybody Sing*.

Dan Seymour, J. Walter Thompson v.p., is here scouting for new series . . . P&G have bought alternating sponsorship of *The Donna Reed Show* on ABC next season, sharing the series with Campbell soup.

Renewal prospects are bright for *Steve Canyon*, sponsored by Chesterfield. May 1 is the official renewal date . . . Not so good are prospects for another McCann-Erickson buy, *Pete Kelley's Blues*, also Chesterfield-sponsored. Pete's first 2 shows have been inauspicious and the client is not too happy with them. The deal is firm only for 6 alternate-week programs.

Hollywood estimates that winning an Oscar adds \$1 million to the value of its recipient's latest picture. Just how much added value accrues to a TV series is a moot question, since this has never happened before. But Singer Sewing Machine, which bought the *David Niven Show* some months ago, should benefit considerably from the publicity.

Sale of the late John Barrymore's 10% interest in three 1928 Warner Bros. movies (*Svengali*, *Moby Dick* and *The Mad Genius*) to United Artists Associated Inc., which distributes film packages to TV, was approved last week in Los Angeles Superior Court. Price: \$10,500. However, the actor died owing \$40,000 in back taxes, so it's doubtful whether his 3 children will share in the \$10,500.

Syndication Upsurge: Hollywood observers tell us they expect a big rise in syndicated telefilm product to be marketed next fall. They base this on the fact that a considerable number of series are now being produced on a network-or-syndication basis, and obviously there won't be room for many on the networks—not in the face of those series already sold plus renewals of the successful series.

ABC Films Inc., for example, is planning 8 series for production which, if they don't go network, will go into syndication. United Artists TV has firm commitments for 39 episodes of *The Dennis O'Keefe Show*, now in production, which is likely to go into syndication if no network buyer is found. The same is true of UA's *The Vikings*.

There is every indication the syndication field may get more product next fall than it's had in years.

"The Changing Face of Broadcasting" will be discussed by Oliver Unger, pres. of NTA at the Broadcast Advertising Club of Chicago April 23 luncheon. NTA now owns 3 TV & 2 radio stations, a film network, and other units in TV & theater film production & distribution.

10 Candles on Screen Gems Cake: End-of-show emblems on Screen Gems' films last week began carrying a new copy line: "10th Anniversary Film Presentation," to mark what Screen Gems terms "a modest celebration."

On April 20, 1949, Ralph M. Cohn, now pres., had just submitted his first 50-page TV prospectus to Columbia Pictures management. On June 1, 1949, Cohn started operations with one producer and one secretary.

The picture today: Screen Gems has produced a total of 27 different series, many renewed for several seasons, for 1266 half-hours of film programming. Five more series have been distributed, but not directly produced, bringing the telefilm total to 1768 episodes.

After a lapse of several years (apart from star commercials aired in SG shows), Screen Gems is back in the commercials business, having bought the tape-equipped film firm of Elliot, Unger & Elliot in Feb. of this year.

Feature films & comedy shorts are a major part of Screen Gems' business. Syndication catalog includes Columbia and Universal features, with over 900 in active distribution, plus comedy oldies like *Three Stooges* and the *Hilarious Hundred* package.

Distribution is worldwide in network & syndication deals. The domestic sales force (new network shows, off-network reruns, cartoons, first-run syndication, etc.) is divided into 6 regional sales staffs. International operations are through affiliates in England, Canada, Mexico and Australia, plus 35 sales offices of Columbia Pictures. For overseas sales, pictures are dubbed in 6 languages.

The worldwide staff today of Screen Gems on the direct payroll—not including free-lance creative & performing talent—is almost exactly 100 times larger than the 3-man staff with which it began, just a hectic decade ago. Annual gross business: in the \$20 million bracket.

From our Hollywood Bureau comes an important P.S. to this story—still in the same growth theme: Screen Gems may produce some live spectaculars next season. And v.p. Harry Ackerman, as he left last week for Europe told us that the company is planning increased production of telefilm series in England.

Short-term TV Deals: MGM-TV—convinced that many of the TV film deals now being made are 13-week contracts—is considering holding off showing some of its pilots until the end of the year, when sponsors of short-term series may be looking for replacements.

That's what we're told by MGM-TV production chief Richard Maibaum, who points to his company's *Johnny Eager*, starring Larry Pennell, & *You're Only Young Once*, starring James Hutton. "We feel they are particularly saleable, but may not show them at this time. We certainly won't if a good time slot isn't available," he says. Maibaum thinks there'll be a buying splurge in July, when sponsors will seek to lock up schedules for next season.

Colgate must notify the studio regarding renewal of *The Thin Man* by June 21, but, says Maibaum, "we are planning on next year regardless. We will seek another sponsor if Colgate doesn't renew." He feels the show hasn't yet tapped its potential. For the future he plans to have more intrigue & suspense rather than broad comedy.

Meanwhile, seven 90-min. MGM-TV specials which will be co-produced by Talent Assoc. from pre-1948 Metro movies, have been bought for co-sponsorship by General Mills & General Time Corp.'s Westclox div. They will be seen monthly beginning in Oct. The network hasn't yet been selected by BBDO, agency for both sponsors.

Educational Television

Sarnoff on ETV: Calling *Continental Classroom* (NBC's college-level course in atomic age physics) "the first time that TV is attacking a major national problem on a direct, sustained and pin-pointed basis," Chmn. Robert W. Sarnoff last week told the N.C. General Assembly in Raleigh that TV is "well on its way to becoming an intrinsic part of this nation's educational system." He added that he did not regard NBC's efforts in the educational field "as a departure by any means from what we have always conceived as our responsibility as broadcasters."

Pointing to the vast number of students who could be reached by great teachers only through the electronic medium, Mr. Sarnoff said: "If Dr. Harvey E. White were to divide his present TV student body into 5 standard college classes a day, teaching them in the usual way would take more than 1300 years!" The program is offered for academic credit in 250 colleges & universities, on 149 stations.

N.Y. state ETV funds have been cut to \$550,000 for 1959-60 by the legislature in Albany, which rejected recommendations by Gov. Nelson A. Rockefeller for increases from last year's \$600,000 (Vol. 15:6). Result: Almost certain curtailments in N.Y. city & upstate TV projects for schools. Originally, the State Education Dept. had asked for \$850,000 to maintain & strengthen the ETV systems. "A terrible blow," said TV coordinator Dr. Maurice U. Ames of the N.Y. city school board. "Most unfortunate," said pres. Alan Willard Brown of the Metropolitan Educational TV Assn. "We will lose our adult program of Russian, plus our teacher-training telecasts," said exec. director James F. MacAndrew of the board of regents ETV project. The cut will require WPIX N.Y. to reduce from its present 7 hours of daily ETV broadcasting to 5. Classroom sets receiving the programs have risen from 300 last Sept. when the service began, to a present 6000, plus unnumbered schools in N.J. and Conn., known to be an additional, free-riding audience.

The traditional letters-to-the-editor dept. has arrived on TV—at educational WTVS (Ch. 56) Detroit, which believes it is the first to introduce the print-media feature in a TV news program. "We feel that many viewers who just sit and watch TV night after night might like the opportunity to talk back," explains U of Detroit Prof. Frederic Hayes, who edits the show.

The 1959 Institute for Education by Radio & TV will hear CBS Pres. Frank Stanton deliver the keynote address at its sessions, May 6-9, at Ohio State U. Among other speakers: producer David Susskind, Comr. Frederick W. Ford, GE equipment sales manager Paul Chamberlain, and, by remote hook-up, Sen. Warren G. Magnuson (D-Wash.).

Live programming from Canada is being re-transmitted by WGBH-FM Boston for 3 days starting April 19, in a precedent-setting arrangement between the station & CBC. The ETV organization's video station, WGBH-TV, will tie in with filmed programs lent by CBC.

"Phenomenally good" ETV results are reported by George Washington U, Washington, which sponsors a 6 a.m. "Classroom 9: Beginning Russian" course on WTOP-TV. Of 70 TV students who appeared on the campus for first tests, 36 rated A, 16 B, 9 C. Only 9 flunked.

National Assn. of Educational Bestrs. has published a new directory of members, dated March 1959, and available from NAEB, 14 Gregory Hall, Urbana, Ill.

Trade Report

APRIL 20, 1959

A SPRINGTIME SNAFU — THE SQUARE-CORNER TUBE: What's flat in the middle, square in the corners and a headache all over? Answer: The 23-in. tube—and most set makers wish it would go away.

This widely-heralded "something new" came just at the wrong time, many set manufacturers agree—but it can't be ignored, and the majority of those with last-minute plans for the new tube are using it with extreme reluctance, for "protection."

"If it had come 6 months sooner or 6 months later the whole industry would have had time to use and adapt it," said the consumer-products chief of a large TV producer. "But as it is, it will just throw an element of confusion into the picture. The configuration is desirable & attractive, but we don't like the extra cost or the idea of going whole hog before it's really been proved out. And it's going to be some time before we can get production quantities. We're sticking with the 21"—and then he added, with a sigh—"but we may drop a couple of 23's in later."

This attitude may be extreme, but it expresses feeling of many top set makers who had already frozen their June lines without the 23-in. tubes—or thought they had. Hardly anybody wants to be quoted, but it now appears likely that majority will be ready to throw in at least one high-end 23-in. twin-panel tube set by fall. Even this is tentative, and if the "new shape" shows signs of falling flat, some of these plans will be gratefully shelved for next year.

We know of only one company willing to state that it will go 100% to the new tube for its 1960 consoles & table models—and that's enthusiast Sylvania, which will show 23-in. line to distributors June 12, pledging July & Aug. delivery. But even Sylvania's tube div. concedes there's been "some difficulty" setting up for production, as with any new tube.

"It's not an easy or cheap tube to make, and there are lots of problems involved," another tube maker told us. "But we'll be ready with enough quantity to have show models in June." Real quantity production isn't expected until July or Aug.—and that's the rub. Mass output of Corning's 23-in. twin-panel bulbs isn't due till June. And one problem bothering tube makers is the difficulty—some call it impossibility—of reclaiming and reprocessing production rejects.

Hesitant set makers worry principally about costs: New tube will cost them \$5 more than present 21-in. 110-degree tubes. When you subtract external safety glass & hardware which aren't needed with new tube (with its own safety glass bonded on), manufacturer's price differential is about \$3.50 or so—translated into \$10-\$20 more at retail. For manufacturers who will be changing over from 90-degree tubes, differential will be considerably more.

Is it different enough to induce public to buy it at this increased price? Guesses vary widely, and, of course, only the test of the marketplace will give answer. So few set makers are willing to be identified on this touchy subject that we present this distillation of more pungent comments without attribution:

(1) "We have the tube, our designers are at work on sets—but: We have no specific plans to use it. We may be forced to use it. Even at this late date, our 1960 line isn't frozen. We may drop it in."

(2) "We wonder if we can extract the cost from consumers. The impact certainly won't be as great as it would have been 4-5 years ago when the public flocked into stores to see what was 'new' in TV. The public now is more concerned with quality & reliability, and that's where our emphasis will be. The new tube actually isn't much of a forward advance or fundamental change, and the public's accustomed to 21-in. sets, bought them by the millions. But honestly, we don't know how we'll move—later. Everybody wonders whether the competitor has the advantage. In the final analysis, it depends on what risks you want to take."

(3) "We're not completely sure yet. We've got a couple of them pencilled into the line—but changes are so rapid that we don't know."

(4) "This tube still must go through a lot of development by set & tube makers before it can be used with confidence. Publicity about it is only doing the industry a disservice. Why disturb the consumer? We think it will be at least a year or a year-&-a-half before we go into it."

The 23-in. sets shown at June markets will be little more than mock-ups, due to extremely limited availability of tubes, even by that time. And one story being told around the industry has it that a major manufacturer, which designed a large 23-in. line early around blueprints for the new tube, had to scrap the dies for the picture mask when sample tubes came in—the dimensions were different.

The 18-in. version of twin-panel tube probably won't be seen in sets this summer at all, although Corning will have bulbs available and tube makers will begin sampling major accounts by end of this month.

Updating our last status report on new tube (Vol. 15:5), it's our informed guess that these manufacturers (some of them reluctantly) will show 23-in. sets with their new lines: Admiral, Hoffman, RCA, Sylvania, Warwick, Zenith. These other set makers may join them or drop in a few 23-in. models in late summer or fall: GE, Motorola, Philco. List is necessarily incomplete, and could change markedly—depending on lots of things, including dealer & consumer reaction when sets are out.

TV-RADIO PRODUCTION: TV set production was 106,691 in week ended April 10 vs. 111,563 in preceding week & 76,954 in same 1958 week, EIA reports. Year's 14th week brought production to 1,496,245 vs. 1,296,939 last year. Radio production was 254,390 (99,188 auto) vs. 263,316 (104,090 auto) in preceding week & 183,461 (61,024 auto) last year. For 14 weeks: 3,849,223 (1,463,216 auto).

TV SALES PICK-UP: Filtering in from retail centers are reports of a marked increase in TV sales in the past few weeks—the late-March-early-April period which traditionally signals the beginning of the seasonal retail drop. If these early reports are true, TV is finally catching up with a trend which began earlier in appliances, radios and other consumer goods, whose retail sales have been showing steady improvement over last year.

TV set manufacturers are playing a numbers game this year, reporting percentage of increases in sales & shipments for first quarter. So many of them have reported sharp increases that it's hard to understand how retail sales for Jan. & Feb. could have been lower than 1958 (Vol. 15:14-15)—unless there was a hefty boom in March.

Added to big percentage gains already reported for Zenith, Motorola & Sylvania (Vol. 15:14) is Admiral's report this week that its first-quarter TV shipments are 37% ahead of last year. RCA, which recently introduced its extremely slim & good-looking "Sportable" TV and new radio lines, says reception for them was so enthusiastic that "it will take 2 or 3 months for us to catch up with orders already in hand." Among smaller makers, Wells-Gardner reports a "general pickup" and Andrea notes "the most significant [TV] sales gains in the history of the company." During the first quarter, Andrea's TV sales were 929 units ahead of the 1958 period and "export sales registered a 100% rise." (Further details on most of these statements will be found in the Financial Reports section.)

Minimum wage hearing for electronic tubes & related products industry under the Walsh-Healey Act will be conducted May 4 in Washington by the Labor Dept.'s Wage & Hour and Public Contracts Divs. Opposing recommendations by labor & management for minimum pay for workers on govt. contracts will be based on a survey last June by the Labor Dept. It showed the median hourly wage then was \$1.70, ranging from \$1.61 from solid-state semiconductor devices to \$1.82 for transmitting, industrial & special purpose tubes.

Sonotone Corp. and American Motors announced a joint development project to study the merits and feasibility of an electric automobile. Electronics manufacturer Sonotone has been producing nickel-cadmium batteries for missiles & jet aircraft.

New Admiral & Hoffman Sets: In honor of its 25th anniversary, being celebrated this month, Admiral is introducing 2 new 17-in. portables, 2 personal transistor clock radios, and 2 portable stereo phonos. And Hoffman is dropping in a new super-duper luxury TV series along with 4 new stereo phonos.

The Admiral Thinman TVs are available in "custom" metal cabinets and in 3 "executive" leatherette versions in variety of colors. The transistor radios are offered in 5- & 8-transistor models. The portable stereo phonos are inter-mix-changer & single-play models.

Hoffman's new TV is the Claremont lowboy with 2 angled speaker systems at opposite ends of the cabinet so that its hi-fi sound system may also be used as a stereo extension unit. An upright companion unit, the Newport, was also introduced. In addition, Hoffman announced 3 new single-cabinet stereo hi fi consoles and the "Stereo Pal" portable stereo phono.

Hoffman has licensed Argentine manufacturer Industrias Plasticas y Electronicas de Cordoba, to build its TV receivers & radios for sale in that country and Uruguay. The licensee is constructing a 21,500-sq.-ft. TV assembly plant in the city of Jesus Maria, to commence production in May. An eventual output of 1000-1500 sets per month is contemplated.

Look for some futuristic surprises in set makers' new lines this summer—a la Philco's separate-screen Predicta models of last year. RCA is believed to have a couple up its sleeve, and would neither confirm nor deny reports that its line would include a power-operated "retractable-screen" set in which the picture-tube assembly disappears into the cabinet when not in use.

IUE strike which has idled the Westinghouse Metuchen, N.J., TV-radio-hi-fi plant since March 25 went into its 5th week. A Superior Court hearing in Trenton stretched into Friday evening, with the company seeking a temporary restraining order against picketing, charging the plant's future was imperilled by union tactics in blocking designers, other companies' salesmen, and its advertising agency from entering.

Hayden Publishing Co., N.Y. (*Electronic Design*), has established a technical book div. Its first volume will be a hard-cover book on micro-miniaturization, to be released April 25.

HOW PUBLIC FEELS ABOUT COLOR: Price is still the biggest barrier to widespread sales of color TV, reports a scientific survey of the greater Philadelphia area by market consultant Karl H. Stein, Temple U asst. professor of marketing. A summary of his findings:

Attitudes toward buying: Of the respondents who did not own TV sets (90%), 44% gave high cost as the reason for not buying. Asked how much they would be willing to pay, they gave responses varying from \$50 to \$400 (lowest-priced color set on the market in Philadelphia at that time was RCA's "Christmas Special" at \$399). The average figure was \$237.50, median \$225, mode \$250.

The second most prevalent reason for not buying was lack of sufficient color programs—cited by 12%. The average respondent stated he would consider buying a color set when there were 29.2 hours per week of color programs; median response was 28 hours (at the time there were approximately 20 hours weekly in the area).

Other reasons for not buying: Waiting for more brands to appear 3.3%. Satisfied with b&w 5.7%. Servicing costs too high 3.1%

Exposure to color TV: Some 73.4% said they had seen color TV. Of these, 30.4% had seen it at homes of friends or relatives; 29.2%, hotels, restaurants & bars; 22%, dealers' showrooms; 10.4%, respondent's own home; 5.5%, appliance exhibits; 2.5%, other locations.

Attitudes toward color: Asked "What did you like about the color programs you have seen?", 37% indicated they were more interesting, 28% more pleasing to the eye, 4% "made you feel part of the show." Aspects of color TV which were disliked: color confusion, 26.5%; difficulty of adjustment, 26.5%; poor color, 23%; fading, 5.7%; excessive brightness, 4.6%; eyestrain 3.5%.

Color set owners: Asked why they bought them, those who owned color sets gave these answers: Replacement for a b&w set, 22%; wanted an additional set 20%; wanted better reproduction, 19.5%; recommended by friends, 13%; saw it advertised, 9%. Color set owners are much more likely to own a large number (more than 3 or 4) of b&w sets than those who don't own color sets.

The preponderance of color-set owners are engaged in higher paid occupations (e.g., 55% have "executive" jobs as compared with 20% of b&w owners), go to the movies more often and do less TV viewing than those who don't own color sets.

Conclusions: "If color TV is to enjoy a market beyond its present acceptance, it apparently should come down in price and be presented in a larger variety of brands & styles to a greater proportion of the potential purchasers . . . This apparently will also require dealer education & motivation, but consumer education & motivation must be pursued with equal vigor . . . Technical improvement in transmission and an increase in the hours of color programming are essential . . . The respondents feel that the technical quality of reception and the ease of achieving it by the typical home user must also be improved . . .

"Boosting color TV in this manner would seem to involve trading down and/or functionalizing b&w TV. The portable is an illustration . . . As a result of [such new] developments, the older & newer products will come to complement each other. At that point, instead of fighting for shares in one competitive market, color and b&w TV will aid each other in developing new and enlarging existing markets." The full analysis is printed in Temple U's March *Economics & Business Bulletin*.

ELECTRONICS SURVEYS STARTED: First govt. surveys ever undertaken to determine production capacities & needs of manufacturers of electronic end equipment and microwave components were launched last week by the electronics div. of the Commerce Dept.'s Business & Defense Services Administration. The survey doesn't cover consumer products.

Acting for the BDSA, the Census Bureau sent out exhaustive questionnaires to 550 electronic end equipment companies and 150 microwave component firms to obtain hitherto-unavailable trade information "essential for defense mobilization planning." The surveys, authorized by the Defense Production Act, are scheduled for completion by June 30. The deadline for answers to the questionnaires is May 15.

"Individual company information will be protected against disclosure of proprietary information, and in accordance with federal security regulations," the BDSA said. "Subject to these limitations, the overall results of the surveys will be available to industry, and will, for the first time, provide reliable information on the volume of business for many electronic products. This will assist the industry in planning & marketing activities."

Up to now the electronics div., headed by Donald S. Parris, has had "only vague procurement information" about military & industrial electronic end products, a spokesman told us. They would be in prime demand if the country goes on a war footing, but little data is on hand to indicate the manufacturers' requirements for such items as steel, aluminum, and manpower. Survey reports also will cover shipments, unfilled orders, inventories, etc.

In all, about 100 non-broadcasting categories are covered in the end-equipment surveys, ranging from radar, sonar, fire controls & missile guidance systems to mobile communications apparatus. About half that many microwave component categories are covered.

The EIA, which has conducted many industry surveys but hasn't attempted to cover some of the questions in the BDSA census, got out a release to its members pointing out that early replies from manufacturers were needed.

Entering FM radio field, General Instrument Corp. has started mass production of a low-cost miniaturized FM tuner for "2 of the leading brand-name set makers." GI makes these claims for the tiny low-cost unit: More sensitive than comparable tuners, it fits into a space slightly bigger than a cigarette pack. It utilizes printed circuit boards, prevents drift with temperature-compensated components. It's available with AFC using a silicon diode.

Davega Stores Corp., 26-store TV-appliance-sporting goods chain, will consolidate with Dilbert Quality Supermarkets (80 stores), subject to stockholder approval. Davega stockholders would receive 56/100ths of a share of Dilbert common for each share of Davega common, and 1-1/20th of common for each share of Davega pfd.

Two lines of picture tubes are now being offered nationally by CBS-Hytron—budget-priced re-manufactured Palomar and premium Silver-Vision. Hytron thus follows RCA in national distribution of a dual line, although it claims a "first," having test-marketed the program for more than a year on the West Coast.

Philips Electrical Ltd., Great Britain, has acquired control of TV-radio manufacturer A. C. Cossor Ltd., together with the right to use the Cossor trademark in all countries except Pakistan & Canada.

Trade Personals: Irving G. Rosenberg resigns April 30 as v.p., Du Mont TV & Radio Corp. subsidiary of Emerson. He occupied various executive posts with Du Mont Labs since 1941 until the absorption of Du Mont's consumer business by Emerson last year . . . Oscar Lasdon, N.Y. financial consultant, and Robert A. Maes, exec. v.p. & a dir., Donner Foundation of Philadelphia, elected to Du Mont Labs board. Robert W. Norcross promoted from Du Mont asst. treas. to treas. . . Gene K. Beare, pres. of Automatic Electric International, a subsidiary of General Telephone & Electronics, named also pres. of Sylvania International, a new post. Richard C. Tonner named manufacturing superintendent, Sylvania semiconductor plant, Woburn, Mass. . . George W. Griffin Jr., former Sylvania p.r. v.p., elected p.r. v.p., General Telephone & Electronics Corp. George P. Norton, promoted from p.r. dir. to v.p. in charge of financial & stockholder relations and adv.

W. A. MacDonald, chairman, also becomes pres., Hazeltine Corp., succeeding Philip F. LaFollette, who has resigned chairmanship but continues as a director & special consultant . . . Harry A. Ehle, prominent electronics industry figure who was exec. v.p. of International Resistance Co. until last fall, has resigned as a director of Auerbach Electronics Corp., Narberth, Pa., and plans to move to the Virgin Islands where he will be affiliated with a non-electronics business concern . . . John A. Mayberry, ex-Sylvania, named merchandising mgr. for dealer products, CBS-Hytron . . . John M. Haley named mgr. of customer service, Sylvania picture tube operations, replacing J. Paul Civitts, who will be mgr. of Sylvania TV picture tube plant in Monterey, Mexico . . . William J. Stolze, mgr. of the technical staff, Stromberg-Carlson electronics div., awarded an Alfred P. Sloan Fellowship in executive development for a year's study at MIT, leading to an MS degree in industrial management.

Earl H. Blaik, Avco v.p., has been appointed by President Eisenhower to a 34-member advisory committee on the arts for the projected National Cultural Center in Washington . . . Joseph A. Haimes appointed administration & controls mgr., distributor products dept., RCA electron tube div. Dr. Robert B. Green, ex-Engelhard Industries, appointed mgr., materials planning, mktg. dept., RCA semiconductor & materials div. . . Albert M. Schlosberg, ex-American Hydrotherm Corp., named gen. mgr., Claremont Tube Corp. . . Robert T. Diehl, ex-Pacific Semiconductors, named planning dir., ITT industrial products div. Douglas J. Upton appointed product mgr., industrial TV div.; Brewster W. Jameson, product mgr., instruments department.

Bertram G. Ryland, ex-GE, named mgr., Raytheon's new Spencer microwave power tube lab, Burlington, Mass., due to open next month. Capt. John N. Boland, USN (Ret.), mgr., Washington office, appointed supervisor, Raytheon's new corporate govt. relations office, Colorado Springs . . . Edward J. Mooney, legal counsel, Dynamics Corp. of America, elected secy. . . William Paul Novack named Packard-Bell manufacturing engineering supervisor.

Arno Nash, ex-International Rectifier Corp., appointed v.p. & gen. mgr., Radio Receptor selenium div., General Instrument Corp. . . Shao C. Feng, ex-Remington Rand Univac, named product planning mgr., Silicon Transistor Corp. . . Andreas Kramer appointed chief engineer, Audiotape Corp. & Audio Manufacturing Corp., subsidiaries of Audio Devices Inc., N.Y. . . Rene Snepvangers named engineering dir.; George Cohen appointed mktg. mgr., Fairchild Recording Corp.

Electronics Personals: Maj. Gen. Ralph T. Nelson, former deputy chief, promoted to Chief Signal Officer to succeed retiring Lt. Gen. James D. O'Connell . . . Richard S. Morse, pres. & founder of National Research Corp., Cambridge, Mass. and recently chairman of the Army scientific advisory panel, appointed Army dir. of research & development.

Roy M. Olson, mgr., Motorola microwave dept., named gen. mgr., military electronics center, Chicago, succeeding William S. Wheeler (Vol. 15:15). Irving Koss, mktg. dir., communications & industrial electronics div., replaces Olson . . . Dause L. Bibby, ex-Daystrom, named exec. v.p., Remington Rand div., Sperry Rand.

Sylvania Home Electronics Corp. is organized from the company's home electronics div. as a wholly-owned marketing subsidiary responsible for styling, merchandising & distribution of Sylvania TV sets, radios & phonos. It will be headed by Robert L. Shaw, gen. marketing mgr. of div., as pres. Sylvania's senior v.p. Marion E. Pettigrew said manufacturing & engineering functions will be retained by the div., operating in close liaison with the new subsidiary which will bring the sales organization "closer to the retail floor where consumer trends start."

Manufacturers excise tax on phonograph records must be paid by owners of master recordings who control production & sale of pressings made from them by other companies, the Internal Revenue Service has ruled (Rev. Rul. 59-113). However, if a company leases a master recording from the owner and makes its own sales of pressings to distributors, it is subject to payment of excise taxes. The company is regarded as the manufacturer even if ownership of a tape from which the master recording is made is held by another firm (Rev. Rul. 59-114).

Misrepresentation of operational range of "New Magic Walkie Talkie," "Radio-Vox" & "Radio Talkie" portable radio equipment is alleged in an FTC complaint against Western Radio Corp., Kearney, Neb. The complaint charges that the firm falsely claimed in newspaper & magazine advertising the devices permitted car-to-car talk "up to 1-10 miles apart" and building-to-building talk "up to ½ mile or more."

True "gutless wonder" TV set is now in use in 4 Paris apartment buildings, where a master TV set for each building feeds "slave" TV units in individual apartments. These units are said to cost about half the price of a complete set. Several U.S. manufacturers & community-antenna operators have experimented with similar slave systems, but there never has been any large-scale production here.

Raytheon subsidiary Apelco (Applied Electronics Co., San Francisco) acquires Webster Mfg. Co., Mill Valley, Cal. producer of radio-telephone antennas for marine use. Founder-pres. T. M. Webster of the Mill Valley firm will continue as gen. mgr. with plant location & personnel unchanged.

"Automatic TV program pre-selector" has been developed by Tokyo's Hayakawa Electric Co. to be marketed in Japan for about \$53. It permits a viewer to set his viewing schedule in advance for a 12-hour period. The pre-selector changes channels for him.

Low-noise TV amplifier for Ch. 2-6 has been introduced by Adler Electronics for pole, rack or chassis mounting. Designated VCA-1, it is claimed to provide a minimum gain of 40 db, with only 3-db noise on Ch. 6.

Distributor Notes: Ernest F. Tonsmeire, former distribution cost control mgr., Sylvania Home Electronics, named controller, Victor H. Meyer Distributors, a Sylvania Sales Corp. div. . . Admiral appoints Osborne & Dermody, Reno, for the full line in northeastern California & western Nevada . . . Hoffman Electronics appoints Hassco, Denver, for consumer products in Colorado and parts of Nebraska & Wyoming . . . Olympic appoints Williamson Supply Co., Williamson, W. Va. for southwest Virginia & eastern Kentucky; Buchanan-Williamson Supply Co., Grundy, Va., for 5 Virginia counties.

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Servicing of color sets represents 25.6% of RCA Service Co.'s contract income, although only 12.3% of the sets under contract to the company are color. So said RCA Service Co. pres. D. H. Kunzman in April 19 address to Pa. Federation of Radio-TV Servicemen's Associations. Pointing to higher income from color TV servicing, he urged technicians to "get into color *now* in a big way." He said RCA Service Co. is now servicing less than half of the color sets in use "and we expect our share of the market to grow even smaller" as more independents get into the business. He saw color TV as the only hope for revitalizing TV set sales and consequently boosting service income.

ITT Communication Systems Inc. has been formed to handle ITT's role in improvement & modernization of AirCom, or 480-L, the Air Force's world-wide communications complex. ITT's new unit is senior member of a 4-company team, with RCA as principal associate, and Hoffman Electronics Corp. and Hughes Aircraft Co. as principal subcontractors. Communication Systems will have headquarters in Paramus, N.J., and be headed by Ellery W. Stone. A week ago (Vol. 15:15), Philco Corp. won a contract for \$18,715,000, for the first phase of Project Quick Fix, an interim 480-L modernization program.

Buying Index of Distributors (BID) is a new EIA service for manufacturers who sell through electronic parts & sound distributors. As organized by EIA's distributor relations committee under pres. J. A. Milling of Howard W. Sams & Co., BID will give manufacturers a semi-annual county-by-county barometer of overall sales, sales by product, marketing indices by class of business. Copies of a booklet describing the service are available from the EIA marketing data dept., 1721 DeSales St. NW, Washington, D.C.

Often-maligned TV servicemen may get some professional help from EIA's service committee in techniques of customer relations, merchandising and expense controls. Under a plan outlined by committee chairman Kenneth H. Brown, Westinghouse TV-radio div. service mgr., material in non-technical phases of the service business will be supplied by EIA members and distributed to all interested servicemen, who already are supplied with technical information about products.

Bell Labs will build \$20 million lab at Holmdel, N.J., to meet the expanding need for communications research, AT&T pres. Frederick R. Kappel told 12,000 people gathered in Kingsbridge Armory in the Bronx April 15 at the world's largest stockholders' meeting. He said the new facility will provide work space for 1500 people and occupancy will begin late in 1961. Bell Labs now employs nearly 11,000 people in 18 locations.

Matched audio output tubes for hi-fi push-pull amplifiers are now being marketed by CBS-Hytron in packages of 2. Types included are 6BQ5, 6V6GT, 5881 & 6550.

Finance

CBS ELECTRONICS FORMED: CBS-Hytron becomes CBS Electronics on July 1, and a \$5 million expansion program will go into effect, including a new 160,000-square-ft. manufacturing plant for semiconductors. Announcement of the latest CBS expansion in the electronics field came from Dr. Frank Stanton, pres., at the annual stockholders' meeting in N.Y. April 15.

Dr. Stanton predicted a bright future for CBS' new division (which also moves into the phonograph field with the launching of new lines in June, manufacturing Columbia phonos formerly made to order by outside companies) and for the electronics industry, which he predicted would grow from annual sales of a little less than \$13 billion in 1958 to well over \$26 billion in 1968. Other highlights of his report:

TV network: Scored "higher earnings in the first quarter of 1959 than in the first quarter of 1958." The public now "spends 18% more time watching CBS-TV programs than those of its nearest competitor."

Stations division: "Each of our stations is number one in its market in sales and, with the exception of WCAU Philadelphia which we took over only 6 months ago, is first in audience popularity."

Overseas activity: "To facilitate our expanding foreign operations" CBS has established 2 overseas branches, CBS Europe in Zurich & CBS Ltd. in London. And some 500 overseas TV stations "from Hamburg to Hong Kong" are providing "great possibilities" for export sales of CBS-represented film shows.

CBS Radio division: Was "also profitable in 1958 and will be so again in 1959," mostly from the network's 7 o&o outlets. The network's "program consolidation plan" has resulted in a 29% increase in the CBS network radio audience in 1959.

Columbia Records division: Earnings & sales "substantially ahead of the first quarter of 1958"; stereo record sales moving well; and the Columbia LP record club listing over a million members were given as reasons "to be very optimistic."

CBS Labs: Showed "a modest profit" last year, and expects to earn more this year. It is now involved in "many interesting & significant projects."

As usual at CBS stockholder gatherings, minority holders—notably Wilma Soss, as well as singer Gloria Parker and music publisher Barney Young—provided a running sideshow of semi-relevant questions, finally prompting chairman William S. Paley to term the Parker-Young performance "a program of harassment, not in the interests of CBS."

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Philco 4¼% convertible subordinated debentures totaling \$22 million were put on the market last week by a group headed by Smith, Barney & Co. The debentures are due in 1948 at par and accrued interest. On or before April 15, 1969, they are convertible into common at \$33⅓ a share, or after that date at \$40 a share.

Sylvania pres. Robert E. Lewis said he expects the General Telephone subsidiary to have 1959 sales totaling more than \$400 million, vs. \$333.2 million in 1958. He added: "Earnings ought to be appreciably better than in 1958."

Microwave Assoc. will split its stock 2-for-1, effective as of May 1.

Dominion Electrohome Industries Ltd., large Canadian TV-radio-appliance manufacturer, reports a steep increase in profit and an all-time sales high for 1958. The company is issuing 12,101 new common shares to stockholders for \$25 each on the basis of one additional share for each 10 held. At the April 29 annual meeting, directors will propose a 3-for-1 stock split. A prospectus by Dominion Securities Ltd., Toronto, states that the company's dollar volume represents about 11% of the Canadian TV set market and 9-10% of the portable & table-model radio market. Dominion Electrohome is currently test-marketing its hi fi in the U.S. through Campbell's Music Store in Washington and plans further exports to U.S. For the year ended Dec. 31:

	1958	1957
Sales	\$15,421,250	\$14,537,238
Net earnings	551,957	319,719

GE's first-quarter earnings were 7% higher than the same 1958 period and, except for first-quarter 1957, were the highest initial-period profits in the company's history. Sales were up 1%. Chairman Ralph J. Cordiner reported that GE's defense business was continuing at a high level, partly because of the increased proportion of electronic & electrical content in military equipment. He predicted a continued improvement. For 3 months ended March 31:

	1959	1958
Sales	\$976,568,000	\$964,966,000
Net earnings	52,778,000	49,184,000
Earned per common share	60¢	56¢
Average common shares .	87,681,422	87,396,796

Cohu Electronics reports a profit for first quarter 1959 after operating at a loss for 1958. The report for the year ended Dec. 31:

	1958	1957
Sales	\$5,628,698	\$5,428,093
Net income (loss in 1958)	(1,623,987)	190,077
For 3 months to March 31:	1959	1958
Sales	\$2,126,000	\$1,005,000
Net income	180,000	not avbl.

American Electronics, after a \$2 million loss in 1958, moved into the profit column for the first quarter of 1959. The report for the year ended Dec. 31:

	1958	1957
Sales	\$17,396,064	\$17,908,135
Net profit (loss in 1958) ..	(2,285,826)	603,650
For 3 months to March 31:	1959	1958
Sales	\$ 4,500,000	\$ 4,497,695
Net income	100,000	13,669

P. R. Mallory & Co. reports first-quarter earnings more than double 1958's comparable figure, and sales up 25%. For 3 months ended March 31:

	1959	1958
Net sales	\$20,511,471	\$16,147,142
Net income	978,518	434,721
Earned per share	66¢	27¢

Raytheon reports a sharp upturn in sales & earnings in 1959's first quarter. For 3 months ended March 31:

	1959	1958
Sales	\$109,155,000	\$80,393,000
Net earnings	2,293,000	1,734,000
Earned per share	71¢	58¢
Shares outstanding	3,215,099	2,981,789

Admiral's Improvement: Admiral stockholders were given a bright picture of sales & profits in the first 1959 quarter by pres. Ross D. Siragusa at the annual meeting in Chicago. Adding that "profitable" earnings figures would be released shortly, he held to an earlier prediction that the year would yield 2½ to 3 times better than 1958. (In the first quarter of 1958, the company suffered a net loss of \$91,977, but the year ended with earnings of \$1,375,017).

Admiral's TV set shipments were up 37% compared to the 1958 quarter, although other set makers generally underwent a sales decline, Siragusa asserted. Radio and stereo hi fi increased 55% in shipments, and appliances, excluding air conditioners, increased 20%. Conditioners will improve this quarter, Siragusa forecast.

He repeated his concern over imported Japanese radios (Vol. 15:13), noting that Nipponese manufacturers are predicting a 30% to 60% increase for 1959—over the estimated 2 million shipped in last year.

Wells-Gardner's first-quarter earnings rose to about 16¢ a share from 14¢ during the 1958 period, according to treas. W. V. Bennett, who credited the improvement to a pickup in TV-radio sales, particularly by mail-order houses for whom the company makes sets. He said sales to April 3 totaled about \$5 million vs. \$3,234,000 in the same period last year, and the backlog of unfilled orders rose to \$6,076,000 from \$3,686,000 a year ago.

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Common Stock Dividends

Corporation	Amt.	Payable	Stk. of record
AB-PT	\$0.25	Jun. 15	May 22
Avco Corp. ....	.10	May 20	May 1
Dom. Electrohome (Can.)	.30	May 22	May 7
Electr. Investment Corp.	.03	May 20	May 1
Gen. Tel. & Electronics ..	.50	Jun. 30	May 19
Magnavox .....	.37½	Jun. 15	May 25

Paramount Pictures Corp.'s consolidated net earnings from operations for the year 1958 show a drop, according to a preliminary estimate by the company. Earnings were 20¢ less, on fewer shares, than in 1957. Total consolidated income is greater, and includes \$7,987,000 of "special items" after taxes, derived principally as profit on disposal of old feature films to TV.

The total consolidated income for 1957, noted below, is remainder after reduction of \$642,000, representing adjustment of investment in an affiliated company. No breakdown has been given for KTLA or other TV activities. For year ended Dec. 31:

	1958	1957
Consolidated income	\$12,554,000	\$4,783,000
Cons. net earnings	4,567,000	5,425,000
Earned per share	\$2.60	\$2.80
Shares outstanding	1,755,888	1,939,716
For 13 wks. ended Dec. 31:		
Consolidated net earnings	\$760,000	\$1,188,000
Earned per share	43¢	61¢
Shares outstanding	1,755,888	1,939,716

Storer Bestg. Co. reports a 36% increase in net earnings for first quarter 1959, as compared with the 1958 period. The 1959 quarter includes results of operations of WITI-TV Milwaukee, acquired in Dec. 1958. For 3 months ended March 31:

	1959	1958
Net earnings	\$1,024,183	\$ 751,204
Earned per share	41.4¢	30.4¢
Shares outstanding	2,474,750	2,474,750

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Officers-&Directors stock transactions as reported to the SEC for March:

Admiral. Carl E. Lantz exercised option to buy 3600, holds 3600.
American Bosch Arma. F. Wm. Harder bought 1500, holds 10,000.
AB-PT. James G. Riddell bought 1000, holds 1980.
AT&T. E. Hornsby Wasson acquired 16, holds 162.
Ampex. James E. Brown bought 100, holds 225.
Amphenol-Borg. B. C. Booth exercised option to buy 1034, holds 1300. Harold R. Egenes exercised option to buy 800, holds 1333. Lester M. Grether exercised option to buy 1000, holds 1000.
Arvin Industries. Orphie R. Bridges sold 600, holds none.
Belock Instrument. Jack J. Fischer sold 1000, holds 35,326.
CBS Inc. Louis G. Cowan bought 721, holds 1648.
Columbia Pictures. Charles Schwartz sold 1200 through partnership, holds 10,442 in partnership, 76,287 in Fico Corp., none personally.
Electronics Corp. of America. Robert H. Montgomery sold 300, holds none. John F. Power bought 500, holds 1000. John F. Rich sold 500, holds none.
Emerson. Dorman D. Israel sold 1418, holds 4510.
Filmways. John B. Poor sold 4300, holds 8020.
GE. Ralph J. Cordiner bought 4500, holds 16,130. Wm. Rogers Herod sold 500, holds 7976. Robert Paxton sold 3225, holds 13,277. C. K. Rieger sold 1725, holds 4334. Harold A. Strickland exercised option to buy 2000, holds 2846.
Globe-Union. Ralph W. Conway bought 200, holds 1400.
Guild Films. C. W. Alden Jr. bought 50,000 from issuer, holds 50,000. John J. Cole bought 4000, pledged 34,000 as collateral for loan which were sold by lenders because of inability to meet margin calls, holds none. Gerald Dickler bought 10,000 from issuer, holds 10,000.
Indiana Steel Products. A. J. Astrologos sold 800 through joint tenancy, holds 50 in joint tenancy, none personally.
International Resistance. C. D. Vannoy sold 400, holds 20.
ITT. Charles D. Hilles Jr. bought 8000, holds 11,232. Robert McKinney bought 1400, holds 23,400 personally, 3000 in trust.
Litton Industries. David Ingalls sold 3000, holds 3153. Charles B. Thorton disposed of 184 through partnership through exercise of option by employes, holds 12,530 in partnership, 126,330 personally.
P. R. Mallory. F. E. Head sold 100, holds 800.
National Theatres. E. C. Rhoden sold 9650 through Precision Holding Co., holds none in Precision Holding Co., 1325 in Boot Hill Investment Co., 6000 in Rhoden Investment Co., 26,800 personally.
Paramount Pictures. Louis A. Novins acquired 2291 through exchange of 27,500 Telemeter Corp. shares bought through exercise of option, holds 2291.
RCA. Charles R. Denny acquired 188 through incentive plan, holds 1018.
Raytheon. Ray C. Ellis sold 100, holds 2341. Ivan A. Getting sold 2500, holds 243. Paul F. Hannah exercised option to buy 1346, holds 2765. David R. Hull exercised option to buy 450, holds 4000. Stanley P. Lovell bought 337, holds 500.
Skiatron Electronics & TV. Frank V. Quigley sold 100, holds 435. Kurt Widder sold 2500, holds 4000.
Storer. Abiah A. Church bought 100, holds 213.
Sylvania. Bennett S. Ellefson exercised option to buy 1063, holds 1282. Colman H. Pilcher bought 114, transferred 54, holds 374. A. L. B. Richardson exercised option to buy 1000, holds 1710. Howard L. Richardson exercised option to buy 1056, holds 1993.
TelePrompTer. Walter Hirshon sold 5000, holds 1000.
Texas Instruments. S. T. Harris sold 370 through trust, holds 370 in trust, 17,904 personally.
Trans-Lux. Harry Brandt bought 1200, sold 100 through Harry Brandt Foundation, holds 168,300 personally, 17,380 in Harry Brandt Foundation, 17,600 for wife, 200 in Bilpam Corp., 1000 in Brapick Corp., 1000 in Marathon Pictures Corp., 13,450 in Gusti Brandt Foundation. Richard Brandt bought 1000 as custodian, holds 1054 as custodian, 10,850 personally.
20th Century-Fox. Robert Lehman sold 200, holds 23,600.
Westinghouse. Bruce D. Henderson exercised option to buy 300, holds 1118. James H. Jewell sold 1000, holds none. W. Watts Smith exercised option to buy 2000, holds 2015. Tom Turner exercised option to buy 200, holds 2325.

Loew's Inc., recently split from theater-owning Loew's Theatres Inc., will change its name to Metro-Goldwyn-Mayer Corp., subject to stockholder approval, pres. Joseph R. Vogel announced. He said the firm had consolidated net income of \$5,749,00 (\$1.08 a share) for 28 weeks ended March 12—preceding the split-up of the 2 companies—as compared with \$509,000 (10¢) for the comparable 1958 period. For the 1959 period, the present Loew's Inc. contributed \$4,798,000, Loew's Theatres \$951,000.

Hazeltine Corp. directors proposed a 2-for-1 stock split subject to approval by stockholders meeting June 10. The split shares would be distributed about July 1 to holders of record June 22. The proposal would increase authorized common to 3 million from the present 1.5 million, of which about 749,000 are currently outstanding.

WEEKLY **Television Digest**

APRIL 27, 1959

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APR 27 1959

VOL. 15: No. 17

The authoritative newsletter for executives of TV and associated radio and electronics arts & industries**SUMMARY-INDEX OF WEEK'S NEWS**

WITH THIS ISSUE: 2 Special Supplements—Full texts of FCC's (1) Allocations Proposals to Congress, and (2) Proposed Rule-Making on Option Time

FCC

FCC ALLOCATIONS PHILOSOPHY—The full story outlined in statement to Senate Commerce Committee. Analysis of alternatives (p. 1 & Special Supplement).

MIXED FEELINGS ON OPTION-TIME PROPOSAL expected from affiliates, as FCC starts rule-making to give stations more "freedom" (p. 3 & Special Supplement).

LACK-OF-PROGRESS REPORT ON PAY TV given by promoters. Zenith, Skiatron, Telemeter, Teleglobe, WSES won't say when—or if—they'll seek FCC tests (p. 4).

MACK LOSES SOME POINTS IN MIAMI CH. 10 conspiracy trial. Judge rejects his pleas that Govt. hire psychiatric help and subpoena White House witnesses (p. 4).

Programming

OUR REPORT ON SPECIALS. Four page listing of the big shows scheduled or proposed (pp. 3 & 8).

Networks

REPS RAP REPPING IN COMMENTS supporting FCC proposal to ban networks from spot sales business. SRA cites unfair competition, "conflict of interest" (p. 5).

NETWORKS SET NEW RATE POLICIES in special spring rate cards. ABC-TV raises minimum-buy to \$80,000. CBS-TV revamps discount structure, boosts EMP lineup (p. 6).

Manufacturing & Distribution

NEXT FROM JAPAN: Transistor tape recorders, battery operated phonos this year, transistor TV in 1960 or 1961. Past & future pattern of electronic imports (p. 19).

INDUSTRY UNCONCERNED ABOUT "SET CONTROL" law proposed to Congress by FCC. EIA, unable to arouse any reaction last month, will bring question up at May convention (p. 20).

Stations

NEW & UPCOMING STATIONS: Debut of independent KPLR-TV (Ch. 11) St. Louis, educational in Des Moines and satellite in Champaign, Ill. looks like year's bumper crop of new outlets (p. 12).

SUMMER TIME TABLE FOR TV CITIES shows time observed by each TV location & date each will change back to standard time (p. 13).

Advertising

ANA COMPLETES AD STUDY of major proportions with release of 418-page report on evaluation of advertising effectiveness (p. 15).

Other Departments

EDUCATIONAL TV (p. 7). **FILM & TAPE** (p. 17). **FINANCE** (p. 23).

FCC ALLOCATIONS PHILOSOPHY—THE FULL STORY: FCC's statement of its TV allocations policy & plans, released by Senate Commerce Committee last week, is such a significant document that we've reprinted it in full as a Special Supplement herewith. It's the result of the most concentrated & serious effort on part of Commission on any subject in recent years—and we urge you to read it carefully and keep it on hand for continuous reference in critical months to come.

Statement embodies conclusions already reported (Vol. 15:15-16), but to recapitulate, FCC plans to:

(1) Seek the "ideal" long-range (perhaps 10-year) solution—acquisition of 38 more vhf channels from other services, principally military, to provide a 50-channel system giving minimum of 5 vhf channels to each major market.

(2) Provide "interim" relief by adding Ch. 2-13 stations in certain "critical" markets—cutting co-channel separations where necessary.

(3) Ask Congress to prohibit interstate shipment of receivers that can't get all TV channels, old & new, when final decision on allocations is made.

Commission does thorough job of presenting its reasons for the foregoing and it elaborates on each allocation solution studied:

- (1) 50-channel vhf system including present 12.
- (2) 50-channel vhf starting at Ch. 7, dropping Ch. 2-6.
- (3) 25-channel vhf starting at Ch. 7, dropping Ch. 2-6.
- (4) Present setup—12 vhf, 70 uhf channels.
- (5) 70-channel all-uhf.

"Within the next few months," FCC hopes to find out whether it can get more vhf from other sources. Meanwhile, it's determined to go ahead with the "interim" vhf drop-in concept.

Identity of cities intended for vhf drop-ins is the most eagerly awaited factor in the picture—the immediate dollars-&-cents question. However, Commission is by no means sure which cities will be picked. All it says in statement is this:

"Among 103 top TV markets there are 36 with less than 3 vhf or 3 uhf stations now in operation or anticipated. Many of these are numbered among the nation's largest population centers, such as Hartford-New Haven, Grand Rapids-Kalamazoo, Birmingham, Providence, Dayton, Toledo, Syracuse and Rochester." But we're informed that "there's no magic in the figure 36" and that Commission may need several weeks to come up with specific drop-in cities.

Sen. Magnuson (D-Wash.), chairman of Commerce Committee, hadn't studied FCC statement, offered no comment. But his House counterpart, Rep. Harris (D-Ark.) was quick to throw cold water on at least part of FCC's proposals. He said that 25 channels, rather than 50, are probably enough and the Congress shouldn't force receiver makers to produce only all-channel sets. He has his own spectrum study in the works, has been dickering with White House in effort to get military to give him data on secret military uses of spectrum space. He has also been trying to find top-grade man to head investigation.

Harris can probably kill a set-control bill if he chooses but he may not have much to say if FCC & military work out a spectrum exchange. Nor is he likely to figure importantly if Commission orders vhf drop-ins—something entirely within its control.

Though Magnuson hasn't said anything, it's quite likely he'd go along with drop-ins, at least. His committee has urged that course, and as recently as Jan. 12 (Vol. 15:2) his special counsel Kenneth Cox re-endorsed the technique in his report on small-town TV problems.

Assn. of Maximum Service Telecasters, currently the strongest opponent of vhf mileage cuts, was quick to react, and called special board meeting in Washington for April 25-26.

Manufacturers don't seem too worried about FCC's set-control proposal (see p. 20), though Commission suggests not only that they be required by law to produce all-channel sets but that FCC be empowered "to set reasonable standards in the public interest with reference to the quality of the receivers."

Senate hearings on allocations aren't likely to start before late May—because committee has very heavy agenda and because FCC Chairman Doerfer leaves for International Conference on Telephone & Telegraph in Tokyo April 30, returns May 17.

FCC'S BURST OF ACTIVITY—THE BACKGROUND: There's a reason for FCC's current flood of major decisions—TV allocations policy, network regulation, boosters, CATV, AM application processing, suggested legislation, etc. It stems from a marked increase in Commissioners' willingness to give & take, to compromise, to present a strong front, to squelch criticism of Commission stalling.

We don't know why this spirit of "accommodation" has developed at this time. But it's there and it produces decisions. We do know that Sen. Pastore (D-R.I.), chairman of Commerce Committee communications subcommittee, last year said something that has stuck in Commissioners' minds. In hearings on allocations problems, the excitable little Senator exclaimed: "Don't you people ever compromise on anything? If we didn't compromise up here we'd never get anything done."

Anyway, there's action nowadays. In the process, FCC is making both friends & enemies—but it's losing its reputation for sitting on problems.

MIXED FEELINGS ON OPTION-TIME PROPOSAL: FCC poses a dilemma for network affiliates in its new proposed rules to cut into networks' option-time programming, issued last week along lines planned (Vol. 15:15). While new rules offer enticing prospect for more station-sold time in prime hours, they also offer threat of generally eroding the vital network service.

In testimony to FCC (Vol. 14:16), special affiliate groups fought vigorously to preserve option time, but some affiliates may now find the new revenue potential difficult to resist. It's presumed that networks will again insist that cuts in option time will jeopardize networks' programming, while reps and independents will applaud Commission move.

Full text of Commission's proposal, included herewith as a Special Supplement, spells out precisely what is intended and why. But, to summarize, FCC says proposals "are designed to improve the competitive position of other groups affected by option time, and the freedom of program selection of a station under its affiliation contract, while maintaining the essential features of the option practice which the Commission has held to be reasonably necessary to the successful conduct of network operations and in the public interest." Commission requests parties to file comments by June 22 on following specific changes:

(1) Cut option time from 3 to 2½ hours for each of the 4 segments of the day.

(2) Prevent "straddle" programs from having the effect of extending network programming into non-option-time periods.

(3) Provide more flexibility to the advance notice a network must give affiliates to exercise its option. Present minimum is 8 weeks; under proposal, it would be 4-13 weeks, depending on circumstances.

(4) Give stations right to reject network programs "already contracted for" in addition to those only "offered."

(5) Broaden stations' right to substitute programs "of greater local or national importance" for network programs.

Commission also invites comments on radio option time—a subject which it hasn't studied yet. Decision was made by fairly good-sized majority. Only Comr. Hyde dissented completely, while Comr. Craven dissented in part and Comr. Ford concurred expressing concern about legal problems involved.

OUR REPORT ON SPECIALS: As many as 175-200 shows in the "special" category will be poured into America's living rooms before next spring, our own checkup of all major program sources indicates. Sales rivalry among networks & independent packagers concerning specials during current spring season is at a peak, with network & program salesmen armed with the longest list to date of special attractions. We have put the list together for you, starting on p. 8.

Gross talent cost total may top \$40-\$45 million on available specials, talent merchants tell us. Once, a show that cost \$100,000 for talent was considered a major deal. Today, shows with price tags of \$200,000 & up are common, with several soaring into \$500,000 class.

Everybody's in the act among the networks on specials. NBC-TV, which is talking unofficially of "100 specials this season," is likely to have the season's longest list. CBS-TV is expected to run at about half that total, with ABC-TV carrying remainder.

Most striking gain in special shows is at ABC. This season, the network aired only 2 that really matched general industry conception of specials: Minnesota Mining's Art Carney Meets "Peter & The Wolf" and "The Sorcerer's Apprentice," and Oldsmobile's two 60-min. shows with Bing Crosby. Next season, ABC is planning at least 12, and expects another dozen when current program plans jell.

Sponsors have a wide choice of specials for upcoming season. There are adaptations of musicals, such as CBS-TV's "Babes In Arms," Desilu's "Song of Norway," Paul Gregory's "Viva" (but not before 1960), MCA's "Happy Hunting" and "Oh, Captain," and William Morris' "Babes In Toyland." There is a boom in the "An Evening With . . ." format, with names like Debbie Reynolds, Judy Holliday, Sammy Davis Jr., Doris Day, Jimmie Durante, Ray Bolger, Herb Shriner and TV-holdout Marlene Dietrich being discussed. There are revues, straight plays, and even musical science-fiction.

Packager production of special shows is broadening, our checkup finds. When the trend started—with NBC's "spectaculars" a few seasons back—creation was confined primarily to networks and a few package houses close to the nets. Now, telefilm companies like NTA, Screen Gems and ITC are mapping specials, as are smaller talent agencies and independent producers like George Gruskin & Martin Manulis.

Biggest single sponsor order for specials is from Ford, which has booked 39 shows (including repeats) from MCA and will air it on NBC for total cost (time & talent) of more than \$15 million. Other heavyweight orders: Pontiac's \$4 million schedule of 8 specials, General Mills-Westclox lineup of 7 taped adaptations of MGM properties, which may top \$2.5 million in talent costs.

LACK-OF-PROGRESS REPORT ON PAY TV: Unless they have some well-concealed surprises up their sleeves, promoters of pay TV were playing it quiet last week—one month after FCC's 3rd report (March 23) inviting them to apply for one system-per-market tests to prove feasibility of subscription TV programming (Vol. 15:13).

We called pay-TV roll. Found promoters present & accounted for. We also found them non-committal and/or secretive—as usual—about what they may have in mind for waiting FCC & public. None would say when he'd make move to show what he could do to bring on new era for TV. Only one would go so far as to designate his testing-ground choice in event he does proceed to ask FCC to authorize demonstration. Here's what tight-lipped, close-to-chest promoters told us:

Zenith's Pieter E. vanBeek (Phonevision asst. to pres. Hugh Robertson): "We have taken a look at this 3rd report of the FCC. Our people are still studying it. When we reach a decision, I am sure there will be an announcement, but I can't comment on that now."

Teco's S. I. Marks (pres. of Zenith's Phonevision promotion auxiliary): "Still under study. No report. That's all now."

Skiatron's Matthew Fox: "We'd rather not comment on anything. I don't want to be rude, but we don't want to discuss it. Until we're ready to announce our plans, we don't want to talk about them."

International Telemeter's Louis A. Novins: "We're still in the process of analyzing the situation. I have no other comment besides that."

Teleglobe's Solomon Sagall: "Negotiations have been in progress. There is a lot of preparatory work. I think before long you will find that despite all the FCC restrictions & Congressman Harris [who leads House opposition to pay TV as Commerce Committee chairman], there will be some developments."

Philadelphia Bcstg. Co. (spokesman for WSES, holder of Ch. 28 CP and lone applicant last year for tests under earlier FCC conditions): "We're working on it. We first proposed Skiatron for Philadelphia, and Philadelphia is where we'll be, but Skiatron is out now. We're huddling with a leading electronics manufacturer about an entirely new system which would be supplied to us—and not on a franchise basis. But there's a good deal to be done before we announce anything, and we aren't saying who the manufacturer is or what kind of system it is."

The FCC

MACK LOSES SOME POINTS: Defense suggestions that a prospective govt. witness needs psychiatric attention—and that the White House forced Richard A. Mack's resignation from the FCC—helped to enliven a dull third week of the Miami Ch. 10 conspiracy trial in Washington's Federal District Court.

Most of last week's trial time was taken up with arguments & counter-arguments on motions by ex-FCC Comr. Mack's counsel Nicholas J. Chase that: (1) A psychiatrist should be employed at govt. expense to examine pres. A. Frank Katzentine of WKAT Miami, loser in a 4-way contest for the Ch. 10 award, in the event the Govt. calls him as a witness against Mack and co-defendant Thurman A. Whiteside. (2) Ex-Presidential asst. Sherman Adams and White House counsel Gerald Morgan should be summoned—also at govt. expense—to say whether they forced Mack to quit FCC.

Blaming Katzentine for starting Mack's troubles after Ch. 10 was lost to National Airlines' WPST-TV, Chase told Judge Burnita S. Matthews that Katzentine "suffers from personality disorders which may affect his reliability & credibility as a witness."

The testimony of Adams & Morgan will be needed, Chase said, to prove that Mack's resignation was forced without a hearing—and that it didn't indicate he had any guilty feelings about his vote for National Airlines.

In the end, Judge Matthews rejected both motions, which were offered by Chase with the explanation that Mack himself can't afford to pay for a psychiatrist's services or to subpoena the White House witnesses. She said Chase's allegations about Katzentine were unsupported, but that he might renew the motion if govt. prosecutor J. Frank Cunningham does call Katzentine to the stand. Cunningham said he didn't think he would. As for the Adams-Morgan motion, "we are not here to go into Mr. Mack's resignation," Judge Matthews said. Whiteside's counsel Richard H. Hunt said he'd subpoena Adams & Morgan anyway—at Whiteside's expense.

The week's slow proceedings otherwise were taken up by testimony about Mack's financial affairs & telephone calls while he was an FCC member. Mrs. Frances Kreeger, his former confidential assistant, identified a \$1600 check which the Govt. claimed was used by Whiteside to help buy Mack's Ch. 10 vote for WPST-TV. Mrs. Myrtle Adams, chief of the FCC audit section, confirmed that 32 calls from Mack's office to Whiteside were logged between July 4, 1955 & Sept. 4, 1957—but she added that he'd settled for his personal calls, "so far as I am concerned."

CATV Systems Defined: FCC has officially defined CATV for the first time, in proposed Communications Act amendments sent to Congress to implement the Commission's decision in the long station-CATV fight (Vol. 15:15-16). According to the FCC, a community antenna TV system is "any facility performing the service of receiving & amplifying the signals transmitting programs broadcast by one or more TV stations and redistributing such programs, by wire, to subscribing members of the public." Excluded from the CATV definition are: "(1) Such facilities which serve fewer than 50 subscribers; (2) Such facilities whose service is limited to one or more apartment dwellings under common ownership, control, or management, and to commercial establishments located on the premises; or (3) Facilities used for the distribution, by wire, of programs for which a charge is imposed generally on all subscribers wherever located, and which are not in the first instance broadcast for reception without charge to all members of the public within the direct range of TV broadcast stations." Other FCC-recommended amendments require CATV systems to obtain redistribution authority from originating stations, authorize standards, etc.

FCC's decisions on boosters & CATV (Vol. 15:16) elicit this reaction from Milton J. Shapp, pres. of Jerrold Electronics Corp., manufacturer of CATV equipment, and a CATV system operator: "(1) The Commission clearly states that in authorizing boosters, no consideration can be taken of economic dislocation to existing TV stations. This raises a spectre of booster 'raids' on every established TV market in the U. S. It should rally the entire TV industry in opposition. (2) The microwave decision certainly cannot be viewed as a victory or defeat for anyone. Certainly it is not a defeat for smaller stations, the vast majority of which welcome the extended coverage provided by CATV systems. (3) The recommendation that fringe area viewers may not view a particular program over a particular CATV system unless permitted to do so by the originating station places an unfair restraint upon fringe area viewers who already are at a geographic disadvantage. How, after all, does the cable system viewer differ from an apartment house dweller in metropolitan areas who receives programming over a master antenna system . . . ?"

Copies of FCC rules & regulations in the new volume form as announced last Oct. by FCC are now available. In loose-leaf form, the first issue combines 4 rule parts in a single volume titled Vol. V, covers Part 9 (Aviation), Part 10 (Public Safety), Part 11 (Industrial) and Part 16 (Land Transportation). Copies are available from the Supt. of Documents, Govt. Printing Office, Washington 25, D.C. Cost of Vol. V, including subsequent changes and amendments, is \$2.50 (\$3.50 foreign). The FCC has discontinued its mailing lists for amendments and changes to the rules contained in Vol. V and such rule parts will no longer be sold individually by GPO.

FCC fact-finding hearings in its 25-890-mc allocations proceedings (Vol. 15:14) will open May 25, with RCA scheduled tentatively to start with 15-min. testimony summarizing its written presentation. Next in order: AT&T, U.S. Independent Telephone Assn., Motorola, Electronic Communications Service, National Mobile Radio System.

FCC last week refused to dismiss with prejudice Ch. 70 translator application in San Jon, N.M. and sustained Commission examiner H. Gifford Irion's initial decision (Vol. 15:13) which recommended denial on grounds that the applicant built the facility without FCC permit.

Networks

REPS RAP NET REPPING: To nobody's surprise, the Station Representatives Assn. last week gave enthusiastic endorsement to the proposed FCC rule-making which would take TV networks (meaning CBS & NBC) out of the business of representing for national spot sales any stations except their o-&o outlets (Vol. 15:5).

Beating the Commission's April 28 deadline for comments by 5 days, SRA said the ban on network repping is needed because: (1) Independent reps suffer "competitive disadvantage" from the practice. (2) "A conflict of interest arises" because networks are much more interested in network sales than in spot.

The 25-page SRA statement argued: "While there are some strong-minded licensees who feel that they can stand up against a request of the networks to act as their national sales representatives, as a general matter the strong bargaining position enjoyed by the networks in the affiliation area makes it difficult for affiliates to reject network requests."

Also: "The networks derive their bulk of revenues from network sales. Although the revenue that comes to the network from the commissions on spot sales is not unwelcome, in the overall picture it plays a small part when measured against the revenues received from network sales. Therefore, the overall objective of the network organization must be to preserve & advance the network sales picture as much as possible . . . a conflict of interest is thus inevitable and whether pressure is applied directly or indirectly, it surely must be felt."

SRA proposed this language for a rule for all but network-owned TV stations: "No license shall be granted to a TV broadcast station which is represented for non-network sales purposes by any person which is a network organization, or which is controlled directly or indirectly by a network organization, or which is under common control with any network organization."

FCC also solicited comments on radio repping by networks (carried on by CBS & NBC but not ABC). SRA urged that a similar rule should be written for radio, that "the conflict of interest that was observed in TV is present even to a greater extent in network radio."

Since the advent of TV, "the tendency has been for network radio to remodel its structure so as to offer an increasingly large number of spot announcements rather than programs for sponsorship," SRA said. "In the process, bargain basement prices have been resorted to. The result has been that many national sponsors who might otherwise have been inclined to utilize national spot radio are attracted to network radio because of the low rates they are offered. Networks frequently sell affiliates' time at rates which are 50% of the lowest rate at which the time of such stations is sold by their own people."

CBS Radio signed WKMJ Dearborn as its Detroit area affiliate—along with 5 other Michigan independents—ending its 23-year association with WJR, which dropped CBS because of its PCP plan (Vol. 14:47). Effective May 24, CBS will affiliate with WKMJ and WKMF Flint, WKHM Jackson, WSWG Saginaw, WHLS Port Huron & WLEW Bad Axe.

To handle network tape repeats for time-zone problems, AT&T has added 9000 channel miles to its TV cable-microwave facilities, at a cost of \$10 million, in the last 2 years. AT&T says it now feeds 632 stations in 414 cities.

NETWORKS SET NEW RATE POLICIES: CBS & NBC now have formalized their "minimum-buy" rates, supplanting the former "must-buy" lists of stations an advertiser must purchase (Vol. 14:49, 15:2). In both cases, the new minimum-buy figures are higher than the total for all the former must-buy stations. ABC, which never had a must-buy list, has raised its minimum-buy rate correspondingly from \$66,000 to \$80,000 in its new Rate Card No. 8, effective this month.

In no case was there an actual rate increase—merely an increase in the dollar volume of network time a sponsor must buy.

NBC-TV's new "Rate Guide, Spring 1959," due next week, again states that "orders in network time are deemed acceptable" if they reach a \$95,000 minimum. NBC-TV's former minimum—based on Class A rates for its old basic network (must-buy) list—was \$84,125.

CBS-TV has raised its "discount threshold." New revision of Rate Card No. 14, effective May 1, raises from 20 to 30 the minimum number of "station-hours" an advertiser must buy per week (in a 26-week or longer period) to draw basic 5% discount. Station-hour is unit of time roughly corresponding to number of stations multiplied by hours (half-hours count as 60% of a station-hour).

Small-scale, short-term deals are discouraged. CBS-TV rate card again states that network has right to cancel, on 60-day notice at end of 26-week cycle, any nighttime order "placed for less than 80% of the then current applicable gross time charges." Daytime cutoff is 75%. CBS's Extended Market Plan stations get a boost in the new card. Total Class A hour rate for all is now listed as \$3245, with top discount for buying the whole list 25%.

In a move designed to boost daytime sales, ABC-TV has established a new combination deal on day-night rates for discounts, which gives the advertiser buying both day & night shows an average 8% discount—up from 6%.

On a related subject, two basic problems cause "error & delay" in handling of network billing, J. Russell Gavin, asst. treas. of ABC-TV, stated to the Rye, N.Y. workshop meeting of Assn. of National Advertisers on April 25. First headache: "Need for closer co-ordination between agency account personnel & network sales service, clearance and accounting departments." Other: "Delays in reporting by network affiliated stations." Network billing problems are far from solved, according to the ABC executive, who candidly told ANA admen that "our network has not as yet successfully met much over 70% of the problems this complex type of billing presents."

RCA Stays Out of NSRC: The National Stereo Radio Committee will have to get along without RCA and CBS. RCA research & engineering v.p. Douglas H. Ewing last week wrote NSRC administrative committee chairman Dr. W. R. G. Baker, explaining, in effect, that FCC's official blessing and EIA's legal interpretation (Vol. 15:12, 14-15) aren't sufficient assurance that the company won't be letting itself in for anti-trust difficulties if it rejoins the industry-wide group.

"After reviewing our position," Ewing's letter said, "we have concluded there is nothing which has been brought to our attention which would lead us to change our original decision. However, should we on further consideration reach a different conclusion, which I think is most unlikely, I shall be in touch with you."

Two weeks ago, CBS—which had never been an NSRC member—decided to stay out (Vol. 15:16).

Network Television Billings

February 1959

(For Jan. report, see TELEVISION DIGEST, Vol. 15:14)

ANOTHER RECORD MONTH: February network TV billings hit an all-time high for that month, TvB reported last week. Gross time charges were \$48.9 million, compared to the \$44.6 million of Feb. 1958—rise of 9.5%.

ABC-TV continued to show the greatest percentage improvement over 1958, a gain of 18.7%, which CBS, with a 7.2% rise, and NBC with 7.5%, were almost neck-and-neck in their rate of increase. The Jan.-Feb. 1959 period went over the \$100-million mark, surpassing the comparative period in 1958 by 7.1%.

	NETWORK TELEVISION					
	Feb. 1959	Feb. 1958	% Change	Jan.-Feb. 1959	Jan.-Feb. 1958	% Change
ABC	\$10,024,460	\$ 8,441,988	+18.7	\$ 20,671,538	\$17,610,597	+17.4
CBS	20,806,220	19,410,741	+ 7.2	42,935,463	41,504,756	+ 3.4
NBC	18,036,964	16,785,315	+ 7.5	37,336,817	35,129,426	+ 6.3
Total	\$48,867,644	\$44,638,044	+ 9.5	\$100,943,823	\$94,244,779	+ 7.1

1959 NETWORK TELEVISION TOTALS, BY MONTHS

	ABC				CBS				NBC				Total			
	Jan.	Feb.	Mar.	Apr.	Jan.	Feb.	Mar.	Apr.	Jan.	Feb.	Mar.	Apr.	Jan.	Feb.	Mar.	Apr.
January	\$10,647,078	\$22,129,248	\$19,299,853	\$52,076,179												
February	10,024,460	20,806,220	18,036,964	\$48,867,644												

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

NETWORK ACTIVITY

ABC-TV

Purchase	Sponsor & Agency
<i>Diamond Head</i> , 60-min. series to debut in fall, Wed. 9-10 P.M.	American Chicle, Carter Products and Whitehall Labs (all through Ted Bates & Co.)
<i>Top Pro Golf</i> sports film series (Mon., 9:30-10:30 P.M.) starting June 8 through Aug. 24.	General Tire & Rubber Co. (D'Arcy Adv.)
Co-sponsorship of <i>Leave It to Beaver</i> , effective July 2, when program moves to 9-9:30 P.M.	5-Day Labs. (Grey Adv.)
<i>Man from Black Hawk</i> , film series to debut Oct. 9 (Fri., 8:30-9 P.M.)	Miles Labs. (Wade) and Reynolds Tobacco (Wm. Esty Co.)
Participations in <i>American Bandstand</i> , eff. July 31, and <i>Jubilee, U.S.A.</i> , eff. Aug. 15.	Polk Miller Products (N. W. Ayer).

CBS-TV

Fifth year renewal of <i>Red Skelton Show</i> (Tues., 9:30-10 P.M.) eff. next fall.	Pet Milk (Gardner) S. C. Johnson (Foote, Cone & Belding), alternates.
Half-hour all-network sponsorship of <i>Playhouse 90</i> effective May 7.	Renault Inc. (Needham, Louis & Brorby).

NBC-TV

Participations in <i>Today</i> and <i>Jack Paar Show</i> , totaling \$2.3 million in gross billings in new and renewal orders.	New orders by: Bristol-Myers (BBDO); Reardon Co. (D'Arcy); Berkshire Knitting Mills (Ogilvy, Benson & Mather); Dow Chemical (MacManus, John & Adams); Diamond Gardner Corp. (Doremus & Co.); Pioneer Industries (Doner & Peck); Wash. State Potato Comm. (Ryan & Son). Renewals by: Alberto-Culver (Wade); Kayser-Roth Corp. (Daniel & Charles); Sandura (Hicks & Greist); Wagner Mfg. (Stone Adv.); Studebaker-Packard (D'Arcy); Niagara Therapy (Geo. Mallis). Sealtest (1/2) (N. W. Ayer) 1/2-sponsorship unassigned.
<i>Bat Masterson</i> (Thurs. 8-8:30 P.M.) eff. next fall.	

Trendex is adding 5 cities to its present list of 20. Reason: the growth of the number of 3-network markets, affording "equal viewing opportunity," and thus a measure of relative program popularity. New cities are Pittsburgh, Peoria, Little Rock, Richmond and Tulsa. First Trendex report (Oct. 1951) used only 10 interconnected markets expanding to 15 in 1955 and 20 in 1958.

Net TV's Top Agencies: During 1958, network TV had 15 prize customers: agencies which billed over \$10 million each in gross network time. Representing only 11% of all network agencies, they nevertheless accounted for 70.5% of total network time sales. Ted Bates rose from 4th place in 1957, to become the largest network TV customer, spending \$52.3 million (gross time) for its clients.

The report extracted by NBC Research from LNA-BAR data, also found that 136 agencies placed 1958's record net TV billings of more than half a billion. The top 8 network agencies accounted for better than half this amount. Young & Rubicam dropped from top spot in 1957 to 3d place. J. Walter Thompson held its No. 2 position.

The report also shows the 1958 total divided thusly among networks: ABC-TV, \$103 million (18.2%). CBS-TV, \$247.8 million (43.7%). NBC-TV, \$215.8 million (38.1%).

The top 15 network TV agencies in 1958 gross time network billings:

	(Add 000)	%
1. Ted Bates & Co., Inc.	\$ 52,331	9.2
2. J. Walter Thompson Co.	49,864	8.8
3. Young & Rubicam, Inc.	49,439	8.7
4. Benton & Bowles, Inc.	36,880	6.5
5. BBDO	35,055	6.2
6. Dancer, Fitzgerald & Sample	32,256	5.7
7. McCann-Erickson Inc.	27,605	4.9
8. Leo Burnett & Co., Inc.	24,873	4.4
9. William Esty Company, Inc.	17,097	3.0
10. Compton Advertising, Inc.	15,117	2.7
11. Kenyon & Eckhardt, Inc.	13,725	2.4
12. Lennen & Newell, Inc.	13,645	2.4
13. Foote Cone & Belding	10,713	1.9
14. Grant Advertising, Inc.	10,623	1.9
15. Parkson Advertising Agency	10,174	1.8
Total Top 15 agencies	\$399,397	70.5
Total Network TV	\$566,590	100.0

ABC-TV Studio Expansion: A "push-button" theater-studio in N.Y., and a new TV services building in Hollywood, are part of ABC-TV's latest building & engineering developments announced by Frank Marx, ABC v.p. in chg. of engineering. The studio, located in the network's W. 66th St. plant, will feature "specially designed seating, walls and ceiling completely mechanized to facilitate rapid removal when the 9,500 sq. ft of space are needed as a studio." Three control booths will be added, as well as transistor dimmers.

The Hollywood building, planned for completion in about 6 months, will provide facilities for building sets, a paint shop and scenery storage. Also in Hollywood, ABC's theater-studio will be remodeled into a permanent theater. Seating will be expanded from 290 to 450 persons, and stage area increased to 65 by 90 ft. A new studio for KABC-TV Los Angeles local shows is also planned, releasing space for origination of live network programs.

The N.Y. & Hollywood studios will also be equipped with special effects amplifiers to "provide more than 100 different electronic effects." Present units produce 35-40.

* * * *

CBS Television City in Hollywood will undergo an expansion program beginning this summer, to add office space for production staffs, says CBS-TV pres. Louis G. Cowan. The building, now consisting of a full first floor and partial 2nd and 3rd floors, will be 4 stories in 2 years.

CBS Foundation has contributed \$100,000 to Lincoln Center for the Performing Arts, planned 12-acre cultural center in Manhattan, to house the N.Y. Philharmonic and Metropolitan Opera. William S. Paley made the gifts.

Educational Television

TV vs. Homework: Pupils in the Mahtomedi, Minn. (pop. 5500) high school spend nearly 4 times as many hours at home watching TV as they do studying their lessons—but few of them ever dial educational KTCA-TV (Ch. 2) Minneapolis-St. Paul. As reported by U of Minn. TV-radio writing instructor Luther Weaver in the *NAEB Journal*, a survey by Mahtomedi Schools supt. O. H. Anderson of 370 students showed that they averaged little more than 5 hours homework weekly but 19 hours at TV sets. Only one said he watched KTCA-TV "regularly" outside of school, 247 said they never did, the rest reported "occasional" viewing. Most popular TV fare for all, from 7th through 12th grade: ABC-TV's *Maverick*. Most avid TV fan was a 7th grader who devoted 60 hours weekly to it. No moralistic conclusions were drawn by supt. Anderson. He merely observed: "There is no question that TV is exerting a powerful influence . . ."

"Mutual assistance pact" between commercial broadcasters & educators to promote classroom use of TV & radio news programs, panel shows, documentaries, drama—"and even comedies"—was proposed last week by NAB broadcast personnel & economics mgr. Charles H. Tower. Addressing a "business education day" luncheon of teachers & businessmen in Portland, Ore., he said educators should spend "less time carping about the alleged shortcomings of radio & TV and more time taking advantage of the teaching materials that commercial broadcasting has to offer." These materials, Tower said, can be "springboards for critical discussion and creative effort" by students.

Stationless U of Michigan produced its 1000th ETV program this month ("Design for Living" in a 10-part series on *The Public Arts*). Michigan began to develop programs for others—its "kinescope network"—in 1954. Since that time, 51 TV stations (in 21 states, Canada and So. America) have shown its filmed programs. This summer the university will conduct courses at its div. of the National Camp at Interlochen, Mich. in composing & arranging music for TV & movies, and in production for TV, radio & theater.

A Pulse-conducted survey of college & high school teachers enrolled in *Continental Classroom*—NBC-TV's 6:30 A.M. college-level course in atomic-age physics (Vol. 15:16)—finds that 97.5% of the students value the course, and 54.2% are planning to change their teaching methods. The teachers liked the close-ups & demonstrations and the lack of usual classroom distractions when learning by TV.

The invisible ETV audience became visible in Sioux City April 4, when 103 of 111 enrolled students showed up to take mid-term exam in sociology—a 16-week course being aired on Saturdays as a public service by commercial KVTU in cooperation with Morningside College. The students had bought a \$6 textbook, and paid the college \$30 tuition for the credit course.

Stereo broadcasts by educational KNME-TV (Ch. 5) Albuquerque in conjunction with KHFM-FM there were authorized for 6 months by the FCC last week. The U of N.M. station will use the facilities Mon. 10:30-11:30 p.m.

Sale of 2 ETV series by CBC has been announced: 26 programs of *The Living Sea* to Australian Broadcasting Commission & 12 programs of *Live & Learn* to National Educational Television network.

Specials for the Networks: Scheduled or Proposed

Figures stated are for talent & production only; they do not include ad agency commissions or time charges.

ABC-TV

Package	Sponsor	Price	Date
Two 60-min. shows starring Dick Clark & guests.	American Machine & Foundry (½) Co-sponsorship available		June 14, July 19, 1959
"Kodak Presents Disneyland" 90-min. (produced on location)	Eastman Kodak		June 15
"Art Carney Meets Peter & The Wolf" (taped repeat)	Minnesota Mining		Nov. 1
"Golden Circle," 60-min. music variety	Oster Mfg.		Nov. 25
60-min. musical with Bil Baird Puppets	Minnesota Mining		Nov. 29
Two 60-min. musicals starring Bing Crosby; Bing Crosby Golf Tournament	Oldsmobile		Not set, but probably fall
Six 60-min. musicals starring Frank Sinatra & guests (planning stage; talent not set)	Open		Not set, but probably fall

CBS-TV

"America Pauses," 60-min. music-variety starring Art Carney, Carol Haney, Marian Anderson	Coca-Cola		May 18
<i>Woman</i> , 60-min. daytime shows with Claudette Colbert as hostess; will pre-empt daytime shows, take summer hiatus, return in fall for 4-5 additional shows	Open	Approx. \$65,000 per show	May 19, others not set
"Jack Benny Hour," musical comedy guest-starring Julie Andrews	Greyhound Bus Corp. and Benrus Watch		May 23
"Billy Budd," 90-min., live adaptation of Melville classic (cast not set) on <i>Show of the Month</i>	du Pont		May 25
"Holiday, USA," 60-min. musical starring Burl Ives	Texaco		June 3
"Cleopatra," 90-min. original by Gore Vidal (cast not set) on <i>Show of the Month</i>	du Pont		Not set
"Babes in Arms," 90-min., live, with Judy Garland-Mickey Rooney team proposed as stars	Open	Over \$300,000	Late summer
"Victor Borge in Copenhagen," 90-min. special to be taped on location in Denmark, starring Victor Borge; details not set (sponsor's package)	Pontiac		Early fall
Two 120-min. shows produced by Leland Hayward, featuring review of 1959 news & entertainment highlights	Open		Dec. or Jan.
"Detective Story," 90-min. adaptation of Kingsley play, starring Ralph Bellamy	Open	Over \$200,000	Not set
"Wonderful Town," 120-min. tape repeat of last season's show starring Rosalind Russell (Screen Gems controls rights)	Open	Approx. \$200,000	Not set
Four 60-min. shows in regular <i>U.S. Steel Hour</i> series; properties & production firm not set, and producer probably will not be Theatre Guild	U.S. Steel Corp.	\$175,000-\$200,000 each	Not set, but probably fall-winter

NBC-TV

"Ah, Wilderness!" 90-min. color adaptation of O'Neill play in <i>Hallmark Hall of Fame</i> series, starring Helen Hayes, Lloyd Nolan, others	Hallmark Greeting Cards		Apr. 28, 1959
"Roll Out the Sky," 60-min. location profile of a circus in <i>Kateidoscope</i> series	Polaroid (½), co-sponsorship available		May 3
"Dean Martin Show," 60-min. with guests	Timex		May 3

Package	Sponsor	Price	Date
"At the Movies," 60-min. comedy-variety starring Sid Caesar, Art Carney, Audrey Meadows, etc.	Rexall Drug		May 3
"Emmy Awards," 90-min. live location pickup of annual awards	Procter & Gamble, and Benrus		May 6
"Why Berlin," news show with Chet Huntley, 60-min., live & film	Bell & Howell		May 8
"HMS Pinafore," starring Cyril Ritchard, 60-min. special in <i>Omnibus</i> series	Open	Approx. \$40,000 per ½ hr.	May 10
"Guide to Modern Europe," news show with David Brinkley, 60-min., live & film in <i>Kaleidoscope</i> series	Open	Approx. \$70,000	May 17
"Bob Hope Show," 60-min. film, starring Bob Hope & guests	Buick div. of Gen. Motors		May 15
"Now & 10 Years from Now," 60-min. live & film	Avco Mfg.		May 24
"The Ransom of Red Chief," 60-min. dramatic show (cast not set)	Rexall Drug		Aug. 16
Series of daytime musical and dramatic shows, untitled and in blueprint stage	Open		Not set, probably late summer
"Moon & Sixpence," 90-min. color video-taped drama starring Sir Laurence Olivier, Judith Anderson, Hume Cronyn, Jessica Tandy, others (may become first show in projected series of Ford Motor specials)	Open	\$310,000	Not set, but probably fall
"White House Saga," 60-min. profile of Presidential residence; live & tape (cast not set)	Open	Approx. \$150,000	Not set
Two 60-min. music-variety shows starring Jerry Lewis	Open	Over \$200,000 each	Not set
Eight shows starring Art Carney (4 90-min.; 4 60-min.) produced by Talent Assoc. Drama and musical variety	AC Spark Plugs and Delco-Remy		Not set
39 shows, various lengths, name guest stars, packaged by MCA	Ford Motor Co.		Not set

NO NETWORK SET

Source	Package	Price
Ashley-Steiner (Representing Bob Banner)	Two 90-min. musicals, one starring Judy Garland; the other, Debbie Reynolds.	Over \$300,000
	60-min. or 90-min. "ice spectacular," possibly from Madison Sq. Garden with top skating names.	Not set
	"Jumbo," a 90-min. adaptation of famed 1934 Broadway musical that starred Jimmy Durante; no deal completed for rights.	\$500,000 range
	60-min. or 90-min. musical with a fall theme, and possibly starring Meredith Wilson.	Over \$300,000
Desilu	"Song of Norway," 90-min. adaptation of musical based on life of Edvard Grieg, with name cast & possibly on tape; no cast set.	Over \$350,000
	"Don Quixote," 90-min. adaptation of script property prepared by late Mike Todd (although work is in public domain); may be produced either as straight play, or as musical with Johnny Green score. May be filmed on location in Spain.	Not set
Famous Artists	90-min. musical possibly packaged as anniversary show for major TV sponsor, with William Holden as host.	Over \$500,000
Gen. Artists Corp.	"Mario Lanza's Rome," 60-min. or 90-min., starring Mario Lanza in musical tour of Eternal City, in same format as "Chevalier's Paris" of a few seasons ago.	Over \$300,000
	Package of 3 60-min. shows to be produced by Perry Como's Roncom Productions, with Como possibly starring in at least one.	\$700,000 for 3 shows
	"Idiot's Delight," a 90-min. adaptation of 1938 Sherwood play starring Ginger Rogers.	Not set
	"Evening with Lena Horne," 60-min. or 90-min. musical.	Over \$300,000
	60-min. musical variety show starring Gene Autry & other Western entertainment names.	Not set
	"Shubert Alley," a 90-min. salute to theatrical landmark with vignettes of shows, name-star lineup.	Over \$350,000

Source	Package	Price
Paul Gregory	Two long-range musicals: "State Fair," the Rodgers & Hart property once filmed by 20th-Fox but with no cast set; "Viva," a musical biography of Pancho Villa. Both would be 90-min. or more, and not on TV before next year or even 1961.	Over \$500,000 each
	"Caine Mutiny Court Martial," 90-min. live repeat of 1955 TV success with new cast.	\$300,000
	"Web and the Rock," 90-min. adaptation of Thomas Wolfe novel with star cast, possibly Rock Hudson & Joan Crawford.	Over \$250,000
	"Marriage-Go-Round," 90-min. TV adaptation of current Broadway comedy, starring Claudette Colbert & Charles Boyer.	\$450,000
	"Hollywood Story," a 90-min. salute to old & new movies, with name actresses as hostesses.	Over \$250,000
George Gruskin	Four 90-min. specials starring Herb Shriner (co-produced by Gruskin & Shriner) in a variety format blending music, special events; guest stars.	Over \$250,000 each
	Series of 10-15 specials of a N.Y. & Hollywood nature, starring Tom Poston, Jo Stafford and Paul Weston in a revue format.	Not set
	90-min. biography of a famous opera star of the past, starring Helen Traubel.	\$300,000
	"25 Years From Now," produced by Jerry Stagg; formerly a William Morris package; a 90-min. musical variety one-shot, based on theme of a day in the life of a 1984 family.	Not set
	90-min. original "underseas fantasy," untitled, starring Jimmy Durante, produced by Norman Blackburn & Vic MacLeod. Would be a "book musical," rather than a revue.	Over \$300,000
Independent TV Corp.	Series of 8-10 musicals, 90-min. probably on tape, built around "leading Hollywood personalities." Exact packages indefinite, but due for plans session at ITC in early May	Not set
Henry Jaffe Enterprises	Series of 9 "comedy of the month" shows to be picked from list of some 15 plays and musical comedies; typical property & name: "Knickerbocker Holiday," starring Burl Ives.	Over \$300,000 each
	"Groucho on Laughter," 60-min. or 90-min., starring Groucho Marx & his views on humor.	Not set
Martin Manulis	"Festival," 60-min. or 90-min. name-star series that may be tape or film. Total of some 8-10 shows are planned for production at 20th-Fox, ranging from original dramas by Rod Serling to one-woman show for Marlene Dietrich.	Not set
	"Gentlemen Prefer Blondes," 90-min. musical TV adaptation of Anita Loos story, & a 90-min. musical based on "Letter to 3 Wives" —both 20th-Fox film properties.	Over \$400,000
Mark VII Productions (Jack Webb)	Series of 3-4 filmed 60-min. dramatic shows, starring Jack Webb in variety of roles; Webb will produce & direct; series would constitute Webb's sole TV appearance of season.	Not set
Metro-Goldwyn-Mayer	Series of 90-min. adaptations of MGM film properties with new casts, co-produced on tape with Talent Assoc.; 7 shows currently sold as package to Gen. Mills & Westclox, but series may be extended with MGM properties never produced as movies.	\$200,000 to \$400,000 each
William Morris Agency	"Aquacade," starring Esther Williams, 60-min. or 90-min. "water ballet" revue. Production details not firm.	Not set
	"Salute to George M. Cohan," all-star 90-min. musical-variety, possibly with Art Carney portraying noted song-and-dance man; may be offered as a July 4th attraction.	Approx. \$300,000
	"Babes in Toyland," a live repeat of TV special staged by Max Liebman a few seasons ago; cast not set.	Over \$250,000
	"Around the World in 80 Days," 90-min. adaptation of Orson Welles' Broadway musical (1946) rather than Mike Todd movie, all star cast; production by Talent Assoc. highly tentative; depends on release from United Artists and Todd estate of title & other material.	Not set; likely to be high
	Total of 4 Milton Berle shows (2 60-min., 2 90-min.) of musical-variety nature or as musical comedies.	Not set
	Benny Goodman 60-min. musical, possibly for fall; contingent on other Goodman concert commitments; working title: "Tune Up For Fall."	Approx. \$200,000

Source	Package	Price
	"An Evening With Sammy Davis Jr." 90-min. musical-variety.	\$250,000 range
	"The Big Party," a Goodman Ace package, series of sophisticated musical-variety shows with name-star hostess.	Not set
	Musical showcasing Martha Raye; property not picked, but might be adaptation of a Broadway musical.	Not set
	Musical showcase for Judy Holliday. Might be either a one-woman show or an adapted musical starring her.	Not set
	"An Evening With Ray Bolger," 90-min. musical-variety showcase; probably a revue rather than a book musical.	Not set
Music Corp. of America	"Oh, Captain!" 90-min. live version of Broadway show, to star Jose Ferrer, Rosemary Clooney, Abbe Lane.	Over \$300,000
	"Best of Belafonte," 90-min. sole TV appearance of singer for 1959 season; guest stars.	Over \$350,000
	Series of 60-min. shows starring Phil Silvers (but not in Bilko role) in musical-variety format.	Approx. \$225,000 each
	"Happy Hunting," 90-min. live version of Broadway musical to star Ethel Merman with adaptation by Lindsay & Crouse.	Approx. \$375,000
	"Best of American Music" & "Best of Musical Comedy," 2 90-min. musicals starring a name personality and produced by Ken Murray.	Over \$300,000 each
	"Mr. Wonderful," 90-min., live version of Broadway musical to star Donald O'Connor.	Over \$300,000
	"The Enchanted Cottage," 90-min. adaptation starring Paul Newman & Joanne Woodward.	Over \$250,000
	"The Power & the Glory," starring Sir Alec Guinness in 90-min. adaptation of the Graham Greene story; show would mark debut on U.S. TV of the British star.	Over \$350,000
	Variety of one-shot musicals, each a separate deal, with such Hollywood names as Cyd Charisse, Doris Day, Peter Ustinov, etc.	\$200-\$300,000 each
National Telefilm Associates	Series of 90-min. shows, to be produced on tape with Broadway names; various plans, including adaptations of musical comedies & straight plays (such as "Death of a Salesman") have been discussed. David Susskind may be in charge of production, and shows may be offered on "NTA Film Network" as were Shirley Temple films.	Not set
Screen Gems	Tentative series of 90-min. shows, possibly based on Columbia Pictures properties; likely to be live productions, but may be taped at SG offshoot Elliot, Unger & Elliot, N.Y. or Hollywood. In discussion stage only.	Not set
Talent Associates	Series of several major live shows, 60-min. to 120-min. in length, based on original & adapted musicals, straight plays with Broadway names, produced by David Susskind. (in addition to Talent Assoc. commitments with du Pont, Oldsmobile, MGM, etc.)	Approx. \$250-\$200,000 each
Bud Yorkin	"Passions in Paint," 60-min. or 90-min. show featuring roundup of Hollywood names who are amateur art collectors; paintings would be shown, tied-in with musical-variety format; such names discussed as Dinah Shore, Jack Benny, Red Skelton as guests.	Not set
	"Aesop's Fables," 60-min. or 90-min. musical adaptation of children's stories, possibly starring Jerry Lewis; production details not set.	Not set

TV columnist Harriet Van Horne of the N.Y. World-Telegram levelled a journalistic lance April 22 at a publicity stunt dreamed up for the "Meet Me in St. Louis" musical special (Philco & Westelox) on CBS-TV April 26. What drew the Van Horne ire was a plug for the show read into the Congressional Record by Missouri congresswoman Leonor K. Sullivan, and then mailed at public expense to TV editors under the franking privilege. Snapped Miss Van Horne: "Timing . . . was particularly unfortunate. It arrived . . . the week we all paid our income tax."

Videotape syndication of *American Forum of the Air* and *Youth Wants to Know* by Westinghouse Bestg. Co. in prime evening hours, has been praised by Chairman Magnuson (D-Wash.) of the Senate Commerce Committee.

Reversal of Kan. TV film censorship ruling (Vol. 15:16) took place last week when Kan. Attorney General John Anderson Jr. wrote another letter to Atchison county attorney Bob Duncan, this time stating that the state censor board has no authority to pass on films shown by the state's TV stations inasmuch as they are under the licensing jurisdiction of FCC. No change was made in the ruling that films exhibited by Kan. State College & Kan. U are subject to review.

Following the dropping of long-run *Voice of Firestone*, another veteran show folded on TV channels last week—American Tobacco Co.'s *Your Hit Parade*. A victim of rock & roll tastes in pop music, show bowed out playing hit tunes from its 1935 radio opener.

Stations

NEW AND UPCOMING STATIONS: The 3 new outlets getting on the air between April 24 & 28, we suspect, comprise a banner crop for this year. KPLR-TV (Ch. 11) St. Louis got program test authorization April 23, but doesn't plan programming as independent until the 28th when it picks up baseball from Cincinnati. KDPS-TV (Ch. 11, educational) Des Moines begins programming April 27 as the 43rd non-commercial outlet. Satellite WCHU (Ch. 33) Champaign, Ill. began April 23, carrying WICS (Ch. 20) Springfield, Ill. New outlets making debut change our on-air totals to 555 (87 uhf).

KPLR-TV has RCA 25-kw transmitter at Reavis Barracks Rd. & Ave. H, Lemay, Mo. and newly-engineered antenna from Germany's Siemens-Halske Co. (Vol. 15:15) on 1214-ft. tower it is sharing with KMOX-TV (Ch. 4). Studios are adjacent to Chase-Park Plaza Hotels. Harold Kopljar of Chase & Chase-Park Plaza, is pres. and votes 64.30% of stock. James L. Caddigan, onetime Du Mont exec., is v.p. & gen. mgr.; James E. Goldsmith, ex-KWK-TV, St. Louis, dir. of sales; Nicholas M. Pagliara, ex-gen. mgr. of radio WIL, St. Louis, admin. asst. to gen. mgr. & film director; Jim Castle, ex-midwest exploitation mgr. for Paramount Pictures, public relations dir.; Al Johnson, ex-NTA, N.Y., producer-director; Kenneth E. Hildenbrand, ex-chief engineer of radio KWK, dir. of engineering. Base hour is \$1000. Rep is Peters, Griffin, Woodward Inc.

KDPS-TV has 5-kw RCA transmitter and 300-ft. Stainless self-supporting tower with 6-bay antenna at studio-transmitter site, 1800 Grand Ave. Owner is Des Moines Independent Community School Dist. C. F. Schropp, director of audio-visual education for school dist., is station mgr.; Ralph Joy, program dir.; Fred Kelley, educational TV & radio dir.; Howard Andreasen, chief engineer.

WCHU has an RCA transmitter and is using 50-ft. tower fabricated by Aeromotor Co., Chicago, on the roof of 70-ft. Inman Hotel. Owner WCHU Inc. is subsidiary of Plains Television Corp., licensee of WICS. Co-owners of WICS are Transcontinental Properties and H. & E. Balaban Corp. Milton D. Friedland is WICS gen. mgr., which has \$400 base hour. Rep is Young.

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

WENH-TV (Ch. 11, educational) Durham, N.H., planning late spring programming, has completed link from studios in Memorial Union Bldg. to transmitter on Saddleback Mt. and is on the air with test patterns, reports mgr. Keith J. Nighbert for grantee U of New Hampshire. It has 5-kw GE transmitter. Studio-office construction is scheduled for completion by May 15. Cabot Lyford, ex-WGBH-TV Boston, is program mgr.; Alton Hotaling, ex-KUON-TV Lincoln, Neb., production mgr.; Charles F. Halle, ex-WMUR-TV Manchester, N.H., chief engineer.

KVOG-TV (Ch. 9) Ogden, Utah hasn't set delivery date for Gates 5-kw transmitter, still hopes to begin programming Aug. 15, writes David B. Affleck, asst. mgr. of radio KVOG. Construction of studio-transmitter building is at half-way mark, but work hasn't begun as yet on 400-ft. Gates tower, which will have 6-bay RCA antenna. Network affiliation hasn't been signed and base hourly rate has not yet been established. Rep will be Grant Webb & Co., New York.

Seldes to Head Communications School: Gilbert Seldes has been named director of the U of Pennsylvania's Annenberg School of Communications (Vol. 14:51, 15:3), will assume his new post May 1. Seldes, 66, is a prominent figure in the communications world, and an authority on the arts.

Seldes was born in Alliance, N.J. and educated at Annenberg School of Communications (Vol. 14:51, 15:3), will papers, he joined CBS as head of TV programming in 1937, remaining until 1945, during a period when the medium's programming, methods and personalities were emerging. More recently he has done radio commentary, taught TV writing and contemporary American drama. He is author of *The 7 Lively Arts* and other books.

Scholarships & fellowships for the School of Communications are being made available now. Applicants may obtain information from Dr. Patrick Hazard, 201 S. 34 St., Phila. 4, Pa. The scholarships offered to college graduates are for \$2500 plus tuition. The Annenberg Fellowships—for "a few experienced professionals who may want to broaden their perspective through a return to academic life"—have a maximum value of \$6500. Teaching (for print, film, and broadcasting media) will place emphasis on workshops rather than the conventional lecture system.

Consummation of sale of KXII (Ch. 12) Ardmore, Okla. for \$160,000 to Texoma Land TV, which was approved by the FCC recently (Vol. 15:15) is likely to be delayed—through the intervention of another group which seeks to buy the station. New Texoma Bestrs. Inc., filing application with the FCC to buy KXII for \$141,666, claims that Texoma Land's contract expired before FCC approved the sale. Texoma Bestrs. is owned 75% by KWTX-TV (Ch. 10) Waco (which, in turn, is 26% owned by family of Sen. Lyndon B. Johnson), 10% by KWTX-TV v.p.-gen. mgr. M. N. Bostick and 15% by John E. Riesen, administrator of the estate of John F. Easley, which is selling the station. It's expected that the conflict will be litigated in the Oklahoma courts.

CBS commentator Walter Cronkite, Washington adv. agency owner James S. Beattie and John Mark, one of the beneficiaries of a voting trust which owns 50% of WMT-TV (Ch. 2) & WMT Cedar Rapids, Ia., are buying radio WDAT South Daytona Beach, Fla. (1590 kc, 1-kw D) for \$70,000. Seller is Harold King, who recently sold WTTT Arlington, Fla. & KGHJ Little Rock, Ark. (Vol. 15:14). Broker was Blackburn & Co. (For news about other radio station sales, see *AM-FM Addenda Q*.)

Shift of WITI-TV's Ch. 6 from Whitefish Bay to Milwaukee, requested by the station, has been proposed by FCC in a notice of rule-making. The Commission also made final its proposal to add Ch. 10 to Medford, Ore., sought by prospective applicant TOT Industries Inc.

A spelling bee on WSFA-TV Montgomery, Ala. (Ch. 12) is providing a no-budget winner for that commercial station—and reaping public-relations rewards. The program, on every Monday for 15 minutes, uses 4 pupils from 6th-grade Montgomery County schools.

Call letter changes: KBET-TV (Ch. 10) Sacramento, Cal. changes April 27 to KXTV . . . Upcoming WENH (Ch. 11 educational) Durham, N. H. to WENH-TV.

Capital Cities TV Corp. (WTEN & WROW Albany, WTVD Durham-Raleigh, WPRO-TV & WPRO Providence) establishes nat. hq. offices at 65 E. 55th St., N.Y. (PL 2-1750).

Selling Spot TV: "We feel a responsibility toward spot TV since 40% of our stations' revenue comes from it. Our job as media salesmen is to tell the spot story to distributors, brokers, wholesalers and district managers who don't usually come in direct contact with it." So said v.p. George C. Castleman, of Peters, Griffin, Woodward last week at a N.Y. preview of the rep firm's new 25-minute presentation for spot selling.

Last year, using a slide presentation titled "A Local Affair," a PGW task force played one-day stands before some 4,000 local businessmen & ad executives in 35 cities. This year, it expects to top that figure "considerably" with the 1959 presentation, "Mr. Thinkbigly Goes to Town."

PGW's primer on spot TV (80 color slides & switched-in samples of spot film commercials) points out, among other things, how because buying & living habits vary in different regions of the country & different seasons, brand preferences can range widely between cities on such products as household cleansers, margarine, paper napkins and men's hair tonics. Weak sales territories then become apparent at the local level & strong competition from local brands becomes a major threat.

Key point made: "Spot TV enables the advertiser to do any number of different things in any market. The advertiser who seeks the value of program sponsorship can buy a full-half-hour spot TV program of his own, or he can use station-originated programs which have a basic appeal to people in all walks of life—and at every educational level."

Case of Preparation "H": NAB's TV code review board will press for a showdown at the April 30 NAB TV board sessions in N.Y. on more than a score of cases in which stations have refused to comply with code rules against commercials for preparation "H," used for the treatment of hemorrhoids. The review board headed by Westinghouse's Donald H. McGannon said that it and 3 previous boards had notified all stations that such TV advertising was unacceptable under the code, and that more than 80% said they never had accepted it, or had cancelled it. But 87 stations which are NAB members—68 of them code subscribers—carried preparation "H" commercials until recently. Of the 68 subscribers, "40% have cancelled the advertising & another 35% are in the process of making a decision," the review board said. "In accordance with TV code procedures the cases of the remainder will be referred to the TV board of directors for action concerning the use of the code's seal by these stations." The code review board meets April 27-28 for last-minute check on non-compliance. The only penalty for defiance of code rules is withdrawal of the seal. Preparation "H" is produced by the American Home Products Co. Ted Bates is the advertising agency.

Station film buyers are showing interest in small, off-beat feature packages as well as blockbuster backlogs, says Trans-Lux TV Corp., N.Y. In the past 20 weeks, 25 stations have signed for a new 6-picture Trans-Lux package headlined by a '56 Oscar winner, "La Strada," Richard Carlton, sales v.p., tells us. Others in the package: "Lovers & Lollipops," a low-budget film by the producers of "Little Fugitive," plus the Israeli-made "Hill 24 Doesn't Answer" and three British features. All are post-1948.

Station Reps. Assn. 1959 advertising awards luncheon is set for May 7 in N.Y. Two awards, the "silver nail time buyer of the year," and the "gold key," to an agency person showing outstanding leadership in broadcast advertising, will be made. SRA membership selects the winners.

Table of Summer Time in TV Cities

All TV areas which switch to daylight-saving time moved their clocks ahead one hour April 26. Most of these will return to standard time Oct. 25—with the exception of California, Nevada & Wisconsin, which go back to standard time Sept. 27. A daylight-saving time bill was killed in Minnesota, but Duluth, Minneapolis & St. Paul have passed local DST ordinances.

The following table, compiled as a handy reference with the assistance of ABC, CBS, NBC and *TV Guide*, lists the current time observed in each state. If there is no uniformity of time in TV cities within the state, the cities are listed separately.

State or City	Time	Period ends	State or City	Time	Period ends
ALABAMA	CST		St. Joseph	CST	
ARIZONA	MST		St. Louis	CDT	Oct. 24
ARKANSAS	CST		Sedalia	CST	
CALIFORNIA	PDT	Sept. 26	Springfield	CST	
COLORADO	MST		MONTANA	MST	
CONNECTICUT	EDT	Oct. 24	NEBRASKA	CST	
DIST. OF COL.	EDT	Oct. 24	NEVADA	PDT	Sept. 26
FLORIDA	EST		N. HAMPSHIRE	EDT	Oct. 24
GEORGIA	EST		NEW JERSEY	EDT	Oct. 24
IDAHO	MST		NEW MEXICO	MST	
ILLINOIS	CDT	Oct. 24	NEW YORK	EDT	Oct. 24
INDIANA			NO. CAROLINA	EST	
Evansville	CDT	Oct. 24	NO. DAKOTA	CST	
Ft. Wayne	CDT	Oct. 24	OHIO		
Indianapolis	EDT	Oct. 24	Akron	EDT	Oct. 24
Lafayette	CDT	Oct. 24	Cincinnati	EST	
Muncie	CDT	Oct. 24	Cleveland	EDT	Oct. 24
South Bend	CDT	Oct. 24	Columbus	EST	
Terre Haute	CDT	Oct. 24	Dayton	EST	
IOWA	CST		Lima	EST	
KANSAS	CST		Steubenville	EDT	Oct. 24
KENTUCKY			Toledo	EST	
Lexington	CDT	all yr.	Youngstown	EDT	Oct. 24
Louisville	CDT	Oct. 24	OKLAHOMA	CST	
Paducah	CST		OREGON	PST	
LOUISIANA	CST		PENNSYLVANIA	EDT	Oct. 24
MAINE	EDT	Oct. 24	RHODE ISLAND	EDT	Oct. 24
MARYLAND	EDT	Oct. 24	SO. CAROLINA	EST	
MASSACHUSETTS	EDT	Oct. 24	SO. DAKOTA	MST	
MICHIGAN	EST		TENNESSEE	CST	
MINNESOTA			TEXAS	CST	
Alexandria	CST		UTAH	MST	
Austin	CST		VERMONT	EDT	Oct. 24
Duluth	CDT	unc'rt'n	VIRGINIA	EST	
Minneapolis	CDT	unc'rt'n	WASHINGTON	PST	
Rochester	CST		WEST VIRGINIA		
St. Paul	CDT	unc'rt'n	Bluefield	EST	
MISSISSIPPI	CST		Charleston	EST	
MISSOURI			Clarksburg	EST	
Cape Girardeau	CST		Huntington	EST	
Columbia	CST		Oak Hill	EST	
Hannibal	CDT	Oct. 24	Parkersburg	EST	
Jefferson City	CST		Wheeling	EDT	Oct. 24
Joplin	CST		WISCONSIN	CDT	Sept. 26
Kansas City	CST		WYOMING	MST	

Contempt of court action against the Baltimore Sunpapers (WMAR-TV) and Westinghouse Bcstg. Co. (WJZ-TV) for alleged violation of a rule against photographing witnesses in a black market baby adoption case has been dismissed by a 3-judge court. The judges noted that the pictures were taken in a pressroom and that the Sunpapers denied any intent to embarrass or obstruct the court.

Adding 1½ hours to its broadcasting day, WHCT (Ch. 18) Hartford now signs on at 4 p.m., off at 11:30 p.m. Pres. Edward Taddei said the move provides time for new local shows. The station, recently bought from CBS (Vol. 14:46, 49) returned to the air Jan. 24 after being dark since Nov.

Storer's purchase for \$900,000 of radio KPOP Los Angeles from J. Frank Burke & Son (Vol. 15:11) was approved last week by the FCC, Comr. Bartley dissenting. Storer sold WAGA Atlanta to observe 7-station AM limit.

New Videotape recorders have been put in use by WDSU-TV and WWL-TV New Orleans. KTVU San Francisco has installed its 2nd Ampex Videotape recorder.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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 JAMES T. QUIRK, *Business Manager*
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WEST COAST NEWS BUREAU
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 Hollywood 2B, Calif.
 DAVID KAUFMAN

MARTIN CODEL

Associate Publisher

WEEKLY NEWSLETTER TV & AM-FM ADDENDA
 Published Saturdays Published Saturdays

AM-FM DIRECTORY
 Published in January

TELEVISION FACTBOOK Published in March and September

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Personals: William A. Morrison named sales mgr., KRON-TV & KRON San Francisco, succeeding Norman Louvau, resigned . . . Jim Black named to new post of national sales mgr., Griffin Broadcast Group. (Griffin owns KTUL-TV Tulsa, KATV Little Rock & 50% of KWTU Oklahoma City). Robert Doubleday, ex-KTUL-TV local-regional sales mgr., appointed gen. mgr., KATV. He's succeeded at KTUL-TV by Robert Gordon.

Mrs. Jean Gannett Williams, John H. Gannett, Creighton E. Gatchell, Francis H. Farnum Jr. & Charles Weston elected directors, Guy Gannett Broadcasting Services (WGAN-TV & WGAN Portland, Me.) . . . Howard W. Town, ex-RCA, appointed technical dir., National Educational Television & Radio Center, Ann Arbor. Nazaret Cherkezian, ex-CBS-TV, named p.r. dir. . . Robert R. Brown, ex-UPI, named press editor, news & public affairs, NBC press dept., succeeding M. S. (Bud) Rukeyser Jr. (Vol. 15:16).

Ward Asquith, ex-CBS & NBC, joins NAB staff as asst. to radio v.p. John F. Meagher, succeeding Thomas B. Coulter, who resigned to become asst. to gen. mgr. Harold Waddell of radio WKBZ Muskegon . . . George P. Crumbley Jr. named southeastern sales mgr., CBS Radio Spot Sales . . . Ralph M. Baruch appointed international sales dir., CBS Films, effective May 4.

Robert K. Richards, pres. of Richards Assoc., public relations firm, elected v.p., American Council on Education for Journalism . . . Dave Yarnell has resigned as program dir., WNEW-TV N. Y.

Sam Gang, NTA International sales dir. in Latin America, resigned to join Bernard L. Schubert Inc. as dir. of international sales . . . Gilbert S. Cohen named film mgr., ABC Films Inc. . . Don Moore, ex-McCann-Erickson, and Eve Ettinger, ex-Columbia Studios, named Screen Gems story editors.

Nugent Sharp, engineer in FCC broadcast facilities div., resigned April 13 to establish consulting firm located in Suite 810, Warner Bldg., 501 13th St. NW, Washington 4, D. C. (DIstrict 7-4443) . . . Robert Alter promoted from regional sales mgr. to sales admin. mgr., RAB. Rowland Varley named sales mgr., grocery products group; Robert Coppinger, sales mgr., new automotive group . . . Robert K. Richards, Washington p.r. consultant, elected a v.p. of the American Council on Education for Journalism.

Edmond Casarella, ABC art director of sales presentations, awarded Guggenheim Fellowship for creative print-making . . . Henry V. Greene Jr., ex-asst. sales mgr. of

WBZ-TV Boston, named sales mgr. of KDKA-TV Pittsburgh . . . Bob Guy, ex-gen. mgr. of KTNT-TV Tacoma, named program director of WWL-TV New Orleans . . . Carl U. Tinnon promoted from sales service dir. to operations mgr. of KAVI St. Louis.

Davidson Taylor, ex-NBC & CBS v.p., recently on special assignment with the Lincoln Center Committee, N.Y. Public Library, named dir. of Columbia U's Arts Center program, which includes construction of a 12-story building bringing together on Morningside Hts. all the university's activities in painting, sculpture, theater, music, history of fine arts & archeology, TV, radio, movies, graphic arts & architecture.

Edwin C. Wilbur, supervisor of NBC-TV remote TV network pickups, is retiring May 31 after 30 years with the network. A pioneer in TV technical development starting in 1937, Wilbur was named TV technical operations supervisor in 1954. He joined NBC in 1929 as a field engineer for the radio network.

Chief engineer Morris C. Barton Jr. of KSLA-TV Shreveport is the winner of a contest held by Visual Electronics, N.Y., to name its TV program automation system. For proposing "\$pot \$aver," Barton won a Conrac Fleetwood No. 900 remote receiver.

AB-PT has nominated Joseph A. Martino, National Lead Co. pres., and Alger B. Chapman, Beech-Nut Life Savers bd. chmn. & chief exec., as directors. They fill gaps left by Earl Anderson, not seeking re-election, and the late Ed Noble.

Third annual industry conference on local public service programming will be held Sept. 21-23 in San Francisco at Stanford U under the auspices of Westinghouse Bestg. Co. Plans for the session are being developed by a group headed by Dick Pack, WBC program v.p.

Ed Herlihy has resigned after 23 years as a staff employee of NBC in order to accept free-lance offers. He will continue his present NBC assignments, which include announcing for Kraft (since 1948) and *Monitor*.

Virginia Assn. of Broadcasters will hear FCC Comr. Bartley, NBC station relations v.p. Harry Bannister and *Broadcasting* publisher Sol Taishoff at its annual meeting June 17-19 at The Tides Inn, Irvington, Va.

AM Radio Sales Co., radio rep, has moved to 666 Fifth Ave., N. Y. (Plaza 7-4567).

CBS Inc. pres. Frank Stanton will be a July 16 speaker at the NAB's management seminar July 5-17 at the Harvard Business School. About 50 broadcasters are expected.

Obituary

Alfred N. Steele, 57, chairman of Pepsi-Cola Co., and onetime mgr. of the Detroit office of CBS, died April 19 at his home. He is survived by his widow, movie & TV actress Joan Crawford, a son and a daughter.

Bound hard-cover volumes containing all 1958 issues of TELEVISION DIGEST are now available from our Radnor office. Each volume also includes: index, both 1958 issues of TELEVISION FACTBOOK, all weekly addenda, all supplements & special reports. Hand-somely embossed, the book provides a convenient & unique permanent reference for your own or your company's library. Price: \$25. Supply limited. Write TELEVISION DIGEST, Box 700, Radnor, Pa.

Advertising

ANA COMPLETES AD STUDY: Admen, facing the ever-present problem of measuring the effect of TV & other ad media, got a new information source of major proportions last week in the Assn. of National Advertisers 418-page report, *Evaluating Advertising Effectiveness*.

Prepared by advertiser-agency research executives, the report is Volume VII on ANA's 7-volume "Advertising Management Guidebook Series." The entire set of reports (\$200,000 and 4 years effort), which costs \$150 and looks like an encyclopedia, represents "one of the most important projects in ANA's 49-year history," says pres. Paul B. West. It is now being distributed to ANA members, as well as to ad agencies, universities and business schools (largely as gifts of ANA alumni), and to business firms & agencies in foreign countries ranging from West Germany to India.

Case histories of ANA members who have evaluated their own advertising efforts are a highlight of the work, with capsule reports included from such leading advertisers as: GE, AT&T, Eastman-Kodak, duPont, Nestlé, General Mills, Carborundum, Monsanto Chemical, Humble Oil, Prudential Insurance, Armstrong Cork, A. B. Dick, Borden, Kendall, Union Carbide, Minneapolis-Honeywell, Pitney-Bowes, and Campbell Soup.

Many of the advertising industry's top names lend weight to the findings on such topics as evaluating markets, motives, and messages. A few: Maxwell Ule, Sr. v.p. of K&E; Dr. Wallace H. Wulfeck, exec. v.p. of William Esty & ex-pres. of Adv. Research Foundation; Alfred Politz; David Ogilvy of OBM agency; motivational theorist Dr. Ernest Dichter; Paul Gerhold, v.p. of FCB; Dr. E. L. Deckinger, v.p. and media dir. of Grey; Dr. Lyndon O. Brown, v.p. D-F-S; George Blechta, v.p., A. C. Nielsen; Pettersen Harzoni Jr., v.p. of D'Arcy.

For TV-minded advertising executives, a few of the highlights:

On media alternatives: Grey Advertising's Dr. E. L. (Larry) Deckinger tackles the problem an advertiser faces in getting "his message from the copywriter's desk to the consumer's mind" with an 11-point approach to media selection, citing 7 "marketing-oriented factors" (product, market, distribution, competition, sales promotion, art & copy, budget) and 4 "media-oriented factors" (continuity, coverage, frequency and intensity) as the areas "importantly influencing media selection."

Two TV cases are cited by Dr. Deckinger in discussing the relationship of product market & media selection.

"Ronson electric shavers had relatively few available dollars. They knew they would be drenched, in conventional media reaching men, by competitor budgets many times bigger than their own. So they short-circuited competition by defying custom. They advertised in daytime TV. They bought Arthur Godfrey, a great salesman, to hawk their wares—to women! . . . because they knew that a large percentage of electric shavers are bought by women at Christmastime, and by concentrating on a daytime women's segment, they could hope to make a strong impression on at least some part of the market—not the biggest, but big enough to do enough business to make a profit."

"It was useless, years ago, for Greyhound Bus to advertise on *Omnibus*. The advertising agency had properly diagnosed Greyhound's problem as being one of the necessity of toning up bus traveling & the bus traveler.

But they did it by advertising on a program that predominantly reached people who would never travel by bus anyhow! In 1957, Greyhound tried a new approach. High-class commercials—but on a program that cut across all income classes, *Steve Allen*, 'toning up' to people whom they have a chance of selling."

(Despite the effectiveness of the campaign, however, Greyhound won't be sponsoring Allen this fall. For the first time, the bus organization will use network radio. With Allen until March, it will sponsor comedy segments on NBC's *Monitor*, in a 12-week campaign starting June 20. Agency is Grey Adv.)

On testing TV commercials: A. W. Harding, former mgr. of the marketing research dept. of General Mills, reports on a series of 4 research tests of General Mills' TV commercials, conducted by Schwerin Research. In one, General Mills was attempting to find out how well the idea of "Bisquick versatility" was getting across. The first commercial, which confined the "versatility" theme to a slogan seen on the package during a waffle-making demonstration, scored just 2% among members of a test panel. By gradually putting the video & audio stress on versatility, and taking as the theme: "No other baking mix can help you so much—that's right!" later commercials stepped up the recognition of "versatility" to 85%.

Another General Mills test concerned a Betty Crocker Angel Food Mix commercial screened both in color and b&w. Result, according to GM researcher Harding: "Almost half again as many viewers of the color version indicated preference change for Betty Crocker Angel Food. Although total brand identification was virtually equal for both commercial responses, the color version gained half again as many sales-point responses. Color TV thus shows promise of greater advertising values for its users—which is probably the biggest understatement of the day."

The ANA report also contains an extensive exploration of the basic relationship between TV-radio research & sales problems, titled "How to Match Your TV & Radio Coverage to Your Specific Market," by George Blechta. A key point made: "Network weak spots can be bolstered effectively with TV & radio spot campaigns."

Detergent Bonanza: Paced by Lestoil, 6 manufacturers of heavy-duty liquid detergents spent \$14.5 million in TV during 1958, reports TvB, for a 232% increase over 1957: Adell Chemical's Lestoil (\$12.3 million, for 1958's biggest TV-time purchase for a single product), Lever's Handy Andy (\$740,000), Texize Detergent (\$645,000, a 365% rise over 1957 for the S.C. firm), P&G's Mr. Clean (\$421,300), Colgate's Genie (\$319,800), & Barcolene (\$114,400).

The Lestoil budget (almost all for spot) is 200% over 1957 and contrasts with the 1954 starting budget of \$10,000—a mere 5 years ago! Despite its achievement of \$35 million sales in 1958, the product is still not in full national distribution. Its amazing success story (the first for an all-purpose liquid detergent) has inspired others to move into the field. In 1958, the 3 major soap companies—P&G, Colgate and Lever—introduced similar liquid detergents.

Revue Productions' new telefilm series starring Rod Cameron, *Coronado 9*, has been bought by Falstaff Beer (Dancer-Fitzgerald-Sample agency) for 60 regional markets in the midwest, south and on the west coast. This is Cameron's third series for both Revue & Falstaff, the others being *City Detective* & *State Trooper*. Richard Irving is producer-director of Cameron's new series, in which the star plays a private eye.

Sad Prospect for Newspapers: "The newspaper may have to go the way of the horse & buggy, the trolley car, and the American citizen who worked for himself instead of The Organization," writes Herbert Brucker in the latest *Saturday Review's* lead story. What gives this remark man-bites-dog flavor is that Brucker is editor of the *Hartford Courant* (nation's oldest newspaper), a director of the American Society of Newspaper Editors, and author of "The Changing American Newspaper."

TV, of course, figures in Brucker's thesis ("the newspapers are losing ground, mostly to TV"), although it is by no means the sole reason for the bleak title of Brucker's piece: "Is the Press Writing Its Obituary?"

The basic difficulty of the press, thinks Brucker, is economic. Although they were the technological pioneers of the 19th Century (steam & then electricity-run presses; telegraph, telephone, typewriter, half-tone process and the linotype) newspapers have made no important technological progress in 60 years. This makes it tough for them, thinks the editor, "in a world in which invention & automation have taken over everything else" and in which a linotype operator is paid 3½ times more for working ¾ as long (compared with 1921) and producing at a slower rate per hour. "No wonder," shrugs Brucker, "publishers wonder how long the printed newspaper can survive!"

The publishers also share a common problem with broadcasters: the taste of the audience—a taste which has caused newspapers to "go more & more for entertainment, less & less for information." Yet this is a characteristic of the audience which newspaper editorialists seem to forget when they are berating TV for its stream of escape entertainment as against the smaller quantity of life-is-real-life-is-earnest information shows. Advertising Research Foundation's study of newspaper readership, Brucker points out, have found 91% of readers looking at photos and 81% at comics. Society news drew 83% of women and sports picked up 76% of men—"but men read only 14% and women 11% of 18,000 general news stories published in the 138 newspapers studied."

Coincidentally, on Friday, Louis B. Seltzer, editor of the *Cleveland Press*, told Dave Garroway on *Today*: "We must, I think, step up the techniques by which we inform people—both your branch of communications & our own."

American Newspaper Publishers Assn. re-elected as pres. D. Tennant Bryan of *Richmond* (Va.) *Times-Dispatch* and *News Leader* (estate of John Stewart Bryan has approximately 50% interest in Richmond newspapers as well as in *Tampa Tribune* and *Times* and WFLA-TV & WFLA, Tampa). All other officers & directors were re-elected with exception of Walter J. Blackburn of *London* (Ont.) *Free Press* (CFPL-TV & CFPL), who had served the traditional limit of 8 years as officer. H. H. Cahill of *Seattle Times* succeeds him as secy. Elected to fill out Cahill's one-year unexpired term as dir. is St. Clair Balfour of Canada's Southam Newspapers, with interests in CHCT-TV Calgary, Alta. & CHCH-TV Hamilton, Ont.

Newly-elected Associated Press directors include Franklin D. Schurz, pres. & publisher of *South Bend Tribune* (WSBT-TV & WSBT). Among directors re-elected are Ken McDonald, v.p. & editor of *Des Moines Register & Tribune* (affiliated with KRNT-TV & KRNT there through Cowles Bestg. Co.); Robert McLean, pres. & publisher of *Philadelphia Bulletin* (former owner of WCAU-TV Philadelphia) and John W. Runyon, pres. & publisher of *Dallas Times Herald* (KRLD-TV & KRLD).

In Other Media: Magazine ad linage is down 3.2% for April, 1959 vs. April '58, reports *Printers' Ink*, but the cumulative figure for this year's first 4 mos. is almost half a percent ahead of the same period of last year. Some magazines showed ad gains in April, with the largest percentage—18.4%—being registered by the "romance & radio groups." Weeklies were down 4.5% for April, and cumulatively for the year, are running 1.3% behind 1958. Sunday magazine supplements have sharply reversed their year-ago gains; they're down 17.8% for April & down 13% cumulatively . . . Time Inc. reports for 1958's first half a net after taxes of \$5,350,000; thinks it will improve on that this year . . . A current *SatEvePost* presentation says that 166 TV programs were produced in the past year from scripts based on stories from the magazine.

New Rambler spot TV campaign, "closely pin-pointed to showroom action," started breaking April 24 in 76 major markets. Time buys (8-sec. I.D.'s & 60-sec. announcements) are concentrated on Fridays on the theory they'll "produce immediate traffic on the day most families shop for cars—Saturday," according to E. B. Brogan, Rambler adv. mgr. and Geyer, Morey, Madden & Ballard ad agency. Brogan estimates the spot exposures will reach "an estimated 65% of the potential TV audience, representing some 96.4% of the nation's TV homes, yet without the production costs of a show."

TV showed it can sell cars—even on sustaining programs—in Dayton last week. A special WHIO-TV telecast was featuring a live shot of Ampex's barnstorming Videotape Cruiser pulling into the studio parking lot. As the camera panned around the lot it momentarily picked up a parked car with a sign taped on the window reading, "For sale, \$395." Before the show was over, a breathless viewer who had spotted the car on his TV screen ran to the studio, checkbook in hand, and closed the deal then & there.

Advertising Federation of America holds its 55th annual convention in Minneapolis June 7-10, with approx. 1000 ad men from the Federation's 130 ad clubs participating. Among those speaking on "challenges to advertising" June 9, will be TV producer exec. v.p. David Susskind, of Talent Assoc. Ltd. Giving a "situation report" on advertising June 8 will be: v.p. Jean Wade Rindlaub, Batten, Barton, Durstine & Osborn; chmn., Fairfax M. Cone, Foote, Cone & Belding; and Sen. Hubert H. Humphrey, (D-Minn.).

Restaurant chains spent \$359,000 in spot TV last year, a 9% increase over 1957 and 63% over the 1956 total, TvB reports. In 1958 restaurants spent over 45% of their spot TV money in prime evening time, 38% in daytime, and the remainder in late night slots. Top restaurant spenders included Frisch Big-Boy Drive-Ins (\$203,120), Hot Shoppes (\$78,790) and Howard Johnson (\$55,270), says TvB.

"Instant ratings" are spreading, despite Arbitron's Chicago setback (Vol. 15:16). Nielsen will introduce its own "Instantaneous Audimeter" soon in N.Y., rivaling Arbitron's system there. In England, both major audience research services are introducing "instants"—TV Audience Measurement Ltd. (TAM) its "Instam" and Nielsen its "Niindex."

Newly-elected directors of ANPA Bureau of Advertising include George E. Carter, business mgr. of *Cleveland Press* (affiliated with Scripps-Howard Radio Inc., licensee of WEWS), and James H. Righter, publisher of *Buffalo News* (WBEN-TV & WBEN).

People: Emerson Foote, senior v.p., McCann-Erickson, N.Y., named by the Advertising Federation of America as gen. chmn. of the management seminar in adv. & mktg., Harvard University, July 5-11 . . . Mort Green, writer for the *Perry Como Show*, becomes Revlon TV-radio dir. June 1 . . . Edward N. Ney named Young & Rubicam v.p. . . . Brendan J. Baldwin, media dir., Kenyon & Eckhardt Detroit office, appointed v.p. & assoc. media dir., N.Y. office.

G. Newton Odell, ex-McCann-Erickson, appointed v.p. in charge of mktg. & creative services, Joseph Katz Co., N. Y. . . . James D. Thompson appointed Sullivan, Stauffer, Colwell & Bayles v.p. . . . E. Sykes Scherman elected v.p. of Compton Adv., N. Y. Frank Snell elected v.p., Compton Adv., & named creative dept. business mgr., a new post.

Joseph D. Nelson, Cunningham & Walsh v.p., named dir. of the account management & contact div. . . . William S. Lampe, from the office of W. R. Hearst Jr., named v.p. of Communications Counselors, div. of McCann-Erickson . . . Martin F. Conroy named creative dir., BBDO's Boston office . . . John Malloy, ex-E. B. Weiss, named Warwick & Legler v.p. . . . George Pomfert, ex-Kaiser Aluminum, named v.p., Fulton, Morrissey.

Allen E. Braun, North Adv. head of research & mktg., N. Y. dept., named v.p. . . . Charles R. Standen & George Bolas promoted to v.p. of Tatham-Laird, Chicago . . . Phil Wasserman named publicity dir., Reach, McClinton & Co. . . . Louis G. Herman, ex-head of own agency, named exec. v.p. of Ralph Bing Co., Cleveland . . . Beatrice Adams, v.p., Gardner Adv., St. Louis, will speak at a Sunday brunch June 7, before the Advertising Federation of America's council of women's adv. clubs.

Gail Smith, ex-Procter & Gamble, named to new post of General Motors TV advertising dir. . . . Robert M. Ganger, chmn., D'Arcy Adv., elected board chmn., American Assoc. of Adv. Agencies.

Firestone's TV budgets, reportedly in the \$4-5 million category, are largely up for media grabs. With *Voice of Firestone* bumped from its Monday-night ABC-TV slot, the tire manufacturer is reportedly considering a switch from network to spot TV, via Sweeney & James agency, despite a special face-lifting attempt on the long-run show by Campbell-Ewald (which has part of the Firestone account). Another last-ditch attempt to preserve *Voice* is reportedly being made in N.Y. by Natl. Telefilm Assoc., which hopes to tape the series, and air it on a non-connected "network."

TV's physical limitations have caused a "new look in audio-visual communication," Kenneth C. T. Snyder (Needham, Louis & Brorby v.p. & TV-radio creative dir.) told a creative conference sponsored by the Adv. Federation of America and the U of Mo. School of Journalism. "The small screen, the fixed 1:1.33 ratio, the 58-second limit, black and white, stimulate greater creative effort which can result in more effective commercials," he added. "When you're working with just 150 words, you have to get down to an essential idea."

TV commercials can sell established brands only when they say something new, William D. Wells, Benton & Bowles method development head & asst. prof. of psychology at Rutgers U. told American Marketing Assn.'s N. Y. chapter. Utilizing the results of experiments involving 100 respondents, Wells said brands follow a "life cycle" pattern, with advertising first increasing, then preserving the public's readiness to buy.

Film & Tape

Shape of Tape to Come: "Nearly two thirds of original TV programming will be produced on tape within 2 or 3 years," predicted Howard S. Meighan, pres., Videotape Productions of N.Y., at a luncheon meeting of the Radio-TV Executives Society April 23. What will make this possible is a "combination of the 100% pre-editing technique of live TV, and the take-&-cut production of film, allowing, possibly, for a 4-camera continuous take, from outdoors to indoors to close-up in an assembly of sequences," he predicted.

The Ampex Corp. consultant's remarks involved areas of tape cost, quality, programming and home equipment.

On programming: "Tape will hasten the obsolescence of film program matter." On picture quality: "Almost sure introduction of 4½-in. cameras to replace the present 3-in. standard image orthicon, with almost twice the exposed tube area." On quality: "Drop-out—flecks of dust about one-tenth the thickness of cigarette paper causing white spots or streaks across the picture—is being consistently reduced," so that "shortly there will be less than one drop-out per 280 frames, or roughly, every 10 seconds." On cost of programming: "About \$10,000 less per half hour to tape, rather than film, a program."

Discussing other tape factors, Meighan said that it was too soon for a sound statistical sample, but "for indoor studio production direct costs appear to be 25-50% under film." Cost of tape, he said, is "due to come down about 50% in 2-5 years." Commenting on home equipment, he said: "Don't look for home recorders at a price anyone can afford, but there will be small recorders or playbacks for use in school systems."

* * * *

"Tape makes economics of programming for a 4th station and for a 4th network realistic now," Oliver A. Unger, pres. of NTA, told a meeting of the Broadcast Advertising Club of Chicago April 23. Citing the firm's own WNTA-TV N.Y. as an example, he admitted that "well over 70% of our budget is spent on programming," but he felt that tape programming was economically feasible because it "will be able to spread its cost so that the independent station operator can afford to gamble on the expenditure." Discussing the growing shortage of feature films for TV in Hollywood vaults, Unger forecast a "marriage between a form of pay TV for those who want it & free TV, supported by advertisers," as one possible solution.

The Bad Sell: Warner Bros. feels the commercials on its 77 *Sunset Strip* series are the worst on TV and is trying to do something about it, we're told by studio sources. The only commercial on the series not offensive to WB is Brylcreem. William T. Orr, Warners exec. producer for TV, recently took an unprecedented action when he told the Ted Bates agency its commercial for Nair was "unacceptable" to WB. The commercial shows a woman putting cream on her upper lip, to remove her "mustache." The agency agreed with Orr, and said it would remove the commercial.

Another commercial on the same show which Warners doesn't like is the Rolaid double-exposure hard-sell. Says our source: "The people responsible for this commercial do not claim it is in good taste. They shudder at it. They tell us they think it stinks. But—they add—sales of the product have gone way up since they began using it.

Hollywood Roundup: And still they come: Two new pilots in preparation at California National are *Provost Sergeant*, starring Ralph Meeker in a series dealing with Army investigations in Hawaii, and *Pony Express*, a Western not yet cast.

CBS renewed Rorvic-Desilu's *The Texan* series, starring Rory Calhoun, for 65 weeks, the deal beginning with reruns this summer . . . Desilu plans additional footage on its 2-part *Westinghouse-Desilu Playhouse* drama, "The Untouchables," idea being to release the TV drama in theaters. It's the story of Al Capone.

When Four Star Films ends a year's tenancy at Fox Western May 13, it will have completed 600 shooting days and about 200 telefilms. Its lease deal with 20th-Fox had called for a guarantee of 440 shooting days . . . Four Star's *Trackdown* series has been cancelled, but negotiations are under way for a new sponsor for next season. Series would have a new title. The deal being discussed is for 18 first-runs and 8 reruns.

Desilu's Bert Granet has been signed to a new 3-year contract as exec. producer of *Desilu Playhouse*. He will also develop other properties for Desilu . . . R. J. Reynolds Tobacco has signed as participating sponsor on 77 *Sunset Strip* for next season, when the series moves to 9 p.m. Friday nights on ABC.

Alvin Cooperman, who has been exec. producer at Screen Gems, has resigned to become producer of Four Star Films' new June Allyson-duPont anthology series . . . Screen Gems' new commercial dept. has filmed 3 one-minute color commercials of Ben Blue, in pantomime, for overseas theatrical release. Minnesota Mining is paying for the commercials, for its Scotch Brand tape.

Four Stars' *The David Niven Show*, sponsored by Singer Sewing, faces an eviction notice from NBC which is clearing the Tuesday 9:30-10:30 p.m. time next season for the series of Ford specials . . . Screen Gems will syndicate *Seven League Boots*, half-hour documentary travel series produced by Jack Douglas. It has also acquired *Song In My Heart*, a new TV series, and has produced the pilot of *Undercover Car* starring Victor Jory & Pat McVey, for its syndication branch.

Paramount has invested \$250,000 in its 3 pilots—the hour-long *Destination Space* (for CBS), *Countdown* and the taped *Happy Time*. They'll soon be ready for showing on Madison Ave.

Warner Bros. has renewed the contract of TV producer Roy Huggins, and assigned Stanley Niss to produce its new hour-long series, *Diamond Head* . . . General Artists Corp.'s TV subsidiary, GAC-TV, is planning an expansion program, which will include additional personnel on the coast staff. N.Y. agent Steve Yates has been signed by the company to handle writers & dramatic TV talent sales.

NBC has bought *Five Fingers*, new intrigue series, from 20th-Fox TV for the fall. Producer is Herbert Swope Jr.; Al Hedison & Luciana Paluzzi star . . . David L. Wolper has formed Pilot Films Inc. to finance pilot films for network TV & syndication.

Bernard L. Schubert Productions settled its differences with the Screen Actors Guild by paying \$98,000 in overdue actors' residuals for *Mr. and Mrs. North*, *Topper*, *Crossroads*, *TV Reader's Digest* and others. Schubert is planning a new series, *Counterspy* . . . Ziv TV's outer space series, *Moon Probe*, bought by Lucky Strike has had its title changed to *Space*.

Ted Post will be producer-director of *The Racer*, new joint-venture pilot of ABC and Joseph Schenck Enterprises.

New York Roundup: Since few agencies and almost no sponsors have tape playback facilities, new stress is being placed on kinescopes as "demonstrators" for videotaped shows and commercials. CBS Films, for example, is making deluxe kines of *Theatre for a Story*, new 30-min. tape offering, with a new 35-mm. recording system, and then making reduction prints on 16 mm that have "far greater definition" than ordinary kines. NTA's telestudios recently installed, for the same reason, a 35-mm film chain at a cost of \$100,000.

The now-common practice of making books out of feature-movie original scripts is being borrowed by ITC and the *Fury* series, aired on NBC-TV. Albert G. Miller, TV scriptwriter, has penned a juvenile-slanted book version of the show which was to be published April 27 by John C. Winston Co., Philadelphia. The book will have the same title as the TV series.

Ziv TV's hardy perennial, *Cisco Kid*, has been bought for a 10-state regional campaign by H. W. Lay Potato Chip Co. Lay is the third chip concern to sign for the moppet-slanted Western since the start of the year . . . The first feature movie ever made by Ireland's Abbey Players, "Professor Tim," was scheduled for its American premiere April 26 on *Omnibus*.

Robert Stevens, telefilm & live director, has been signed to a 3-year, non-exclusive contract by CBS-TV. He'll do 4 *Playhouse 90* shows and 2 hour-long *Lineup* shows a year under the pact . . . Equitable Life has decided to make its forthcoming 90-min. series on CBS-TV broader in scope than planned. It has shelved the original idea for a series titled *Biography*.

Writers Guild of America West last week voted to strike 5 movie companies for their alleged refusal to negotiate additional payment to writers on post-1948 movies released to TV. The companies involved are now defunct or inactive, so the Guild action has little effect: Lippert Pictures Inc., Lippert Productions Inc., Alson Productions Inc., Alco Pictures Corp. and Filmmakers Inc. The Guild said the companies involved had either refused to discuss outright or rejected the question of additional money for the writers.

Release rights to 36 D. W. Griffith silent movies & 16 screenplays in which the producer's estate held rights were granted last week to Killiam Shows Inc. of N.Y. for a \$21,000 bid. In a deal whereby Killiam participates in the profits, the movies have been assigned to Sterling TV, N.Y. TV distribution firm. The package includes such titles as "Birth of a Nation," "Intolerance," "Broken Blossoms" and "Way Down East."

Small stations need video tape equipment just as much as large outlets, and within 2 years most stations will have at least one machine, predicted Jerome Feniger, Cunningham & Walsh v.p. at an Ohio Assn. of Broadcasters meeting in Cincinnati April 24. Another point: Improved programming on the station level demands "a calculated risk on new talent" as well as "avoiding the temptation to over-spot a highly-rated program."

Five-year, multiple-use buy of reruns of *Rin Tin Tin* has been made by General Mills, which gives the cereal firm the right to air it as often as twice a week at the network level on ABC-TV this fall. The Screen Gems telefilm series will be seen in a Mon. & Fri. spot for General Mills at 5:30 p.m. as part of a "rerun strip" being developed by ABC to replace *Mickey Mouse Club*.

Trade Report

APRIL 27, 1959

NEXT FROM JAPAN—RECORDERS, PHONOS, THEN TV: Flushed with success of its transistor radios on U.S. market, Japan's booming electronics industry this year will start exporting 2 completely new items which it hopes will become almost as popular.

The first is an incredibly compact all-transistor tape recorder, battery operated, to sell for about \$50 and up. Smaller than cigar box—only slightly larger than coat-pocket size—it is expected to be "really big item," Japanese sources tell us. First such units, at \$160, made by Victor Co. of Japan, are already on market here. But Japanese sources tell us less expensive models are due.

The other is a portable transistor phono-radio, also battery operated, accommodating all speeds & sizes of records. The Japanese hope for "gradual growth of these 2 products" until they approach the dollar volume of the stock-in-trade pocket portable.

These products are completely new—Japan has exported virtually no tape recorders to U.S. in past, and only perhaps 500 phonos of all kinds in 1958. Also on Japanese 1959 list is step-up in exports of hi-fi amplifiers. Perhaps 100,000 amplifiers—of all kinds, including cheap amplifiers for radios—were shipped to U.S. from Japan last year.

All-transistor battery-operated TV is marked as "probable" for 1960, virtually sure for 1961, in Japanese set makers' plans. Four electronics manufacturers there now have them in various stages of development. "No exports this year," predicts a Japan trade official. But he assures us TV is coming. U.S. imports virtually no TV from any country now.

One new Japanese product already on market—with no domestic competition that we know of—is battery-operated AM-FM transistor portable. Imports of this product will be stepped up if it catches on here. Also recently introduced is broadcast-shortwave portable from Japan.

Here's the authoritative story of Japanese electronics' future plans and past performance, based on new information—official & unofficial—from Japanese Govt. & closely related sources:

Imports of Japanese transistor radios to U.S. will increase somewhat this year, then level off. Radios of all kinds entering U.S. ports from Japan are expected to total 3,600,000 in 1959, but about 1,200,000 of these are labeled "toys" by Japan Trade Ministry—that is, they're radios with 4 transistors or less, including diode crystal sets which retail at \$2-\$6 by mail order and through variety & junk shops. Of remaining 2,400,000, some 20-30% will be re-exported to Latin America, leaving total of somewhat less than 2,000,000 "full-performance" radios—plus maybe 1,200,000 "toy" sets—for U.S. marketing.

In 1958 Japan shipped 2,506,920 radios to U.S. (factory value \$18 million). This includes 850,000 with 4 transistors or less, and perhaps 330,000 which were re-exported & therefore never offered for U.S. sale—leaving 1,650,000 sets with 5 or more transistors for U.S. marketing, or total of about 2,500,000 sets of all kind offered for sale here. This is just 10% lower than 1958's domestic U.S. production of transistor radios (but remember, Japanese figure also includes "toy" radios).

Monthly exports of Japanese radios to U.S. now average 300,000, of which 200,000 have more than 4 transistors (20-30% of these being re-exported)—and Japanese say this level will be maintained.

Factory price of the little radios averaged around \$7.20 in 1958, so even with shipping charges, 2½% ad valorem duty and a fair profit to handlers, there's still plenty of margin for them to be highly competitive—as U.S. radio industry knows so well. Japan Trade Center figures factory price to be about one-quarter of retail. Average value of radios increased in Dec. to \$8.93 (see table on p. 20), probably indicating declining volume of "toys" and larger number of deluxe 8-transistor models. In 1957, some 601,208 radios were shipped to U.S. (at \$5.3 million factory value), up from 368,040 in 1956.

Japan produced 5,270,000 radios last year, of which about 72% were exported—some 66% of its radio exports going to U.S. The 1957 production totaled 3.8 million, up from 3 million in 1956 and 2 million in 1955. In 1958, radios accounted for 75% of Japan's electronic exports, parts & components 10.3%, tubes 5.2%, amplifiers & microphones 3.1%.

Japan produced 1,215,668 TV sets last year, and now is turning them out at annual rate of about 2,200,000. Because domestic demand has been so high, exports have been limited to Far East (mainly Thailand & Hong Kong), Near East and Sweden.

Japan's fabulous transistor industry turned out 26,730,000 last year (more than half U.S. output of 47 million), almost 5 times the 5,740,000 of 1957. In 1956, only 560,000 were produced, up from 85,000 in 1955. Aside from samples, no transistors (except those in assembled equipment) were exported to U.S. last year. That this policy is changing in 1959 is indicated by Japan Trade Ministry's recent approval of shipment of 50,000 transistors to Motorola (Vol. 15:5). There are some U.S. set makers who think Japanese transistors may provide key to low-cost American-made battery-operated TV sets.

For all Japanese electronic exports, U.S. was biggest customer by far last year, taking 46%. Canada was next with 6.1%. Then Hong Kong 3.5%, Korea 3.2%, West Germany & Thailand 2.9% each, Formosa 2.6%, Burma 2.3%, Venezuela, Mexico & Tangier 2.2% each, South Africa & Sweden 2.1%, Netherlands 2%.

To give you an idea of the variety of Japanese electronic exports—and the prominence of radios—here's table of all U.S. imports from Japan in Dec. 1958, which trade authorities call a "typical month:"

Product	Units	Factory value	Av. price per unit
Radios	254,258	\$2,269,341	\$ 8.93
Phonographs	41	1,322	32.24
Microphones	10,625	26,003	2.45
Amplifiers	9,961	37,615	3.78
Receiving tubes	197,710	48,507	.25
Variable capacitors	105,162	4,788	.04½
Fixed capacitors	820,960	32,060	.04
Wireless equip. (incl. parts)	—	113,716	—
TOTAL.....		\$2,540,000 (approx.)	

Japan's electronics industry sold total volume of about \$560 million last year—not high by U.S. standards, but quite impressive considering quantity of goods turned out per dollar. Among Japan's "big 10" in manufacturing are 2 companies in electronics field—Hitachi, 2nd biggest, which turns out electronics among wide variety of other products and whose combined sales total about \$330 million, and Tokyo Shibaura Electric (Toshiba), No. 4, which makes \$210 million worth of electronics, appliances & electrical machinery.

Further reports on what Japanese plans mean to U.S. electronics companies, and the reactions and plans of American TV-radio-phono makers, will be featured in future issues.

INDUSTRY UNCONCERNED ABOUT 'SET CONTROL': "Too ridiculous to talk about" . . . "They'll never put it across" . . . "Probably unconstitutional" . . . "Premature—solve the allocations problem first."

These are some comments to us by TV receiver makers—those who bothered to comment at all—on FCC's proposal that Congress ban interstate shipment of sets which can't receive all allocated channels (Vol. 15:11, 16). You'll find the complete proposal spelled out in the Special Supplement on FCC's allocations proposals with this issue.

Most set makers were just plain disinterested—or couldn't believe that proposal stands any chance at all. This same reaction was expressed during EIA's March board meeting in Washington, where the possibility was discussed by exec. v.p. James D. Secrest & general counsel William Reynolds. EIA will discuss proposal again—now that it's been formally made by FCC—at its Chicago convention May 20-22, or will consult its consumer products div. for an opinion earlier if Senate Commerce Committee wants manufacturers' comments before convention.

Ban on partial-channel receivers is only one part of FCC's proposed set-control law. Commission also suggests that it be "empowered [to] set reasonable standards in the public interest with reference to the quality of the receivers." Such power over receivers would be unprecedented. Said FCC: "Pursuant to such a mandate, after a given period to permit a changeover, the Commission might, for example, withhold type-approval of uhf tuners which were substantially inferior to vhf receivers."

Ideal solution to all-channel problem—supported by entire set-manufacturing & telecasting industry plus FCC, but opposed by Administration—is simple exemption of all-channel sets from 10% manufacturers excise tax. This has been introduced in Congress every year for 6 years now—including this year—and never has come close to passage. One set maker speculated: "Maybe that's the idea the FCC is really trying to put across—by the back door."

TV-RADIO PRODUCTION: TV set production was 95,023 in week ended April 17 vs. 106,691 in preceding week & 76,118 in same 1958 week, EIA reports. Year's 15th week brought production to 1,591,268 vs. 1,372,579 last year. Radio production was 270,658 (98,141 auto) vs. 254,390 (99,199 auto) in preceding week & 158,588 (42,605 auto) year ago. In 15 weeks: 4,119,881 (1,561,357 auto) vs. 2,930,040 (948,253 auto) year ago.

Philco Sues Admiral: A patent infringement damage suit was filed last week in U.S. District Court for Del. by Philco against Admiral, alleging that Admiral is advertising & selling a portable TV set which incorporates "salient features" of Philco's "Slender Seventener," introduced in June 1958. Asking for an injunction, an accounting of Admiral profits from sales of its set and "damages derived from its infringement," Philco told the court that Admiral not only adopted the patented design of the Philco receiver but "substantially copied various features of the advertising" for it.

"World's first portable stereo AM-FM radio-phonograph" is the claim made by Emerson for its Model 912 unit with 2-channel sound and 2 speaker systems for stereo AM-FM simulcasts plus 4-speed stereo record changer. Power output is 5 watts, suggested list \$168. Also introduced by Emerson last week were two 21-in. combinations: Model 1480, with stereo AM-FM-phonograph, complete 2-channel sound, console model, \$498; Model 1448, with AM radio, phonograph, dual-channel stereo amplifier, single 3-speaker system, \$398.

Crosby-Teletronics Corp. is the new firm resulting from the merger of Crosby Labs Inc., Syosset, N.Y., and Teletronics Lab Inc., Westbury, N.Y. Crosby Labs is the developer of a compatible FM stereo multiplex system being considered by NSRC. Teletronics makes test equipment. Murray G. Crosby is pres. & research director of the new firm; Teletronics pres. Robert S. Marston becomes exec. v.p.-secy.; George F. Richards of Teletronics is engineering v.p. The new company has 14 stockholders.

Transcripts of the National Electronics Conference, 1958, are now available. The papers delivered at the October meeting in Chicago cover developments in TV, transistors, antennas, solid state, microwaves, industrial electronics, among others. Vol. 14, NEC Proceedings, 1080 pages, is \$7.50. Write NEC, Rm. 2104, 228 N. La Salle St., Chicago 1.

Magnavox is entering the jobber market with a line of its loudspeakers, heretofore available only to manufacturers. Eight most widely used standard models will be offered to audiophiles through regular parts distribution channels.

Sales of Hoffman TV sets for the first 12 weeks of 1959 were 11.9% ahead of the 1958 period, and shipments to distributors were 25% ahead, according to consumer products div. mgr. Ray B. Cox.

Zenith has filed patent suit against Motorola in Chicago Federal Court, charging infringement of 5 patents covering its Fringelock circuit and Space Command remote tuning.

Most-Wanted Appliances: TV sets are holding up well in comparison to other household appliances in consumer buying plans, the National Industrial Conference Board reports in its Feb. *Business Record*. The board is conducting a continuing survey of householders' purchasing intentions, sponsored by *Newsweek*. A preliminary estimate, based on 4400 interviews conducted with heads of households in January, shows increased plans to buy refrigerators, TV sets, air conditioners, and vacuum cleaners, as compared to Dec.

Appliances for which buying plans declined are dishwashers, washing machines, clothes dryers, and deep freezers. NICB points out that plans to buy dishwashers & washing machines have hitherto been particularly strong. The figures have not yet been released.

In the Nov.-Dec. period, based on buying plans of consumers during July-Aug. as a base of 100, appliance-buying plans were, in index numbers: air conditioner 110, dishwasher 119, clothes dryer 117, freezer 94, range 121, refrigerator 105, TV 104, vacuum cleaner 98, washing machine 106.

Public prefers 23-in. tube to 21-in. by a 3-1 margin, according to a survey of visitors to the big Corning Glass Center at Corning, N.Y. As part of its marketing studies on public preferences in tube sizes & shapes, Corning displayed the 2 tubes side by side in operating TV sets at its Glass Center. Asked to express their preference, three-quarters of the visitors chose the new shape.

Magnavox has received a \$13.5 million order for light-weight radar developed by its military & industrial div. Large additional orders are expected, pres. Frank Freimann says. With orders for digital & graphic-electronic data processors, 1959 new business totals \$23 million, bringing backlog to a high in excess of \$50 million.

Zenith clock-radios now have "Snooz-Alarm" in two models. Buzzer sounds, then again in 7 min., if user wishes, with 6 different reminders given at intervals. The Nocturne model has a \$39.95 suggested price, and the Empress, with appliance outlet & 3-gang condenser, \$49.95.

RCA's Frequency Bureau and its Patent Dept. on May 1 move to 712 Pennsylvania Bldg., 425 13th St. NW, Washington. The former will change telephone to District 7-9680, and latter will retain National 8-4338.

Emerson and Du Mont TV-radio-hi-fi lines will be displayed in a ground-floor showroom at Canada House, 680 Fifth Ave., N.Y. Emerson has rented 10,000 ft. of space in the building with a \$1,300,000 lease.

Packard-Bell has obtained a majority interest in Technical Industries Corp., newly-formed Pasadena company which makes atomic-reactor instruments.

Trade Personals: H. Leslie Hoffman, Hoffman Electronics pres., convalescing after surgery in Huntington Memorial Hospital, Pasadena . . . Peter J. Grant promoted from national sales mgr. to v.p., national sales, Sylvania Home Electronics Corp., subsidiary of Sylvania Electric Products. Forrest W. Price, from Sylvania Sales Corp. to v.p., operations. George T. Stewart, from mgr. to v.p., distribution.

G. W. Pfister appointed to new post of v.p. & operations mgr., RCA Service Co. Lawrence G. Borgeson succeeds him as v.p., consumer products service. Succeeding Borgeson, who was mgr., consumer products field operation, is Robert C. Gray. Howard W. Johnson succeeds Gray as mgr., appliance service . . . Clyde J. Schultz, ex-Shure Bros., appointed sales promotion mgr. for national service, parts & accessories div. of Admiral.

Richard D. Sharp, ex-United Printers, named to new post of mktg. dir., home products div., Packard-Bell Electronics . . . D. E. Perry, named mktg. mgr., for housewares & radio receivers, GE Supply Co. J. C. Hunt appointed customer relations mgr. for housewares & radio receivers, GE, Bridgeport . . . Rodney D. Chipp named engineering dir., ITT . . . Frederick H. Guterman appointed gen. mgr., industrial products div., ITT, replacing Joseph A. Frabutt.

Robert M. Jennings, gen. mgr., Canadian GE small appliance div., Barrie, Ont.; W. Frank Wansbrough, gen. mgr., appliance & TV dept., Montreal; Walter G. Ward, gen. mgr., apparatus dept., Peterboro, Ont., all named v.p.'s . . . Alwyn L. Carty Jr., ex-Sylvania, appointed dir. of contracts, Adler Electronics . . . William A. Fink, ex-Ampex, named sales mgr., professional products, ORRadio.

Vincent E. O'Sullivan appointed adv. & sales promotion supervisor, parts div. & chemical & metallurgical div., Sylvania Electronic Systems . . . Samuel Frankel of Continental Merchandise Co., importer of Japanese radios & lighters, named v.p., National Council of American Importers . . . Donald C. Power, chmn. & chief exec. officer of General Telephone and Electronics, elected to board of Curtiss-Wright Corp.

Edward O. Johnson appointed mgr., high temperature product development, RCA semiconductor & materials div. . . . Anthony M. Barnise appointed head of contracts, Stromberg-Carlson . . . John R. Price promoted from adv. dir. to adv. & public relations dir. of Gates Radio Co.

Robert N. Baggs, former RCA Service Corp. sales v.p., elected RCA Sales Corp. v.p. for special sales accounts . . . Harold H. Hart Jr., ex-Du Mont Labs, named regional sales mgr. for metropolitan N. Y. & northern N. J., Dutrex Industries, the sales & mktg. outlet for Du Mont (ABD) renewal-type TV picture tubes & radio & TV receiving tubes . . . Frank S. Amaru appointed mgr., record sales & merchandising, Latin America, RCA International . . . Gerald G. Griffin appointed mgr., merchandising, parts & equipment; Joseph J. Kearney mgr., merchandising, entertainment tubes; Morris S. Lewis mgr., merchandising coordination—all in distributor products dept., RCA electron tube div. . . . John D. Stout Jr., former v.p., Hartford National Bank & Trust Co., elected v.p. & financial dir., Philips Industries.

Obituary

Sir Stanley Angwin, 75, British communications expert who helped to establish the trans-Atlantic telephone system, died April 21 in Welwyn Garden City, England.

Stephen J. Powers, 54, retired research & engineering v.p., ITT, N.Y., died April 19 of a heart attack. Surviving are his widow, a daughter, 3 brothers and 3 sisters.

Electronics Personals: Trevor Gardner, ex-asst. Secy. of Air Force, now Hycon chmn., named to 18-member advisory committee on science & technology of Democratic Advisory Council, headed by Dr. Ernest Pollard of Yale . . . Dr. John W. McRae, AT&T v.p. & coordinator of defense activities for Bell System, raised from vice-chmn. to chmn. of the Army Scientific Advisory Panel, succeeding Richard S. Morse (Vol. 15:16).

J. W. Evans, chief of govt. liaison, named dir.; F. H. Moore, asst. chief design engineer, named technical dir., advance planning staff, Hazeltine electronics div. . . . Henry I. Metz, ex-chief of FAA navigational aids engineering div., joins Capitol Radio Engineering Institute Inc. as engineering v.p.

Fred J. Agnich elected Texas Instruments v.p. to head new geosciences & instrumentation div. He has also been promoted from pres. to board chmn., Geophysical Service Inc., wholly-owned TI subsidiary. R. C. Dunlap Jr. succeeds Agnich as GSI pres.

Distributor Notes: Telefunken Professional Products appoints Audio Fidelity Inc. exclusive distributor for the U.S. . . . Albert G. Vigneau appointed to new post of gen. mgr., Motorola-Eureka div. of Allied Appliance Co., Boston . . . Charles L. Dwyer named gen. mgr., Webcor Sales Co., Chicago, a wholly-owned Webcor subsidiary. He succeeds Gordon Hough, resigned.

Joseph Minarik named to new post of sales mgr., Motorola div., Philadelphia Distributors. Edward Hughes named field sales mgr. of Motorola products.

Appointment of 17 committees of the Assoc. of Electronic Parts & Equipment Manufacturers has been announced by pres. Robert E. Svoboda of Amphenol-Borg. To head the committees: Norman Ackerman of Perma-Power, Industry Relations. Mike Remund of Jensen Industries, Program & Attendance. Roy Vetzner of Vaco, Membership. Jay Greengard of Waldom, Orientation. Joe Morin of Howard W. Sams & Co., Education. Ray Mattson of Belden, Credit. Dave Rice of Electronic Publishing, Conference Coordination. Mel Krumrey of Quam-Nichols, Social. Dan O'Connell of Radion, Survey. W. L. Larson of Switchcraft, Publicity. Bruce Vinkemulder of Centralab, Industrial Distribution. Howard Harwood of Shure Bros., Advertising. Ralph Hill of Grayhill, Catalog. Ken Hathaway of Ward Leonard, Finance. Helen S. Quam of Quam-Nichols, Nominating. Industry Coordination & Advisory committees will be headed by Helen Staniland Quam, chairman, and A. N. Haas, Bud Radio, vice-chairman—both past presidents of EP&EM.

Joseph B. Elliott, pres. of Tele-Dynamics, has been named chairman of the newly-formed EIA small business committee. The 11-man body will review the SBA's definition of "small business" and legislation affecting small business. Others on the committee: Ben Adler, Adler Electronics; Roland M. Bixler, J-B-T Instruments; A. N. Haas, Bud Radio; Harry W. Houck, Measurements div. of McGraw-Edison; K. F. Julin, Leach Corp.; Jos. J. Kurland, Illinois Condenser; Wilfred L. Larson, Switchcraft; L. M. Sandwick, Pilot Radio; Edward C. Tudor, IDEA Inc.; Ray Zender, Lenz Electric.

Canadian TV sales to dealers by distributors totaled 31,701 in Feb., down from 31,741 in Jan. and 33,333 in Feb. 1958. For 1959's first 2 months, total sales were 63,442 vs. 67,068 in last year's same period.

Finance

Metropolitan's Gains: Metropolitan Bestg. Corp. reported its second year in the black in the 7 years since it was spun off by DuMont Labs. Now under management of John W. Kluge, it reported an increase in 1958 of more than 40% in gross revenue and a fourfold rise in net income. Net operating income before depreciation, amortization & taxes for 1958 was \$2,439,033 (\$1.58 a share) vs. \$1,350,269 (88¢) in 1957.

The 1958 results include WNEW-TV & WNEW N.Y. and WTTG Washington for the full year, and radio WHK Cleveland for 7 months. In 1957, the 2 TV stations were included for the full year and radio WNEW for 7 months. The 1958 income is subject to special writeoffs of \$630,313 (40¢ per share). No federal income taxes were payable due to loss carry-forward. For the year ended Dec. 31:

	1958	1957
Gross revenues	\$14,427,752	\$10,293,587
Net income	932,348	243,460
Earned per share	60¢	16¢

Biggest corporate money-maker of all is AT&T, whose net profits leaped 14.8% to \$952.3 million in 1958 from \$829.8 million in 1957, when it was also no. 1 in net profits. It heads the list of "1958's biggest earners" in April 18 *Business Week*. Other electronics & related companies on the "top-40" list: GE, 9th, \$242.9 million (down 2% from 1957 when it was 10th with \$247.9 million). IBM, 13th, \$126.3 million (up 41.4% from 20th with \$89.3 million). Western Electric, 19th, \$85.9 million (up 1.5% from \$84.6 million, not on 1957 list). Westinghouse, 24th, \$74.8 (up 2.9% from 27th position with \$72.7 million). General Telephone (before merger with Sylvania), 37th, \$50.8 million, up 11.2% from \$45.7 million, not on 1957 list).

Avnet Electronics Corp., Westbury, N. H. maker of diodes, transistors, capacitors & other electronic products, has asked the SEC (File 2-14993) to register 175,000 common stock shares for public sale at \$5.75 per share through an underwriting group headed by Michael G. Kletz & Co. and Thomas Treat & Co. Proceeds from sale of 100,000 shares would be added to Avnet's general funds.

Reports & comments available: 20th Century-Fox, an analysis by Hill, Darlington & Co. 40 Wall St., N.Y. . . . United Artists, comment by du Pont, Homsey & Co. 31 Milk St., Boston . . . P. R. Mallory, a review by A. M. Kidder, 1 Wall St. and by Eisele & King, Libaire, Stout, 50 Broadway, N.Y. . . . Hoffman Electronics, reviewed by Merrill, Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. . . . Amphenol-Borg, a report by Schweickhardt & Co., Hibernia Bldg., New Orleans . . . Emerson Radio, discussed by Eastman Dillon, Union Securities, 15 Broad St., N.Y. . . . RCA, comments by Purcell & Co., 50 Broadway, N.Y.

CBS Inc. common stock will be traded on an unlisted basis on the Detroit Stock Exchange under an order issued by the SEC at the request of the Exchange. The stock is listed & registered on N. Y. & Pacific Coast Stock Exchanges.

Packard-Bell reports net earnings for 6 months ended March 31 were 74% higher than the comparable 1958 period, while sales were up 43%. Pres. Robert S. Bell said all 4 divisions showed gains. The home products div. boosted its sales more than 18% over the first half of the last fiscal year. "Although dollar volume in color TV was small, sales increased threefold," said Bell. The technical products div. registered a 52% sales increase, and the business of the Bellwood div. (doors & pre-finished wood paneling) "almost doubled its business." Bell said the company will break ground for the first building in its Newbury Park, Cal., electronics center before Sept. 30. For 6 months ended March 31:

	1959	1958
Sales	\$24,125,962	\$16,918,971
Net income	717,723	412,935
Earned per share	1.04	60¢
Shares outstanding	691,600	688,000

Electronics Investment Corp., mutual fund headed by Charles E. Salik, has declared a record capital gains distribution of 43¢ per share payable (in stock or cash) May 29 to stockholders of record May 1. This is in addition to the 3¢ dividend, payable at the same time.

AB-PT's first-quarter profits were 25% higher than in first-quarter 1958, according to Pres. Leonard H. Golden-son. He said the key factor was the improved showing by ABC-TV network, with ABC radio network, owned stations and record business all showing improved results.

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Common Stock Dividends

Corporation	Amt.	Payable	Stk. of record
Oak Mfg. Co.	\$0.25	Jun. 15	May 29
Paramount Pictures .....	.50	Jun. 12	May 25
Siegler Corp. ....	.10	Jun. 15	Jun. 1
Siegler Corp.	3% stk.	Jun. 15	Jun. 1
Sperry Rand .....	.20	Jun. 25	May 14

Siegler Corp.—parent of Olympic Radio, Presto, Bogen, Hallamore Electronics (closed circuit)—reports earnings in its 3d quarter up 141% from the same period in 1958. Sales were 5% better. The 9-month period produced sales \$2.8 million greater than the previous fiscal year's first 9 months, equal to an additional 47¢ per share. For 13 weeks ended March 31:

	1959	1958
Sales	\$19,101,362	\$18,170,224
Net earnings	500,419	207,033
Earned per share	33¢	14¢
Shares outstanding	1,559,655	1,515,306

For 9 months ended March 31:

Sales	\$60,269,081	\$57,450,030
Net earnings	1,732,080	964,814
Earned per share	\$1.11	64¢

Electro-Voice increased its annual sales by \$2.4 million in the last fiscal year. Shares are adjusted for a 50-to-1 stock split in Jan. 1959. For the year ended Feb. 28:

	1959	1958
Sales	\$11,764,676	\$ 9,379,132
Net earnings	620,519	353,188
Earned per share	1.31	89¢
Shares Outstanding	473,650	398,800

American Bosch Arma improved its earnings 63% for the first quarter of 1959, compared to the like period in 1958. For 3 months ended March 31:

	1959	1958
Net sales	\$31,177,327	\$27,018,890
Net income	1,444,995	886,708
Earned per com. share ..	76¢	46¢

Texas Instruments Inc.'s first-quarter earnings were up 116%, with sales up 46%, pres. Patrick E. Haggerty told stockholders April 17 in Dallas. The meeting voted approval of the merger of Metals & Controls Corp. into Texas Instruments. The acquired company makes thermostatic & electrical controls, nuclear fuel elements & cores. M&C's first quarter was also successful, with earnings of \$583,000 compared to \$513,000 in the first quarter of 1958. TI's report for 13 weeks ended March 31:

	1959	1958
Sales	\$29,993,000	\$20,480,000
Net earnings	2,400,000	1,109,000
Earned per com. share ..	74¢	34¢
Shares outstanding	3,256,988	3,256,988

TelePrompTer Corp. reported that its 7th consecutive yearly gain in 1958 enabled it to convert the preceding year's loss into a net profit. Chairman-pres. Irving B. Kahn said all the company's products & services—equipment leases & sales, network TV & film service, closed-circuit TV, industrial staging—"contributed importantly" to the 51% gain in sales. For the year ended Dec. 31:

	1958	1957
Gross revenues	\$3,414,499	\$2,264,345
Net earnings (loss in '57).	41,956	(212,694)
Earned per share	12¢	—
Shares outstanding	356,591	356,591

United Artists increased annual gross revenues & net earnings for the 8th consecutive year, establishing new record highs in both categories. The earning improvement over 1957 was 13.47%. The comparative earnings per share for 1957 were adjusted to the 1,367,485 outstanding at the close of 1958. For year ended Dec. 31:

	1958	1957
Gross revenue	\$84,072,467	\$70,008,242
Net earnings	3,701,963	3,262,466
Earned per share	\$2.71	\$2.39

Muter Co.'s first quarter earnings were well over the 1958 period, stockholders were told at the annual meeting in Chicago. Directors may later restore a cash dividend, last paid in 1955. Per-share earnings for 1958 include a 5% stock dividend paid Jan. 1959. For 13 weeks ended March 31:

	1959	1958
Sales	\$3,318,701	\$2,628,721
Net earnings	119,374	23,540
Earned per share	15¢	3¢
Shares outstanding	800,313	762,729

General Bronze Corp. improved its earnings 41% for the first quarter compared to 1958. For 13 weeks ended March 31:

	1959	1958
Sales	\$9,569,143	\$6,209,144
Net earnings	271,928	192,909
Earned per share	71¢	51¢
Shares outstanding	381,517	380,377

Canadian Admiral Corp. reported an increase in sales & net earnings for 1958. The report (which includes subsidiary Canadian Admiral Sales Ltd.) for the year ended Dec. 31:

	1958	1957
Net sales	\$19,793,363	\$18,459,353
Net earnings	589,457	333,470

Oak Mfg. Co. reports increased profits & sales for the first quarter of 1959, compared to the 1958 period. For 13 weeks ended March 31:

	1959	1958
Sales	\$4,271,905	\$3,459,158
Net earnings	218,140	30,654

Clarostat Mfg. Co. reports profitable operation for the first quarter, as opposed to a loss for the comparable 1958 period. For 3 months ended March 31:

	1959	1958
Shipments	\$2,033,000	\$1,438,000
Net income (loss in '58) ..	88,600	(117,400)

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Presented by Chairman John C. Doerfer to Senate Committee on Interstate & Foreign Commerce
and Released by The Committee April 23, 1959

With Separate Statement of Comr. Bartley and Statistical Appendices

Mr. Chairman and Members of the Committee:

Introduction

Since our previous appearance before your Committee in May 1958, the Commission has been studying intensively the television allocation problem. We have given this study No. 1 priority, and have met frequently to discuss various alternative courses of action. A special staff group, assigned to this study, was directed to prepare test assignment plans and such other analyses as required by the Commission.

Recently, also, the Commission received the report of the Television Allocations Study Organization (TASO) embodying the results of its research into the technical aspects of present and potential vhf and uhf television service. The TASO work included studies of transmitting and receiving equipment, prediction and measurement of signal propagation, and subjective determinations of picture quality levels, together with field tests and theoretical analyses of television service. TASO's functions were limited by its charter to technical study, fact finding, investigation, and interpretation of technical data. Accordingly, TASO has not recommended any specific technical standards for the Commission to use in its regulatory work. The selection of such specifications remains the Commission's responsibility, but complete data were supplied from which such a choice could be made. Furthermore, the TASO data on equipment were based on current design and performance, and estimates of possible future improvements are left for the Commission to determine.

The work of TASO has been concluded, with the exception of tests of directional transmitting antennas, and the preparation of a final report of the panel dealing with analysis of the accumulated data. It is expected that these remaining tasks will be accomplished within the next few months.

The TASO report is a comprehensive and useful compilation of technical data on the various factors affecting television service. These data have been taken into account generally by the Commission in this presentation. Further detailed study of the TASO report will be a part of the Commission's continuing consideration of television allocations and service.

In the course of the Commission's deliberations to date, we have reached substantial agreement on two general conclusions, as follows:

1. No rearrangement of the 12 vhf channels can provide for a nationwide, competitive television system, adequate for the reasonable needs of our growing population and expanding economy. While the Commission has stated this conclusion on a number of previous occasions, we deemed it highly desirable to subject this view to a critical re-evaluation. Accordingly, we examined various methods of

extending the use of the 12 vhf channels, from reducing present minimum co-channel and adjacent channel spacings to an overall reshuffling of television assignments. Various engineering concepts of allocation were explored in practical interrelationship with economic and policy criteria. These studies demonstrated that while immediate shortages in some communities could be alleviated, other long-range public interest criteria could not be satisfied within a 12-channel system.

2. The Commission is likewise convinced that "deintermixture"—the assignment of vhf-only facilities to some communities, and uhf-only to others—cannot provide a long-term answer to the allocations dilemma. Deintermixture limited to selected communities cannot provide the needed stimulus for future uhf expansion. Area deintermixture, on the other hand, would involve large-scale disruption to the public and introduce inequities and inefficiency in the distribution of station facilities among the separate communities and states.

The alternative policies, which we have studied, may be summarized, as follows:

- a. A 50-channel vhf system, retaining the present 12 vhf channels.
- b. A contiguous 50-channel vhf system, retaining the present vhf channels 7-13 and withdrawing from television use ch. 2-6.
- c. A contiguous 25-channel vhf system, retaining ch. 7-13.
- d. The present 82-channel vhf-uhf system.
- e. A 70-channel all-uhf system.

The Commission feels that before it can finally agree on one or another of these alternatives, it must ascertain whether a wholesale reallocation of vhf spectrum space would be feasible and in the public interest. In this connection, the Commission is currently exploring with the Government (OCDM) the possibility of reallocating the government band above 216 mc to non-Government use. We are hopeful that a definite answer to this question can be given within the next few months. While the same question was answered in the negative in 1956, the Commission feels that renewed discussions with Government allocation officials on this issue are very much in order. Certainly, our search for a solution would be incomplete without a final determination of the possibility of a vhf reallocation.

If, however, additional vhf frequencies become available for non-government assignment, the Commission must consider the needs not only of television but of other vital radio services seeking additional space in this portion of the spectrum. The requirements of these services for frequencies are currently being examined by the Commission

in a general reallocation proceeding involving the spectrum between 25 and 890 mc. (Docket No. 11997).

Statement of Problem

The crux of the television allocation problem is the severe limitation on the number of stations, arising from the inability of the uhf broadcasting stations to develop as an integral part of a nationwide, competitive television system. Station growth has practically reached its ceiling within the 12 vhf channels allocated to television, while only minor clusters of stations presently survive within the 70 uhf channels.

As of April 1, a total of 434 vhf and 75 uhf commercial stations were in operation in 268 TV markets (See Appendix A). These figures have changed little during the past two years, although the economic indices of the industry continue their upward trend and the potentialities for profitable operation at least in the larger markets are highly attractive.

The Commission's hope for the commercial success of uhf television expressed in the Sixth Report & Order has not materialized. Since 1952, almost half of the 369 permits for uhf stations have been voluntarily surrendered. Even more significantly, 90 of the 165 uhf stations which were constructed and put into operation are now off the air. By way of contrast, in the same period only about 10% of the vhf permits issued have been turned back and only 6 out of the 333 vhf stations constructed are now off the air.

Nor are there any favorable trends pointing toward a substantial improvement in the uhf situation. Current statistics of the TV set-manufacturing industry indicate that production of all-channel receivers has dropped below 10% of total production. A recent commercial nationwide survey of TV homes in the Spring of 1958 reported only 3.2 million TV homes viewing one or more uhf stations. (A similar survey in 1956 reported 3.7 million uhf homes.) Furthermore, of the 75 commercial uhf stations in operation during the first half of 1958, only 26 or 33% reported profitable operations.

The inability of uhf stations to prosper in the presence of vhf service has severely limited the opportunities to establish additional stations in many markets throughout the nation. For example, among 103 top television markets there are 36 with less than 3 vhf or 3 uhf stations now in operation or anticipated. Many of these are numbered among the nation's largest population centers, such as Hartford-New Haven, Grand Rapids-Kalamazoo, Birmingham, Providence, Dayton, Toledo, Syracuse, and Rochester. In virtually all of these areas, the shortage of facilities in operation is a serious obstacle to fully effective competition both at the network and the community levels.

The inability of uhf to provide additional television outlets has been felt keenly in these 36 markets. The table below describes the uhf history in these markets:

TV markets among top 103 with less than 3 vhf assignments and in which:	No. of Markets
Uhf is now on the air	11
Uhf failed	8
Uhf never attempted	17
Total	36

Of the 11 markets in this group where uhf is now on the air in competition with vhf, the uhf operators in most of these communities have filed petitions with the Commission alleging inability to survive and urging the Commission to provide relief through substitution of vhf for uhf, or through deintermixture of all-uhf.

Uhf stations tend to persist mainly in those areas where only negligible vhf service is available to the community by virtue of either distance or terrain. Outside the top 103 TV markets, uhf is operating in 33 communities; all but 5 of these are uhf-only. Many of these uhf-only communities receive some vhf service from other areas and this, coupled with the fact that the uhf-only market is typically small, leads in most cases to unprofitable operation for the uhf.

Under these circumstances, it is clear that virtually no opportunity exists under the present allocation plan for long-term growth in the number of television stations. Only 70 of the total commercial vhf assignments within the

continental United States are potentially available for new stations, and these are located in sparsely populated areas of the North Central and Western States. Few, if any, can be utilized in areas where demand now exists for stations.

Any allocation plan designed to meet the nation's television needs must provide opportunity for expansion. No precise formula is available for gauging the extent of future demand for television service. It must be assumed, however, that the television broadcasting industry, which has grown into a billion-dollar industry in the short space of 10 years, would continue to expand substantially provided additional channels were available on which stations could operate on a competitive basis.

The task is to shape an allocation plan that will foster an expanding and competitive nationwide television system. Such an allocation plan should provide adequately, within the framework of private operation, for coverage of all the people, for local community outlets, for competition particularly in the larger markets, and for educational needs.

These characteristics of a nationwide television system have been often stated by the Commission. The prime importance which the Commission attaches to encouraging nationwide service and the great value it places on local community outlets and educational television are generally known. A word of explanation is in order, however, regarding the need for competitive facilities in the larger markets. In the Sixth Report, and in subsequent amendments to the Table of Assignments, the Commission allocated an average of 6-7 commercial and educational assignments to each of the top 100 television markets, with a maximum of 10. This was appropriate with 82 channels and the expectation that uhf would be competitive. In its current studies, however, the Commission has faced the hard question: What is the appropriate number of assignments which should be made to these major population centers, assuming that the present TV allocation plan must be altered and less overall spectrum space is available to television?

The Commission's answer is that it would be desirable in the public interest to assign at least 5 stations (4 commercial and 1 educational) to each major television market, if this can be done consistent with the availability of spectrum space and the needs of other radio services. In general, these major markets have 100,000 or more homes within the area covered by a TV station signal, and include combinations of separate communities following the actual pattern of national television advertising (e.g. Hartford-New Haven-New Britain-Waterbury is defined as one market). Adequate stations in these markets are critically necessary both for satisfying the requirements of national and local competition.

Prior to the establishment of television stations in small towns, coverage of the rural and fringe population is dependent, primarily, on service from stations in the large urban centers where advertising support first develops. The stations located in these top 100 markets can reach approximately 85 percent of all homes, thus providing the basic framework for a nationwide service.

Similarly, the number of outlets in these markets is directly related to the opportunities for competition among networks and other television program suppliers. If there are adequate facilities in these markets the industry as a whole benefits. Advertiser support for the medium is stimulated, and the supply of program fare is expanded. The greater availability of program product is of benefit to all stations, large and small, as well as to the public.

Compared to the present situation, five television stations allocated to and operating in each of the top 100 markets would encourage existing and new network competition, more fully satisfy other national and local needs, and provide more adequately for the nation's educational television service.

* * * *

The remainder of this presentation discusses each alternative course of action looking toward the development of a television system generally geared to the above criteria.

Television with 12 Vhf Channels

The number of stations within the 12 vhf channels has practically reached its ceiling, given current co-channel

and adjacent-channel minimum spacing requirements. The approximately 70 vhf station assignments currently unapplied for are in areas with very low population density, and these assignments cannot be transferred to areas where additional stations are in active demand. Any possibilities for dropping-in additional assignments, or moving unused assignments, are so limited as to be considered practically insignificant.

One obvious method of increasing the number of stations in the vhf band is to reduce station spacing requirements. This technique can be used to remedy current shortages in a number of markets. It cannot, however, provide sufficient outlets to satisfy the long-run, expanding needs of television as set forth in our criteria.

This conclusion is based directly on test plans embodying three different approaches to the distribution of assignments within 12 vhf channels. In one approach all existing vhf assignments were left undisturbed, and new assignments were squeezed in at reduced spacing. This plan demonstrated that any sizeable increase in the number of outlets could be obtained only through drastic reduction in station spacing. Because of the geographical distribution pattern of cities, a large increase in assignments is obtainable only at minimum co-channel spacings in the neighborhood of 100 miles. With such spacing, the usable signal of the squeezed-in stations would extend only a few miles in the direction of operating stations on the same channel, if full protection were afforded the service areas of existing stations. The alternative would be to reduce the service range of established stations in order to provide an economically feasible service area for the new stations. Under this latter alternative, coverage of both the new and the established stations would be limited effectively to 30-35 miles. (The technical parameters used in the test assignment plans are shown in Appendix B.)

Such shrinkage in the service areas of individual stations results in "white" areas where mutual interference destroys service now available. The rural and fringe population residing in these areas would be deprived effectively of television service unless or until new stations were established nearby. Thus, a plan which requires general reduction in station spacing may delete some or all of the program services for an indefinite period in many homes where such program services are now available.

Moreover, despite its many unrealistic spacings, the test plan did not contain sufficient outlets to meet the Commission's criteria. It fell short of providing even four stations to each of the top 100 markets. The greatest weakness of the plan was its inability to meet the long-run needs of communities for local outlets. It could not satisfy even the current needs of these communities. For example, it did not permit sufficient vhf assignments to replace the assignments of all *operating* uhf stations in the same communities. It was unable, likewise, to provide a vhf facility in each community where a uhf permit is currently held, or where uhf operation has been attempted and failed.

Generally, the same shortcomings are evident in two other plans of assignment within the 12 vhf channels. In one of these plans, less extreme cuts in station spacing were used but the present frequency assignments of operating vhf stations were extensively reshuffled as though the television industry were starting from scratch. While this plan was more efficient than the other alternatives, it too involved reduced station service areas and insufficient room for the growth of competitive stations in the larger markets or of local outlets in smaller communities.

The third approach also started from scratch without regard to the present frequency assignments of stations; it attempted to assign channels in clusters rather than individually as a means of maximizing channel efficiency. This principle could not be applied generally, however, because of the variegated pattern of distances between cities, the impracticability of assigning the same number of stations uniformly to all communities, and the limitations involved in protecting against adjacent channel interference. This approach proved little more than an exercise: it would disrupt the present vhf television structure without significant compensating benefits.

In our analysis, we also considered the possibilities of using precision offset and directional antennas. Based on the latest available data, it appears that neither of these techniques can overcome the inherent limitations of a

12-channel system. Theoretically, with precision offset co-channel separation could be reduced from 170 miles to 140 miles without reducing the service areas of the stations. This calculation is based on theoretical computations; it has not been subjected to the rigors of general field testing involving a large group of stations. More important, a reduction in minimum spacing of this order cannot make possible the needed flexibility and expansiveness of assignments. As stated above, a significant increase in the number of assignments is possible only if co-channel spacing is reduced to 100 miles, but at this level precision offset is relatively ineffective in maintaining adequate service areas.

With respect to directional antennas, it has not yet been demonstrated that they can be relied upon as an allocation tool for reducing minimum station spacing on an overall basis. A further study of this problem has been started by TASO.

In summary, it is virtually impossible within the confines of 12 channels to have both sufficient competitive outlets in the major markets and local outlets in a large number of communities. A 12-channel television system is inadequate, however the spacings are juggled. If additional assignments are made to some of the larger markets, this necessarily restricts the potentialities for local outlets or educational assignments in other communities.

For all of the above reasons, the Commission has concluded that the allocations dilemma cannot be resolved on a long-range basis within the 12 vhf channels.

Television Within a Deintermixed Vhf-Uhf System

As described earlier, the general inability of uhf stations to compete in markets with vhf stations has led to the present critical television allocation situation. To remedy the incompatibility of uhf, the Commission in 1956 undertook to explore the interim possibilities of improving the opportunities for effective competition among television stations, pending a long-range allocation solution. The program involved a study of the feasibility of converting to non-commercial assignments or eliminating some or all of the vhf channel assignments in designated cities having uhf stations, and the transfer of the displaced vhf channels, to the extent feasible, to wholly vhf areas where they would increase the number of vhf services.

In assessing deintermixture, the Commission stressed its limited utility in fostering the fuller utilization of uhf channels on a nationwide basis. Hopefully, deintermixture could serve to increase the number of competitive outlets in some communities, establish a core of viable uhf markets, and halt further deterioration in the uhf industry. However, the Commission in its Report of June 1956 pointed out the following shortcomings inherent in an extensive nationwide program of deintermixture: the undesirability of eliminating vhf assignments in areas with little uhf set saturation; the penetration of most areas with signals from vhf-only markets and the consequent inability to carve out significant areas in which uhf could grow; and the likelihood that elimination of local vhf assignments would create substantial "white" areas, unless the uhf broadcaster could somehow substantially extend his service area or unless the public in these areas undertook the additional cost of erecting high receiving antennas. As a result of these considerations, the Commission described deintermixture as an "interim" measure, pending adoption of a long-range solution.

Experience with deintermixture in the intervening years has demonstrated that it is ineffectual as a national allocation policy. One or another pertinent consideration has served to narrow the possible communities in which deintermixture could be justified in the public interest: the opportunity to add vhf assignments at approved minimum spacings through simple "drop-ins," rearrangement of assignments in other nearby communities, or relocation of station antennas; the danger of creating "white" areas; the availability of multiple vhf signals from nearby major centers; unfavorable terrain; or insufficient uhf set conversion. Procedural delays flowing from adjudicatory requirements in those instances where the Commission has ordered removal of a vhf assignment also have served to minimize the immediate benefits expected from deintermixture.

Nevertheless, in line with our decision to reexamine and reevaluate all possible allocation measures, studies were

made of deintermixture, both on a selective community and on a general area basis. Two assignment plans incorporating these approaches were studied.

In one study, a total of 23 communities containing approximately 1 million homes were selected for deintermixture to all uhf. The markets selected generally have 1 vhf and 1 or more uhf assignments and are reasonably distant from vhf-only markets. Included in the 23 communities were places such as Lancaster, Manchester, Flint, and Spartanburg which have uhf assignments but no operating uhf stations and thus have little or no uhf set saturation. A transition to uhf in these markets would be a slow and difficult process. Furthermore, it is not certain that some of the new all-uhf communities would be sufficiently distant from vhf centers to avoid "overshadowing." Thus, uhf in Lancaster would be subjected to the competition of Philadelphia vhf stations, uhf in Manchester could be effectively "overshadowed" by Boston, and uhf in Flint could be adversely affected by Detroit. There is no firm assurance, therefore, that uhf stations would be built in all these new uhf communities.

Another relevant consideration in assessing this limited deintermixture plan is the impact of uhf set production. Undoubtedly, deintermixture in these communities would provide some additional stimulus to set manufacturers. However, the market for new uhf-equipped receivers would be substantially less than the estimated one million homes in these 23 communities since a number of these communities already have partial uhf set distribution.

The limited effect of a selective deintermixture plan on the promotion of uhf suggested the alternative approach of area deintermixture. Here the objectives were to ensure the continuance of present uhf operation and to create areas and populations dependent upon uhf service sufficient to provide a strong incentive to receiver manufacturers to produce all-channel receivers. The deintermixture area was outlined by including a chain of communities having uhf experience; this was expanded to encompass nearby and interspersed vhf communities in order to form a solid and sizeable uhf-only area.

In order to ensure that the areas and populations dependent upon uhf would be large enough to foster the uhf industry generally, it was found necessary in the plan to deintermix many large markets with little or no previous uhf experience. Examples of such markets include Cincinnati, Atlanta, Louisville, Indianapolis, Columbus, Rochester, Dayton, Toledo, and Syracuse, among others. This particular area deintermixture plan would require the deletion of about 90 vhf stations which could not be transferred elsewhere. As a result of such drastic reshuffling of assignments, a total of some 12 million homes might become dependent upon uhf for television service in these areas.

The shortcomings of this approach are readily apparent. The criteria for selection of the areas for deintermixture are too vague to prevent "discrimination" as among communities; the dislocation is too substantial without necessarily ensuring that all receivers would thereafter be all-channel sets; and there would be little or no additional opportunities for communities within the vhf-only areas to have a local outlet or multiple stations.

Therefore, at this time the Commission concludes that broad area deintermixture would be too disruptive to be feasible as an interim measure and too inefficient because of its partial use of the vhf and the uhf channels to serve as a long-run solution.

Alternative Courses of Action

Short of a major technical innovation, it appears that the Commission's long-run objective of a fully expanded, competitive nationwide television system cannot be realized within 12 vhf channels or through deintermixture. Accordingly, the Commission has been studying various alternative courses of action, each of which will be discussed in turn.

50-Channel Vhf System Retaining the Present 12 Vhf Channels

The optimum or ideal solution for television would be a fully expanded, all-vhf allocation. Such a system would meet the public demand for a generally satisfactory and economical service, under varying home conditions.

This raises two critical interrelated questions: As a practical matter, can the necessary additional vhf spectrum space be allocated to television? And what are the costs of such reallocation?

As a preliminary step, we have attempted to ascertain the minimum number of channels required. The number of channels which should be assigned to television, obviously, is a matter of judgment. The policy factors to be assessed include the importance of television to the American people, including television's contribution to political, economic, religious, educational, informational, entertainment, and other public needs; the current and long-run demand for television stations; and the conflicting needs of other services. Balancing these and other considerations, the Commission in the Sixth Report assigned 82 channels to television. This compares closely with the assignments to other broadcast services—107 channels to AM and 100 channels to FM. Television, however, requires a far larger share of the spectrum. A single TV channel occupies 600 times as much spectrum space as an AM channel and 30 times as much as an FM channel.

Concurrent with and following the allocation of spectrum space to television, a great many other services have been allocated space in the vhf or lower uhf bands. Because of the requirements of these various other services, television cannot retain its 82 channels if it must develop largely within the vhf. Accordingly, the question is posed as to the minimum number of channels necessary and *feasible* for a nationwide, competitive television system, with fair, efficient and equitable distribution of facilities among the States and communities.

On the basis of our studies, we have determined that 50 channels would provide ample opportunity for a nationwide, competitive television system. Sample assignment plans were drawn covering 19 States east of the Mississippi River and north of Tennessee and North Carolina. The problems of equitable allocation of assignments are greatest in this region because of the dense population and the concentration of cities. Minimum co-channel spacings of 170 miles and adjacent channel spacings of 60 miles were maintained, and appropriate protection was provided Canadian assignments according to existing agreements. With these safeguards of individual station coverage, it was possible with 50 channels within and adjoining the vhf band to provide sufficient assignments to foster competition in large markets, to meet the requirements of an expanded educational television service, and to permit a considerable growth in local community outlets.

With 50 channels, a minimum of 5 stations could be provided in all major television markets. In a number of these markets, additional assignments would be available when needed. At the same time, it would be possible to provide liberally for the future growth of community facilities. For example, an assignment would be available to replace every operating or authorized station, vhf or uhf. Moreover, at least one station could be assigned in this region to every community of 35,000 population or more which was located in a county of at least 50,000 population. Assignments could also be made to large "overshadowed" communities such as Atlantic City, Worcester, and Easton-Allentown now blanketed within the service areas of multiple stations located in nearby, major markets. While the public in the overshadowed communities have a choice of programs, the Commission believes they should also have the opportunity to be served by local stations, if this proves economically feasible.

Based on the test plans it was determined, further, that with 50 channels provision could be made for educational television, both in the large markets and in smaller communities which are important educational centers.

If 50 channels could be allocated to television within and adjoining, the vhf band there would then be a reasonable opportunity for television's expansion. However, for years the vhf band has been in great demand by various other radio services. In fact, the demand generated by highly important services—including police, fire, transportation industrial, and business—far exceeds the supply of vhf frequencies. The demands of these services for additional spectrum space is so critical that the Commission is currently engaged in a general allocation proceeding with respect to the spectrum space between 25 and 890 mc.

Nevertheless, from the standpoint of meeting television's needs, it would be highly desirable if the present 12 vhf channels allocated to television could be retained, and space provided for 38 additional channels. This would minimize the disruption and transition cost for the public and the broadcasters, particularly if all operating vhf stations could continue without change in their frequency assignments. The TV allocation would be divided into three non-contiguous segments as at present: 54-72 mc. (Ch. 2-4); 76-88 mc. (Ch. 5-6); and 174-444 mc. (Ch. 7-51). This would require an additional block of 228 mc. above TV Ch. 13. On the other hand, the uhf TV allocation which begins at 470 mc. and extends to 890 mc. could then be released for non-broadcast services. The band 216-450 mc. is allocated exclusively to the Government, except for the amateur bands 220-225 mc. and 420-450 mc., the aeronautical radio-navigation band 328.6-335.4 mc., and the meteorological aids band 400-406 mc., which are available to both government and non-government users on a shared basis. The bulk of the government operations between 216 and 450 mc. is military. For reasons of equipment standardization many countries have allocations that closely parallel those of the United States. If, therefore, changes are made in the domestic allocations for television and general communication services, this will affect allocation decisions in other countries. Any such spectrum reallocation must therefore be coordinated closely with the other interested nations. The time required to complete such negotiations and implement the changes would undoubtedly extend over a period of years.

Furthermore, since a number of the systems operating in the band 216-450 mc. are there because of the propagation characteristics of that portion of the spectrum, they would have to be moved to frequency bands with similar characteristics if they are to continue to perform the function intended. It must be determined, for example, whether existing operations in the vicinity of 216 mc. could perform properly if moved above 450 mc. As a practical matter, also, it is highly unlikely that the band 328.6-335.4 (the equivalent of one TV channel) could be reallocated, since this change would affect all aircraft equipped for instrument landing.

It must also be pointed out that a 50-channel system, as described above, would be located almost equally within the vhf and uhf bands. There would be 26 channels in the vhf portion of the spectrum, which extends to 300 mc., while the remaining 24 channels would extend into the lower portion of the uhf spectrum. The last channel at 444 mc. would cut off below the present uhf TV band, which begins at 470 mc. However, the upper channels within the 50-channel system would be more subject to shadows, absorption, and other undesirable effects, and would permit less extensive service areas than do the present 12 vhf channels. In particular, there would be a variation in service area as between stations operating on the lower vhf channels and those on the upper channels.

Transition to an expanded vhf system would also involve additional costs to the public. Of the 44 million television homes, none is equipped to receive vhf channels above Ch. 13. Presumably, in the course of a 10-year period, practically all these homes would replace their current television sets. Hopefully, all such new receivers would be equipped to receive all 50 channels. If, contrariwise, the bulk of the public continued to purchase sets equipped to receive only the 12 vhf channels, the television allocations dilemma would remain unsolved. For, under such conditions, the new vhf stations would face the same economic hardships as uhf stations have suffered since 1952.

Although the Commission cannot predict the production and marketing plans of television set manufacturers, we would earnestly hope that the television broadcasters and manufacturers would utilize their full resources to promote the success of an expanded vhf system. The long-run private interests of the television industry, no less than the interests of the viewing public require a solution of the television allocation problem and the establishment of a nationwide, competitive television system.

However, we cannot rely on optimistic expectations. The uhf experience, and the FM experience earlier, suggest that within the competitive market framework the tendency to cut costs militates against the universal production of all-channel receivers. The incentives will be strong to continue to market receivers predominantly equipped for

12 channels only, in line with the present-day set production and distribution pattern. To disturb this pattern and to produce a new receiver equipped for all 50 channels imposes new costs on the industry which, initially at least, is likely to be passed on to the consumer. Some of the same difficulties which now beset manufacturers in producing an efficient and convenient vhf-uhf receiver would likewise be present in producing a set required to cover the frequencies ranging from 54 to 444 mc. Television manufacturers may conclude that their production should include both 12-channel and 50-channel sets, as well as sets equipped to receive some intermediate number of channels. These manufacturers will maintain that they can thus satisfy the public best. If stations in one community operate on ch. 2-13, why burden the public in that community with the additional cost of a 50-channel set? On the other hand, if stations in another community begin operation at ch. 14 or above, the manufacturers would then proceed to supply receivers for these new channels for that community.

However reasonable this policy may appear, it could start in motion a vicious circle. Without an audience, the new stations will lack advertising support; lacking such support the stations will fail. New broadcasters will risk their capital in developing the new vhf channels only if there is a reasonable likelihood that all-channel receivers will be widely distributed. However, in the major markets with 3 or more stations in operation the average consumer is not likely to insist on a receiver which would enable him to receive additional stations in the future. But if these markets which purchase the bulk of all television receivers are supplied with 12-channel sets only, then the incentives will not exist for the development of a 50-channel television system.

In short, there is the danger of repeating the vhf-uhf experience unless steps are taken to require the production of sets equipped to receive the new channels as well as the established 12 vhf channels. This appears an essential prerequisite for the success of any long-run measure to resolve the television problem even though it has the disadvantage of adding to the cost of the receivers. It would require, however, a legislative enactment that all TV sets shipped in interstate commerce must be equipped to receive all channels assigned to television. If such a statute were coupled with the removal of the set excise tax, this could serve to offset partially the added cost to the public of the new receivers.

We have indicated some, and by no means all, of the major difficulties necessarily involved in any such wholesale change of the present television structure. Under the best of circumstances, the transition would take at least a full decade; it would involve the expenditure of large sums of money by the Government for conversion of existing facilities; it would require the cooperation of other nations; it might cost the public some additional, although now indeterminate, sums for all-channel sets; and it would require new legislation to ensue production of all-channel receivers only.

Contiguous 50-Channel TV System Retaining Ch. 7-13

The first alternative, which has been discussed above, looks toward a 50-channel system retaining all the present 12 vhf channels. A second alternative is a continuous 50-channel system beginning at 174 mc. (Ch. 7) and extending upward to 474 mc. The spectrum space required for this plan is now almost entirely allocated to the Government between 216 and 450 mc. and to non-Government land mobile radio services between 450 and 470 mc.

This alternative would involve the release of the lower portion of the vhf spectrum, now used by TV stations on Ch. 2-6, and the release of the uhf TV allocation. This would increase the net amount of spectrum space available for allocation to other services by 192 mc. (i.e., the difference between the present 82 channels and 50 channels). It also may better serve the needs of various communication services which now require some additional vhf or uhf spectrum space. Further, there may be some economies in set design and production in a continuous band between 174 and 474 mc. The ratio between the lowest and highest channels would be less than $2\frac{1}{2}$ to 1, as compared to the ratio of 16 to 1 in the present vhf-uhf system.

On the other hand, this alternative would be subject to the same complex and costly conversion and transitional

problems as outlined with respect to the first alternative. In addition, the loss of Ch. 2-6, while releasing valuable spectrum space for other services and increasing the incentive of the public to purchase new receivers, will impose a substantial burden on the stations required to move to new assignments above 216 mc. Aside from the cost of additional transmitting equipment, the present service areas and the audience of these stations would be reduced.

We must assume that such wholesale frequency reassignments will be opposed by individual stations. If we were required to hold an adjudicatory proceeding with respect to each such frequency reassignment, the process could be so time consuming and burdensome as to defeat any solution of the television problem. To cope with this procedural hurdle, we may recommend an amendment to the Communications Act authorizing the Commission to change the frequency of any individual station through a general rule-making proceeding, when an overall readjustment of station assignments is required in the public interest.

Contiguous 25-vhf Channel System Retaining Ch. 7-13

Previously, 2 expanded vhf television allocation systems were discussed, both comprising 50 channels. Another alternative studied was the allocation to television of 25 contiguous vhf channels.

This approach recognizes the possibility that because of national defense and other needs it may prove infeasible to allocate to television 50 channels in the vhf and the contiguous uhf frequencies. The Commission, therefore, considered the minimal number of channels which would correct the serious deficiencies of the present television system. Our studies have indicated that the lower limit of such an allocation to television is 25 channels. The allocation would begin at television Ch. 7 (174 mc.) and continue to 324 mc. Under this alternative, television would lose channels 2-6 in the lower portion of the vhf band and would obtain from the Government the additional spectrum space between 216 and 324 mc.

As would be expected, a 25-channel system falls short of achieving the flexibility and the opportunities for station expansion in local communities which are possible in a 50-channel system. With present minimum spacing requirements, a 25-channel plan would allow 5 stations in the bulk of the top 100 television markets. The opportunities for growth above this minimum would be limited, however.

The major shortcoming of a 25-channel plan lies in its inability to meet community needs for local outlets. If it is to allow expansion in the large markets, it must skimp in its assignments to other communities. As an illustration, 65 communities were selected in the test area as requiring one assignment. Included in this group were "overshadowed" communities and other medium and smaller communities with a cut off, as mentioned previously, of 35,000 city and 50,000 county population. Under a 50-channel plan, all of these communities could have a local assignment. With 25-channels, station assignments could not be made to 50 of the 65 selected communities.

Obviously, if the 25-channel plan were drawn with different specifications, as, for example, limiting the top markets to a maximum of 4 assignments, more assignments would be available for smaller communities. Overall, a 25-channel system would permit moderate expansion in the present number of stations, thus strengthening the competitive position of the third network while permitting additional educational or independent station operation. It would also permit the release of substantial spectrum space in the uhf and vhf bands for other radio service. As against these advantages must be weighed the inevitable costs of a changeover from the present system.

82-Channel Vhf-Uhf System, with All Sets Capable of Receiving Both Vhf and Uhf

If our current study with the Government discloses that a rearrangement of the non-government allocation to provide sufficient additional channels in the vhf and adjoining uhf frequencies for television is infeasible, the alternatives are the present 82-channel vhf-uhf system, or an all-uhf system.

Our earlier discussion indicates quite clearly that the present intermixed system will not work so long as the

overwhelming bulk of home sets are equipped to receive only the 12 vhf channels. It appears that this critical handicap can be overcome only by imposing a statutory requirement that all television sets shipped in interstate commerce should be equipped to receive both vhf and uhf channels. Uhf conversion would then come automatically over the next 10 years, as the public replaced present receivers. If uhf stations were potentially able to reach all television homes in their communities, this might provide the necessary stimulus for the widescale development of uhf service.

This course, if effective, would have many advantages. By retaining the 12 vhf channels, wide-area service to rural and fringe populations would be ensured throughout the United States. At the same time, the 70 uhf channels would permit multiple stations in the major markets as well as local stations in over 1,000 communities.

Moreover, uhf could grow with a minimum of disruption to the present television structure. The public would continue to receive service from all operating stations, vhf and uhf. At the same time, existing uhf stations would be strengthened as the normal turnover of receivers eventually resulted in all television homes being converted to uhf. The expansion of uhf-equipped homes, in turn, might attract new uhf stations to the air. Thus, over the next decade, the public could have a wider choice of program sources, commercial and educational, national and local.

Such nationwide distribution of all-channel receivers cannot be accomplished, however, without cost. It is likely that the public will be required to pay more for an all-channel receiver than for a vhf-only set. At present, the differential averages about \$25. In addition, the installation of an outdoor uhf antenna is required in most homes beyond the immediate confines of a uhf station. The cost for antenna and installation may add another \$25 or more to the consumer's price. Thus, if the average cost of a vhf-only installation is \$200-\$225 the comparable price of an all-channel installation may be 25% higher.

Whether the differential would remain at this level depends on the outcome of a number of conflicting forces. Undoubtedly, there would be a strong tendency toward cutting the differential. If set output were 100% all-channel instead of less than 10% as at present, some savings would be found and the pressure of competition, which is so strong in radio set manufacturing, would lead to lower set prices.

On the other hand, there would also be cost-increasing forces at work. Today's uhf receivers are significantly inferior to vhf receivers in noise level, in ease of tuning, and in the longevity of some components. Those inadequacies in uhf tuners serve to reduce the quality and range of uhf signals, and are a significant factor in the difficulties encountered by uhf stations in building and retaining audiences. In intermixed vhf-uhf communities where a full schedule of popular network programming has been on uhf stations (viz Buffalo, Hartford, Milwaukee, etc.), the uhf-equipped public has tuned to fewer network programs on these stations than anticipated on the basis of the audience appeal of these same programs in other communities where the programs were presented on vhf stations. While this difference in public response cannot be attributed entirely to the relative inferiority of the uhf receiver, it is an important factor.

The set manufacturer has, or can develop, the techniques necessary for improving uhf tuners. These, however, would increase the cost of production and, because of the declining market for uhf receivers, manufacturers have been reluctant to undertake costly equipment redesign and development. Presumably, this trend would be reversed if television set production were exclusively in combined vhf-uhf receivers. With a greater market potential, manufacturers would have an opportunity to introduce improved uhf tuners even if it necessitated a somewhat higher price to the consumer.

The same effect might also be achieved if the legislation requiring vhf-uhf receivers empowered the Commission to set reasonable standards in the public interest with reference to the quality of the receivers. Pursuant to such a mandate, after a given period to permit a changeover, the Commission might, for example, withhold type approval of uhf tuners which were substantially inferior to vhf receivers.

Whether introduced voluntarily or by Commission direction, improvements in uhf sets may result in higher prices to the public, at least initially. The net effect of this tendency as against the price-reducing factors previously mentioned cannot be gauged. Certainly we cannot overlook the possibility that the price of the combined vhf-uhf receivers might continue to be higher than the cost of present vhf-only receivers. In addition, some additional cost would be borne by the public for a uhf outdoor antenna installation, which is necessary if conversion to uhf is to be generally effective.

Notwithstanding the general availability of all-channel receivers, it is by no means certain, moreover, that an intermixed vhf-uhf system would prove competitively feasible in markets with multiple vhf facilities. Propagationwise, uhf stations have a shorter service range than vhf stations, and they also suffer from a greater variability in quality of service within their service range, owing to the effects of uneven terrain, tall buildings, and changing atmospheric and foliage conditions. These differences are most apparent to the public in areas where both vhf and uhf stations are in operation and a direct comparison of the two is made. These differences will tend to handicap the uhf stations in their efforts to obtain network affiliation and national advertiser support.

The counter argument may be advanced that these differences between vhf and uhf will become less important in the long run. Reference is made to the AM experience and the presence in the same market of large and small stations. However, the small AM stations have available to them very inexpensive forms of programming which can attract substantial audiences in competition with network-affiliated stations. In the final analysis, the economic prospects for uhf stations in an intermixed vhf-uhf system may depend on the general availability of inexpensive and popular programming fare as well as on the requirement of all-channel receivers.

70-Channel Uhf System

A fifth alternative considered by the Commission is the assignment of all television stations to the uhf band. This approach presumes that the present vhf-uhf allocation cannot be made to work successfully and that a choice must be made between retaining the 12 vhf or the 70 uhf channels. The merits of an all-uhf system has been extensively debated before your Committee since 1954 and the arguments, pro and con, are contained in the records of these hearings and in special staff reports made by and to your Committee. In our Report of June 1956, we summarized the major benefits which might ensue from an all-uhf system. Among the more obvious of these benefits are: (a) no other service would be required to move, (b) the frequency requirements of other radio services could be accommodated in the space vacated by the present vhf channel allocation, and (c) no international problems would be engendered by the implementation of the existing uhf allocation. Moreover, with 70 channels, there would be adequate opportunity for multiple, competing stations in the larger markets and sufficient assignments available to satisfy the long-run needs of other communities for local outlets.

In our 1956 Report we stated that before a realistic appraisal could be made of the coverage potential of uhf, it would be necessary to ascertain the extent to which uhf transmission and reception could be improved. The Commission at that time called for a program of expedited research and development concentrated on uhf transmitters, receivers, and receiving antennas. Subsequently, various segments of the television industry established the Television Allocations Study Organization. However, as a joint industry group TASO could not undertake equipment research and development programs because of antitrust considerations.

The Commission as part of its own studies has sought to ascertain the current status of uhf equipment development. The main findings of this inquiry may be summarized as follows: Research and development in uhf is continuing and some improvements have been made in receiving and transmitting equipment. A major factor deterring rapid technological improvement in uhf is the unfavorable economic outlook for the service. The required improvements involve additional costs for manufacturers, broadcasters, and the public, and there is a natural reluctance to incur these costs under present conditions.

Individual manufacturers have undertaken research and development programs in uhf frequencies which are continuing. In part, these programs have been stimulated by demand from the military and other non-broadcast users of uhf frequencies. In part, also, these programs stem from the normal competitive efforts of manufacturers to improve their product, to capture a larger share of the uhf receiver and transmitter markets, and to reduce costs.

Nevertheless, the generally unfavorable economic climate for uhf has retarding effects on the full development and introduction of technical improvements. Over 90% of television set production is vhf-only; with the number of operating uhf stations declining, there is little or no expectation of any significant increase in the public demand for the uhf receiver. Obviously, these facts are taken into account by manufacturers in deploying their technical personnel and facilities and in laying out their marketing plans. Manufacturers, naturally, are unwilling to add to current price differentials between vhf-only and vhf-uhf receivers, unless the improvements in uhf receivers can be of substantial and obvious benefit to the public.

This may be illustrated in the efforts made to reduce the noise level of uhf tuners. The noise figure for present uhf tuners averages 12.8 to 13.8 db; the comparable figure for vhf tuners is 6.5-8.5 db. The noise level could be reduced in a uhf receiver and set performance improved by incorporation of an RF amplifier. Several tubes have been engineered for this purpose including the ceramic tube of GE, the pencil tube of RCA, and a German Pc 86 tube. According to the manufacturers, the best of these devices would reduce the noise level of uhf tuners to the range of 8-10 db.

It was estimated, by the manufacturers, however, that the cost to the public for a vhf-uhf receiver so equipped would average \$35-\$40 more than the price of a vhf-only receiver, compared to the present differential of \$25. This estimate was premised on the most favorable conditions, assuming a nationwide mass market for uhf receivers. The set manufacturers maintained that the average consumer would not note a reduction in noise level of only 3 to 4 db (as compared to the better uhf receivers) and that, in any event, the cost of achieving this improvement was too high.

Some manufacturers were optimistic that a major improvement in uhf receivers may be achieved by the use of transistors, parametric amplifiers, or other semiconductors. The parametric amplifier, which is currently produced for use in non-broadcast communications, is theoretically capable of reducing the noise level in receivers to zero. Before the parametric amplifier is ready to be applied in commercial television sets, technical changes are required. While certain manufacturers were optimistic that these technical difficulties could be overcome, they estimated the production timetable as at least 3-5 years hence.

While the potential exists for substantial improvements in uhf receiver design, such improvements alone would not equate uhf with vhf service. One of the basic characteristics of radio propagation is that the length of the radio wave decreases as we move upward in the spectrum. This places a greater burden on the receiving antenna to capture the shorter wave. With present-day uhf antennas, and transmission lines, the signal delivered ultimately to the uhf receiver may be 10 to 20 db less than in the case of vhf transmission. Moreover, uhf receiving antennas are somewhat more directive than vhf antennas. Thus, in order to obtain multiple services from uhf transmitters located in different directions, the uhf set owner in a fringe area is more likely to require a rotary-equipped antenna which would double the cost of the antenna installation. Although the antenna is an important link in the development of a uhf system which would more nearly equate with vhf coverage, there are no major improvements in uhf antenna design in prospect.

The loss in uhf signal capture could be offset in part by a large increase in uhf transmitted power or by an increase in the number of uhf transmitting locations in a given area. With few exceptions, uhf stations currently are operating below the Commission's maxima with respect to transmitter power and antenna height. The major limiting factor is cost. The initial and annual recurring costs rise sharply with increased power. For example, a uhf transmitting system radiating 250 kw ERP can be assembled (exclusive of tower, buildings, studio, studio equipment and other station facilities) for less than \$200,000;

by comparison, the cost of transmitter and antenna for a 1-megawatt system is estimated at \$280,000, and of a 5-megawatt uhf transmitter system at \$740,000. The annual power and tube expenses directly associated with the cost of operating such transmitting equipment similarly rises sharply, from \$25,000 for a 250-kw system to an estimated \$120,000 for a 5-megawatt system. Obviously, for the great bulk of uhf stations such increased outlays are not warranted at this time.

As an alternative to a single superpower transmitter, it may prove more feasible to extend uhf service by use of multiple transmitters in a polycasting system. This appears to be a promising technique although it has not been field tested as part of a complete system, and it poses certain problems with respect to availability of channels and the commercial identification of the stations in the public mind.

If uhf service is to equate more nearly with vhf service, it appears essential that improvements be introduced from transmitters to receivers. The view has been expressed that the present shortcomings of uhf equipment would be overcome in large measure if the Commission directed a move of all television to the uhf. In support of such a move it is pointed out that other services when moved upward in the spectrum successfully overcame complex equipment obstacles; that uhf appears to operate to the satisfaction of the public in uhf-only areas; that uhf is free from atmospheric interference and man-made interference; and that according to TASO findings in some areas of flat terrain the extent and quality of uhf service equals that of vhf.

Proponents of uhf contend, moreover, that by one means or another the industry would find a way to establish a satisfactory nationwide television system in the uhf. They point to the technical and financial resources of the manufacturers and broadcasters, their success in creating a billion dollar television industry within a decade, and the advances in uhf which are already available. Given an all-pervasive public demand for television service and the high-profit incentives of the industry, uhf proponents contend that a successful transition to uhf inevitably would be made, in the absence of an alternative system.

These arguments are not without merit. It is highly probable, for example, that had television begun in the uhf the public would have found the service acceptable. Moreover, in this proposal as in any other requiring a major shift in allocations, present stations could be required to operate in both bands for a sufficient period to give the public full use of present receivers.

The Commission, however, cannot initiate such a move to the uhf unless and until it has strong evidence that uhf overall can provide service substantially equal to that in vhf without requiring major increased outlays by the average family when purchasing new home receiving equipment. We cannot make such a finding at this time. The Commission is concerned, for example, at the inherent variability of uhf service—the shadowing which results from variable terrain, tall buildings, wooded areas and atmospheric changes. In some extremely flat, treeless areas within line of sight from the transmitters, uhf service may be comparable with vhf. However, if the terrain is moderately rolling or the area contains even moderate vegetation, rocks, houses, or other obstructing, scattering or absorbing objects, the uhf field strength may be substantially lower than vhf for equal ERP. This can result in a deterioration of service to the public in the area, unless adequately compensated for in the uhf transmission system.

Aside from the possible loss or deterioration of service to homes within the normal service areas of uhf stations, we are fearful that the shorter service range of uhf stations will deprive rural areas of service. These scattered rural families are now generally served by vhf stations located in metropolitan centers. Such stations in most cases cover a radius of 60-70 miles or more. For the foreseeable future it must be assumed that the coverage area of the typical uhf station would be significantly less than of a vhf station.

The TASO report states that within considerable distances from a television transmitter picture quality as observed in the home remains at approximately the same level, but after a certain distance is exceeded, the home service tends to deteriorate rapidly. The distance at which this occurs depends upon many local factors, but generally

is less for uhf than for vhf; moreover, uhf service tends to fall off more sharply and more completely than does vhf service. The report states that some of the reasons for the poorer performance at uhf are basic in their nature and are not susceptible to complete compensation by the application of known techniques.

An individual uhf station may be able to extend its coverage in particular areas by use of boosters or translators. This decision would turn, however, on the licensee's balancing of the costs of such additional coverage as against the number of families which would be added to his audience. The Commission cannot compel a station to provide service which it considers uneconomic, and there is a definite risk that the economic calculus of individual stations may result in the creation of "white" areas.

Eventually, service to these areas may come from the expansion of television stations to the smaller communities and the resultant filling in of signals on an area basis. Instead of relying on the wide-area coverage of distant stations, the public would look to smaller but more numerous local stations for their service.

While we can speculate about these or other means of extending service generally in a uhf system, we cannot overlook: (a) the time lag before the necessary improvements would be in actual use, (b) the additional cost to the public for improved home equipment, (c) the probable loss of national program services to the rural public if it must depend on local stations, and (d) the probabilities that some proportion of the television families would be deprived of service.

SUMMARY

We have reviewed for you the advantages and disadvantages of the various alternative solutions to this most difficult problem.

Common to all of these allocation solutions are certain general considerations. One is the long transitional period required to effectuate an allocation change. Any solution permitting television to use effectively more than the present 12 vhf channels necessarily must involve a transition period of perhaps 10 years or longer. This time is required to enable the over 40 million vhf-only set owners to enjoy full use of their present sets before being required to purchase new receivers. In addition, a reasonable conversion period must be granted to the broadcasters and to the non-broadcast radio spectrum users that may be affected if an allocation revision is made.

A second consideration is the need for all-channel receivers. If a transition from the present television structure is to be successful, it is essential that after a given date all receivers sold to the public should be equipped to receive all television channels. This is necessary to enable broadcasters on any channel assigned to television to reach the public effectively. We have learned from experience, however, that a Commission decision on allocations does not ensure necessarily the marketing and sale of all-channel receivers. Cost considerations and other factors may result in the continued production and sale of sets equipped to receive only 12 channels. This is particularly true because during the transitional period operation by present stations on existing channels is likely to continue until an ultimate cut-over point is reached.

We, therefore, believe that the Congress should consider a requirement that all sets shipped in interstate commerce shall be equipped to receive all television channels in order to permit an allocations solution. Otherwise, there is a real danger that irrespective of any Commission decision television will continue to be limited effectively to 12 channels.

Two other general factors are involved in the television allocations problem. One is the current proceeding in Docket No. 11997, which is designed to ascertain the future requirements of all radio services using spectrum space between 25 and 890 mc. This proceeding undoubtedly will affect our conclusions as to the appropriate division of this spectrum space between television and other services.

The other general factor which cannot be overlooked is the dynamic and ever changing character of the electronic art. Plans devised today for proper development of television may be affected drastically by innovations in the art tomorrow.

In discussing the specific allocation solutions, we have indicated that an expanded vhf system comprising 50

channels (including the present TV channels 2-13, or alternatively channels 7-13) would satisfy the public interest criteria insofar as television is concerned. It would permit nationwide coverage, competing stations in the major markets, local community stations in the small communities, and adequate outlets for educational needs.

To obtain the additional vhf and contiguous uhf channels requires an exchange of spectrum space with the U. S. Government. A cooperative study of the possibilities in this area has been started jointly by the Commission and the Government (OCDM). In addition, the President has suggested the establishment of a Committee to study the uses of the radio spectrum with a view to an improvement in allocations. Also, a study of spectrum usage is being initiated by the House Committee on Interstate and Foreign Commerce. We are hopeful that these studies will be of great assistance in determining the feasibility of an expanded vhf television system.

Inherent in the problem of exchanging spectrum space between the government and non-government users are the actual operational requirements of the Department of Defense under the emergency conditions of today. The armed services have developed radio equipment to support these operational requirements based upon the spectrum allocation decision of 1945 which assigned blocs of spectrum space between 25 and 890 mc. to Government and non-Government services. The Army, Navy and Air Force have invested many hundreds of millions of dollars in establishing their communications systems in accord with this 1945 decision. It is therefore necessary to give proper consideration to the factors of cost, obsolescence of equipment, and time in which it would be feasible for the armed services to reestablish their communications systems in another portion of the radio spectrum between 25 and 890 mc.

Such reallocation would have very substantial international repercussions, as well. The rearrangement of spectrum space undoubtedly would involve conflicts with existing international agreements to which the United States is a party. Renegotiation of such agreements is an extremely delicate and time consuming process, particularly since it involves international defense communications.

In our current study with the Government looking toward a possible exchange of spectrum space, we are seeking additional space for a total allocation of 50 channels for television. The Government has indicated a cooperativeness and willingness to reconsider the allocation of the spectrum on a long-term basis. Nevertheless, in the balance which must be struck between national defense needs, other services, and television needs, we must consider realistically the possibility of obtaining less than 50 channels. An ideal or ample allocation of spectrum space to television in this area may prove to be infeasible under present world conditions. The Government, for example, may be able to release to television only enough channels to meet a few of the serious deficiencies of the present system. More definitive information on this point will come from the study now in progress.

Clearly, Congressional assistance will be vital in the reconsideration of the spectrum allocation as between government and non-government uses. If, nevertheless, an expanded vhf television system which is preferred by the Commission proves infeasible, there are two allocation alternatives. They are the present 82-channel vhf-uhf system or a 70-channel uhf-only system.

Both of these alternatives have certain advantages. One significant advantage is the present availability of spectrum space for these alternatives, which obviates the need for a costly and complex conversion of Government communications systems.

On the other hand, both of these alternatives also have substantial disadvantages. The effectuation of an 82-channel system depends on nationwide conversion, which can be achieved only by a Congressional requirement that all sets shipped in interstate commerce shall be equipped to receive both vhf and uhf channels. Such a statute would not guarantee the success of uhf, but it would remove one of the major obstacles to its success. At the same time it must be recognized that because of the range of frequencies involved between the low vhf and the high uhf, the public probably would be required to pay more for good quality receiving equipment than under an expanded vhf system.

Likewise, a majority of the Commission prefers an expanded vhf system to an all-uhf system because of the

greater likelihood under a vhf system of providing adequate nationwide coverage with a smaller number of channels. The Commission cannot move television to the uhf unless and until it has strong evidence that uhf over-all can provide service equal to that in vhf without requiring major increased outlays by the public generally. Such evidence is not yet forthcoming, although as we pointed out there have been some developments which show promise.

We are hopeful that within the next few months we will know whether an expanded vhf system is a feasible eventuality. However, as we have emphasized, the implementation of this allocation solution, or of any other, will require a long transitional period.

Meanwhile, some interim action is clearly needed. The Commission is of the view that immediate steps must be taken to remedy the critical shortages of facilities in a number of important population centers. Characteristically, these markets have only one or two vhf stations and little or no uhf set conversion. The only practicable short-run solution in these cases is to add vhf assignments, even if this requires less than our minimum spacing requirements. Only in this way can we obtain sufficient competitive outlets to serve the public interest.

This interim policy must be carefully circumscribed to be consistent with our long-range allocation policy. It must be focused on alleviating only the most critical shortages.

If the future allocation solution lies in an expanded vhf plan, the Commission will have the opportunity in the future to delete any short spacings which are required immediately. A similar opportunity to remove short spacings would be present if the long-range solution must be sought in a practicable 82-channel vhf-uhf system or in an all-uhf system. If, however, none of these alternatives proves feasible, and we must rely on the 12 vhf channels then the number of short separations will inevitably increase.

A limited short-range program of adding vhf assignments at the necessary spacings can probably be engineered to avoid serious deterioration in the general availability of television service. To this end television stations may have to utilize directional antennas, precision offset, and such other techniques as the Commission may require in the public interest.

Currently, the Commission is exploring the most feasible and expeditious procedures for achieving this interim approach. We expect within a short time to initiate the necessary rule making proceedings.

We are hopeful that our discussions of this matter today will not result in a flood of petitions for rule making on this subject, at least until we can complete our work on the notice of the proposal we intend to publish.

We appreciate the opportunity you have given us to explain in detail the status of our consideration of the allocation problem. We are continuing to give this matter high priority, both at the Commission and at the staff level, and we are hopeful that in the near future we can arrive at an appropriate solution in the public interest.

SEPARATE STATEMENT OF COMR. BARTLEY

I am prepared to go along with the statement except that I think the proposal for interim action is premature.

The interim action proposed is to remedy the critical shortages of facilities in a number of important population centers (major TV markets) with only one or two commercial vhf stations.

Addition of vhf assignments at reduced mileage separation will, in my judgment, substantially prejudice any long range program other than an all vhf system.

This step is being taken at a time when the majority believes that within the next few months we will know whether or not an expanded vhf system is feasible eventually.

If an expanded vhf system is feasible eventually, the first areas which should be provided for are those areas without vhf service, then those with a single vhf service, and so on.

If an expanded vhf system is not feasible eventually, the interim plan should mesh with the long range plan and it may well be that a more vigorous program of deintermixture toward uhf markets is the only such solution.

APPENDIX A—STATISTICAL APPENDIX

Table 4—(Continued)

Table 1
TV STATION DATA AS OF APRIL 4, 1959

	Total	Commercial	Non-Commercial
Vhf Stations			
On the Air	466	434	32
Not on the Air	44	39	5
Total Authorized	510	473	37
Uhf Stations			
On the Air	85	75	10
Not on the Air	132	117	15
Total Authorized	217	192	25
All Stations			
On the Air	551	509	42
Not on the Air	176	156	20
Total Authorized	727	665	62

	No. of TV Markets	Percent of Total
B. TV markets which are uhf-vhf*	62	100%
All uhf stations have gone off the air	40	64
Some uhf stations have gone off the air and some are still on the air	6	10
All uhf stations are still on the air	16	26
2. The 62 uhf-vhf markets classified by whether uhf operation was before or after vhf		
A. Uhf before vhf	28	100%
All uhf stations have gone off the air	16	57
Some uhf stations have gone off the air and some are still on the air	3	11
All uhf stations are still on the air	9	32
B. Uhf after vhf	34	100%
All uhf stations have gone off the air	24	71
Some uhf stations have gone off the air and some are still on the air	3	9
All uhf stations are still on the air	7	20

*These classifications refer only to the types of assignments available in the immediate TV market, i.e., whether such assignments are uhf-only or both uhf and vhf.

Table 2
ANALYSIS OF COMMERCIAL TV STATION GRANTS MADE SINCE JULY 1952 (As of April 4, 1959)

	VHF	UHF	Total
Total Post-Freeze CP's Issued	408	369	777
Number Cancelled:			
Before Going on Air	37	131	168
After Going on Air	5	46	51
Total	42	177	219
Number Outstanding			
On the Air	327	75	402
Not on Air			
a. Had been on the air but now off the air	1	44	45
b. Never on the air	38	73	111
Total	366	192	558

SUMMARY

	VHF	UHF	Total
Total stations that went on the air	333	165	498
Number of stations now off the air:			
Number	6	90	96
Percent	1.8%	54.5%	19.3%

Table 3
NUMBER OF POST-FREEZE COMMERCIAL TV STATIONS IN OPERATION July 1952 through April 4, 1959

Time Period	Number of VHF Stations			Number of UHF Stations		
	Going on Air	Going off Air	Total on air end of period	Going on Air	Going off Air	Total on air end of period
July 1952-Dec. 1953	121	1	120	123	2	121
Jan.-Dec. 1954	69	3	186	25	29	117
Jan.-Dec. 1955	49	0	235	9	27	99
Jan.-Dec. 1956	37	0	272	6	14	91
Jan.-Dec. 1957	28	0	300	12	19	84
Jan.-Dec. 1958	27	2	325	4	11	77
Jan.-Apr. 4, 1959	3	1	327	1	3	75
Total¹	333	6	327	165	90	75

¹ These columns do not add to the totals shown since some stations were on the air and off the air more than once. The totals reflect the number of different stations which went on the air or off the air during the entire period.

Table 4
ANALYSIS OF COMMERCIAL UHF OPERATING EXPERIENCE, BY TYPE OF MARKET (As of April 4, 1959)

	No. of TV Markets	Percent of Total
1. All TV markets in which uhf went on the air ..	114	100%
All uhf stations have gone off the air	59	52
Some uhf stations have gone off the air and some are still on the air	9	8
All uhf stations are still on the air	46	40
A. TV markets which are uhf only*	52	100%
All uhf stations have gone off the air	19	36
Some uhf stations have gone off the air and some are still on the air	3	6
All uhf stations are still on the air	30	58

Table 5
ANNUAL VOLUME OF ADVERTISING IN U.S. FOR SELECTED YEARS 1949-1953

Media	A. Million of Dollars			
	1949	1952	1955	1958 ²
Newspapers	1,915	2,472	3,088	3,120
Magazines	493	616	729	770
TV	53	454	1,025	1,360
Radio	571	624	545	616
All Other ¹	2,165	2,990	3,807	4,330
Total	5,202	7,156	9,194	10,196
Media	B. Percent of Total			
	1949	1952	1955	1958 ²
Newspapers	36.8	34.5	33.6	30.6
Magazines	9.5	8.6	7.9	7.6
TV	1.1	6.3	11.2	13.3
Radio	11.0	8.7	5.9	6.0
All Other ¹	41.6	41.9	41.4	42.5
Total	100.0	100.0	100.0	100.0

¹ Includes Farm publications, direct mail, business papers, outdoor advertising, weekly newspapers, transportation advertising, cost of company advertising departments, etc.

² Preliminary estimate. 1958 Radio and TV figures are subject to revision when FCC published data become available.

Source: *Printers' Ink Advertisers Guide to Marketing for 1959.*

Table 6
VOLUME OF NATIONAL AND LOCAL ADVERTISING BY MEDIA 1953²

Media	A. Millions of Dollars		
	Total	National	Local
Newspapers	3,120	745	2,375
Magazines	770	770	—
TV	1,360	1,100	260
Radio	616	246	370
All Other ¹	4,330	3,406	924
Total	10,196	6,267	3,929
Media	B. Percent of Total		
	Total	National	Local
Newspapers	30.6	11.9	60.5
Magazines	7.6	12.3	—
TV	13.3	17.6	6.6
Radio	6.0	3.9	9.4
All Other ¹	42.5	54.3	23.5
Total	100.0	100.0	100.0

¹ Includes Farm publications, direct mail, business papers, outdoor advertising, weekly newspapers, transportation advertising, cost of company advertising departments, etc.

² Preliminary estimate. 1958 Radio and TV figures are subject to revision when FCC published data become available.

Source: *Printers' Ink Advertisers Guide to Marketing for 1959.*

Table 7

TOTAL TV SET PRODUCTION SHOWING NUMBER AND PERCENT EQUIPPED WITH UHF TUNER 1953-1958

Year	Total TV Set Production	With UHF Tuner	
		Number	Percent
1953	7,214,787	1,459,475	20.2%
1954	7,346,715	1,383,486	18.8
1955	7,756,521	1,181,788	15.2
1956	7,387,029	1,035,236	14.0
1957	6,399,345	779,800	12.2
1958	4,920,428	418,256	8.5
Total	41,024,825	6,258,041	15.3

*Source: EIA

Note: The above total of 6,258,041 uhf sets represents only factory-equipped uhf sets and does not include vhf-only sets which were converted by local servicemen to receive uhf either by the addition of a converter or a strip. Although no precise estimate has ever been made of the number of sets converted locally, there are indications that the number of such sets would not be greatly in excess of 2 million. Thus, total sets that have been equipped for uhf (whether or not they are now being used to receive uhf) can be estimated at approximately 8 million.

Table 8

ANALYSIS OF NON-TV HOMES

The March 1958 study by Advertising Research Foundation estimated that 8,140,000 households (16% of the total) did not own TV sets. It cannot be concluded from this that such homes lacked TV service since it was found that about half of the non-TV homes (4.1 million) were located in counties where total TV set ownership was 80% or better. The following table shows the distribution of non-TV homes by the various levels of TV set ownership in the county:

Counties with TV set ownership of:	Non-TV Homes	
	Millions	Percent of Total Non-TV Homes
90 percent or over	1.9	23.9
80 percent or over	4.1	49.9
70 percent or over	5.3	64.9
60 percent or over	6.4	78.9
50 percent or over	7.6	92.9
34* percent or over	8.1	100.0

*No county was estimated to have less than 34% TV set ownership.

Table 9

BUREAU OF CENSUS PROJECTIONS OF POPULATION 1960-1980

Population as of Jan. 1, 1959—175.6 million.

On July 1:	Low Estimate (millions)	High Estimate (millions)
1960	179.4	181.2
1970	202.5	219.5
1980	230.8	272.6

Table 10

LISTING OF 268¹ TV MARKETS WITH STATIONS IN OPERATION (As of April 4, 1959)

State	TV Market	Stations In Operation			
		Commercial VHF	Commercial UHF	Non-Commercial VHF	Non-Commercial UHF
Alabama	Birmingham	2		1	
	Decatur		1		
	Dothan	1			
	Florence		1		
	Mobile-Pensacola, Fla. Montgomery	3		1	
Arizona	Phoenix-Mesa	4			
	Tucson	3		1	
	Yuma	1			
Arkansas	El Dorado	1			
	Fort Smith	1			
	Little Rock-Pine Bluff	3			

¹ The 268 TV markets have a total of 509 commercial (434 VHF and 75 UHF) and 37 non-commercial stations (27 VHF and 10 UHF) in operation. In addition, the following 5 TV markets have only 1 non-commercial VHF station in operation: Andalusia, Alabama; Munford, Alabama; Gainesville, Florida; Chapel Hill, North Carolina; and Corvallis, Oregon.

Table 10—(Continued)

State	TV Market	Stations In Operation				
		Commercial VHF	Commercial UHF	Non-Commercial VHF	Non-Commercial UHF	
California	Bakersfield	1	1			
	Chico-Redding	2				
	Eureka	2				
	Fresno-Tulare	1	2			
	Los Angeles	7				
	Sacramento-Stockton	3			1	
	Salinas-Monterey	1				
	San Diego	2				
	San Francisco-Oakland	4			1	
	San Jose	1				
	San Luis Obispo	1				
	Santa Barbara	1				
	Colorado	Colorado Springs-Pueblo	3			
		Denver	4			1
Grand Junction		1				
Montrose		1				
Connecticut	Bridgeport		1			
	Hartford-New Haven-New Britain-Bristol	2	2			
	Waterbury		1			
District of Columbia	Washington	4				
Florida	Fort Myers	1				
	Jacksonville	2			1	
	Miami-Ft. Lauderdale	3			1	
	Orlando-Daytona Beach	3				
	Panama City	1				
	Tampa-St. Petersburg	2	1		1	
	West Palm Beach	2				
Georgia	Albany	1				
	Atlanta	3			1	
	Augusta	2				
	Columbus	1	1			
	Macon	1				
	Savannah	2				
	Thomasville-Tallahassee	1				
Idaho	Boise	2				
	Idaho Falls-Pocatello	1				
	Lewiston	1				
	Nampa	1				
	Twin Falls	1				
Illinois	Champaign-Urbana	1			1	
	Chicago	4			1	
	Danville				1	
	Harrisburg	1				
	La Salle	1				
	Peoria				3	
	Quincy-Hannibal, Missouri	2				
	Rockford	1	1			
	Springfield-Decatur		2			
Indiana	Evansville-Henderson, Ky.	1	2			
	Fort Wayne		3			
	Indianapolis-Bloomington	4				
	Lafayette		1			
	Muncie		1			
	South Bend-Elkhart		3			
	Terre Haute	1				
Iowa	Cedar Rapids-Waterloo	3				
	Davenport-Rock Island-Moline	2				
	Des Moines-Ames	3				
	Fort Dodge		1			
	Sioux City	2				
Kansas	Ensign	1				
	Garden City	1				
	Goodland	1				
	Great Bend	1				
	Hays	1				
	Topeka	1				
	Wichita-Hutchinson	3				
Kentucky	Lexington		2			
	Louisville	2				
	Paducah	1			1	
Louisiana	Alexandria	1				
	Baton Rouge	1	1			
	Lafayette	1				
	Lake Charles	1	1			
	Monroe	1			1	
	New Orleans	3			1	
	Shreveport	2				
Maine	Bangor	2				
	Portland-Poland Spring	3				
	Presque Isle	1				
Maryland	Baltimore	3				
	Salisbury		1			
Massachusetts	Adams		1			
	Boston	3			1	
	Greenfield		1			
	Springfield-Holyoke		2			
	Worcester		1			

Table 10—(Continued)

State	TV Market	Stations In Operation			
		Commercial VHF	UHF	Non-Commercial VHF	Commercial UHF
Michigan	Cadillac	1			
	Detroit	3			1
	Flint-Lansing-Saginaw-Bay City	3	1		
	Grand Rapids-Kalamazoo	2			
	Marquette	1			
	Traverse City	1			
	Onondaga	1		1	
Minnesota	Alexandria	1			
	Austin-Rochester-Mason City, Ia.	3			
	Duluth-Superior, Wis.	2			
	Minneapolis-St. Paul	4		1	
Mississippi	Columbus	1			
	Hattiesburg	1			
	Jackson	2			
	Meridian	1			
	Tupelo	1			
Missouri	Cape Girardeau	1			
	Columbia-Jefferson City	2			
	Joplin-Pittsburg, Kansas	2			
	Kansas City	3			
	Kirksville-Ottumwa, Ia.	1			
	St. Joseph	1			
	St. Louis	3		1	
	Sedalia	1			
	Springfield	2			
Montana	Billings	2			
	Butte	1			
	Great Falls	2			
	Glendive	1			
	Kalispell	1			
	Missoula	1			
Nebraska	Hay Springs	1			
	Hayes Center	1			
	Hastings	1			
	Kearney	1			
	Lincoln	1		1	
	North Platte	1			
	Omaha	3			
	Scottsbluff	1			
Nevada	Las Vegas-Henderson	3			
	Reno	1			
New Hampshire	Manchester	1			
New Mexico	Albuquerque	3		1	
	Carlsbad	1			
	Clovis	1			
	Roswell	1			
New York	Albany-Schenectady-Troy	3			
	Binghamton	1	1		
	Buffalo-Niagara Falls	3			1
	Carthage-Watertown	1			
	Elmira	1	1		
	New York	7			
	Plattsburgh-Burlington, Vt.	2			
	Rochester	2			
	Syracuse	2			
	Utica-Rome	1			
North Carolina	Charlotte	2			
	Greensboro-High Point-Winston Salem	2			
	Greenville-Washington	2			
	Raleigh-Durham	2			
	Wilmington	1			
North Dakota	Bismarck	2			
	Dickinson	1			
	Fargo	1			
	Grand Forks	1			
	Minot	2			
	Valley City	1			
	Williston	1			
Ohio	Akron		1		
	Cincinnati	3			1
	Cleveland	3			
	Columbus	3			1
	Dayton	2			
	Lima		1		
	Toledo	2			
	Youngstown-New Castle, Pa.		3		
	Zanesville		1		
Oklahoma	Ada	1			
	Ardmore	1			
	Lawton	1			
	Oklahoma City-Enid	3		1	1
	Tulsa	3		1	
Oregon	Eugene	1			
	Klamath Falls	1			
	Medford	1			
	Portland	3			
	Roseburg	1			

Table 10—(Continued)

State	TV Market	Stations In Operation			
		Commercial VHF	UHF	Non-Commercial VHF	Commercial UHF
Pennsylvania	Altoona-Johnstown	2	1		
	Erie	1	1		
	Harrisburg-Lancaster-York-Lebanon	1	4		
	Lock Haven		1		
	Philadelphia	3			1
	Pittsburg	3		1	1
	Wilkes-Barre-Hazleton-Scranton		3		
Rhode Island	Providence	2			
South Carolina	Anderson		1		
	Charleston	2			
	Columbia	1	1		
	Florence	1			
South Dakota	Greenville-Spartanburg-Asheville, N.C.	3	1		
	Aberdeen	1			
	Florence	1			
	Reliance	1			
Tennessee	Rapid City	2			
	Sioux Falls	1			
	Bristol-Johnson City	2			
	Chattanooga	3			
Texas	Jackson	1			
	Knoxville	2	1		
	Memphis	3			1
	Nashville	3			
	Abilene-Sweetwater	2			
	Amarillo	3			
	Austin	1			
	Beaumont-Port Arthur	2			
	Big Spring	1			
	Brownsville-Harlingen-Weslaco	2			
	Bryan-College Station	1			
	Corpus Christi	2			
Dallas-Fort Worth	4				
El Paso	3				
Galveston-Houston	3			1	
Laredo	1				
Lubbock	2				
Lufkin	1				
Monahans	1				
Nacogdoches		1			
Odessa-Midland	2				
San Angelo	1				
San Antonio	3	1			
Texarkana	1				
Tyler	1				
Waco-Temple	2				
Wichita Falls	2				
Utah	Salt Lake City-Provo	4			1
Vermont	(See Plattsburgh, N.Y.)				
Virginia	Harrisonburg	1			
	Norfolk-Portsmouth-Newport News-Hampton	2	2		
	Richmond-Petersburg	3			
	Roanoke-Lynchburg	3			
Washington	Bellingham	1			
	Epprata		1		
	Kennewick-Richland-Pasco		1		
	Seattle-Tocoma	5			1
	Spokane	3			
W. Virginia	Yakima		1		
	Charleston-Oak Hill-Huntington-Ashland, Ky.	4			
	Clarksburg	1			
	Bluefield	1			
	Parkersburg		1		
Wisconsin	Wheeling-Steubenville, Ohio	2			
	Eau Claire	1			
	Green Bay-Marinette	3			
	La Crosse	1			
	Madison	1	2		1
	Milwaukee	3		1	
Wyoming	Wausau	1			
	Casper	2			
	Cheyenne	1			
Alaska	Riverton	1			
Alaska	Anchorage	2			
	Fairbanks	2			
	Juneau	1			
Hawaii	Hilo	1			
	Honolulu	3			
	Wailuku	3			
Puerto Rico	Mayaguez	1			
	Ponce	2			
	San Juan	2			1
Guam	Agana	1			

APPENDIX B

TV PLANNING PARAMETERS

1 Height above Average Terrain	750 feet											
2 Frequency Band	54-88 mc (5 channels)			174-324 mc (25 channels)			174-474 mc (50 channels)			470-890 mc (70 channels)		
3 Geometric Mean Frequency	69 mc			240 mc			290 mc			650 mc		
4 Power (ERP)	20 dbk (100 kw)			25 dbk (316 kw)			27 dbk (500 kw)			30 dbk (1000 kw)		
5 Picture Quality	Gr. 2	Gr. 3	Gr. 4	Gr. 2	Gr. 3	Gr. 4	Gr. 2	Gr. 3	Gr. 4	Gr. 2	Gr. 3	Gr. 4
6 Service Grade	Pri.	Sec.	Fri.	Pri.	Sec.	Fri.	Pri.	Sec.	Fri.	Pri.	Sec.	Fri.
7 Thermal Noise (dbu @ 300 ohms)	7	7	6	7	7	6	7	7	6	7	7	6
8 Receiver Noise Figure (db)	7	6	5	10	8	6	11	9	7	12	10	9
9 Required Vis. Peak Noise ratio (db)	36	27	23	36	27	23	36	27	23	36	27	23
10 Transmission Line Loss (db)	2	2	2	3	3	3	4	4	4	5	5	5
11 Receiving Ant. Loss (db)	-3	-4	-7	-3	-5	-10	-5	-7	-12	-8	-10	-14
12 Dipole Factor(db)(-20Log96.5/fmc)	-3	-3	-3	8	8	8	10	10	10	17	17	17
13 Location Probability (L)	70%	50%	50%	70%	50%	50%	70%	50%	50%	70%	50%	50%
14 Req. Local Field F(L,90) (dbu)	46	35	26	61	48	36	63	50	38	69	56	46
15 Loc. Probability Factor R(L) (db)	3	0	0	4	0	0	5	0	0	6	0	0
16 Req. Median Field F(50,90) (dbu)	49	35	26	65	48	36	68	50	38	75	56	46
17 Service Range (mi) (Noise Limited)	50	74	110	38	58	72	33	51	67	26	40	48
18 Co-channel S/I Ratio (db)	36	24	20	36	24	20	36	24	20	36	24	20
19 Adj. Channel S/I Ratio (db)	-22	-26	-31	-22	-26	-31	-22	-26	-31	-22	-26	-31
20 Rec. ant. front/back ratio (db)	3	4	7	3	5	10	5	7	12	8	10	14
21 Dist. to co-ch lim (mi) (S=215 mi)	38.5	57	65	>38	>58	69	>33	>51	>67	>26	>40	>48
22 Dist. to adj-ch lim (mi) (S=100 mi)	>50	67.5	74	>38	>58	>72	>33	>51	>67	>26	>40	>48

Explanation of TV Planning Items

1. **Transmitting Antenna Height**—The value selected (750 feet) is considered typical for all channels.

2. **Frequency Band**—The bands selected are related to the several TV allocation plans under consideration. Subsequent items, tabulated for 174-234 mc were assumed to be the same as for the present high-vhf band.

3. **Geometric Mean Frequency**—This is the center frequency (percentage-wise) of each band. It is the nominal frequency of each band, on which the respective parameters are based.

4. **Power (ERP)**—The power listed is the assumed ceiling power for each band, except the 470-890-mc band where it is assumed that 1000 kw is the maximum practicable value for planning purposes at this time.

5. **Picture Quality**—This is the subjective quality of the picture as seen by the viewer. It is expressed according to the following scale as used by TASO:

Grade	Name	Description
1	Excellent	The picture is of extremely high quality, as good as you could desire.
2	Fine	The picture is of high quality providing enjoyable viewing. Interference is perceptible.
3	Passable	The picture is of acceptable quality. Interference is not objectionable.
4	Marginal	The picture is poor in quality and you could improve it. Interference is somewhat objectionable.
5	Inferior	The picture is very poor but you could watch it. Definitely objectionable interference is present.
6	Unusable	The picture is so bad that you could not watch it.

6. **Service Grade**—Three grades of service are designated as follows:

Service Grade	Description
Primary	A Grade 2 (Fine) picture can be obtained in at least 70% of receiving locations with a simple roof top receiving antenna installation.
Secondary	A Grade 3 (Passable) picture can be obtained in at least 50% of locations with a moderately good receiving installation.
Fringe	A Grade 4 (Marginal) picture can be obtained in at least 50% of receiving locations with a very good receiving installation.

The receiving antenna height assumed in each case is 30 feet. It is recognized that viewers may improve their picture quality by installing higher antennas, or higher-gain antennas than assumed in defining grades of service. Also the percentage of locations receiving at least the assumed picture quality may be increased if those locations receiving inferior pictures install better receiving equipment than assumed.

7. **Thermal Noise**—This is the computed thermal noise level in dbu across 300 ohms assuming receiver i.f. bandwidth of 4 mc. for primary and secondary service, (allowing for color) and 3.3 mc. for fringe service.

8. **Receiver Noise Figure (db)**—These assumed noise figures are based on assumed fair, average and good receiver characteristics for primary, secondary and fringe service, respectively.

9. **Required/Visual Peak/Noise Ratio (db)**—The values listed were taken from the TASO Panel 6 final report.

10. **Transmission Line Loss (db)**—The listed values were derived from the TASO Panel 2 final report for 30 feet of line. The figures listed correspond approximately to the average values for 5-year-old line when wet. It is recognized that better line may be used in poor locations.

11. **Receiving Antenna Loss (db)**—The values listed are relative to a half-wave dipole, negative values indicating gain. These values correspond approximately to the minimum, average and maximum antenna gains for primary, secondary and fringe service, respectively as reported by TASO on the basis of questionnaire returns. For fringe area installation, separate antennas or a rotor may be required if stations in different cities are to be received.

12. **Dipole Factor (db)**—The dipole factor is the ratio, in db, of the signal field strength to the signal voltage delivered by a half-wave dipole at a 300-ohm load. This factor is added to the antenna terminal voltage at the receiver to obtain the field strength which will produce that voltage when using a dipole antenna.

13. **Location Probability (L)**—This is the percentage of locations at which the assumed quality of picture is equalled or exceeded. It is one of the basic criteria for defining grades of service.

14. **Required Local Field (dbu)**—This is the field strength required at any receiving location. It is obtained by adding (algebraically) the values in items 7, 8, 9, 10, 11 and 12 for the respective columns. 90% time availability has been selected as a standard.

15. **Location Probability Factor R(L) (db)**—This is the number of db which must be added to item 14 in order to obtain the value of field strength at the median location [F(50,90)] which is necessary in order to have at least the required local field at 70 per cent of locations. The values listed for R(L) were obtained from Fig. 10 of T.R.R. Report 2.4.16, used for Appendix "A" of the June 1956, Order in Docket 11532.

16. **Required Location Median Field F(50,90) (dbu)**—This is the field strength exceeded at 50% of locations for at least 90% of time, for the specified service grade.

17. **Service Range (Noise Limited) (mi)**—These distances are derived from the propagation curves [F(50,90)] used in T.R.R. Report 2.4.16. These distances apply in case there is no interference from other stations. For 240 mc, the 195-mc curves were used. For 290 mc, interpolated curves were drawn using the 195- and 700-mc. The 700-mc values were used for the uhf band.

18. **Co-channel Signal/Interference Ratio (db)**—These values were obtained by analysis of the summaries of experimental data given in the TASO Panel 6 report. These data were obtained from subjective observations of a large number of persons, for the several grades of picture quality. The listed values are the averages of the data for (non-precise) offset frequencies of 9985 cps and 19,995 cps.

19. **Adjacent Channel Signal/Interference Ratio (db)**—These values were obtained by TASO from their analysis of the experimental subjective data, as reported by Panel 6.

20. **Receiving Antenna Front/Back Ratio (db)**—The receiving antenna is assumed to have a response equal to a dipole in the back directions. Accordingly, the listed values are equal to the assumed receiving antenna loss (Item 11). These values are generally less than given by TASO for antennas but the reduction is considered necessary to include effects of surrounding objects in a normal installation.

21. **Distance to Co-channel Limitation (mi)**—For the average co-channel separation (215 mi) the distance to the co-channel interference limited service range was computed using the formula given in the Ad Hoc Committee Report. The acceptance ratio (A) given in Item 18 was reduced by subtracting the front/back ratio of the receiving antenna (Item 20). The propagation data used for these computations are those used in T.R.R. Report 2.4.16 for "Appendix A."

22. **Distance to Adjacent Channel Limitation (mi)**—For the average adjacent channel separation (100 mi), the distance to the interference limited service range was computed using the formula given in the Ad Hoc Committee Report. The acceptance ratio (A) given in Item 19 was reduced by subtracting the front/back ratio of the receiving antenna (Item 20). The propagation data used are those used in T.R.R. Report 2.4.16 for "Appendix A."

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FCC Proposal to Amend TV Option-Time Rules

**Designed to Improve Competitive Position of Non-Network Groups
and Give Greater Freedom of Program Selection to Affiliates**

Comr. Hyde Dissenting; Comr. Craven Dissenting in Part, Concurring in Part

Notice of Proposed Rule-Making Issued April 23, 1959 as FCC Public Notice 59-385.

Comments Due by June 22, 1959 (see TELEVISION DIGEST, Vol. 15:17)

In the Matter of

Amendment of Sections 3.658(d) and (e) of the Commission's Rules and Regulations to modify option time and the station's right to reject network programs. } Docket No. 12859

NOTICE OF PROPOSED RULE MAKING

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. By Public Law 112, 84th Congress, 1st session, the Commission was authorized and directed to conduct a study of radio and television network broadcasting. The study was formally instituted by the Commission's Delegation Order No. 10 of July 22, 1955 (FCC 55-810) which delegated to a Network Study Committee of four Commissioners the Commission's powers and jurisdiction to carry out the study. The purposes and objectives of the study were announced by the Network Study Committee in Public Notice (FCC 55M-977) and separate Order of November 21, 1955 (FCC 55M-978). A special Network Staff was organized to conduct the study.

3. On October 3, 1957, the Director of the Commission's Network Study Staff submitted to the Network Study Committee a Report on Network Broadcasting. The Report contained, among other matters, a study of the option time arrangements of the television networks operated by the American Broadcasting Co., Columbia Broadcasting System, and National Broadcasting Co., and of the right of affiliated stations to reject network programs under these arrangements. The Report recommended that option time be prohibited as contrary to the public interest. On January 9, 1958, the Commission issued a Notice of Public Hearing (FCC 58-37) in Docket No. 12285, in the matter of the Study of Radio and Television Network Broadcasting. A public hearing was held before the Commission *en banc*, commencing on March 3, 1958, for the purpose of affording interested parties an opportunity to comment on the findings, recommendations and conclusions contained in the Report on Network Broadcasting. Through this procedure the Commission has had the benefit of the views of interested persons and organizations in its consideration of the need for a revision of its rules and policies in the broadcast field. The parties appearing at the hearing were virtually unanimous in their opinion that the networking system, as it is known today, would be seriously eroded, if not destroyed, by the abolition of option time.

4. Subsequent to the completion of oral testimony in the

hearing, the Commission prepared ultimate findings on the option time practice. The Commission found that optioning of time by affiliated stations to their networks is reasonably necessary to the successful conduct of network operations and is in the public interest. The Commission pointed out, however, that this does not necessarily mean that all of the features of the present option time arrangements are necessary to network operations. The findings were referred to the Department of Justice on January 14, 1959, for a formal opinion of the Attorney General on the applicability of the antitrust laws to the present option time practice. By letter of February 27, 1959, Victor R. Hansen, Assistant Attorney General in charge of the Antitrust Division, informed the Commission that in his opinion the referenced option time practice "runs afoul" of the Sherman Antitrust Act. The Commission's findings and the opinion of the Assistant Attorney General have been incorporated into the public record in Docket No. 12285.

5. At this time, the Commission proposes to institute a rule-making proceeding to consider the desirability of modifying the present Chain Broadcasting Rules relating to option time. These proposed rules are designed to improve substantially the competitive position of other groups as affected by option time, and the freedom of program selection of the station under its affiliation contract, while maintaining the essential features of the practice. The specific rule changes in Sections 3.658(d) and (e) which the Commission proposes to consider involve the number of hours of option time, the application of option time to "straddle" programs, the period of advance notice required before the option may be exercised, and the station's right to reject network programs.

Amendments to Section 3.658(d)

6. Number of hours of option time. Section 3.658(d) now provides in part that "No license shall be granted to a television broadcast station which options for network programs . . . more time than a total of 3 hours within each of four segments of the broadcast day, as herein described. The broadcast day is divided into four segments, as follows: 8 a.m. to 1 p.m.; 1 p.m. to 6 p.m.; 6 p.m. to 11 p.m.; 11 p.m. to 8 a.m." The Commission proposes to consider an amendment to this part of the rule to reduce from 3 to 2½ the total number of hours within each segment of the broadcast day which a station may option for network programs. An affiliated station may, as at present, accept any additional network programs offered wholly outside of the hours designated as option time, but may not option such time periods for network programs. This proposed rule change is intended to have the twofold purpose of: (a) providing greater latitude to stations to select among alternative program sources during an additional

half hour of time within each segment of the broadcast day; and, correspondingly, of (b) providing non-network groups (program suppliers, station representatives, and local, regional, or national advertisers) with the opportunity to gain access to an additional period of prime time within each segment on an equal basis to the networks and network advertisers.

7. **Straddle programs.** Certain network programs, commonly referred to as "straddle" programs, originate in time periods designated in the network affiliation contract as option time and extend into non-option time, or originate in non-option time and extend into the time periods designated as option time. For example, under present rules, a station and network may have agreed upon the hours of 7:30 p.m. to 10:30 p.m. as option time within the 6 p.m. to 11 p.m. segment. The network, on one or more evenings of the week, may be telecasting a single hour-long program, such as a popular dramatic program, which the station has agreed to carry and which begins at 10 p.m. and ends at 11 p.m., thus straddling both option and non-option (station) time. The Commission proposes to consider the addition of a note to Section 3.658(d) which would prevent these "straddle" programs from having the effect of extending network programming into non-option time periods.

8. The present Commission rules make no reference to "straddle" programs. One television network has stated that it considers its option right to apply to that portion of the program falling within the option time hours (e.g. 10-10:30 p.m.) but not to the remainder of the program (e.g. 10:30-11 p.m.) The other two television networks have stated that they consider that option time does not apply to any part of such a program. In practice, it may be difficult, if not impossible, for the station to divide a single program of drama or variety into two segments so that it could accept and carry that portion falling within the option time hours and not the remainder of the program, if it wished to do so. Also, even if some of the networks do not technically seek to exercise option rights against any part of such straddle programs, in practice most stations tend to accept them, for several reasons: the programs have generally been very popular, the stations must decide to accept or reject the programs as single units, and the programs originate during time periods traditionally occupied by network programming under the option time agreement. It has been alleged, therefore, that the practical effect of "straddle" programs is to extend network programming into station time periods.

9. The Commission proposes to consider adding a note to Section 3.658(d) to indicate that, in determining the number of hours of option time, any network program which begins during the hours agreed upon by the network and station as option time and extends into non-option time, or which begins during non-option time and extends into the hours agreed upon as option time shall be considered as falling entirely within option time. Under this proposed construction of the rule, for example, a station which has already optioned to a network or networks the 7:30-10:30 p.m. period could not agree to accept and carry a "straddle" program extending from 10 to 11 p.m. without exceeding the maximum number of hours permitted by the Commission rule. This proposed interpretation of Section 3.658(d) would not make it impossible for a station to carry such a program. In order to do so, however, the station and network would have to remove a half-hour period of time within the same segment (as, for example, 7:30-8 p.m.) from the network's option agreement. The station could carry network programming during the 7:30-8 p.m. period, but could not agree to option the time to the network. The network's option hours, in the example in question, would thus be changed from 7:30-10:30 p.m. to 8:00-11:00 p.m., and there would be no extension of network programming into a station time period since the former "straddle" program would now fall entirely within option time.

10. The Commission recognizes that there are certain live network programs of national importance involving educational, cultural or public affairs, special events, or sporting events which, because of their length necessarily straddle option and station time, and which it would be in the public interest for stations to broadcast as a unit or at the time the events take place. Because of the length of

such programs or the fact that the programs can only be broadcast when the event takes place, inclusion of the program as a whole in option time might result in the station exceeding the maximum permissible number of hours of option time in the time segment, or might prevent the station from optioning any other time for network programs in the same time segment. The Commission therefore proposes to make an exception for programs of this type. This exception would not apply to dramatic programs of an entertainment variety, the length and time scheduling of which are under the control of the networks so that the programs can be broadcast to fall entirely within the regular option time hours.

11. **Length of notice.** Section 3.658(d) also provides in part that "No license shall be granted to a television broadcast station which options for network programs any time subject to call on less than 56 days' notice . . ." The Commission proposes to consider an amendment to Section 3.658(d) which would introduce more flexibility into the required period of advance notice before a network may exercise its option, in order to take into account a variety of situations that may occur in practice. The proposed amendment is designed to provide the station and advertiser with more protection against the network's exercise of its option time rights to pre-empt a non-network program then being broadcast or scheduled shortly to be broadcast in the time period. This protection would extend up to a maximum of 13 weeks of the program. At the same time, the amendment would enable the network to exercise its option on less advance notice than the present 8 weeks, in situations where this would not result in the preemption of a non-network commercial program currently being broadcast or scheduled shortly to be broadcast in the time period. An advance notice of at least 4 weeks would be required in any circumstance.

12. The minimum period for advertiser sponsorship of programs in television is generally 13 weeks. Program sponsorships of 26, 39, and 52 weeks are also common. It has been stated that the 56 day (8 week) pre-emption right of the networks under the present rule makes it difficult for the station and a non-network advertiser to enter into a contract for a time period subject to the network's option, even when the station may not currently be ordered for a network program during the time period, since the non-network program may subsequently be pre-empted before it has run its normal course. In order to enable a station to fulfill a minimum-term contract with a non-network advertiser, while still permitting the network to exercise its option right upon reasonable notice, the Commission proposes to consider an amendment to the existing rules which would prohibit an agreement to make time subject to call on less notice than 13 weeks, or the termination date of a firm contract with an advertiser for a non-network program, whichever is less. Thus, under the proposed amendment, if a station has entered into a firm contract of 13 weeks with an advertiser for a non-network program, and the termination date of the contract is in 10 weeks, the network's option could not be exercised on less than 10 weeks' notice. If the contract with the non-network advertiser has 13 weeks or more to run (for example a 26 week contract due to be terminated in 18 weeks) the network's option could not be exercised on less than 13 weeks' notice. On the other hand, if the termination date of the contract is in 6 weeks, the network could exercise its option on 6 weeks' notice, a shorter period of advance notice than is presently required.

13. In order to take into account the possibility that a single non-network program may be sponsored by several different advertisers whose contracts have different termination dates, the proposed rule would provide that the network's option could not be exercised prior to the latest of the termination dates of the several contracts, up to the maximum of 13 weeks. The 13 week maximum period of advance notice would apply to *consecutive* weeks. Thus, two alternate-week sponsors, each of whom had a contract for 13 (alternate) weeks, would not be guaranteed against pre-emption for the full term of the contracts.

14. The proposed amendment would also recognize the need of a station to plan its program schedule in advance and to enter into firm commitments for the sale of a non-network program prior to the starting date of the program. Under the proposed rule, if a station has entered into a firm contract with an advertiser for a non-network program

within 4 weeks of the starting date of the program, the network may not exercise its option, pursuant to its contractual agreement with the station, prior to the first 13 weeks of the program. The proposed rule would apply in similar fashion to renewals of existing contracts entered into within 4 weeks of the starting date of the renewed program. For example, a station and non-network advertiser may have entered into a contract for 13 weeks, which is due to terminate in 2 weeks but which has been renewed for a period of 13 weeks at the time that the network seeks to exercise its option. In this case, the pre-emption would not take effect until the end of the renewed program (in 15 weeks).

15. The proposed amendment would provide for a minimum notice of four weeks in those situations where the station does not have any non-network program contract commitments, or where such commitments are due to terminate within a short period and the station has not signed another firm contract to renew or replace the program. Such a minimum notice requirement may be necessary so that the station may have adequate time to determine whether or not to accept the network program, and to make or adjust its own program plans accordingly.

16. It should be noted that the proposed rule, as at present, would apply to any contract, arrangement or understanding between a station and a network. It would not preclude a station from voluntarily accepting a particular network program on a period of notice shorter than that specified in the rule, but would prohibit an agreement with the network that would require the station to accept a network program in option time on less notice than the minimum time periods described above.

17. With the proposed amendments described above, Section 3.658(d) would provide as follows:

No license shall be granted to a television broadcast station which options for network programs: (1) any time subject to call (a) prior to thirteen weeks or the termination date, or the latest of the termination dates, of a firm contract or contracts for a non-network program between the station and an advertiser or advertisers, whichever is less, or (b) if such program is scheduled under a firm contract to begin within four weeks, prior to the first thirteen weeks of the program, or (c) in any event, prior to four weeks' notice; or (2) more than a total of 2½ hours within each of four segments of the broadcast day, as herein described. The broadcast day is divided into four segments, as follows: 8 a.m. to 1 p.m.; 1 p.m. to 6 p.m.; 6 p.m. to 11 p.m.; 11 p.m. to 8 a.m. (These segments are to be determined for each station in terms of local time at the location of the station but may remain constant throughout the year regardless of shifts from standard to daylight saving time or vice versa.) Such options may not be exclusive as against other network organizations and may not prevent or hinder the station from optioning or selling any or all of the time covered by the option, or other time, to other network organizations.

Note 1: As used in this section, an option is any contract, arrangement or understanding, express or implied, between a station and a network organization which prevents or hinders the station from scheduling programs before the network agrees to utilize the time during which such programs are scheduled, or which requires the station to clear time already scheduled when the network organization seeks to utilize the time.

Note 2: All time options permitted under this section must be specified clock hours, expressed in terms of any time system set forth in the contract agreed upon by the station and network organization. Shifts from daylight saving to standard time or vice versa may or may not shift the specified hours correspondingly as agreed by the station and network organization.

Note 3: In determining the number of hours of option time, any network program which begins during the hours agreed upon by the network and station as option time and extends into non-option

time, or which begins during non-option time and extends into the hours agreed upon as option time, shall be considered as falling entirely within option time. This provision shall not be applicable to live programs of national importance involving educational, cultural or public affairs, special events, or sporting events which, because of their length necessarily straddle both option time and non-option time and which it would be in the public interest for stations to broadcast as a unit or at the time that the events take place.

Amendments to Section 3.658 (e)

18. Right to reject programs as unsatisfactory or unsuitable. Section 3.658 (e) of the Chain Broadcasting Rules now provides:

"Right to reject programs. No license shall be granted to a television broadcast station having any contract, arrangement, or understanding, express or implied, with a network organization which (1) with respect to programs offered pursuant to an affiliation contract, prevents or hinders the station from rejecting or refusing network programs which the station reasonably believes to be unsatisfactory or unsuitable; or which (2) with respect to network programs so offered or already contracted for, prevents the station from rejecting or refusing any program which, in its opinion, is contrary to the public interest, or from substituting a program of outstanding local or national importance."

This rule, it will be noted, differentiates between the station's right to reject or refuse network programs offered to the station and those already contracted for by the station. The Commission proposes to consider an amendment to this rule which would give the station the same rejection rights in both circumstances.

19. Under the present rule, a station may not enter into an agreement or understanding which prevents it from rejecting or refusing a program offered pursuant to a network contract which the station reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest, or from substituting a program of outstanding local or national importance. When a station has already contracted for a network program, the agreement with the network may not prevent it from rejecting or refusing the program as contrary to the public interest or from substituting a program of outstanding local or national importance. Under the present rule, however, a station may enter into an agreement with a network which would prevent it from rejecting or refusing a program already contracted for even though the station reasonably believes the program to be unsatisfactory or unsuitable. It may be desirable for a station to be in a position to reject or refuse a network program as unsatisfactory or unsuitable after the program has been contracted for. It has been pointed out, for example, that in some instances a station may not be in a position to determine prior to the time that a network program is contracted for whether or not subsequent programs in the series will prove to be satisfactory or suitable to the interests of the community which it serves. The Commission therefore proposes to consider an amendment to Section 3.658 (e) which would broaden the station's right to exercise its judgment with respect to the acceptance or rejection of network programs so that a station and network may not reach an agreement which would prevent the station from refusing a network program already contracted for which the station reasonably believes to be unsatisfactory or unsuitable.

20. Right to substitute programs. The present language of Section 3.658 (e) prohibits a station from entering into an agreement with a network which would prevent it from substituting for a network program offered or contracted for a program of outstanding local or national importance. The station is not, however, prohibited from entering into an agreement which would prevent it from substituting a program which the station considered to be of greater (as distinct from outstanding) local or national importance. It may be desirable for a station to be in a position to reject a network program in order to substitute a program which it considers to be more in the interests of its viewing public. The Commission therefore proposes to consider an amendment to Section 3.658 (e) which would broaden the

station's right to exercise its judgment with respect to the acceptance or rejection of network programs so that a station and network may not reach an agreement which would prevent the station from substituting for a network program a program of greater local or national importance.

21. With the two amendments proposed above, Section 3.658 (e) would provide as follows:

No license shall be granted to a television broadcast station having any contract, arrangement, or understanding, express or implied, with a network organization which, with respect to programs offered or already contracted for pursuant to an affiliation contract, prevents or hinders the station from (1) rejecting or refusing network programs which the station reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest, or (2) substituting a program which, in the station's opinion, is of greater local or national importance.

22. The Report on Network Broadcasting did not study the option time arrangements in the radio field, and the present Notice of Proposed Rule Making applies specifically to television. Parties filing comments are also requested to direct their attention to the need for or desirability of issuing a similar Notice of Proposed Rule Making with respect to network option time in radio.

23. Any interested party desiring to file comments with respect to the above matter may file with the Commission, on or before June 22, 1959, a written statement or brief setting forth his comments. Comments or briefs in reply to the original comments may be filed within 30 days from the last day for filing said original comments. No additional comments may be filed unless (a) specifically requested by the Commission or (b) good cause for the filing of such additional comment is established.

24. In accordance with the provisions of Section 1.54 of the Commission's Rules and Regulations, an original and 14 copies of all statements, briefs or comments shall be filed.

25. Authority for the adoption of the proposed amendments is contained in Section 4 (i), 303 (f) and 303 (i) of the Communications Act of 1934, as amended.

FEDERAL COMMUNICATIONS COMMISSION
MARY JANE MORRIS
Secretary

DISSENTING STATEMENT OF COMMISSIONER HYDE

I dissent to the Notice of Proposed Rule Making in so far as proposals therein give approval to network optioning of station time.

The instant notice proposes five changes with respect to present option rules including a reduction of one-half hour in each time segment from the maximum now permitted by Commission rules. This, I think, illustrates how regulation breeds further and more complicated regulation. It also indicates a trend toward a situation in which the F.C.C. will inevitably find itself more and more deeply involved in regulating the terms and conditions under which stations make their program choices.

I reaffirm my preference to rely on the self-regulating force of competition which, I think, was clearly intended by those who framed the Communications Act.

CONCURRING IN PART AND DISSENTING IN PART STATEMENT OF COMMISSIONER CRAVEN

I concur in this Notice of Proposed Rule Making except as to the contemplated reduction in option time from 3 to 2½ hours. I believe they should remain as at present.

I dissent from that part of the rules which construe that straddling programs are entirely within option time.

CONCURRING STATEMENT OF COMMISSIONER FORD

I do not believe the foregoing proposed rule changes will entirely eliminate the legal questions involved in the option time practice. The proposed rule changes appear, however, to minimize those questions. I, therefore, concur in the Notice.

A SERVICE OF TELEVISION DIGEST

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The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

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FCC

IN WAKE OF FCC'S ALLOCATIONS decisions MST plumps for set-control law, supports negotiation for more vhf channels. No drop-in list from FCC yet. (p. 1).

CBS, NBC DEFEND REPPING in answers to FCC proposals to take networks out of national spot sales business. Client-stations back them up (pp. 2 & 4).

Auxiliary Services

CATV PROBLEMS GO TO COURTS & CONGRESS, as Salt Lake City stations begin "property rights" suit and NCTA seeks FCC regulation (p. 2).

Stations

NAB TV CODE shows its teeth as the seal is revoked from certain stations accused of "continued & willful violations" (pp. 3 & 8). Storm over "Preparation H" (p. 8).

IN THE GOOD OLD (TV) SUMMERTIME there are plenty of retail sales, 91% of TV homes viewing regularly, says new Katz rep presentation to buyers (p. 9).

NEW TREND IN SPOT TV may mean comeback for the 30-sec. station break (p. 9).

Networks

NBC-NABET DISPUTE over Garroway's Parisian taping is a "walkout" to the network, a "lockout" to the union (p. 6).

Manufacturing & Distribution

MARCH RETAIL SALES AHEAD OF '58, with indications of improvement to come. Set makers continue claims of vastly improved sales picture, but dealers say market is slow (p. 18).

RCA COLOR TV SALES: Frank Folsom quoted as predicting 80-85,000 sales this year, "quite a bit better than last." Figures are lower than industry assumptions (p. 18).

THE "SOARING SIXTIES" will bring "unprecedented" U.S. growth, Sylvania's Mitchell tells C. of C. convention. He predicts \$750 billion economy (p. 19).

Advertising

TAPE CHARGE MUDDLE shows many stations charging service fees for putting tape on air—with many varieties of rates (p. 13).

Financial

NEW ZENITH RECORD set for first-quarter sales & earnings—\$59 million & 3.3 million. Stockholders approve 3-for-1 split. Pres. Robertson deplores zoom in stock (p. 24). Dept. starts on p. 22.

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CONGRESS (p. 3). **PROGRAMMING** (p. 7). **FOREIGN** (p. 11). **ETV** (p. 11). **FILM & TAPE** (p. 14).

IN WAKE OF FCC'S ALLOCATIONS DECISIONS: Although FCC last week was not yet ready to announce its list of "critical" cities & proposed drop-ins, a powerful assist to its proposed TV receiver-regulation law—designed to force the production of all-channel sets (Vol. 15:17)—came from Assn. of Maximum Service Telecasters (MST). Group urged caution, however, on allocations.

Representing some 120 of nation's most influential stations, MST board held special meeting in Washington April 25-26, passed series of resolutions as reaction to FCC's proposed solutions to allocations problem. On the set-control concept, board stated that it "vigorously supports legislation to require that all TV receivers shipped in interstate commerce be equipped to receive all TV channels." This action contrasts markedly with position of manufacturers themselves. Our canvass of set makers found them indifferent or skeptical, to say the least (Vol. 15:17).

MST's main concern, however, was that FCC might reduce its "bargaining power," as it negotiates with military for more vhf channels, if it relieves pressure now by adding stations in "critical" markets through mileage-cut Ch. 2-13 drop-ins. MST urged FCC to continue trying to get more vhf channels above Ch. 13 and between Ch. 6 & 7 and to retain all present vhf channels in any long-range shift.

If Commission insists on a mileage-cut program, MST said, it urges that it be carried out on the basis of "careful pre-planning" and that FCC:

(1) "Establish proper standards of selection to govern any departures from minimum spacing requirements & to circumscribe any such departures to instances where there are, in fact, 'the most critical shortages,' rather than follow a case-by-case approach to deviations from minimum spacing requirements."

(2) "Establish firm engineering standards which fix limitations beyond which no impairment will be permitted of the service provided by existing stations to the public, in the case of any grant which may be made in accordance with such standards of selection."

FCC doesn't know when it will come up with list of "critical" cities & proposed drop-ins. Staff is working on it now, and Commission is likely to start debating specifics after Chairman Doerfer returns from Tokyo May 17. Number of cities is unknown, too. One Commissioner suggests that "5 to 15 might do the trick, but I don't know."

Meanwhile, FCC and Office of Civil & Defense Mobilization announced they're going to work together, henceforth, on all long-range allocations problems—covering all uses of spectrum. Said FCC:

"Under the program, which will be conducted on a continuing basis, ways & means will be sought to accommodate expansion & growth in the use of radio, to simplify allocations for each use of radio, including TV, and to provide for reasonable transition periods as necessary . . . The conduct of this study jointly, and on a continuing basis, is a new approach in govt. planning for the long-term future in field of frequency allocations. Heretofore, such studies have been conducted independently by the respective offices with conclusions coordinated thereafter. Under this approach, long-range planning will be conducted as a joint effort toward a common objective. The study is intended to assist the FCC & OCDM in carrying out their separate responsibilities under the law."

WHEN IS FREE TV ENTERPRISE FREE? FCC will be condemned within its own industry as enemy of free competitive enterprise no matter which way it turns in its proposed rule-making to disengage networks from the national spot rep business.

That much seems clear from comments & memoranda filed by opposing interests in the proceeding—all of whom appear to agree that questions of competitive broadcasting are at stake. To Station Representatives Assn., network repping intimidates stations, restrains competition (Vol. 15:17). To CBS, NBC and flock of loyal affiliates they rep, the idea of FCC sticking its nose into such relationships is threat to freedom of business choice (see p. 4).

The network-rep issue is another illustration of fact that govt. regulators of industry, charged with protecting public's interest & preserving competitive spirit, often raise free-enterprise questions faster than they settle them.

CATV PROBLEMS GO TO COURTS & CONGRESS: An appeal to courts & Congress is being made by both telecasting & community antenna industries, in major effort to clear up long-festering uncertainties. Last week, the 3 Salt Lake City stations finally began the expected court fight to stop CATV systems from violating their "property rights" through unauthorized pickups of their signals. At same time, National Community TV Assn. exec. committee recommended to its board that Congress be asked to pass law putting CATV under regulations similar to those governing stations.

Salt Lake City stations brought suit in U.S. District Court in Boise, Ida., directed specifically at W. L. Reiher, who operates a CATV system in Twin Falls and plans a microwave system to bring Salt Lake City TV signals to Twin Falls.

Stations note that they get paid by KLIX-TV (Ch. 11) Twin Falls for permission to rebroadcast their signals, claim that they'll lose the payments if Reiher expands his CATV system as planned. Stations assert, among other things, that Reiher: (1) Deprives them of property rights. (2) Reduces possibility of selling broadcast rights to stations in their coverage areas. (3) Makes them pay more for programs because program producers, talent, etc., are deprived of the Twin Falls station as a customer. (4) May degrade their signals & produce loss of goodwill. The stations request:

"That the court make & enter its order determining (a) that the plaintiff has a right in its electronic signals & in the programs assembled by plaintiff & carried thereby, which right is legally entitled to be protected against the commercial use planned & threatened by the defendants without plaintiff's consent, and (b) that any commercial use whatever by defendants of such signal without plaintiff's consent would result in an unlawful interference with plaintiff's property & contractual rights, and (c) that any commercial use whatever by defendants, or by any other person or persons acting in aid of, or in concert with, the defendants of such signals without plaintiff's consent would result in unjust enrichment & unfair competition, that it would appropriate the fruits of plaintiff's expenditure, skill and energies without any compensation therefore,

and (d) that neither of defendants has the right to use, transmit, convey or communicate in any manner, by means of any electronic device, cable, wire or microwave or other radio circuit, plaintiff's electronic signals for use on a community antenna system for any other commercial purpose, without plaintiff's consent."

NCTA has been eager for adjudication of the issue, too, has been working with stations & NAB toward filing of the suit. Though NAB has been active in case, it isn't participant—not being "aggrieved party."

Counsel for stations, all in Salt Lake City: KUTV, George M. McMillan & Bruce S. Jenkins; KTVT, Calvin W. Rawlings; KSL-TV, Gordon Affleck. Serving all 3 in Boise is firm of Langroise, Clark & Sullivan.

NCTA's determination to get placed under FCC's jurisdiction came after years of avoiding it. However, CATV operators have become exhausted putting out "brush fires" of state & municipal problems—and they no longer recoil with horror at the prospect of federal regulation. CATV interests believe that FCC's recent legislative recommendations—which would require CATV to get "re-broadcast" permission from stations and to carry local stations' signals (Vol. 15:16)—are unfair, makeshift, perhaps unconstitutional.

NAB TV CODE SHOWS ITS TEETH: NAB's TV code board took unprecedented action April 30 in meting out its strictest punishment—revocation of the code seal—to an undisclosed number of stations in various parts of the country.

"Continued & willful violations" were charged—involving "triple spotting and advertising time standards" as well as "personal product advertising." Whether the controversial Preparation H commercials were directly involved was uncertain at week's end. Ted Bates agency, meanwhile, stoutly defended the hemorrhoid-remedy commercials, pointing out that 142 stations are currently carrying the spots and orders have been placed with 108 more "who've indicated they find the product acceptable." (Details on p. 8.)

Congress

Speaks Up for Voice: "Mumbo-jumbo" rating services have been blasted again by Sen. Monroney (D-Okla.). In a floor speech April 25, he protested ABC-TV's plans to drop the 30-year-old *Voice of Firestone*: "This quality program has again become the victim of the mumbo-jumbo cult of TV ratings . . . The desires of the advertiser & the public get short shrift, because the TV rating services on Madison Ave. rate close to the Sermon on the Mount in importance . . . For 75 million viewers this is censorship by the small [and] doubtful sampling of a Madison Ave.-created czar."

Monroney cited similar critical comments by *Newsweek*, *Variety*, etc. He still plans another Senate Commerce Committee hearing on ratings, but no date has been set.

Meanwhile, ABC denied that *Voice of Firestone* had been victimized. "We have not thrown them off the air," an ABC spokesman said. He explained that the network had offered either a 10 or 10:30 p.m. Monday time slot for the show in place of the old time, but Firestone had declined both. The 10 p.m. spot has been sold, but the 10:30 time is still open. "We hope Firestone will accept it & stay on our network," he said.

Plans to tape *Voice of Firestone*, were denied by Firestone dir. of mdsg. & adv. C. B. Ryan, despite requests by independent stations, and proposals by NTA and Los Angeles' KTTV to tape-syndicate the musical series. "The costs of producing 'Voice' on tape," Ryan told us, "make it too expensive for the 30-40 tape-equipped markets available."

Daytime radio stations would be authorized to broadcast 6 a.m.-6 p.m. instead of from sunrise to sunset under a bill (HR-6676) by Rep. Shipley (D-Ill.). He said the long-debated FCC clear-channel vs. daytimers case should be resolved by amending the Communications Act in favor of the 1700 sunrise-to-sunset operators. "Revisions are long overdue to keep in step with the listening habits of our people," said Shipley.

Another "ethics" code for FCC & other federal agencies, incorporating "standards of conduct" for hearing procedures recommended by the American Bar Assn., has been introduced by Chairman Harris (D-Ark.) of the House Commerce Committee. The ABA measure (HR-6774) supplements his own omnibus agency reform bill (HR-4800) which was submitted in Feb. to carry out sweeping recommendations of the legislative oversight subcommittee (Vol. 15:8). Laws governing CAB, FPC, FTC, ICC & SEC as well as FCC would be amended under the new bill to require agency decisions after hearings to be based solely on case records. Ex-parte influence on Commission members and hearing officers would be forbidden. Maximum penalty would be a \$10,000 fine and a year in jail.

House ETV bill hearings on a Senate-passed measure (S-12) by Sen. Magnuson (D-Wash.)—for \$51-million federal grants to states for purchasing educational TV equipment (Vol. 15:16)—have been scheduled for May 12-13 by Commerce Committee Chairman Harris (D-Ark.). In a long-delayed move toward action on the precedent-setting program (which died in the House last year) Harris said his communications & power subcommittee also will take up a batch of similar House ETV bills. They include HR-32 by Rep. Boggs (D-La.), HR-1981 by Rep. Udall (D-Ariz.), HR-2926 by Rep. Roberts (D-Ala.), HR-3043 by Rep. Moulder (D-Mo.), HR-3723 by Rep. Foley (D-Md.), HR-4284 by Rep. McDowell (D-Del.), HR-4572 by Rep. Bentley (R-Mich.).

"Well done," for Westinghouse: Chairman Celler (D-N.Y.) of the House Judiciary Committee, a frequent critic of TV networks, has joined Chairman Magnuson (D-Wash.) of the Senate Commerce Committee in lauding Westinghouse's video-tape syndication of Theodore Granik's *American Forum of the Air and Youth Wants to Know* (Vol. 15:17). Recalling he was the first guest on the old radio *Forum* 31 years ago, Celler gave a "well done" to Westinghouse & Granik for making the shows available in prime evening time instead of on Sun. afternoons.

The FCC

More about

CBS, NBC DEFEND REPPING: National spot-sales representation of TV stations by networks doesn't impair broadcasting competition—and FCC has no legal business trying to interfere with the practice—CBS, NBC and groups of their clients argued last week.

Responding to the Commission invitation to make comment on proposals to rule networks out of rep operations except for their o-&o stations (Vol. 15:17), the 2 networks (ABC isn't in the business) and affiliate-clients showered FCC with protests, CBS summing up this way:

"The degree of participation by CBS & NBC in national spot sales does not & is not likely to impair competition in broadcasting: CBS & NBC do not dominate in national spot representation. CBS & NBC lack the power to dominate the spot sales field, and there is no likelihood that they will seek to do so. CBS & NBC do not restrain competition for national spot representation.

"On the basis of the record, the Commission lacks the statutory authority to promulgate the proposed rule."

At the same time rep Edward Petry & Co. filed its own statement supporting earlier arguments in favor of the proposed FCC rule-making by the Station Representatives Assn., which had maintained the networks put independent sales firms at a "competitive disadvantage."

NBC's answer to the SRA arguments was:

"The proposed rule would impose immediate & actual restraints by (a) restraining TV stations in their present free choice of national spot sales representatives; (b) restraining certain TV stations in their competition for national spot business by requiring them to discharge the representative they believe can best help them compete for such business; (c) reducing by at least 2 the number of national spot sales representatives competing for station-clients."

And the 2 networks agreed that FCC had no more business suggesting that a ban on network repping of radio stations should be imposed, either.

Typical comments by other opponents of the Commission's proposals:

Group of independent CBS-TV affiliates (KGUL-TV Houston, KOIN-TV Portland, Ore., KSL-TV Salt Lake City, WBTV Charlotte, WBTW Florence, S.C., WJXT Jacksonville, WTOP-TV Washington): There's "absence of compelling public-interest reasons justifying the Commission's interference with business relationships between TV stations & their sales agents."

WAVE Inc., Louisville & Pulitzer Publishing Co. (KSD-TV & KSD St. Louis): FCC's proposal runs counter to its long-standing aversion to "interference with the internal business practices of licensees." Unless FCC is prepared to take "full responsibility for complete regulation of the networks," it should drop its plan, which "lifts the lid of a Pandora's Box."

Metropolitan TV Co. (KOA-TV & KOA Denver): KOA-TV switched in 1955 from independent representation to NBC Spot Sales "solely on the merits of the organization and not because of any pressure." In 1958 the station's spot business showed a 34.2% increase over 1955. FCC's proposal would force it to sever satisfactory relations with its chosen network rep.

Similarly supported by stations, CBS Radio told the

Commission, "There is such an obvious lack of need for a rule which would preclude *any* organization from engaging in the radio network business & in the national spot representation business, that the instant radio inquiry should be dismissed."

On the other hand, rep Petry said: "Because of the Commission's duty to maintain freedom of competition, it is only proper that a rule abolishing competitive restraint and freeing a segment of the industry insulated by a position that to a great extent is free from competition, be proposed & adopted." Petry added that such a "healthy step" should take in radio as well as TV.

New Equal-Time Rule: In its first decision on a political equal-time issue since its much-challenged Lar Daly newscast ruling (Vol. 15:8-16), FCC last week held that broadcasters can satisfy requirements of the Communications Act's Sec. 315 by offering candidates one chance to share the air together.

The question was raised by pres. Alvis H. Temple (radio WKCT Bowling Green) of the Ky. Bcstrs. Assn. He told FCC all Republican & Democratic candidates for nomination for governor & lieut. governor had been asked to participate in an hour-long conference-type radio show set up by the broadcasters' group. Temple posed this problem: Would candidates who failed to show up have the right to demand equal time on the stations later? No, FCC said; equal time bids don't have to be renewed.

Meanwhile CBS and its WBBM-TV Chicago filed rebuttal to Lar Daly's answer to the network's petition for FCC reconsideration of the ruling that a newscast appearance by a candidate entitles his opponents to equal TV time. CBS said that Daly's own argument for the ruling (that TV stations should have the alternative of featuring all or no candidates on newscasts) shows how it constitutes "an unwarranted interference with the statutory & constitutional right" of stations to exercise their own news judgments.

TV & radio towers remain under the jurisdiction of FCC, are excluded from the new airspace utilization procedures adopted by the Federal Aviation Agency last week. On May 15, functions of the airspace panels of the Air Coordinating Committee will be transferred to the FAA's airspace utilization div. which claims sole authority over airspace matters. FAA stated that TV & radio towers will continue to be handled "under existing procedures pending further study" by FAA & FCC. There has been speculation recently that FAA is contemplating asking Congress to transfer control over TV & radio towers from FCC to FAA. Also, FAA is said to be contemplating requesting legislation giving it control over receiving towers, not now under any federal regulation. This would cover CATV towers, some of which are several hundred feet high.

FCC was sustained by the Court of Appeals for D.C. in its rejection of a protest by KDAL-TV (Ch. 3) Duluth-Superior against assignment of Ironwood, Mich. Ch. 12 to WDMJ-TV (Ch. 6) Marquette for operation as a satellite. KDAL-TV had complained that part of the satellite's area overlapped the Duluth grade B contour, interfering with KDAL-TV's operations. But in upholding the FCC the court pointed out that Ironwood's overlap population is only 200, that viewers there would get the same CBS-TV programs on either Ch. 3 or Ch. 12. The Ironwood CP, originally held by the upper Michigan-Wisconsin Bestg. Co., was turned over to WDMJ-TV after construction delays.

ROUND 4 IN MACK TRIAL: The Miami Ch. 10 conspiracy trial of ex-FCC Comr. Richard A. Mack and his friend & benefactor Thurman A. Whiteside (Vol. 15:15-17) threatened at times last week to explode into full-blown courtroom brawls.

The 4th week of the case before Judge Burnita S. Matthews in Washington's U.S. District Court opened with a defense demand that she disqualify herself as prejudiced. It ended with govt. threats to impeach one of the prosecution's own witnesses. In between, the opposing lawyers spent more time wrangling among themselves at Judge Matthews' bench or in her chambers than in making presentations for the jury—which was given one half-day holiday. Little progress was made toward piling up testimony for the prosecution—let alone for the defense—and nobody in or around the court would guess how long the trial might stretch.

Prim-lipped Judge Matthews, harassed by repeated objections raised by Mack's belligerent counsel Nicholas J. Chase and young govt. lawyer William P. Clancy, indignantly rejected defense demands that she quit the case.

Chase complained that the Judge's "conduct was abrupt, was irritated," that she betrayed "an attitude of contempt for counsel & a contempt for these defendants." She retorted: "I am not prejudiced and I intend in every way that these defendants shall have a fair trial."

At another point, after Chase & Clancy had engaged in face-to-face quarrel over technical procedure, Judge Matthews cried out: "You are not to have discussions among yourselves. Your remarks are all to be addressed to the Court."

The Govt.'s move to impeach one of its witnesses came while William Y. Stembler, Miami insurance broker, was on the stand. Chief prosecutor J. Frank Cunningham was trying to find out whether Whiteside had set up Ander Inc. as a Coral Gables insurance firm to make payments to Mack. Stembler pleaded a hazy memory about conversations with Whiteside. "I claim surprise and would like to impeach the testimony of the witness by his testimony before the grand jury," Cunningham protested. This led Chase to move that the trial be called off on ground that prosecutor's questions were unfair. Motion was denied.

Stembler then started all over again—but not until Chase had accused Cunningham of "getting all upset and throwing papers around again," and Cunningham had called on the judge & jury to witness that "that's an unfair remark and an untrue remark."

FCC Chairman Doerfer was another witness whose testimony was subjected to frequent interruptions, objections and bench huddles. He was led by slow stages through the history of FCC's procedures from 1955 to 1957 leading to the award of Ch. 10 to National Airlines' WPST-TV. Doerfer added little new to it.

But Chase in cross-examination did get in a lick for Mack, who is accused of conspiring with Whiteside to make sure that WPST-TV got that grant. Did Doerfer know Mack as a man of honesty & integrity?, Chase asked. "Yes, I do," said Doerfer before Clancy could spring up with another objection.

FCC will schedule no hearings or oral arguments during August as a convenience to vacationing & other planning by those who deal with the Commission. The only meeting held will be on Aug. 1. Different Commissioners will handle emergency & routine matters during the month.

OPTION-TIME REACTIONS: Nobody was talking to any extent last week about FCC's option-time proposals, (as detailed in Vol. 15:17 and its Special Supplement), when we checked appropriate circles in Washington & N.Y. for reactions.

At the Justice Dept., neither acting Asst. Attorney Gen. Robert A. Bicks nor anybody else cared to comment. The FCC plan is, of course, under study, but there is not yet any official statement of what Justice's attitude may or may not be. It is reasonable to speculate that FCC's proposals, as we have said before (Vol. 15:10), won't satisfy Justice's objections to option time.

All 3 networks ducked direct comment, telling us they wanted to study the proposal before saying anything.

The general attitude of large station groups contacted (such as Westinghouse & Corinthian) was that they favored the present network structure & option-time deals—but wouldn't hesitate to seek local pre-emption for strong public service shows or a major local commercial sale "when the network is airing a weak show."

Among reps, the attitude was one of watchful waiting, with smaller reps indicating they felt an increase in station-sold time "would be a good thing."

Film distributor comment was directly related to the sales pattern of the firms. Those who sold film shows to network advertisers as well as local stations via syndication channels (such as Independent TV Corp., Screen Gems, Ziv) stuck largely to a "no comment" policy, since a gain in one sales area could ultimately spell a loss in the other. More outspoken in favor of the FCC proposal were, generally, feature film distributors and small syndication houses with no network shows.

Record in Beaumont, Tex. Ch. 6 proceeding, remanded to FCC Jan. 29 by U. S. Court of Appeals (Vol. 15:5), was reopened and designated for further hearing last week by the FCC. Also last week, the FCC instructed its staff to prepare an order reopening the record & designating for hearing the Biloxi, Miss. Ch. 13 case (Vol. 14:38) remanded to the FCC Sept. 20, 1958.

FCC turned down 2 groups seeking to postpone Commission's stricter cut-off dates for AM application processing (Vol. 15:15). The Community Bcstrs. Assn. had asked for postponement from May 15 to Aug. 15. Assn. of Federal Communications Consulting Engineers wanted the first cut-off date moved to June 15.

Sale of KINY-TV (Ch. 8) Juneau, Alaska, with radio KINY, to Juneau Broadcasters Inc., for \$80,000 by Wm. J. Wagner was approved this week by FCC. Juneau Bcstrs. has 17 stockholders headed by station mgr. Jerry W. McKinley, who becomes 35.4% owner. Wagner, who is pres. of Alaska Radio-TV rep firm, retains minority interest in KTVA (Ch. 11) Anchorage and KTVF (Ch. 11) Fairbanks.

Single TV application filed with FCC last week was for Ch. 3 in Douglas, Ariz. by Electron Corp. of Dallas, Tex., a wholly-owned subsidiary of Ling-Altec Electronics Inc.

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Networks

NBC-NABET DISPUTE: Will network shows planning to go outside the U.S. to tape occasional "specials" or even regular series face stiff resistance back home from organized TV labor?

The question leaped into sharp focus last week when members of the Natl. Assn. of Best. Engineers & Technicians on April 27 refused to handle the first of a series of Dave Garroway *Today* shows taped in Paris under a contract between NBC-TV and Intercontinental TV.

By week's end, this division over foreign-taped shows had widened, not lessened, with both NBC & NABET taking firm positions from which it became increasingly difficult to retreat.

NABET, with some 1500 members staying off the job at NBC (TV & radio), puts its chief argument in these words: "NBC is engaged in a concerted drive to reduce the cost of operations by introducing programs produced outside the U.S.A. In the long run—and in the not-too-distant future—this will mean an appreciable loss of American jobs & skills." NABET v.p. Tyler Byrne added that the fight centered on the fact that some French technicians were used in the Paris crew, and that they were paid "coolie" wages.

NBC-TV, which has previously aired foreign-produced film (but not tape) shows on its network without incident, termed the NABET action "an unauthorized walkout by union technicians in violation of the no-strike provision in our contract with NABET." Said NBC-TV, which had attempted to forestall just such a union hassle by sending over 8 of its union members to join the Paris crew: "The tapes in Paris were made in full compliance with that contract." Hopping mad, NBC also launched damage suits totaling \$600,000 against the union and its top officials.

Federal mediators were quick to step into the dispute, with Jacob R. Mandelbaum, who mediated the N.Y. newspaper strike last Dec., offering his services. First session was held April 28. Mediation sessions were held daily thereafter (although not with advance notice), but NABET and NBC continued in a deadlock. NBC's chief complaint to the mediators: "We will never accede to any attempt to broaden or modify a contract by a strike when the contract provides grievance machinery." No mediation sessions are scheduled so far, for this week.

* * * *

With such foreign-taped shows as Ed Sullivan's Moscow junket for CBS-TV & Victor Borge's Copenhagen musical special for Pontiac—plus location-taped commercials for products ranging from Oasis cigarettes to Reynolds Aluminum—hanging in the balance, other factions watched the controversy with interest.

An AFTRA spokesman in N.Y. told us that the talent union "plans no action" but is "generally sympathetic" to the NABET position, although not ordering its members to observe NABET picket lines thrown around NBC program origination points.

The Teamsters, on the other hand, prepared April 30 to send out wires to locals handling the transfer of TV scenery & props for NBC-TV, recommending that Teamster members decline to cross the NABET line. NBC promptly stated: "We expect the Teamsters union to continue working just as the other unions are, and we have no knowledge that they intend to do otherwise. In any event, we fully

intend to continue normal operations." Next day, the Teamsters decided not to send the wires, seeing no reason why their members should be the only union to respect NABET's picket line.

Another form of boycott loomed as a possibility at week's end. Communications Workers of America, which handles routing of TV shows on AT&T's lines, got into the act with a statement from pres. Joseph Beirne that CWA members "will honor" the NABET picket lines. The union was going to "study all our contracts," Beirne added, to see if its membership would handle TV & radio shows that might develop as "hot cargoes." AT&T officials immediately notified NBC that network shows would be handled without interruption by supervisory personnel if necessary.

As of May 1, the work stoppage—termed "walkout" by NBC and "lockout" by NABET—was still in effect, although NBC-TV had aired its Garroway tapes smoothly (with exception of Monday) and was continuing to explore possibilities for other overseas tape junkets, notably a European trip for Jack Paar & a Rome-taped series with Elsa Maxwell.

Still unanswered was the basic question of union jurisdiction on foreign tapes—but at least NBC-TV had proved that it could, in an emergency, air them without NABET's aid.

* * *

The NBC show was taped by Intercontinental TV's \$300,000 custom-built mobile tape studio (Vol. 15:13). The unit was designed by RCA, which had truck chassis & body built, and installed complete RCA studio equipment and Ampex Videotape recorder at its Camden plant.

Intercontinental has a total of 5 firm orders to shoot U.S. network shows on location in Europe: Foreign Ministers' Conference in Geneva (network pool); the Borge show; Timex jazz show in Venice; and Ed Sullivan shows in Russia and Italy, according to sales chief Hugo Seiler.

— ■ —

NBC in Australia: NBC International's latest expansion involves the formation of NBC International of Australia Pty. Ltd., with Thomas S. O'Brien as managing dir. O'Brien also will head the NBC foreign consultancy division's Far Eastern operations which include Japan, Manila, Singapore, Hong Kong and Saigon.

NBC International provides a consultancy service in the areas of scheduling studios and personnel, developing routine, maintenance of equipment, relations with staff & trade unions, billing methods and programming. Clients have included Aramco, Saudi Arabia; Associated TV, England; the Yugoslav Government; Radio Televisao Portuguesa, Portugal; Swedish Bestg. Corp. and TWW Ltd, Wales.

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Network contributions to Lincoln Center for Performing Arts, N.Y., total \$125,000 to date, with an ABC donation of \$25,000 and last week's CBS Foundation gift of \$100,000 (Vol. 15:17). An NBC-RCA contribution is "currently under consideration." Other industry donors include *New York Times* foundation—\$50,000 (WQXR N.Y.); The M. L. Annenberg Foundation—\$100,000 (Triangle Publications Inc., WFIL-TV Philadelphia, WNBF-TV Binghamton, WFBG-TV Altoona, WLYH-TV Lebanon, Pa., WNHC-TV New Haven, KFRE-TV Fresno); and Time Inc.—\$50,000 (KLZ-TV Denver, WOOD-TV Grand Rapids, WFBM-TV Indianapolis, WTCN-TV Minneapolis, & 80% of KTVT Salt Lake City).

Net TV Advertising Up: Network TV's 11% gain in advertising volume (Feb. '59 vs. Feb. '58) compares with magazines' 6% gain, newspapers' 7% and the general index gain of 4% in *Printers' Ink's* latest computation. TV's gain of 3% for the month (Feb. over Jan. 1959) was a reversal of the Jan. record when the 3 networks combined were 1% under the previous month (Dec. 1958).

	Index	% Change from	% Cumulative
	Feb. 1959	1 month ago	Change
General Index	219	+ 2	+ 2
Total Magazines	165	+ 2	+ 3
Weekly	170	- 1	+ 1
Women's	138	+10	+ 6
General Monthly	221	+ 5	+ 9
Farm	95	-14	0
Newspapers	195	+ 4	+ 4
Network TV	461	+ 3	+ 7
Business Papers	225	- 3	+ 1
Network Radio	24	-14	-25
Outdoor	154	-14	- 9

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52. "Cumulative change" in the last column refers to the change, from the same period last year, of the index average from January through February 1959.

NETWORK ACTIVITY

ABC-TV

Purchase

Participations in *American Bandstand* effective May 7.

52-week renewal of *The Rifleman* (Tues., 9-9:30 p.m.) eff. Oct. 6 plus renewal of co-sponsorship of *Wed. Night Fights* eff. Oct. 7.

Purchase of Fri. 10:30-11 p.m. time, no program set.

Sponsor & Agency

Old London Foods (Richard K. Manoff), to introduce Dipsy Doodle Snacks.

Miles Labs (Geoffrey Wade).

Liggett & Myers (McCann-Erickson).

CBS-TV

20 programs, for fifteen 90-min. shows Thurs. 9:30-11 p.m. (alt. with *Playhouse 90*), and 5 hour-long specials, times to be scheduled, all written by Goodman Ace.

Renewal of *Small World* eff. next Oct. (Sun. 6-6:30 p.m.)

Betty Hutton *Goldie* series to replace same sponsor's *December Bride* (Thur., 8 p.m.), which will be syndicated.

4 of the 10 quarter-hours of 5:30-6 p.m. Mon.-Fri. period featuring *Rin-Tin-Tin* (Mon. & Fri.); *Rocky & His Friends* (Tue. & Thu.); *My Friend Flicka* (Wed).

Alt. wk. of *Many Loves of Dobie Gillis* starting Sept. (Tues., 8:30-9 p.m.).

Revlon Inc. (various agencies).

Olin Mathieson (D'Arcy Adv.)

General Foods (Benton & Bowles)

General Mills (Dancer-Fitzgerald-Sample).

Pillsbury Mills (Leo Burnett) joining Marlboro, which has bought alt. week.

NBC-TV

Renewal of *Peter Gunn* for 1959-60 season, weekly (Mon., 9-9:30 p.m.).

Sat. 9-9:30 p.m. time, show undecided. Alt. week sponsorships.

Hour special starring Ernie Kovacs, Fri. May 22 (8-9 p.m.).

Final holes of National Open Golf Championship, Sat. June 13 (4:30-6 p.m.).

Alt. wk. half-hours of *Love & Marriage* eff. Sept. 21. (Mon., 8-8:30 p.m.).

Johnny Staccato, mystery (Sat. 8:30-9 p.m.), eff. Sept.; 12 alt. wk. half-hours.

Renewal for alt. wk., *Alcoa Presents; Goodyear Theater* (Mon. 9:30 p.m.).

Bristol-Myers (Doherty, Clifford, Steers & Shenfield).

Bristol-Myers (Y&R), new buy, and Liggett & Myers (McCann-Erickson), renewal.

Renault Inc. (Needham, Louis & Brorby).

Eastman Chemical Products (DCS&S).

Noxzema Chem. Co. (SSC&B).

R. J. Reynolds (Esty).

Alcoa (Fuller & Smith & Ross) Goodyear (Y&R).

Programming

Children's Hour Clicks: Clubwomen balloted by the National Audience Board, Beverly Hills, Calif., have voted approval for 89% of the "children's-hour" programs they reviewed. Through the General Federation of Women's Clubs, replies were received from 1201 women who had scanned 260 programs—adult & juvenile—during periods when children watch (early morning, lunchtime, afternoon & early evening). Concluded the Board: "There is obviously no crisis in children's programming."

Sharpest criticism was aimed at the slapstick cartoon with a high-violence content & an atmosphere of vulgarity. The two most warmly endorsed shows were *Captain Kangaroo* (117 votes) and *Mickey Mouse Club* (66). Next in order: *Father Knows Best*, *Fury*, *American Bandstand*, *Lawrence Welk*, *Disneyland*, *Leave It To Beaver*, *Garfield Goose* and *The Perry Como Show*.

New TV Faces Wanted: A scarcity of new TV talent & ideas is making agencies "work twice as hard to deliver a quality program without being trapped by talent costs that won't fit the advertiser's budget," Campbell Ewald's v.p. for tv-radio, Philip L. McHugh told the 10th Annual Atlanta Adv. Institute April 27.

"A continuing lack of new faces to replace those now in their declining stages of viewer popularity" forms a threat to the sales efficiency of TV, he said.

Other McHugh statements on TV: "Bigger barrages of criticism may be expected as a result of multiple spotting, and a lack of sponsor-identification due to multiple & alternate-week sponsorships." On repetition of format: "Westerns bring a lot of viewers into [sponsors'] tents, but the great majority are unaware of who brought them there."

Change in policy for Radio Free Europe has quietly taken place over the last year, the *N. Y. Times* reports from Munich. According to Erik Hazelhoff, European director, the backbone of the operation is now factual news & balanced commentary. Anti-communist opinion is labeled as such, when broadcast. The result of RFE's search for credibility is that West European intellectual organizations are now cooperating more fully. Low point for RFE followed the Hungarian revolt in 1956, when the station was accused of implying assistance that never was delivered.

First color telecasts of major league baseball on a local & regional basis are claimed by Crosley's WLWT (Ch. 5) Cincinnati, which is using its RCA color mobile bus to originate 12 home games of the Cincinnati Reds from Crosley Field. All games also will be carried by Crosley's WLWD (Ch. 2) Dayton and by WSAZ-TV (Ch. 3) Huntington-Charleston. Crosley's WLWC (Ch. 4) Columbus will carry 9 games.

Third annual industry conference on local public service programming will be held September 21-23 in San Francisco under the auspices of Westinghouse Bestg. Co. The total invitation list is over 400, with plans for the session being developed by a WBC group headed by Dick Pack, program v.p. The conference will serve as "a forum for interchange & development of ideas and methods."

NBC-TV has more than doubled its network auto billings, the result of the recent round of NBC sales to Ford, Chevrolet and Chrysler. Last year at this time, NBC had \$19,300,000 in auto billings scheduled ahead for fall. This year, the figure is \$51,000,000.

ABC-TV Monday nights will be "action-adventure" night next fall with a trio of hour-long shows starting at 7:30: *Cheyenne*, *Bourbon Street Beat*, and *Adventures in Paradise*. *Cheyenne* moves over from the same time period on Tues. The latter two are new offerings.

Stations

More about

STORM OVER PREPARATION H: "There's no question that we're within the definition of the NAB's TV Code," snapped Dan Rodgers, v.p. & acct. supervisor of the Ted Bates agency, to us late last week. "The attempt by the code review board to push Preparation H off the air is out of line with the facts." He was discussing the current feud between American Home Products Co's patent remedy (for hemorrhoids) and the NAB's code board headed by Westinghouse's Don McGannon.

The Bates agency is particularly peeved at what Rodgers describes as "NAB's attempt to make TV stations carrying Preparation H commercials feel like minority outcasts." These, says Rodgers, are the facts of the situation:

The product "has been active in spot TV since 1953." A total of "around \$2.6 million" has already been spent by the Whitehall Labs. div. for Preparation H in spot TV since it went on the air, "with more than \$1 million spent in the past year."

Far from being a reduced list, the number of stations carrying the remedy's TV commercials "stood at 142 as of April 27, a loss of only 10 from the February peak level," says Rodgers. In addition, "We've cleared time, but haven't placed firm orders, with 108 more who've indicated they find the product acceptable." The current 142-station level represents "a steady growth from the 2 stations we started with in 1953."

Preparation H film spots are aired "at the rate of one to 5 per week, three-quarters of them after 9 p.m." They reach "an average of 13,111,000 homes per week," and are seen "in all types of shows on affiliates of the 3 networks, plus independents," according to Rodgers. (Incidental point: "They are in good time slots. Our cost-per-1000-homes average in spot TV is under \$2.00.")

Backstopping this TV campaign, Rodgers told us, is "a print campaign in 1200 newspapers & 300 magazines—none of which find the advertising objectionable."

What about public reaction to the commercials which the NAB code board has labeled "unacceptable?"

Rodgers points to a special depth survey ordered by Bates of "a total of 750 families living in markets where our commercials had been on the air for as much as 2 years."

The key finding: Of those interviewed, 18% objected to "one or more" products being TV-sold. Leading the list of objectionable products were beer, wine and cigarettes. Other items: girdles, laxatives, depilatories, toilet tissue. However, although "as many as 58% of families could recall Preparation H TV commercials, none mentioned it on the 'objectionable' list," Rodgers stated.

What about station reaction? Again, Rodgers points to "documented evidence"—a file of letters about 3 inches thick, from stations. Sample, from the pres. of a station in a large Gulf Coast-area market: "We have carried this advertising for a good many months on a regularly-scheduled basis, and we have not had one complaint that the advertising is offensive."

Does Preparation H plan any cutback in spot TV? "Definitely not," says Rodgers. "We're maintaining our spot TV budget level. If more stations drop out, we may either increase frequency on those that remain, or make up the difference by adding from the list of stations cleared but not yet ordered."

The NAB's TV board, meeting in N.Y. April 30, had an answer of its own in the Preparation H controversy. After hearing a report from NAB's TV code review board—which had previously notified NAB stations that such TV advertising did not meet with the requirements of the code—the board took one of its strongest actions: revocation of the TV code seal from "several" stations in "various" parts of the country (see p. 3).

Stations carrying Preparation H commercials (NAB puts the list of its own members airing the spots at 87, of which 68 are code subscribers) were not the only ones against which the code board moved.

The TV code board related its charges on "continued and willful violations," on which the seal revocations were based, to "triple spotting & advertising time standards" as well as "personal product advertising." In line with its usual policy, NAB did not identify the stations from which permission to use the TV code seal had been withdrawn.

This is the first time that the NAB TV board has gone so far as to revoke seals. In the past, stations have voluntarily dropped their code subscriptions rather than face formal citations from the board.

Tokyo's Tall Tower: The highest free-standing tower in the world—erected in Tokyo's Shiba Park as a tourist attraction & a high perch for TV antennas—is described in detail in April *Signal*, publication of the Armed Forces Communications & Electronics Assn. At 1092 ft., Tokyo Tower easily exceeds 984-ft. Eiffel Tower, but its 3600 tons of steel compare with the Paris landmark's 7000.

Six TV stations and other broadcasting services, including FM, will use the tower, grouping their antennas for economy, says Dr. Saburo Matsuo, who wrote the article. He is engineering dir. of Japan Radio Tower Co. Ltd. Each station will have a 50-kw transmitter in the tower, and the combination of this power & height will extend TV service 20 miles beyond its present 40-mile radius for an additional audience of 1.1 million homes.

Three of Tokyo's established stations—JOAK-TV, JOKR-TV and JOAX-TV—will use the tower, along with 3 others which received temporary licenses in December: Educational TV, Fuji TV, and NHK ETV. The 262-ft. antenna topping the structure will be used by NHK for its 2 stations (Ch. 1 & 3), and, says Dr. Matsuo, "is what is known as the turnstile antenna which adapts the double power supply system (whereby the signals for 2 stations can be transmitted from one antenna) for the first time in the world."

Antennas for the other TV outlets will be ranged at a lower level, and below them, FM antennas for service expected to start within the year. Mobile radio, telephone, police and fire-defense broadcasts will also originate from the tower.

For the sightseeing trade, 2 observation platforms will be opened, served by elevators, as well as a 5-story science exhibition hall between the legs of Tokyo Tower. The products of electrical & electronics manufacturers will be displayed there in a hall of communications.

By means of several radar systems on the platforms, visitors will be able to "see" surrounding areas in Kanto district. A centimeter-wave radar will scan the view at a 31-mile distance, with millimeter wave radar for a 3-mile reach. At night, even when absolutely dark, sightseers will be able to observe activities for a mile or more about the tower, by viewing a low-light TV system.

In The Good Old (TV) Summertime: Stressing warm-weather selling opportunities for many commodities, a series of meetings for agencies & advertisers is hearing these key points from Halsey V. Barrett, mgr. of rep Katz Agency's new TV-business development:

Retail sales: The June-August period accounts for 27½% of the year's gasoline sales, 33% of tire sales, 34% of food freezer sales. About 19% of luggage sales are made in June & July, 11% of the sales of inexpensive dresses in June, and 9% of paint & wallpaper sales in June & August. Seasonal items like air conditioners & portable fans register 75% of yearly sales during summer months.

TV viewing: "Summer TV still outdraws every other medium, any season of the year, with a total of more than 177.6 million home-hours a day," as shown by A. C. Nielsen figures indicating 91% of all TV homes watching TV during the average summer week—a drop of only 3% from winter peaks.

Sponsor advantages: Summer-TV users "enjoy greater annual frequency discounts," as well as "lower winter-spring-fall costs-per-1000" and "year-round time franchises."

Rivalry factor: A list of 41 spot-TV advertisers who used more spot TV last summer than during other seasons, includes detergent firms Adell Chemical and Texize, tobacco firms P. Lorillard and American Tobacco, brewers Anheuser-Busch and Pabst, and gasoline giants Standard Oil of Calif. and Phillips Petroleum.

Concludes Barrett: "Even if an advertiser has expended the major portion of his budget in winter allocations, he cannot afford to ignore this kind of buying activity."

TV & Radio Revenues—Up: Broadcasters expect TV revenues to go up 7.2% in 1959 from 1958 levels and radio income to increase 2.5%, according to returns from 195 TV & 733 radio stations participating in NAB's annual financial survey. The estimates of this year's business—"more optimistic than they were at this time last year"—were based on first-quarter 1959 business trends. Of the 195 TV operators, 84% thought revenues would be higher this year, 4.4% figured on decreases, 11.6% said there'd be no change. Of the 733 radio stations, 57.6% predicted increases, 12.4% decreases, 30% no change. Most optimistic TV stations were those in NAB's No. 6 category (under 25,000 pop.). They estimated 10.1% better 1959 business. TV stations in the No. 1 market-size category (a million or more) expected a median increase of 9.7% over 1958. Radio's No. 2 category (1-2½ million) was most optimistic, counting on a 6.9% increase.

Canadian Board of Broadcast Governors will consider a more liberal policy on spots for TV & radio, among other changes to be taken up at May 14 meeting when it reviews revisions for adapting CBC regulations for its own use. New policy would permit stations to average spot restrictions over one hour as in U.S. (CBC unofficial policy was to allow averaging over 45 min.). Spots are still restricted to not over 5 in number or 4 min. in total time during any 15 min. period. Another change requires responsible station official to sign or initial each page of weekly program log to be submitted to BBG, attesting to its correctness. Ban on liquor advertising is retained in new regulations. Other changes are in format & language, adapting for use by BBG.

NEW TREND IN SPOT TV: Thirty-second station breaks, long a fixture of spot radio, may stage a comeback in spot TV this fall as part of a general upswing of spot time charges, a number of station reps tell us.

Nighttime station breaks (20-second, plus 10-second ID) are presently in less demand than are 1-minute slots or the shortie ID's. Most agency time-buyers, finding that there's not much difference in price between minutes & 20-second availabilities, naturally scout first for minutes, later for 20-second slots.

"Station breaks at night are the nearest thing we have to a 'loose area'," John Sias, v.p. of Peters, Griffin, Woodward told us. "Everything else is fairly tight. We think advertisers can do a better selling job in 30 seconds than in 20, so it's mostly a matter of arriving at a price structure with fair relationships between minutes, 30-second, 20-second and ID spots. Spot TV prices will probably go up again by fall, and the 30-second station break could emerge as an important segment of the business."

Just what a 30-second spot should cost TV advertisers, however, is a moot point. We gathered a variety of opinions on the subject:

Said Lloyd George Venard, pres., Venard, Rintoul & McConnell: "A 30-second rate should be the total of 20-second rate, plus I.D. rate, because if a station sells one announcement in the time allotted for an ID and a chain break commercial it loses income."

"We have established a 30-second rate. It's the 20-second rate, plus 10-second rate, plus—roughly—15 percent," said WRCA-TV (New York) mgr. Max Buck.

"But if you charged 20-plus-10, it would be higher than the 1-minute rate. Therefore, you'd have to set a 30-second rate commensurate with your minute rate," pointed out Frank Pellegrin, v.p. of H-R Reps.

"A 30-second rate at 200% of the 20-second rate would be a good idea. It would definitely not be good at 150% of the 20-second rate," said G. Richard Swift, v.p. of TV sales, Bolling Co.

"Probably the ideal formula would be 140% to 150% of the 20-second rate," said an official of PGW.

Will advertisers want 30-second availabilities in any quantity this fall—despite current differences on how they should be priced?

There's some evidence they will. Such advertisers as Procter & Gamble, M&M Candy and Uncle Ben's Rice have 30-second commercials on hand, sometimes doubling them up back-to-back and placing them as 1-minute spots, and occasionally spotting them as 30-second breaks when a station makes provision for them on its rate card.

Research may guide some advertisers toward a wider use of 30-second spot TV selling. Schwerin Research Corp., for example, recently completed a study of TV commercials in Great Britain, where commercial TV is sold in 30-second and 15-second slottings. Reports Schwerin's v.p. Henry Newell: "In a study of 94 commercials for 43 brands, we found that 72% of the 30-second examples were effective (on the basis of competitive preference) as against only 57% of the 15-second ones." In another Schwerin study—of some 350 U.S. TV commercials—viewers remembered 83% of the copy points of the average 30-second commercial, as compared to 77% remembrance in 20-second commercials and 24% in 10-second I.D.'s.

New reps: KONO-TV, San Antonio to Katz May 1 (from H-R Television); KXLY-TV, Spokane to H-R Television June 1 (from Avery-Knodel).

AWRT Convenes in N.Y.: Eight hundred members of AWRT (American Women in Radio & TV) met last week at N.Y.'s Waldorf-Astoria to elect new officers, award a scholarship, and attend meetings & workshop sessions featuring prominent broadcasters, following an opening address by Sen. John F. Kennedy (D-Mass.).

Using a single slate for the first time, AWRT elected Esther Van Wagoner Tufty, owner & bureau chief, Tufty News Bureau, Wash. D.C., pres.-elect. She automatically becomes national pres. next year, succeeding Nena Badenoch.

New directors-at-large are: Marion Annenberg, promotion dir. of WDSU-TV & WDSU New Orleans; Lucille Bush, consumer educ. dir., S. C. Johnson Co.; Muriel Fox, v.p. in chg. of TV-radio, Carl Byoir Assoc.; Helen Jensen, consumer service dir., Western Beet Sugar Producers, and Mary Pearl, Vermont radio home economist.

The 5th annual scholarship award of \$750, to be used in continuing studies in TV-radio, was presented to Gay Pauly, a junior at Lindenwood College, St. Charles, Mo.

AWRT speakers included Stockton Helffrich, NBC dir. of continuity acceptance, and Howard P. Abrahams, v.p., TvB.

Helffrich: "There is a place in TV for calculated risks, for living dangerously and for giving evidence that being grown-up generally is not reprehensible. The industry must not quail before criticism and revert to more duplication of that which is 'safe'."

Abrahams: "TV is today's necessary retail sales promotion ingredient. With its multi-dimensions and personal, human flavor, it is the most logical medium for store-image selling . . . Since retail goods vary little, store image is a most important item in retail advertising."

Indianapolis is on Central Daylight Time (which is the same time as Eastern Standard), and has been for more than a year. Through an error in Teletype transmission it was listed as observing Eastern Daylight Time in our Table of Summer Time in TV Cities last week (Vol. 15:17). The Indianapolis listing on the table should be changed to "CDT." Whether it will switch to Central Standard Oct. 24—as do most Indiana cities—or continue year-round Daylight Time, has not yet been decided.

Loew's Theatres Inc. has changed the name of WMGM Bcstg. Corp., which operates radio station WMGM, to Loew's Theatres Bcstg. Corp., according to Eugene Picker, pres. of Loew's Theatres Inc. Arthur M. Tolchin, v.p. of Loew's Theatres Inc., in chg. of radio operations and director of WMGM, was elected exec. v.p. of the new corp.

FCC granted waiver of rules to 2 stations last week to permit them to identify themselves with additional communities: KTNT-TV (Ch. 11) Tacoma, Wash. as a Tacoma-Seattle station and WTAP-TV (Ch. 15) Parkersburg, W. Va. as a Parkersburg-Marietta, O. outlet.

Two Canadian TV applications scheduled for public hearing by Board of Broadcast Governors May 12 & 13 are for Antigonish, N. S. (Ch. 9) by Atlantic Television Co. Ltd. and for satellite at Baldy Mountain, Man. (Ch. 8) by CKOS-TV (Ch. 3) Yorkton, Sask.

Ampex Videotape recorder has been delivered to Storer's WITI-TV Milwaukee, which claims to be the first TV tape-equipped station in Wisconsin.

Portable transistorized movie sound recorder will be demonstrated by RCA at May 5-9 SMPTE convention in Miami. The magnetic unit weighs 40 lb.

New Date for PR Program: A special 5-man committee to be picked from NAB's TV board by pres. Harold B. Fellows faces June 17 as a target date to have the final outline of the proposed \$1-million-a-year public relations & information program designed "to create a more informed atmosphere" about TV.

In the meantime, the new 5-man committee will be at work in major areas to "define and implement" recommendations made April 30 by the recently organized TV Information Committee, of which Corinthian's C. Wrede Petersmeyer is chairman.

The first task is one of liaison. Various "financial, organizational & functional" relationships between the proposed information program and NAB itself, as well as other industry organizations (such as the TvB and the networks), are due to be explored.

The second task is financial—the 5-man group to "develop and explore, with the effective components of the industry, specific proposals" for underwriting the costs of the project, which may run as high as \$1 million annually to conduct a campaign aimed at the public, editors, trade organization to study the feasibility of merger."

AFTRA-SAG Merger Talks: Actions towards an AFTRA-SAG merger, which AFTRA has "been urging for many years," will take place May 9 & 10 when a 15-member delegation meets with similar SAG group in Los Angeles. Purpose: Discussion of employing an "impartial research organization to study the feasibility of merger of the 2 unions."

The invitation by SAG, which "delighted" AFTRA, was spurred by a recent national referendum of SAG membership which resulted in 95% favoring a merger. SAG's N.Y. chapter is heavily peopled with AFTRA members. AFTRA national chairman Bud Collyer will head the delegation. Five N.Y. members, 3 central region delegates & 2 paid execs. (secretary & counsel) are slated to leave N.Y. May 8, to be joined in Los Angeles by 5 Coast members.

Broadcasters are "dismayed" by a recent NLRB decision permitting economic boycotts of stations by unions which have lost bargaining rights there, (Vol. 15:14), mgr. Charles H. Tower of NAB's broadcast personnel & economics dept. reported recently. He told a luncheon meeting of broadcasters in Seattle that the ruling in the case of an IBEW local and WKRG-TV & WKRG Mobile, Ala. was "a long step backward" in labor relations which leaves unions "once again free to coerce employes in the selection of a bargaining agent." The NLRB upheld the IBEW's argument that it picketed the Mobile stations and urged advertisers to patronize other broadcasters to protect its members' interests at organized stations—not to force WKRG-TV & WKRG to recognize the union again. Coercive picketing to regain recognition lost in an NLRB election is banned by the NLRB.

New cut-off procedure for AM applications, adopted by the FCC in an attempt to reduce its backlog (Vol. 15:15), shouldn't go into effect until attorneys have an opportunity to comment on them, Federal Communications Bar Assn. has urged in a pleading with the Commission. It suggests that certain aspects may be illegal or may create serious problems, that rule-making on "substantive" changes may be required, that applicants may be unfairly penalized for making engineering amendments because of factors beyond their control—adverse CAA rulings, NARBA changes, etc.

Auxiliary Services

Matty Fox will present the Bolshoi Ballet on a closed-circuit theater telecast via his Skiatron Co. June 1-2, it was reported over the weekend. Such a telecast would be to theaters with a total of 1,000,000 seats, and utilizing physical facilities of TelePrompTer to pick up the 3-hour event & relay it across the country. Fox and impresario Sol Hurok declined comment on the report they are in negotiations for such a telecast. However, a TelePrompTer source, while reluctant to comment, indicated reports of such negotiations are true. Fox has a contract with Hurok to use his attractions for Skiatron's pay-TV system. It's understood Fox plans to take over theaters for the 2 nights on a 4-wall or per-seat basis.

National Community TV Assn. of Canada, holding its annual convention May 6-8 at the Queen Elizabeth Hotel, Montreal, will include panel discussions on rates & collections, joint use of telephone & power poles, tax problems, technical developments. Speaker at the May 7 banquet will be Roger Duhamel, vice chmn. of the Board of Broadcast Governors. Exhibitors: Jerrold Electronics (Canada) Ltd., 50 Wingold Ave., Toronto; Entron Inc., 4902 Lawrence St., Bladensburg, Md.; E.T.R. Supply Co. Ltd., 5765 Pare St., Montreal; Canadian Electrical Supply Co. Ltd., 275 Craig St. W., Montreal, Que.; Benco TV Assoc. Ltd., 27 Taber Rd., Rexdale, Ont.; Westbury Electronics Inc., 300 Shames Drive., Westbury, Long Island, N.Y.; Spencer-Kennedy Labs Inc., 1320 Soldiers Field Rd., Boston.

Community TV systems of Colorado Inc. in Alamosa, Antonito, La Jara & Monte Vista, and Salida Community Antenna Co. in Salida, Colo. were sold by Mrs. Shirley Peay, widow of former owner Larry Peay who was killed in an airplane accident last June, to Winston Cox, Billings, Mont. oilman. The systems have 3300 subscribers. Brokers were Daniels & Assoc., and the purchase price was not disclosed.

TV paging system to call doctors was installed for the American College of Physicians convention in Chicago, April 20-24. The installation, using 25 receivers, was wired in at the Conrad Hilton by Giantview TV Network. Doctors received calls without checking back at a central point, and could ask for the full message by picking up a telephone connected at each monitoring point. Sherman Laboratories—with Giantview of Detroit—paid the bill as goodwill activity.

TV camera worn on doctor's helmet enables a class of students to watch with him as he examines the eye, ear, nose or throat of a patient. The closed-circuit camera is counterbalanced from the ceiling to rest lightly on a fibreglas helmet, and the camera's optical system sees through the doctor's reticle. An article in *Journal of the AMA* says that Diamond Power Specialty Co., of Lancaster, O., made the equipment used at Northwestern U.

New 16-mm film projector for closed-circuit TV systems is announced by RCA's broadcast & TV equipment div. The projector (TP-400) is engineered for direct projection into the camera or via multi-plexer, permitting operation of 2 film projectors and one slide projector with a single camera.

New anti-magnetic housing for closed-circuit TV cameras, designed for industrial use, has been developed by GE. Uses include observation of metallurgical furnaces where camera operation is affected by high-capacity power lines.

Foreign

Russia expects to keep the world's surface under surveillance through optical & TV instruments mounted on earth-circling satellites, says the publication of the Soviet Academy of Science. The satellites may be several tons in weight, and would orbit in a north-south path, relaying their visual data by radio. (The U. S. has announced a similar plan in its Discoverer project.) At the same time, Great Britain is considering her own space-exploration program, partly motivated by a desire to keep her own scientists from going abroad. Aims would be less military than for meteorological study & telecommunications.

A huge BBC production center now being built at Shepherds Bush, Hammersmith, London, will be, says British Information Service, the largest TV studio in Europe. On a 13-acre stretch, the center—first in the U.K. to be built specifically for TV, and to cost \$24 million—will include 7 studios, several hundred offices, a scenery wing, a restaurant and a maintenance area. The dramatic studio is due for completion by summer 1960, with stages for music, light entertainment, school & children's programs anticipated by the end of 1961.

New Australian co-ax cable is in the works, according to Postmaster-General Charles W. Davidson. It will link Canberra to Melbourne via Sydney, and will carry TV-radio programs, phone messages simultaneously. The West German firm of Felton & Guilleaume Carlswerk will build cable for the Sydney-to-Canberra section, with the remainder (Sydney-to-Melbourne) to be domestically produced & constructed.

New Zealand TV started experimentally in March in Auckland, using equipment obtained in the United Kingdom & Australia, and the govt. is preparing for the full-scale introduction of a 625-line TV system, same as Australia's. TV tube import has been placed under close control to prevent overproduction of sets before regular transmissions start. It's expected that most sets will be built locally—using some imported components.

Ghana will have temporary TV during the visit of Queen Elizabeth this November, according to a cooperative agreement reached by Marconi Wireless Telegraph Co. Ltd. and Pye Ltd. with the Ghana Broadcasting Authorities. The equipment firms will supply a mobile unit, a fixed studio and transmitting equipment. Pye also will install receivers in public centers, so that a maximum audience may view the events.

Republic of Ireland is acquiring a site near Dublin on the 2473-ft. Kippure Mountain in County Wicklow for the first transmitter in its proposed commercial TV service. No target date has been announced. Two members of the Irish TV Commission are currently in the U.S. studying TV network operations.

Educational Television

The 1959 Institute for Education by Radio & TV will take place from May 6 to 9 in Columbus, Ohio, sponsored by Ohio State U. Three allied groups will come together during the same period: the American Council for Better Broadcasts, 2 committees of the Natl. Assn. of Educational Broadcasters, and the delegates' workshop of the Assn. of Junior Leagues of America. During the Institute's meeting, the Ohio State Awards will be made, and case histories of network shows will be presented by program execs.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.
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Associate Publisher

WEEKLY NEWSLETTER TV & AM-FM ADDENDA
Published Saturdays Published Saturdays

AM-FM DIRECTORY
Published in January

TELEVISION FACTBOOK Published in March and September

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Personals: Michael J. Minahan, ABC-TV administrative officer, promoted to TV production operations dir. . . Robert E. Newsham, ex-asst. sales mgr., KYW-TV, Cleveland, appointed sales mgr., WJZ-TV Baltimore, succeeding Joseph P. Dougherty, who becomes gen. mgr., radio WPRO Providence . . . Ralph F. Glazer, ex-radio KSFO, rejoins CBS radio spot sales as mgr., San Francisco office.

Jack Donahue promoted from asst. sales to nat. sales mgr. of KTLA, Los Angeles; Bob Jones named local sales mgr. . . Henry E. Hines named adv. & promotion dir., WBAL-TV & WBAL Baltimore . . . Albert L. McIntosh, ex-chief of FCC frequency allocation & treaty div., joins Army radio frequency engineering office under Chief Signal Officer, Pentagon.

Derek Russell, ex-publicity head of BBC, London, named BBC North American representative, succeeding Barrie Thorne, leaving N.Y. May 6 to take over as treas., BBC TV-radio services, London . . . J. T. Carey retires as sales mgr., radio WIND Chi., after 24 years with station . . . Ken Schwartz, ex-managing editor, *Tide* magazine, named exec. editor, *Television* magazine, succeeding Herman W. Land, named to new post of PR & special projects dir., Corinthian Bcstg. Corp.

Arthur Harvey, ABC labor relations asst., N.Y., promoted to labor relations dir. for Western Div. . . T. A. Rogers, gen. mgr. of radio WCLT Newark, elected pres. of Ohio Assn. of Bcstrs., with Robert Mack, gen. mgr. of WIMA-TV Lima, elected v.p. for TV . . . Ben Halpern promoted to promotion mgr., United Artists TV.

Stan Smith, ex-ABC-TV Eastern sales mgr., resigns as sales v.p., Official Films. S. L. Adler, ex-Guild Films, named sales dir. . . Bert Weiland, ex-Ziv TV, named north-eastern district mgr., ITC . . . Donald D. Sullivan, v.p.-gen. mgr., radio WNAX, Yankton, S.D., and gen. mgr., KVTU, Sioux City, Ia., elected pres., South Dakota Bcstrs. Assoc.

Norman Gittleson, ex-gen. mgr. of WMUR-TV Manchester, N.H., has accepted post of mgr. of radio KLMS Lincoln, Neb. He will move with family shortly from present home, 999 Chestnut St., Manchester, N.H. . . Henry R. Flynn, asst. sales mgr., KCOP Los Angeles, named gen. mgr. of station's syndication div., a new post . . . Richard P. Hogue, ex-WXIX Milwaukee gen. mgr., named v.p. & gen. mgr., KXTV Sacramento . . . James C. Hirsch promoted to dir. of national sales, TvB.

Mrs. Ruth Newburn Sedam of N.Y. and Carleton D. Smith, NBC v.p. and gen. mgr. of WRC-TV & WRC Washington, were married in Swarthmore, Pa. April 29.

National Museum of Broadcasting, industry hall-of-fame project proposed by Broadcast Pioneers and taken over by NAB (Vol. 15:8), will be headed by John F. Patt (WJR Detroit & WJRT Flint) as board chairman. He was elected to lead the non-profit organization at a recent Washington meeting of a special NAB committee which explored ideas for the museum but adopted no specific plans. Joseph E. Baudino (Westinghouse Bcstg. Co.) was named secy.-treas.; NAB secy.-treas. Everett E. Revercomb asst. secy.-treas. Other committee members—Merrill Lindsay (WSOY Decatur, Ill.), Paul Morency (WITC-TV Hartford), Fred Weber (WSTV Steubenville)—were elected directors.

Five-year old Ginny Tiu—piano prodigy from Hong Kong—was scheduled late last week for an appearance on the Ed Sullivan show Sunday, May 3, via remote from Chicago. Ginny's prior docket of woe: Invited to appear April 18 with Perry Como, the SPCC blocked her appearance because of her age. When Ed Sullivan sought to feature her April 19, the Ill. Dept. of Labor forbade the Chicago origination—and her further appearance on the ABC Breakfast Club of Don McNeill who had guided her broadcast activities. To accomplish this week's appearance, McNeill blocked the Ill. labor dept. with a restraining order.

ASCAP elects Stanley Adams as pres. to succeed Paul Cunningham, who becomes public affairs director. Author of such hits as "Little Old Lady," "What a Difference a Day Makes," and "My Shawl," Adams has been an ASCAP director since 1944, was 1953-56 pres. Other officers named by the board last week: v.p.'s Louis Bernstein & Otto A. Harbach, secy. Deems Taylor, treas. Frank H. Connor, asst. secy. Arthur Schwartz, asst. treas. J. J. Bregman.

Two-day broadcast equipment seminar for engineers, scheduled by RCA in the Statler Hotel, Washington, has the following agenda: May 12—FM multiplex & transmitting equipment, FM antennas, AM transmitters, AM phasing equipment, remote pickup, TV transmitters, Ch. 7-13 traveling wave antenna, BW-8A portable envelope delay measuring equipment. May 13—microwave equipment, TV tape recorder, high-definition TV systems, slow-scan TV.

Entering sports packaging field, Bert L. Coleman Assoc. (630 Fifth Ave., N.Y.) has named veteran sportscaster Harry Wismer v.p. in charge of sports & special events. Coleman plans to announce "a major TV sports program" soon. The firm was formed a year ago to specialize in industrial relations and TV news film development.

Donald H. McGannon will be speaker at the 5th dist. Adv. Fed. of America conference in Huntington, W. Va., May 7-9. The Westinghouse Broadcasting pres. will discuss the role of media in implementing the conference theme, "Let's make . . . America more like the pictures in the ads."

Campaign for press rates for news reports telephoned to TV & radio stations has been started by News Associates Inc., the agency organized last year by ex-INS staffers. Broadcasters are being urged by NAI pres. Herbert Gordon to write their Congressmen and the FCC to ask that telephoned news—now subject to regular commercial charges—be put in a special rate category similar to Western Union's press rate schedule.

Obituary

Don Phillips, 59, former program dir. of WEW St. Louis, and radio broadcaster since 1928—he was in the casts of NBC's *Young Widder Brown* & *Lorenzo Jones*—died of cancer April 23 in St. Louis.

Advertising

TAPE CHARGE MUDDLE: Agencies which plan to use taped announcements or programs in spot TV face a growing price muddle this summer in tape "service charges." That's what our checkup among stations and reps seems to indicate.

There's little rhyme & often less reasoning behind the service fees for putting tape on the air. (Film playbacks are almost always gratis.) In one large Midwestern market, for instance, the ABC-TV affiliate charges \$300 in addition to time costs for airing a 30-min. taped program. And, in the same market, the NBC-TV affiliate charges just \$35 for the same service.

In N.Y., WRCA-TV charges "around \$125" for a one-minute taped commercial playback. WOR-TV gets \$50 for one hour or any portion, including spot announcements. "WABC-TV doesn't service-charge for announcements at all, but charges an AFTRA fee for insertion of announcement during a show. WPIX is currently "adjusting the tape charge," and stations WCBS-TV, WNEW-TV and WNTA-TV have a "no service charge" policy on taped spot announcements.

In Los Angeles as well, the network outlets don't agree, with KRCA and KNXT each charging a \$30 service fee for running a taped commercial, although KABC-TV charges \$15. By contrast, independent KHJ-TV makes no playback charge for taped announcements. Other Los Angeles outlets have a variety of policies.

Service charges for announcement & program playbacks are just as confusing in other areas. WFLA-TV Tampa charges \$5-per-spot playback after the first re-play. KTVU San Francisco makes no extra charge for taped announcements. Westinghouse's KYW-TV Cleveland starts its tape service charges at a minimum of \$25 for announcements and goes up to a \$60 charge for a one-hour tape playback. Corinthian outlets, such as KGUL-TV Houston & WISH-TV Indianapolis, have a uniform policy of "no charge on either tape or film playback." WOW-TV Omaha charges \$5 for 5 minutes or less of tape airing. And so on and on.

Two factors, reps tell us, are the chief causes of the widely divergent fee policies:

1. **Newness:** "Tape hasn't been around long enough for industry organizations, reps and stations to work out suggested uniform prices," said a TV sales exec. of rep Peters, Griffin, Woodward (which is currently drafting a "standard tape charge proposal").

2. **Cost:** The question that generally sends stations in one price direction or another can best be summed up as: "Shall we try for a quick amortization of our tape facilities, or shall we charge as little as possible as an inducement to advertisers to use taped spots & shows?"

Agencies are understandably disturbed about the situation, since it involves their timebuyers & cost estimators in endless checking, and their clients in unexpected costs.

Griped BBDO's Hollywood mgr. Bud Stefan, last week after pricing tape announcement playbacks on the Los Angeles network outlets:

"We had planned to show our taped commercials 10 times a week for 26 weeks. With these fees it would have cost an additional \$7000. So we just had to forget the whole thing. I think it's a deplorable situation."

Until stations, reps, agencies and even networks arrive at mutual understandings—as well as uniform & realistic pricing—the situation will continue chaotic.

TvB Aid to Admen: TvB's services to advertisers are described in a promotional brochure titled "An Invitation," now being distributed to 5000 agencies & advertisers.

The piece breaks down TvB's function into 5 categories—"evaluation of your TV budget; measuring the medium; measuring your own TV activity; obtaining greater results with TV; and evaluation of your TV results."

Under each main topic are from 10 to 20 subdivisions describing in detail the scope of research TvB will perform for admen. Example: evaluating a budget by determining the competitor's budget, expenditures and sphere of activity.

Complete TvB station membership is listed at the end of the brochure.

Multiple-spotting must end "before the increasingly evident signs of restiveness in FCC & Congress develop into unwanted & unnecessary legislative action" to curb abuses, Emil Mogul, pres. of Mogul, Lewin, Williams & Saylor, told the Pittsburgh Radio & TV Club last week. "The problem is serious enough for the 4A's & the ANA to join forces . . . to stamp out the abuse. Consideration should be given to a stricter code that would be buttressed by enforceable sanctions against repeated violators." If advertisers refused to employ stations guilty of the practice, some "headway in ending it might be made," he advised.

NBC-TV's participating-sponsorship sales pattern, "which accommodates the small advertiser, will set a significant trend on all networks in the next 10 years," Hugh M. Beville Jr., NBC v.p., planning & research, said last week at the 4th district convention of the Advertising Federation of America, St. Petersburg, Fla. Programs like *Today* and *The Jack Paar Show*, are a way "to give the sponsor with less than a million-dollar budget an opportunity to use our medium."

A revenue increase of 20% for radio—instead of the 10% the industry is counting upon for 1959—would result if the promotional steam of National Radio Month (May) could be carried through the year, RAB pres. Kevin B. Sweeney is telling 43 separate sales-improvement clinics being held around the country.

Y&R's Hollywood branch will increase its office space by 1000 ft. "to accommodate the expanded operations of its TV-radio department," when it occupies the 11th floor of the First Federal Bldg. August 1, after 23 years at Hollywood & Vine. Y&R's L.A. office at Wilshire & Grand is unaffected by the change.

Good-any-time radio kit, a 64-page booklet of facts about & promotion for the medium, has been mailed to all U.S. radio stations by the NAB. It was designed for National Radio Month in May, but the NAB said broadcasters should find it a useful public relations aid throughout the year.

Station Rate Increases

Station:	Base Hour	Minute	Date
¹ KNXT Los Angeles	\$3750 to \$4250	\$800 to \$900	April 1
WMAL-TV Washington	\$1750 to \$2000	\$350 to \$400†	April 1
WTVN-TV Columbus, O.	\$ 825 to \$1000	\$200 to \$250	May 1
WAVY-TV Norfolk	\$ 700 to \$ 850	\$140 to \$175	May 1
KJEO Fresno	\$ 600 to \$ 700	\$150 to \$175	April 1
² KHTV Little Rock	\$ 450 to \$ 500	\$100 to \$110	
WBRZ Baton Rouge	\$ 475 to \$ 500	\$110 to \$125	April 1
WTPA Harrisburg	\$ 385 to \$ 425	\$ 75 to \$ 90†	April 1
KFDM-TV Beaumont	\$ 350 to \$ 400	\$ 80 to \$ 90	April 1
KONA Honolulu	\$ 350 to \$ 400	\$ 75 to \$ 87.50	April 1
KOOK-TV Billings	\$ 200 to \$ 250	\$ 45 to \$ 60	May 1

† 20 Sec. only.

¹ Added Class AA hour (8-11 p.m. Mon.-Sat., 6:30-11 p.m. Sun.) Class A remains \$3750.

² Added Class AA hour (6:30-10 p.m. daily). Class A hour remains \$450.

Showcase for Effects: Agencies are being invited by CBS-TV to tour a new permanent exhibit, "Below the Line," set up by the network to demonstrate new live production techniques at its W. 57th St. studio in N.Y. The exhibit's photos, dioramas, working models and displays call attention to such new techniques as light-weight moulded plastic scenery, VideoScene miniature sets, a snow machine that produces 30-minute blizzards, "waterless" water scenes, and other CBS live gimmicks.

Groups of TV production & agency executives have already visited the exhibit, the theme of which is summed up on a poster near the exit: "Don't abandon a good idea just because it seems impractical. CBS-TV will find a way to make it work . . . for less money."

People: William E. Matthews, Y&R v.p., appointed to World Wide Information Services board . . . Thomas J. Carnese, senior v.p. & gen. mgr., Ted Bates, named chairman, adv. & PR div., N.Y. USO Committee's 1959 commerce & industry campaign . . . Bill Treadwell, PR v.p.-mgr., Leo Burnett, becomes v.p. for special assignments, Grey Adv., effective June 1.

Colin McIver, Y&R London plans board chairman, named head of new office in Geneva. Trevor G. Goodman, v.p. & managing dir., Y&R Toronto office, appointed managing dir., Y&R Ltd. of Canada . . . Robert E. Johnson elected v.p. of D'Arcy.

Stanley Schlenther, ex-Evans & Assoc., Dallas-Ft. Worth, named v.p.-mgr., Fuller & Smith & Ross' new office in Fort Worth, Texas. FSR purchased Evans & Assoc. . . Wallace T. Drew, ex-Cunningham & Walsh v.p., named mktg. v.p., Coty Inc.

Casting a TV commercial at an ad agency requires about 12 people, Evelyn Pierce, J. Walter Thompson casting director, told the NY chapter of American Women in Radio & Television. Such a group might include 3 copywriters, 1 art director, 2 account reps., 1 producer, 1 asst. producer, 2 TV-radio group heads, and 2 client reps. She set the cost (talent & production only) of an average minute film commercial at from \$4500 to \$15,000 using ordinary talent. An animated minute runs \$7000 to \$15,000. Live minute: \$125-\$3000. A staff of 6 handles casting for 34 TV clients selling 75 brands at JWT. Scouting off & on Broadway & shows, and sometimes even finding likely prospects on the street, the staff also works with about 100 talent agents.

TV-radio advertising complaint by the FTC against Drug Research Corp., 369 Lexington Ave., N.Y., maker of weight-reducing "Regimen-tablets," has been settled by a consent agreement. Without admitting it was guilty of misrepresentation of its product, the firm said it would stop claiming that pre-determined results can be achieved by persons taking the preparation. The FTC order also is binding on Kastor, Hilton, Chesley, Clifford & Atherton, N.Y. advertising agency.

A "record" 420 hours of sportscasts will be programmed on NBC in 1959, representing a 40% increase over the network's 1958 sports offering. Included are baseball, basketball, bowling, boxing, football, golf, horse-racing, tennis and track. Tom S. Gallery, NBC sports director, terms the schedule "the heaviest ever offered by any network in TV history."

Obituary

Ernest Donohue, 61, production head, BBDO, died April 24. His wife, a daughter and 2 grandchildren survive.

Film & Tape

New Videotape Recorder: Ampex will introduce a new-model Videotape recorder this week, designated VR-1000B. No details have been revealed, but changes are expected to be significant, although tapes recorded on the present VR-1000 will be compatible with the new machine, and vice versa.

Mgr. Neal McNaughten of Ampex professional products div. said the new recorder will incorporate "several developments of broad significance to the industry. These include improved picture quality, 3 innovations for simplified production of recorded tapes, 7 innovations for simplified maintenance & operation."

Another Tapemobile: Mobile Video Tapes Inc., a new Hollywood-based outfit (1607 N. El Centro) is the latest firm to hang up the have-tape-will-travel sign. Patterned after Ampex's Videotape Cruiser, its single van contains an Ampex Videotape recorder, RCA camera equipment and a complete power supply, permitting it to shoot tapes while stationary or in motion.

The principals of the new firm are pres. Lester E. Hutson, a manufacturer who is understood to be chief financial backer; Jack Meyer, former West Coast ABC-TV director; Clair Higgins, former producer of JaClair Productions (*Laurence Welk*, *Frank Sinatra*, *Liberace*) under contract to MCA; engineer John T. Allen Jr., former technical supervisor of video tape & kinescope recording dept., ABC Hollywood.

The group is offering the use of all or part of its facilities for commercials and taped programs. It currently is preparing these 30-min. pilots: *Congo*, for Wisberg-Klein Productions, Hollywood; *It's News to Me*, Joe Landis Productions, Hollywood; *Las Vegas Starwagon* (to be shot in Las Vegas), *A Date to Remember* and *International House* for Monte Proser Productions, Hollywood.

Ampex's own Videotape Cruiser continues its nationwide tour. It will arrive in Miami in time for the May 3-8 SMPTE convention, and will prepare a 15-min. taped show there for WTVJ. The following week it will tape *Pat Boone's Showroom* at U.S. Naval Academy in Annapolis for May 14 showing on ABC-TV. Then it will proceed to Washington for May 25-June 5 demonstrations to govt. agencies, Congress, local TV producers & stations and the Armed Forces Communications & Electronics Assn. convention.

Budget-Cutting Tape: Following the precedent set by the CBS-Rod Serling telefilm & tape series, *Twilight Zone*, GE has renewed its *GE Theatre* series, but has cut the number of film segments to 23, with CBS to produce 10 other episodes on tape. This season GE's 33 shows had all been filmed by Revue Productions. It's an economy move, of course. Filmed segments cost \$50-\$55,000 each vs. tape's \$30,000.

Bill Frye, who has been producing *GE Theatre*, moves over to Revue's new *Johnny Staccato* series, while Harry Tugend takes over as key producer of *GE*, with Joseph Naar to produce some episodes.

Photo transparencies can be animated so that portions of the picture change in emphasis, and backgrounds fade in, through a process offered by Visa-Matic Corp., 49 W. 32nd St., N.Y. 1. The service has been re-introduced after an 18-month interval, says the company, with costs lowered.

LOVE LETTER TO MADISON AVE: Hollywood TV film producers, once resentful of the ad agency's role in a series, now say there's a refreshing, new attitude of helpfulness. In many cases, they add, important contributions to series are made by agency men. Our checkup found that there is still some resentment against certain agencies on grounds that they interfere too much or needlessly. But on the whole a healthy rapport has been established between producer & agency.

One reason for the change is a trend within agencies to hire men with show-business backgrounds as liaison with producers. This has brought about a mutual respect which was often non-existent in the past, an understanding by the agency of the producer's problems, and a more sympathetic producer ear when the agency men state their policies & viewpoints.

When we asked top Hollywood producers for their views, most unqualifiedly said agency liaison men contribute to a show. None believed that the agency should have no say in a series. Specifically, here's what producers said:

Hal Hudson (*Zane Grey Theatre*; Benton & Bowles): "We had planned our series as a star anthology show. Benton & Bowles wanted a continuing personality. That's how Dick Powell became our host. The agency saw our potential and added elements to it. When an agency has this kind of vision and knows the market better than the producer can, it can make a definite contribution. When they tailor the show for their clients, it gives the show an additional showmanship element. In our case, once the agency made its contribution, it stood back—to see the whole picture instead of the day-to-day problems. This way the agency becomes a perfect complement to the TV producer."

Bob Sisk (*Wyatt Earp*; D-F-S; Compton): "Ad agencies never hurt me. I imagine there are some clinkers among them, but we've been fortunate in working with Compton and Dancer-Fitzgerald-Sample."

Warren Lewis (*Man With a Camera*; Grey): "It depends on the agency. Very often they're so busy trying to justify their 15% commission, they impede. In other cases, when aware of the problem, they are helpful as a buffer between producer & sponsor. The problem also varies with the responsibility given by the N.Y. agency to their Hollywood office. Some agency men try to help solve problems."

Howie Horwitz (*77 Sunset Strip*; Ted Bates; Kenyon & Eckhardt): "Warner Bros.' operation is peculiar in that in our deals, agencies are not allowed to do more than write a letter of suggestion. Nobody tells Warner Bros. what to put in a show or how to do it. Our only restrictions are from the network continuity acceptance department."

Martin Manulis (20th-Fox TV production chief): "We've had little experiences with agencies so far. I don't think that except in terms of policy agencies should tell us what to do creatively. I can see where an agency would step in when a show is in trouble; but at that time *everybody* gets into the act."

Richard Maibaum (MGM-TV production chief): "They have been helpful on our *Thin Man* series. We have received advice, help and constructive criticism."

John Payne (*The Restless Gun*): "It depends on the agency. I've met some agency men who are real sharp and who appreciate & understand your unique problems. These are usually those with show business backgrounds. Those with other backgrounds are not so good."

Roy Huggins (*Maverick*; Y&R): "The agencies don't exist as far as I'm concerned. I never hear from them."

Wilbur Stark (*Colonel Flack*): "It's hard for a producer to be objective, so the vast majority of objective

viewpoints *must* be helpful to him. There are some heavies, but very few, and agencies are more helpful than harmful. There are a lot of pros in the agency business today."

Arthur Gardner (*The Rifleman*; Benton & Bowles): "Benton & Bowles has been a tremendous help on *The Rifleman* and on our Bob Taylor show. I think it's because Tom McDermott is a former producer-director-writer and every man working for him has a theatrical—not an advertising—background. They are a big help."

William Sackheim (Screen Gems executive producer): "At times agencies can be very helpful, and it's not always the agency man who is the heavy. If he has a client who is too demanding, he must nevertheless reflect that client's wishes. If he has a sponsor who is more liberal, more tolerant, it's different. Some have been of enormous help."

Mike Meshehoff (*Steve Canyon*; McCann-Erickson): "Agencies have something to offer in terms of how the sponsor wants to sell his product. If there is such a thing as a happy combination of a sales message in a creative endeavor, that's the way it will come about. In most cases agencies are pretty much of a hindrance. We've been badgered not only by them, but by the network, Air Force and Defense Dept. Trying to please everybody is a sure formula for failure, because you no longer have your own point of view. For an agency to buy your point of view and then embark on a program of destroying it, doesn't make sense. But we can't shrug off what the agency has to offer as a liaison between sponsor & producer."

Devery Freeman (*The Ann Sothern Show*; Benton & Bowles): "It depends on the agency. In my case, the agency is a definite asset. They have begun hiring not solely businessmen, but creative people, and this has been helpful. Our agency liaison is an ex-writer. Tom McDermott had faith in our project and gave us support."

Nat Holt (*Tales of Wells Fargo*; Sullivan, Stauffer, Colwell & Bayles): "My experiences have been very good, and the agencies have been no hindrance at all. In fact, they have helped—a lot. Much depends on the attitude of the producer. He shouldn't wear a chip on his shoulder."

Everett Freeman (*Bachelor Father*; BBDO): "Agencies have been helpful to us. They cooperate in every way. They offer suggestions, but no script interference."

Irving Pincus (*The Real McCoys*; J. Walter Thompson): "I have yet to have a serious problem with the agencies. They are no liability. Yes, I've had problems . . . in the past, and . . . in N.Y., but I've been lucky this time."

Blake Edwards (*Peter Gunn*; Doherty, Clifford, Steers & Shenfield): "We've been exceptionally lucky in that our agency people are bright & tremendously helpful. Both the sponsor & agency are helpful. Our sponsor told us, 'We're in the drug business. You're the producer. You stick to your business, and we'll stick to ours.'"

Charles Marquis Warren (*Rawhide*; Parkson): "Ad agencies can't come on my set, and they have no say on my scripts. Those are the terms of my contract with CBS."

David Dortort (*Bonanza*, and formerly producer *Restless Gun*): "Agencies are an asset. It depends on your attitude. Since I have to deal with them, I convert them to my cause . . . I make them useful allies."

A producer of a top-rated show, who asked that his name not be used, made this comment: "We have 2 sponsors. I love one of the agencies. They rarely comment critically, and when they do, it's apologetically. They're encouraging & helpful. But the other agency has a guy who writes the most critical, carping letters about everything. Both these agencies are commenting on the same shows, yet have divergent views. So it depends on the men involved."

New York Roundup: Robert L. Lawrence, pres. of Lawrence Productions (RLP), says blends of live action & animation in film commercials shape up as a "major trend in 1959." Last year, such hybrids accounted for only 9% of film commercials shot by his firm. This year they'll form 26% of its \$4 million TV gross. The fully-live commercial still leads the field (63%), with all-animation film jobs (11%) falling behind live-animation mixtures. A current Lawrence coup:

Revlon International will soon start showing a \$15,000 commercial completed last week by RLP on a worldwide basis. Shot in color and involving some fancy choreography & a parade of 12 top fashion models, the one-minute live-action film will be shown on TV (and in theaters where no TV is available) in 62 countries outside the U.S., with sales message in a choice of 14 languages.

Col. William Eliseu, who created the OSS series network-aired for Mennen, is in Madrid where he's completing the pilot of *Arabian Nights* with a U.S.-British cast. Kevin Scott has the star role of "The Tiger," a sort of Mideastern Zorro . . . Eastman-Kodak will hold N.Y.-Los Angeles demonstrations this week for TV executives and editors of a new color film "considerably faster than present Eastman color negative film."

Webb & Knapp deal to buy 260 acres of the Hollywood studio lot of 20th Century-Fox awaits ratification by the stockholders, the film firm's N.Y. headquarters reports. W&K's William Zeckendorf has already given 20th-Fox's Spyros P. Skouras a check for \$2.5 million as against a total purchase price of about \$56 million. If stockholders approve, the movie company will lease back studio space for TV and feature production—and will keep its oil wells.

ITC's *Cannonball* adventure series has been sold to General Popo de Mexico (General Tire subsidiary) for a 52-week run in Mexico City, with options for other markets. Total foreign sales on the series so far, ITC reports, are "about \$600,000."

NTA International is participating, for the first time, in the current Cannes Film Festival on the French Riviera. Two NTA half-hour TV series will be screened for visitors. At the same time, an international sales drive will be launched by NTA on a 37-episode package of 60-min. films in the *20th Century-Fox Hour* series, starting this week.

Goodson-Todman Productions has made a deal with the Western Writers of America Assn. to shoot a Western film anthology series which G-T hopes to sell for fall network showing . . . Ziv TV reports a strong spring sales record, with 1959 figures 36% higher on syndication sales and renewals than in the first quarter of last year.

NTA's "international package" of 64 feature films, mainly 1956, 57 & 58 releases, has been sold in 14 markets during its first week on the block . . . ABC Films reports sales of its special new package of 15 Western half-hours pulled from its backlog of dramatic anthologies, to 8 stations.

Writers Guild of America West has demanded of movie & telefilm producers a 70% raise in wage minimums, plus certain conditions for any films made for pay TV or movies shown on pay TV. The Guild wants: For post-1948 movies shown on free TV, 6% of the first \$100,000 of the gross, and 8% of gross in excess of \$100,000. For movies on pay TV, 4% of the gross receipts. For movies made solely for pay TV, the Guild insists on negotiations for terms before any writer may work on such a picture. The organization's past pay TV demands from producers have been firmly rejected.

Hollywood Roundup: CBS is currently showing the pilot of Maureen O'Hara's series *Men & Women*, formerly titled *Woman in the Case . . .* Parke Levy, producer of *December Bride*, is planning a sequel to the series, *Pete and Gladys*, starring Harry Morgan of the present cast.

Best Foods has dropped *You Asked for It* on ABC following the demands of Wayne Steffner Productions and producer and co-owner Cran Chamberlain for an increase of the show's production cost to \$20,000 a week . . . Barry Productions has been reactivated by producer-director Sidney Miller, and he is now planning a film series, *Billy and the Kid . . .* Producer Jerry Warner is preparing a new series, *Mr. Texas*, based on the life of Sam Houston. He plans production of a pilot in June.

Benton & Bowles' buying of telefilm series for next fall is almost completed, with negotiations now under way for new series, we're told by B&B TV v.p. Tom McDermott, now on the coast. He declined to identify the new properties, saying "it wouldn't be fair" until the deals are set. B&B renewals include *The Danny Thomas Show*, *The Ann Sothern Show* & *The Rifleman*.

Academy of TV Arts & Sciences will give Bob Hope a special trustees' award at its annual Emmy show Wednesday for his entertaining of troops through the years and the "consistently high quality of his TV programs." . . . Producer Bill Burrud & Warwick Charlton are planning a new series, *The Golden Hind*, which will revolve about the adventures of Sir Francis Drake . . . Pilot for *Complex*, a new series on psychiatry, will be video-taped by producer Marjorie Morrison and Bob Banker at KTTV.

Destiny Productions, newly-formed independent, will produce an hour-long pilot, *The Wild Blue Yonder*. De Von Stanfield is pres. & exec. producer . . . If *The Restless Gun* option is picked up (May 15) John Payne wants to star in only half the series next season. He has told NBC he would like to have Floyd Simmons star in the other segments, and NBC is "not unreceptive," Payne tells us.

Pete Levathes, TV chief at Y&R, and Ted Bates TV exec. Richard Pinkham are in from N.Y. to look at pilots . . . Hecht-Hill Lancaster's first TV project, *The Office*, based on its movie, *Bachelor Party*, is going into production as a pilot. Pat Crowley and Hal March star, Bill Frye is producer . . . *Bill of Indictment* is the newest taped pilot project for Paramount TV.

Four Star Films has reached agreement with Republic studios whereby the telefilm company will lease space at Republic on a 5-year deal. Four Star's lease at Fox Western, which it now occupies, expires May 13, and the move to Republic will be made on or about May 15. Four Star's lease deal with Republic is non-exclusive. The telefilm company found facilities at Fox Western inadequate for its increased production, and that's the reason for the move. While the Four Star-Republic deal has not yet been signed, a Republican spokesman said he anticipated no obstacles to reaching an agreement.

United Artists is expanding its sales operations in N.Y., having hired Phil Williams, v.p. in chg. of syndicated sales at ABC Films Inc., as Eastern div. mgr. of UA-TV. Although UA is aiming at network sale on some 5 or 6 new pilot films it represents, a move toward syndication of half-hour film properties will begin June 1.

Screen Gems has denied officially a trade paper report that a stock issue is about to be floated, primarily to provide financing for feature product of its parent, Columbia Pictures. "This report has been circulated for the past 3 years," a Screen Gems spokesman told us in N.Y.

TV's 'New Low': TV reached a new low in censorship when the references to "gas chamber" were deleted from the recent *Playhouse 90* drama, "Judgment at Nuremberg." That's what Rod Serling will tell the 9th annual Radio-TV Guild industry conference to be held by the RTG at San Francisco State College May 8.

Serling, principal speaker at the event, tells us he will criticize Lennen & Newell, agency for American Gas Assn., and CBS for its interference. When it was reported there was agency interference because L&N's client is a gas company and they didn't want that reference to Hitler's gas chamber, L&N said it was CBS's idea. CBS, in turn, blamed it on the agency.

However, Serling commented angrily, "Now they're fooling around with history," said he knew the agency broached it at the start, and adds that CBS is partly responsible because it went along. Serling will tell the conference elimination of the words "gas chamber" was a distortion of history, and a blot on TV censorship.

The writer-producer will also criticize N.Y. producers such as David Susskind, he tells us. "I like Susskind, but I don't like this tendency on the part of N.Y. producers to go into established properties, such as 'Meet Me in St. Louis.' There must be originality in TV. Let TV create its own art form," he says.

Serling will also say that TV today is a victim of cycles, just as movies were for years. He will point to the saturation of Westerns and private eyes, and predict that the next cycle will be science fiction. Serling is producer director of his own series, *Twilight Zone*, which will be on CBS next season. He describes it as "fantasy-imagination."

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From another quarter, critical Susskind was the target of another needle last week. *Time* for May 4 said that Susskind (1) reaps \$200,000 a year, while lambasting the industry's money-mindedness, (2) uses familiar dramatic properties while calling the networks copycats, and (3) displayed no hesitation about using tape for a sequence in "The Browning Version," even though he cavils against mechanical aids on his *Open End* program (WNTA-TV Newark). But *Time* concedes Susskind's taste & talent, his record for bringing quality to TV, and his willingness to attempt the unfamiliar in non-TV dramatic ventures.

NTA Hookup: NTA normally makes its taped shows available via syndication, but its first inter-station hookup gets under way May 4 when WNTA-TV cable-feeds taped shows to WHCT Hartford. Ted Cott, v.p. in chg. of NTA's o&o outlets, devised the plan which he estimates will add "an additional 364,000 TV homes" in Conn. and Mass. for WNTA's telecasts of taped conversations with Alexander King, Mike Wallace, Richard Willis and David Susskind. WHCT (Ch. 18, uhf) was a CBS-TV o&o until last Nov. 15 when CBS darkened it, sold it in Dec. to a new group headed by Edward D. Taddei, who put station back on the air Jan. 24.

Peter Gunn, as a movie will be produced & directed next year by Blake Edwards, who does the telefilm series. Craig Stevens of the TV series will probably star. Edwards also tells us he had contemplated expanding his half-hour show into an hour for next season, since the trend is now in that direction, then decided not to tamper with the show. He is now discussing a finance-release deal for the movie "Gunn" with a major studio, planning a new, hour-long Western telefilm series, *Rango*, and negotiating for another property to be a half-hour series.

TV's Most Wanted Man: Perhaps not surprisingly, the writer has become TV's most in-demand talent—even more in demand than the star. Many writers have by now graduated to producerships, with additional compensation & responsibility. Our check of Hollywood revealed that at least a third of TV's film series are now produced by ex-writers (some of whom still pound their typewriters to shape a script to their taste).

Ex-writer Roy Huggins, for example, is producer of *Maverick* (and before that of *Cheyenne*) as well as having produced the first *77 Sunset Strip*. Other writers who have made the step successfully to producer are Blake Edwards (*Peter Gunn*), Sam Rolfe (*Have Gun—Will Travel*), Everett Freeman (*Bachelor Father*) John Larkin (*M Squad*) David Dortort (*Restless Gun*) Mary Loos & Richard Sale (*Yancy Derringer*) Paul Henning (*Bob Cummings Show*).

Still others include David Friedkin & Morton Fine (*Bold Venture*), Bob Welch (*The Thin Man*), Charles Marquis Warren (*Rawhide*), Antony Ellis (*Black Saddle*), Joe Connelly & Bob Mosher (*Leave It to Beaver*), Devery Freeman (*The Ann Sothern Show*).

One of TV's top writers until he quit the small-screen for the stage & movies was Paddy Chayefsky. He's had opportunities to produce for TV, but prefers to produce movies. Similarly, Reginald Rose, desiring to remain a writer—not only for TV but for movies & the stage—turned down an offer to be a producer on *Desilu Playhouse*.

In New York recently, Mort Green of Perry Como's comedy staff, was named TV radio dir. of Revlon, effective June 1, in a move that spotlighted the elevate-the-writer trend. Charles Revson, pres. of the cosmetic firm, said of Green's appointment: "Maximum results from TV & radio can best be achieved by turning the responsibility over to a top creative mind." Green will research & develop new program ideas for Revlon, a major network spender.

Next season will see even more writers becoming producers, with such as Frank Gruber (*Shotgun Slade*), Rod Serling (*Twilight Zone*), Allen Rivkin (*Troubleshooters*), and Warren Duff (co-producing *Markham*).

An interesting sidelight on TV's emphasis on the creative man—a circumstance that was by no means paralleled in the great movie era—was the appearance in Hollywood recently of NTA pres. Oliver Unger, bd. chmn. Ely Landau, and prog. chief Mort Abrahams, who were scouting new deals, and offering telefilm producers & writers alike financing plus percentages for their properties.

Talent Income Shift: A few years ago Hollywood writers, actors and directors earned the bulk of their income from movies, with TV film only a fragment of the overall picture. Today that's all changed.

We checked 3 Hollywood talent guilds for progress reports and their replies were similar. At Screen Actors Guild, which has over 13,000 members, we were told that income from movies and TV is almost evenly split, with TV having an edge. Two-thirds of the Guild's membership work in filmed TV, although not necessarily regularly. Some may do only one TV film a year.

Michael Franklin, executive director of Writers Guild of America West, reports that income of its 3000 members from movie & TV film is also split about 50-50. This represents a considerable increase in income from TV.

Close to 70% of the 1150 members of the Screen Directors Guild earn their income in TV—a 5% increase over last year. Two years ago employment in this talent group was split 50-50, but since then TV work has steadily increased.

MARCH RETAIL SALES AHEAD OF '58: What's the state of the TV market? Better than 1958—if that's anything to brag about. For first time this year, TV retail sales in March were higher than corresponding 1958 month—but, of course, March 1958 was month the TV recession really hit.

Preliminary figures indicate public bought 430-450,000 TV sets during March, increase of 1%-5% over the 426,000 sold in March 1958 (both figures including exports), but seasonally lower than Feb. 1959 sales. Thus 1959 started out with sales below 1958 level, crossover point coming in February, when sales for the month were about equal to 1958 (Vol. 15:15). Total first-quarter sales for 1959 are still somewhat below same 1958 period because of year's slow start—but most manufacturers expect total 1959 sales to top the 5,140,082 of last year by varying amounts up to 500,000.

Radio sales this year seem a cinch to beat 1958. Preliminary March figures indicate 525-540,000 were sold at retail, compared with about 500,000 in March 1958. For first quarter, sales approximate 1.6 million vs. 1.4 million of first-quarter 1957.

From manufacturers, optimism is still the keynote. On occasion of first-quarter reports (all generally showing good improvement over 1958)—and on other occasions, such as the drop of a hat—set makers continue citing the percentages of sales increase over 1958.

There are these new ones this week: Motorola exec. v.p. Edward R. Taylor says first-quarter factory sales of its consumer products were 101% greater than in 1958, the largest first-quarter volume since 1953, and within 5% of total sales volume of entire first-half 1958. TV, largest single factor, was 97% ahead of last year, biggest sales gain being at the above-\$240 retail level. He added that phono sales were 3 times as great as previous best quarter, portable radio sales twice as good as last year, etc.

Fabulous Zenith, whose stock continued to soar (it closed at 319 May 1) while stockholders approved 3-for-1 split (see p. 24), announced its TV unit sales were 40.5% above first-quarter 1958, for a new record. Pres. Hugh Robertson said console shipments were up 64%, remote-tuning sets up 48%, radios & phonos up 65%. He also reiterated Zenith's claim to title of No. 1 TV producer.

Magnavox pres. Frank Freimann revealed his company's January unit TV shipments were off about 40% from Jan. 1958, but by March 31 were down only 10%, and during first 3 weeks of April, were 20% ahead of 1958. TV now accounts for about one-third of Magnavox volume, he stated, and early slowness of TV was more than offset by increased volume of defense equipment & stereo.

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In face of this almost unalloyed joy by set manufacturers, it seems strange at first blush that so many retailers describe TV business as slow or worse. A NARDA spokesman, for example, says TV dealers are having "serious trouble" and that "imaginative selling ideas which worked well in the past just aren't pulling this year." Fact is, of course, that despite hefty percentage increases in set shipments by some set makers, retail figures show that pickup from bad, bad 1958 has been slight so far.

Whether the heavily redesigned lines & unusual innovations (and it's indicated there'll be plenty of them) in the 1960 lines, to be shown next month, can work up a full head of buying steam in the public next fall is still the question which holds key to TV '59.

RCA COLOR TV SALES—85,000 THIS YEAR? For first time in recent years, actual extent of sales of RCA color TV sets has been revealed, and a prediction made for the year. Both figures are lower than industry statisticians have been assuming.

The figures, hitherto top-secret, came from RCA exec. committee chairman Frank M. Folsom, who was interviewed by Wall Street Journal while in Portland, Ore., for ceremonies marking KGW-TV's inauguration as NBC-TV affiliate & color-originating station. Folsom was quoted as follows:

"Probably RCA will sell approximately 80,000-85,000 color TV sets this year—quite a bit better than last year. And I think we will break through the 100,000 'break-even' level in the middle of next year. We can sell half as many color TV sets as the number of Cadillacs sold and make a profit, but we have not made a profit on color so far. We need to sell 100,000 sets a year to make a profit."

Candid statement from this veteran RCA topkick & merchandising genius came as surprise to many in industry—presumably including some at RCA, who declined to comment. Nor was Folsom available for further comment. Even such an acute industry statistician as Sylvania's Frank Mansfield had estimated total 1958 color-set sales at 160,000 (Vol. 15:11)—of which 150,000 were assumed to be by RCA, 10,000 by everybody else.

Modesty of Folsom's prediction for 1959 doesn't indicate RCA's enthusiasm for color has slackened one whit—but rather that company is prepared to sit out still more losses on color in anticipation of the day when color really catches fire with dealers & the public.

TV-RADIO PRODUCTION: TV set production was 97,485 in week ended April 24 vs. 95,023 in preceding week & 84,999 in same 1958 week, EIA reports. Year's 16th week brought production to 1,689,749 vs. 1,448,218 last year. Radio production was 263,434 (108,122 auto) vs. 270,658 (98,141 auto) in preceding week & 162,421 (48,574 auto) year ago. For 16 weeks: 4,386,158 (1,669,273 auto) vs. 3,092,938 (995,862 auto) in 1958.

MEET THE 'SOARING SIXTIES': The U.S. is in for "a decade of unprecedented growth & development on every front," Sylvania chairman Don G. Mitchell, pres. of General Telephone & Electronics Corp., predicted last week.

Addressing the dinner session of the 47th annual U.S. Chamber of Commerce meeting in Washington, Mitchell said: "We are approaching the soaring sixties, if you will pardon my enthusiasm, and the eyes of every American businessman should be fixed on the future more firmly and more piercingly than ever before."

As an indication of how General Telephone & Electronics feels about the future, he reported plans to "double its capacity over the next 7 or 8 years—and that will mean substantially more than \$1 billion of new facilities & equipment."

Mitchell foresaw the national total of goods & services continuing its present average rise of 4% per year—and going up to 4½% "or even higher." He said this "will mean a gross national product of more than \$725 billion and probably \$750 billion by the end of the soaring sixties, and would represent about \$3500 for each man, woman & child in the country against \$2600 today."

"As we move into the 1960's, the spending for research & development will climb to \$20 billion annually because our technology is becoming more & more complex with each passing day," Mitchell added. "Industry knows that research is its lifeblood, and we must keep narrowing the gap between laboratory & market."

Among upcoming developments pictured by Mitchell: (1) "A single communications system in your home, combining telephone, TV & radio." (2) "Your TV screen will be a flat panel hanging on the wall." (3) "There will be radar steering on your automobile." (4) "Machines will type spoken words directly on paper, and other machines will translate foreign languages as fast as they are spoken."

Sen. Kuchel (R-Cal.), who listened to Mitchell's speech along with Vice President Nixon & other congressional leaders, thought it so "excellent & stimulating" that he inserted it in the April 30 *Congressional Record*.

Four new transistor radios were introduced by Channel Master Corp. Heading the line is a 2-band marine & standard broadcast 8-transistor set at \$75. The others are a broadcast-&-shortwave set at \$72.50, a 6-transistor cordless table model at \$55 and a 5-transistor pocket portable at \$30.

TV at 600 mph: When Continental Airlines puts the first of 4 new Boeing 707's into service between Chicago & Los Angeles on June 8, passengers in the lounge of the 110-passenger craft will see TV on a Philco Thinline.

Reception is "very good," Harding L. Lawrence, sales v.p. of Continental, tells us from Detroit, following test flights. The airline previously tried TV on lower-flying Viscounts, but found reception not so good. At the Boeing's 35,000 ft., however, a single station can be viewed for 900 miles, or 1½ hrs. of travel, Lawrence says. When one network program fades out, the same show is brought in on another station.

The airborne TV installation was supervised by Eric Foresman, director of communications. On April 12, Continental began advertising in Sunday supplements: "Sip champagne, watch TV—at 600 mph."

Used TV & radio tubes sold by Robert A. Lyons & Morton C. Blumberg, trading as "TAB" and Technical Apparatus Builders, 111 Liberty St., N.Y., no longer will be advertised as "first quality" under a consent order approved by the FTC. Settlement of the FTC's complaint that the firm misrepresented pull-outs & factory rejects as new tubes didn't constitute an admission by the partners that they violated any law.

Britain's high purchase-tax on appliances is slated for mild reduction in the govt.'s proposed new budget. The trade had hoped for greater slashes, but appears grateful for the relief impending. Tax on TV sets, radios, phonos, & records is cut from 60% to 50%. A tax of 30% on white goods becomes 25% and a tax on replacement TV picture tubes is removed entirely.

National Bureau of Standards will split its *Journal of Research* into 4 sections after July 1. The radio propagation section will be edited at NBS Boulder (Colo.) labs by James R. Wait, with IRE's D. G. Fink and K. M. Siegel as advisers. It will be issued 6 times a year, available at \$4 annually from NBS's Office of Technical Information, Washington 25.

Clevite Corp. will transfer transistor & diode manufacturing to a \$3 million plant it expects to complete near Waltham, Mass. in early 1960. It has outgrown space in the Waltham Watch bldg., where Clevite now employs 1000 people.

Hoffman will use the new 23-in. square-corner picture tube in its top-of-the-line 1960 line this year, but as a "supplement" to its 21-in. sets.

Chairmen of 23 NARDA committees have been appointed by pres. Joseph Fleischaker: *Advertising*, Steve Feinstein, Magee's, Boston. *Awards*, William Sharpe, Sharpe Appliance Store, Atlanta. *Blue Books*, Gib Schmitz, Wolff, Kubly & Hirsig, Madison, Wis. *Budget*, Victor P. Joerndt, Joerndt & Ventura, Kenosha, Wis. *Business Records*, Ken Stucky, Stucky Bros., Fort Wayne. *Builder Sales*, Richard A. Palmer, Palmer Tire Co., Macon. *Consumer Credit Insurance*, Upton R. Ziesler, Rahr's, Manitowoc, Wis. *Convention Arrangements*, Tom Carmichael, Burns & Carmichael, Seattle. *Costs-of-Doing Business Survey*, Sam Singer, Schweig-Engel, St. Louis. *Dealer Aids*, James Hampton, Hampton Electric Co., Pontiac, Mich. *Editorial*, John Marion, Seither & Cherry, Keokuk, Ia. *Group Insurance Trust*, Ray Carpentier, Carpentier's, Milwaukee. *Institute of Management*, Richard V. Finch, Home Appliance Co., Medford, Ore. and Mort Farr, Upper Darby, Pa., co-chairmen. *Kitchens*, H. Francis Murphy, Murphy Electric Co., Bristol, Conn. *Local & State Assns.*, R. D. O'Callaghan, O'Callaghan's, Des Moines. *Manufacturer Relations*, H. B. Price Jr., Price's, Norfolk. *Membership*, M. B. Magers, Vesto Inc., Kansas City, Mo. *Legislative*, Mort Farr, Upper Darby, Pa. *Personnel Relations*, Hardy Richbeil, Richbeil's, Worthington, Minn. *School of Service Management*, Frank Pieratt, Pieratt's, Lexington, Ky. *Service*, Jarold Witham, Witham's, Bakersfield, Cal. *Standards & Ethics*, Frank Low Jr., Standard Electric Co., Rocky Mount, N. C. *Utility Relations*, George Johnston, Johnston's, Minneapolis.

British trade reshuffle: The Electronic Engineering Assn. (EEA), which covers British communications equipment manufacturers, has withdrawn from the Radio Industry Council (RIC), explaining it wants to pursue its own programs & policies. The British Radio Equipment Manufacturers Assn. (BREMA), British Radio Valve Manufacturers Assn. (BVA) and Radio & Electronic Component Manufacturers Federation (RECMF) remain members of the RIC, which since 1945 has acted as coordinating organization for all branches of the industry. The EEA said it would continue to cooperate with the RIC through inter-association committees.

New type of solar battery for space vehicles will be shown by RCA at May 4-6 National Aeronautical Electronics Conference in Dayton's Miami Hotel. Developed under Army Signal Corps sponsorship, the battery uses high-temperature gallium arsenide to transform light into electricity. RCA will also show a radio system using a high-temperature diode of the same material, developed for the Air Force.

Strikers at the Westinghouse plant in Metuchen, N. J. failed to reach accord with management last week, pushing the production shutdown in radio, TV & phonos into a 6th week. In Philadelphia, a threatened strike of 4000 Philco production workers was averted when agreement on a new 1-year contract was reached.

Edward R. Taylor, Motorola consumer-products exec. v.p., will be the principal speaker at May 6 NARDA regional management conference in Toledo. Others will include NARDA chairman Mort Farr, senior v.p. Selmer Solem of Appliance Buyers Credit Corp. (joint RCA & Whirlpool financing organization), production mgr. Dave McDermond of Hamilton Mfg. Co.

AB-PT is entering phono merchandising with 2 low-priced portable stereo units at "well under \$50." One of the sets is expected to sell at \$39.95. They'll be sold under the ABC-Paramount name through its record distributors.

Trade Personals: Hugh Robertson elected Zenith chairman (chief exec. officer), succeeded as pres. by Joseph S. Wright, former exec. v.p., who will also be gen. mgr. Sam Kaplan, treas., also named exec. v.p. & asst. gen. mgr.; Leonard C. Truesdell, former v.p. & sales dir., named exec. v.p. in charge of mktg.

Milton R. Schulte, exec. v.p., Tung-Sol, will become pres. May 11, succeeding Louis Rieben, elected board chairman . . . Frederick J. Bell, Sylvania senior v.p. for industrial relations named also PR v.p., succeeding George W. Griffin Jr., elected a v.p. of parent company General Telephone & Electronics . . . Daniel Denham, Minnesota Mining & Mfg. Co., named chairman of the new magnetic tape section of EIA's parts div.

Norman D. Olsen Jr., ex-Zenith regional mgr. of exports sales, named Motorola consumer products export sales supervisor . . . Herbert G. Ryan promoted from application engineering mgr. to asst. dir. of general engineering, CBS-Hytron receiving tubes . . . Allan F. Degnan, factory superintendent of American Television & Radio Co., Minneapolis-St. Paul, elected v.p. . . Donald H. Parrish, former manufacturing mgr., Stromberg-Carlson's Electronic Control System, Los Angeles, appointed Stromberg-Carlson works mgr., San Diego.

Walter E. Husselrath named gen. superintendent for all plants, Du Mont Labs. Joseph J. Roman named general quality control mgr. . . James W. Murray named chairman & chief exec. officer, General Precision Equipment Corp., succeeding Hermann G. Place, who becomes founder chairman. D. W. Smith appointed pres., succeeding E. A. Link, retired. Mr. Link continues as a director and as chairman of subsidiary Link Aviation.

Frank Pace Jr., elected board chairman (remaining as chief exec. officer), General Dynamics, succeeded as pres. by Earl Dallam Johnson, former exec. v.p. . . Frank Randall, Amperex Electronic Corp. pres., elected also a v.p. of parent company, North American Phillips.

Forrest W. Price continues as pres., Sylvania Sales Corp., in addition to being appointed v.p.-operations, Sylvania Home Electronics . . . Jack A. McCullough, co-founder of Eitel-McCullough, named chairman, succeeded as exec. v.p. by Gould Hunter. E. E. McClaren, financial v.p., named a director & corporate secy. . . William J. Horn, ex-Philco named adv. & merchandising mgr., Columbia Phonograph . . . Arthur Rainer appointed Motorola special account supervisor. He will set up a program to handle merchandising problems of large department stores.

"Electronics' Role in the Space Age" is the theme of one of 2 EIA panels at the 1959 National Missile Industry Conference May 25-27 at Washington's Sheraton Park Hotel. Feature speakers: Elmer W. Engstrom, RCA; Dr. L. N. Ridenour, Lockheed; Robert C. Sprague, Sprague Electric; Sir Robert Watson-Watt; David B. Smith, Philco. The other EIA panel, "Subcontracting in Missiles & Electronics," will present William F. Ballhaus, Northrop Corp.; Maj. Gen. Albert Boyd (USAF, ret.), Westinghouse; Joseph B. Elliott, Tele-Dynamics; Bruce Brace, Raytheon; T. W. Spicer, Western Electric.

Obituary

Saul Greber, 51, pres. of Greber Distributing Co., Washington Sylvania distributor, died April 25 of a heart attack. He is survived by his widow, a son and a daughter.

Jules A. Jaccard, 58, mgr. of distributor relations for International GE, died April 30 of a heart ailment at his home in N.Y. He is survived by a sister.

Transistors which operate in TV range at high gain & low noise—and which can be used for frequencies as high as 3000 mc—are in lab development stage at Philco. "Potential commercial significance" was seen by Philco in the fact that the new micro-alloy diffused base (MADT) germanium transistor provides 22-db gain with a 4-db noise factor at 200 mc in the TV range. At 1000 mc, the power gain is 9.8 db, with 10 milliwatts of output power possible. The new transistor has been produced in the standard JETEC TO-9 package and in a "completely new coaxial type transistor package with holder matched for direct insertion into a 50-ohm coaxial line," which Philco thinks may lead to the design of transistors as integral parts of distributed transmission lines. The high-frequency transistors "will not be commercially available for some time," its developers say.

U.S. export privileges have been withdrawn "indefinitely" by the Commerce Dept.'s Bureau of Foreign Commerce from Krainz & Co., Vienna, for refusal to disclose how it disposed of electronic tubes, valued at about \$10,000, which were obtained from the Austrian consignee of an American shipment. Krainz pleaded "trade secrets" in withholding information about what happened to the tubes, but the Bureau held this wasn't "adequate reason."

Storage tube with 800-1200 lines resolution at 75% contrast has been developed by ITT. The barrier-grid tube was developed by the company in cooperation with the Army's Ft. Monmouth labs. According to D. W. Davis, head of ITT's storage-tube section in Fort Wayne, applications for the tube are anticipated in radar & infrared moving-target indicator work, and in binary digital information storage & processing.

Equal pricing bill (S-1742), prohibiting manufacturers from favoring their own retail outlets against independent retailers in pricing of products, has been introduced by Chairman Magnuson (D-Wash.) of the Senate Commerce Committee at the request of the National Federation of Independent Business. It is similar to a House Bill (HR-2729) by Rep. Bentley (R-Mich.).

Home jukebox made in West Germany will be offered on the U.S. market by Uropa International, N.Y., at \$400 without audio equipment, \$490 complete. It plays both sides of up to thirty 45-rpm records in pre-selected sequence. At least one American manufacturer has done preliminary market testing in the past for a similar unit (with the Seeburg movement), but it was never offered as a home product.

Retail sales of stores of all kinds rose to \$48.126 billion in first-quarter 1959, a new record and \$3.5 billion or 7.9% over 1958's first quarter, the previous record. The early Easter & sharp pickup in consumer demand for durable goods were credited as the principle factors in the rise.

Receiving tubes requiring 33% less heater power are being produced by Sylvania Electric Products, using 100-mil heaters, instead of the conventional 150 mils. A complement of 5 tubes for home radios is available. The new types are completely interchangeable with present types.

General Instrument Corp. has reorganized its sales structure for Ill., Iowa and southern Wis. (including Milwaukee.) All products for these areas will be handled from Chicago, including those previously distributed through independent representatives handling other lines.

Lab manual for TV-radio technicians, 2nd edition of EIA's *Basic Radio & Radio-Receiver Servicing*, by Paul B. Zbar & Sid Schildkraut, has just been published by McGraw-Hill.

Electronics Personals: Dr. Otto Struve, prof. of astronomy and dir. of the Leuschner Observatory, U. of Cal., Berkeley, appointed first director of new National Radio Astronomy Observatory of National Science Foundation in Green Bank, W. Va. effective July 1 . . . George F. Breitwieser appointed chief engineer, RCA West Coast missile & surface radar dept., and Atlas project mgr. . . L. M. Baxter, ex-GE, heads new Washington office of Electronic Engineering Corp., Santa Ana, Cal., at 1101 Vermont Ave. Northwest.

Renegotiation Act amendments to provide more specific guidelines to determine which profits on govt. contracts should be subjected to re-examination were recommended by EIA pres. David R. Hull in House Ways & Means Committee testimony. He said EIA doesn't oppose proposed extension of the law for 27 months, but that functions of the renegotiation board should be limited to prevention of windfall profits.

Nine out of 10 new cars (virtually all higher-priced makes) are sold with radios installed, says Radio Advertising Bureau in a new brochure. This puts auto radio (with 37.9 million in use) within 14% of matching the total number of TV homes (44 million). Exact figure: 86 out of every 100 new cars sold last year (or 3,650,000 cars) were radio equipped when they left dealer showrooms.

Further progress in micro-miniaturization: A \$2 million Air Force contract for "molecular electronics" was awarded to Westinghouse to develop its new technique of growing germanium crystals in the exact form in which they are to be used. An Air Force statement said the new process may lead to electronic equipment 1000 times smaller & lighter than at present. Example: a breadbox-size system could be reduced to the size of a sugar cube.

Elsin Electronics is reported close to a merger with Engineering & Electronics. Elsin makes microwave components, radar, transistor test equipment & missile telemetering equipment. Expected to join the board are Herman Fialkov and Carl W. Knobloch, pres. and a director, respectively, of General Transistor.

"Special report on color TV" is a feature of the spring issue of RCA's quarterly *Electronic Age*. Marking the 5th anniversary of color set production, the publication contains quotations on color TV by 50 top TV critics, highlights of color's first 5 years and a report on how a color show is staged.

Page Communications Engineers, Washington, was taken over formally last week by Northrop Corp., Beverly Hills (Vol. 15:8). Northrop exchanged 95,000 of its shares, worth \$3,800,000, for all of PCE's stock. PCE pres. Esterly C. Page stated that no change in personnel or operations is planned.

Ward Products, antenna-manufacturing subsidiary of Gabriel Co., has been sold to a group headed by ex-Ward gen. mgr. Joseph B. Cejka & ex-sales mgr. Donald Bleck.

Preparedness award to RCA's Somerville, N. J. plant (which makes semiconductors) has been presented by the state's Civil Defense unit.

Northern Electric Co. has been appointed exclusive Canadian distributor for GPL TV equipment, including closed-circuit & broadcast gear.

ITT components div. has opened a sales office at 4600 S. Tripp Ave., Chicago.

Finance

Du Mont's Losses & Optimism: Allen B. Du Mont Labs, confident it will be in fighting trim by the end of this year, tempered its 1958 financial report last week with a first-quarter statement which showed a big reduction in losses.

The 1958 statement reported a \$9.5 million loss after a tax carry-back refund of \$2,174,000. This loss, said pres. David T. Schultz, was "made up in a great part by the non-recurring costs due to the disposal of the company's TV set business [to Emerson], the discontinuance of TV-picture-tube manufacturing and the write-offs of idled manufacturing equipment and excess inventories." While this loss was being absorbed, he said, current debt was cut by \$5 million, and he expressed hope that operations this year would be profitable. The first-quarter report stated that current debt was further reduced by \$2.6 million.

"The 1958 recession hit every product of the company," said Schultz. "Industrial & military business declined, but the most serious impact was on its [now liquidated] consumer product business." He added: "Although net worth and working capital have been substantially reduced, the company is now fundamentally sounder financially. It no longer must tie up the major part of its funds in risky and slow-moving TV-set inventories & receivables." He said operations are being consolidated in Clifton, N.J., freeing the East Paterson plant for possible sale. "The break-even point has been cut about in half and the company is now in an improved position to develop & expand its less competitive & more profitable specialties in electronics."

The company's total current assets at the end of 1958 were \$14,144,873 vs. \$25,759,455 a year earlier, total assets \$20,600,411 vs. \$35,412,247, current liabilities \$8,818,178 vs. \$14,017,987. The report for the year ended Dec. 31:

	1958	1957
Sales	\$30,166,000	\$43,500,000
Loss	9,054,000	534,000
Shares outstanding	2,361,092	2,361,092
For 12 weeks to March 29:	1959	1958
Sales	4,457,000	9,806,000
Loss	87,846	943,000

Gabriel Co. restatement of results for 1958 (to include Talco Engineering Corp.) indicates greatly improved income for the first quarter of 1959. For 13 weeks to March 31:

	1959	1958
Net earnings	\$224,850	\$16,040
Earned per share	33¢	2¢

General Precision Equipment Corp.'s first-quarter earnings were almost double those of the same 1958 period. Hermann G. Place told the annual meeting that the March 31 backlog of orders was a record \$178 million. For 13 weeks to March 31:

	1959	1958
Net earnings	\$920,007	\$471,695
Earned per share	57¢	16¢

Eitel-McCullough Inc., maker of Eimac tubes, reports higher sales and reduced earnings during 1958. For the year ended Dec. 31:

	1958	1957
Sales	\$16,186,849	\$15,786,229
Net earnings	212,928	736,376
Earned per share	26¢	89¢

Amphenol-Borg had a strong first quarter in both sales & profits, it was announced at the annual meeting. For 13 weeks ended March 31:

	1959	1958
Sales	\$12,980,053	\$10,429,831
Net earnings	582,108	424,651
Earned per share	50¢	37¢
Shares outstanding	1,167,294	1,160,560

Guild Films is the target of legal action by SEC in N.Y. Federal Court, charging "deficiencies" in the company's annual reports for fiscal years ended Nov. 30, 1955 & 1957 and failure to file a report for the year ended Nov. 30, 1958. SEC also asked Guild to file reports on transactions with Bon Ami Co., once headed by Alexander L. Guterma, and with Chatham Corp., a company which SEC said was owned by Guterma. The transactions were said to involve Guild's sale of \$3.6 million in spot time to Bon Ami, sale of \$8 million in time to Nestle-LeMur Co. and Glamorene Inc., sale of \$1.25 million in time to Chatham, and other similar items. Another SEC complaint seeks to force Inter-World TV Films, which handles foreign distribution of Guild Films, to file annual & periodic reports with the commission. "We have nothing to hide," said Guild Films treas. Arthur R. Lerner. He said the information would be supplied. He explained that a new accounting firm is making a complete audit of Guild's books, and that the company had received a 20-day extension in filing time and had been turned down on a second extension.

Texas Instruments' 1959 sales will probably total \$185-\$200 million and net earnings will be \$12-\$13 million (\$3.08-\$3.34 per share on 3,893,387 shares), at least double the 1958 figures of \$91,953,845 & \$6 million (\$1.84 on 3,256,988 shares), pres. Patrick E. Haggerty told the Investment Analysts Society of Chicago. The projected 1959 figures include sales & earnings of recently-merged Metals & Controls Corp. (\$47 million & \$2 million in 1958). He said the rate of increase in earnings experienced in the first quarter (Vol. 15:17) is not likely to continue throughout the year.

Hycon Eastern Inc., Cambridge, Mass., electronics-physics research & development firm which is changing its name to Hermes Electronics Co., has filed an SEC registration statement (File 2-15043) for public sale of 150,000 common stock shares. An underwriting group is headed by C. E. Unterberg, Towbin Co. Part of the proceeds would be applied to working capital & acquisition of additional equipment. Western Union now holds 60,000 of 734,374 shares outstanding.

General Instrument Corp. for March (first month of its fiscal year) had the highest sales ever recorded for this month, and earnings greatly improved over March, 1958, the annual meeting was told by chairman Martin H. Benedek. The first quarter (ending May 31) is expected to be substantially better in sales & earnings than the like period in 1958. Final sales figures for March will exceed \$4,200,000—some 70% better than a year ago.

Webcor Inc. reports 9-month earnings reduced from 1958, but not directly comparable because of a change in fiscal year from calendar basis to a year beginning July 1, 1958. Results for 1958 include year-end adjustments. For 9 months to March 31:

	1959	1958
Net earnings	\$532,486	\$1,603,715
Earned per share	82¢	2.46

For 13 weeks ended March 31:

	1959	1958
Net earnings	\$110,827	\$146,462
Earned per share	17¢	23¢

Speer Carbon Co.'s first-quarter net earnings were 115% above the like period in 1958, on a 29% rise in sales. For 13 weeks ended March 31:

	1959	1958
Sales	\$5,548,421	\$4,303,348
Net earnings	500,990	232,275
Earned per share	\$1.12	51¢

Philips Approaches \$1 Billion Sales: Big N.V. Philips' Gloeilampenfabrieken—known variously as Philips' Lamp Works, Philips of Eindhoven, Dutch Philips or just "Big Philips"—enjoyed a banner year again in 1958, as both sales & profits continued to rise.

The worldwide electronics combine last year was just a stone's throw from a billion-dollar sales year, its 3.595 billion guilders (\$952,675,000) in sales being a 13% increase from the 3.177 billion (\$841,805,000) in 1957. Net profit for 1958 was 244 million guilders (\$64,660,000), which, in U.S. equivalent, would place it between Westinghouse (\$72.7 million) & General Telephone (\$50.8 million) in the roster of electrical-electronics-communications companies. Philips' net profit increased from 187 million guilders (\$49,555,000) registered in 1957.

The company employed 174,000 persons at the end of 1958, some 64,000 of them in the Netherlands—up from 160,000 at the end of 1957.

"More than half the sales increase achieved in 1958 was due to TV receivers and TV tubes & components," notes Philips' annual report. "Other new products, in particular, magnetic tape recorders and semiconductors, also substantially contributed to the increase." Sales of Philips' TV-radio & record-playing equipment increased 14% in 1958, components 32%, tubes 31%, electro-acoustics 31%, pharmaceuticals & chemicals 11%, appliances 9%, lighting 5%, industrial equipment, no change. Sales of x-ray & medical apparatus were down 1%, glass equipment down 7%, telecommunications 8% (largely due to Netherlands govt. cutback).

Philips' liquid assets totaled 496 million guilders (\$132 million) at the end of 1958, and total assets were 4.178 billion guilders (\$1 billion). Of these, 1.462 billion guilders (\$387 million) were in the Netherlands, 1.852 billion guilders (\$491 million) in other European countries, 616 million guilders (\$163 million) in the Western hemisphere, and 248 million guilders (\$66 million) elsewhere.

National Theatres (WDAF-TV & WDAF Kansas City, Mo.) and subsidiaries, excluding newly-acquired National Telefilm Assoc. (WNTA-TV & WNTA Newark-N.Y. and KMSP-TV Minneapolis-St. Paul), increased earnings in the first fiscal 6 months of 1958-59 compared with the same period a year earlier. The consolidated report attributed the gain to \$259,000 sales of theatres & properties.

For 26 weeks ended March 31:	1959	1958
Net income	\$903,838	\$743,897
Earned per share	34¢	28¢
For 13 weeks ended March 31:		
Net income	\$541,000	\$678,000
Earned per share	20¢	25¢

Wometco Enterprises Inc. stock offering (Vol. 15:11, 14) was made April 29 by an underwriting group managed by Lee Higginson Corp. Of 324,000 Class A common shares, 290,000 are being offered to the public at \$10.75 a share (\$3,117,500), 35,000 to officers & employes at \$10 each. Wometco, controlled by Mitchell Wolfson & family, owns WTVJ Miami and WLOS-TV & WLOS Asheville, N.C., plus 22 Florida movie theatres and a confectionery & vending machine business.

American Broadcasting-Paramount Theatres reports a 25% increase in earnings for first-quarter 1959 as compared with first-quarter 1958. For 3 months ended March 31:

	1959	1958
Net earnings	\$2,313,000	\$1,854,000
Earned per share	54¢	43¢
Shares outstanding	4,149,362	4,149,362

Granco Products Inc., maker of FM radios and hi-fi equipment, reports sharp increases in sales & net profits for the 9-month & 3-month periods ended March 31. Pres. Henry M. Fogel, expressing confidence in the future of FM, predicted net income of more than 25¢ a share for the fiscal year ending June 30 "if volume holds at present levels."

For 9 months ended March 31:	1959	1958
Net sales	\$2,262,226	\$1,691,284
Net income	54,819	21,877
Earned per share	17¢	7¢

Hoffman Electronics, for first quarter, reports gains in sales & net income over the 1958 period. For 3 months ended March 31:

	1959	1958
Sales	\$11,432,477	\$9,960,064
Net income	526,273	435,218
Earned per share	70¢	59¢
Shares outstanding	749,011	736,250

Sonotone Corp. reports slightly better earnings for 1959 during the first quarter, compared with the like 1958 period:

	1959	1958
Sales	\$5,676,733	\$5,714,538
Net earnings	222,487	217,908
Earned per share	19¢	19¢

Unlisted trading in Ampex common stock on the Philadelphia-Baltimore Stock Exchange has been approved by SEC. The Philadelphia-Baltimore and Boston Exchanges have applied for similar unlisted privileges for CBS Inc. stock, now traded on that basis on the Detroit Exchange.

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Electronics Capital Corp., San Diego closed-end non-diversified management investment company headed by Charles E. Salik of Electronics Investment Corp. (Vol. 15:17), has filed an SEC registration (File 2-15034) for a public offering of 1.2 million shares of common stock at \$10 per share. Federally licensed under the Small Business Investment Act of 1958, Electronics Capital already has 33,889 common shares outstanding, proposes to provide capital for "selected electronics companies which in management's opinion possess potential for investment appreciation," according to the SEC statement. Additional objectives are to give technical assistance to small electronics firms, sponsor group undertaking of govt. & commercial contracts which individual companies can't handle, obtain special tax benefits for stockholders under congressional provisions for encouragement of investment of venture capital in small businesses. The stock offering is underwritten by a group headed by Hayden, Stone & Co., which will be paid a \$1 per share commission.

Consolidated Electrodynamics has asked the SEC (File 2-15042) to register \$7.6 million of convertible subordinated debentures due June 1, 1984 for subscription by common stockholders in a ratio of \$100 debentures for each 14 shares held. Proceeds would be used to pay a \$12-million secured bank loan, reduce unsecured short-term bank loans which aggregated \$8 million April 20. Blyth & Co. Inc. is the principal underwriter.

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NEW ZENITH RECORD: Nothing succeeds like success, and Zenith continues to pile success on success—latest being the first-quarter report, setting a new record of \$3,323,891 in profit, 63% over the year-ago figure, and 101% over the first-quarter 1957. Sales also set a record—\$59,220,776 or 40% higher than first-quarter 1958.

At the annual meeting in Chicago this week, pres. Hugh Robertson stated: "The 2nd quarter has started out very nicely, with April shipments running double this time in April a year ago."

Stockholders approved the 3-for-1 stock split (for holders of May 6), capping months of steadily zooming quotations on Zenith stock. On the day before the meeting, April 27, Zenith soared 14 points, closing at 324½. Next day, its opening was delayed because of accumulated buy orders. The stock was split 2-for-1 in March 1958 after more than 3 years in which it varied only between 43 & 77.

Because of the stock rise, Robertson said the company is "tempering" its publicity. "Rumor," he said, "had us connected at one time or another with almost every firm one can think of." He added: "We were fearful of putting out our first-quarter figures because we didn't want to add to the fire. I think our stock would be more healthy if it ranged on actual reported figures and not on rumors."

Stockholders also approved an employe stock-option plan involving 60,000 shares. The report for 3 months ended March 31:

	1959	1958
Consolidated sales	\$59,220,776	\$42,173,732
Consolidated profit	3,323,891	2,036,759
Earned per share	3.37	2.07
Shares outstanding	984,928	984,928

Westinghouse had a 12% increase in profits for first-quarter 1958, despite a 2% drop in sales volume, Mark W. Cresap Jr., pres., and Gwilym A. Price, chairman, have reported. The earnings improvement on lower volume was attributed to a vigorous cost-control program. For 13 weeks ended March 31:

	1959	1958
Sales	\$440,072,000	\$449,329,000
Net earnings	14,409,000	12,903,000
Earned per share	81¢	73¢
Shares outstanding	749,011	736,260

Admiral reports a 16% increase in sales for the first quarter of 1959 as compared with the same 1958 period.

	1959	1958
Consolidated net sales ...	\$44,739,388	\$38,418,799
Net earnings (loss in '58)	711,644	(91,977)
Earned per share	30¢	—

RCA's second-quarter sales & earnings are starting "considerably better" than the first quarter or 1958's 2nd quarter, exec. committee chairman Frank Folsom was quoted in Portland, Ore. "It's not spotty," he said. "There is good spirit all around."

Common Stock Dividends

Corporation	Amt.	Payable	Stk. of record
Desilu Productions	\$0.15	May 29	May 15
General Industries .....	.20	Jun. 15	Jun. 2
P. R. Mallory & Co. ....	.35	Jun. 10	May 11
Philips Lamp	8% of par	Apr. 8	—
Sonotone .....	.07	Jun. 30	Jun. 2
Stanley Warner .....	.30	May 25	May 8
Thomp. Ramo Wooldridge	1.00	May 15	Apr. 29
Thomp. Ramo Wooldridge	.35	May 15	Apr. 29
Tung-Sol Elec. ....	.15	Jun. 2	May 12
Westinghouse .....	.50	Jun. 1	May 11
Wometco Class A .....	.17 ½	Jun. 15	Jun. 1
Wometco Class B06	Jun. 15	Jun. 1
Zenith (new)25	Jun. 30	Jun. 12

WEEKLY **Television Digest**

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MAY 11 1959

MAY 11, 1959

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VOL. 15: No. 19

The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FCC

EQUAL TIME IS ON THE SPOT as Attorney General Rogers blasts FCC's Lar Daly ruling, urges reversal. Sen. Hartke proposes sweeping Sec. 315 revisions (pp. 1 & 4).

ALLOCATIONS AND THE LODGE-NORTON BATTLE. Fresno, Baton Rouge and Columbus, Ga. headed for all-vhf. Bureau of Standards' Norton answers Lodge (pp. 2 & 5).

FCC MEMBERS ARE "UNTOUCHABLES" in rule-making matters as well as in adjudicatory proceedings, Court rules in St. Louis Ch. 2 decision (p. 6).

MIAMI CH. 10 REHASH in Mack-Whiteside conspiracy trial produces "discrepancies" in testimony, Judge Matthews observes as case drags through 5th week (p. 6).

Film & Tape

PILOT PEAK PAST? Disillusioned Hollywood TV film producers may make fewer pilots, after big losses (pp. 2 & 16).

AMPEX's NEW VIDEOTAPE RECORDER provides guaranteed better picture, with signal-to-noise ratio upped to 36 db. New features & built-in monitors in \$52,950 machine. (p. 15).

Networks

SLOW START IN NETWORK TIE-IN HEARING as counsel introduces mass of background material on program schedules, organizational charts, etc. (pp. 2 & 7).

PAY TV DEMOLISHES OWN ARGUMENT (that toll TV won't siphon shows from free TV) as Skiatron turns to free TV to sell ballet after closed-circuit plans fall through (p. 3).

MARCH TOPS JAN. & FEB. in gross network time billings; 1st 3 months about 9% ahead of same period of '58 (p. 7).

NBC's STATE OF THE UNION as reported by board chairman Robert W. Sarnoff and the state of NBC's strike (p. 8).

Manufacturing & Distribution

TV's INDICATORS: CAUSE FOR OPTIMISM seen in healthy first-quarter reports of manufacturers, predictions by leaders, de-emphasis of price, grass-roots sales increases (p. 18).

CALENDAR OF TV-RADIO SHOWINGS gives new-line debut dates for 16 manufacturers (p. 19).

PRODUCTION-SALES FIGURES: First-quarter TV retail sales 1,375,626, down from 1958, but March sales show increase from last year. Radio & tube sales rise (p. 20).

EMERSON BUYS WEBCOR CONTROL from chairman-pres. Titus Haffa, now owns 20% of common stock. New Edgar Greenebaum combine buys Waters Conley (p. 20).

RCA's RECORD FIRST QUARTER sales & earnings (p. 24). Motorola's earnings are 4 times 1958 period (p. 21). Philco's \$1.6 million profit replaces loss in 1959 quarter (p. 22).

Educational TV

"NEW APPROACH" FOR ETV using multiple stations urged by GE's Chamberlain at Ohio State. CBS' Stanton announces prime-time information shows (pp. 3 & 9).

Programming

EMMY. NO MATTER WHAT you may charge her with, is no stuffed shirt (p. 10).

Stations

NO RETREAT FROM CODE is pledged by TV review board chairman McGannon, who declares war on rebels using seal as "front" for banned commercials (p. 11).

Advertising

PROTECT THAT PUNCH—that's the moral of researcher Horace Schwerin's new study of commercial effectiveness (p. 14).

EQUALIZE EQUAL TIME, FCC IS TOLD: Broadcasters got powerful—and possibly decisive—backing last week in their long but so-far-frustrated efforts to put some political common sense into equal-time requirements of Sec. 315 of Communications Act.

Networks couldn't have asked for more forceful statements of their own arguments against FCC's Lar Daly newscast ruling (Vol. 15:8-16, 18) than those hurled at Commission by Attorney General William P. Rogers (See p. 4). Justice Dept. is suspicious of some policies & practices of networks (e.g., option time). But in this case—nudged into action by President Eisenhower—it's all on their side.

Stations which suffer from Sec. 315 headaches also could take comfort & hope for relief from Justice Dept's opinion. Rogers said they've "shown a sense of fairness & responsibility in their news coverage of political campaigns;" can be trusted to distinguish between election news & propaganda.

Broadcasters' campaign to straighten out Sec. 315 won't be really won, however, even if FCC pays heed to Rogers' admonition and revises its 4-3 edict that newscast appearances by candidates are political appearances, subject to equal time for opponents. FCC could change its mind again—and Lar Daly isn't the only issue.

Short of outright repeal (which NAB advocates), it will take congressional rewriting of Sec. 315 to give some sure remedies for equal-time conflict & confusion. At least 2 networks see best chance at this session in new bill (S-1858) by Sen. Hartke (D-Ind.). It not only eliminates newscasts from Sec. 315—it defines minority candidates eligible for equal time, insures station against libel suits for broadcast statements by politicians who can't be censored.

ALLOCATIONS AND THE LODGE-NORTON BATTLE: FCC took another look at its proposed "interim" vhf channel drop-in plan last week (Vol. 15:17) but came to no conclusions. However, it's understood that Commission did make tentative move to decide 3 long-pending allocations petitions—that it leaned toward making Fresno, Baton Rouge & Columbus, Ga. all-vhf—but none of these would violate mileage taboos.

There was another round last week in the debate between CBS v.p. William Lodge & Bureau of Standards' Kenneth Norton (Vol. 15:16). In letter to Lodge, Norton again insisted that more people would get more service if co-channel spacings were cut to 100 mi. or so. And on touchy question of motives of engineers who participated in work of TV Allocations Study Organization (TASO), Norton had this to say:

"I cannot agree that we implied any sinister motives to the industry engineers by pointing out the obvious fact that at least those engineers associated with the individual stations have a selfish interest in seeing that the current wide spacings between stations are maintained."

Senate Commerce Committee is expected to call Norton in to testify when it begins hearings on allocations, following up on FCC's status report (for full text, see special supplement, April 27). Though most engineers believe Norton's philosophy is unrealistic because people won't build stations in the right spots to implement his plan, there are some who do agree with him. FCC engineers have experimented with 100-mi. plans, and they claim that they'd cut rural service. For excerpts from Norton's letter see p. 5.

TASO exec. dir. Dr. George Town has also come to defense of his colleagues, writing FCC Chairman Doerfer to assert that TASO engineers were indeed objective, that TASO did consider Norton's ideas and rejected them. As for Norton's criticism of TASO for its failure to recommend allocations principles to FCC, Town retorted that Commission asked it not to get into policy questions.

SLOW START IN NETWORK TIE-IN HEARING: FCC's hearing on network program-acquisition practices—the so-called "tie-in" investigation (Vol. 15:9)—may warm up eventually, but it started tepidly this week before chief examiner James D. Cunningham. Bulk of week was taken up by introduction into record of mass of data requested by Commission, with network top counsel as witnesses. Exhibits covered organization charts, program schedules, samples of network-sponsor contracts, etc.

Hearing was adjourned indefinitely while staff studies the documents, and FCC Broadcast Bureau chief Harold G. Cowgill says it may resume in month or 2. Sooner or later, he said, there will be testimony from the unidentified independent program producers who had complained to Justice Dept. that networks exacted unreasonable concessions—a percentage of programs, etc.—before they'd schedule their offerings. Little excitement is expected until such witnesses take the stand and network policy makers defend themselves. (For details of hearing, see p. 7).

PILOT PEAK PAST? This may be the last year of the great pilot push in Hollywood, as disillusioned producers face fact that of approximately 200 telefilm pilots made, only about 25 to 30 will sell.

That means a record loss for producers, most of which can never be recouped. The only exceptions are companies with anthology series, which can use unsuccessful pilots as segments of such series. Also the handful of producers who sell pilots for summer viewing on anthology series. Last summer there were several anthologies consisting of beached pilots and there likely will be again this summer.

More and more, Hollywood feels that ad agencies & sponsors should be willing to buy series on basis of a company's reputation or track record, instead of demanding the investment in a pilot. Moreover, canny producers point out, often a colleague will spend far more money & effort on a pilot than on ensuing films in series—so that the pilot loses accuracy as a true sample of the projected series. Concensus resulting from our check of topflight Hollywood producers & production executives: There will be far more caution exercised in future regarding making of pilots. Also: You'll see more emphasis on selling via presentations instead of pilots. (For producers' opinions, see p. 16).

PAY TV DEMOLISHES ITS BEST ARGUMENT: Standing out in bold relief this week for everybody to see—with nary an if, and, or but—is utter & complete refutation of pay-TV promoters' argument that coinbox TV won't siphon entertainment from free TV but will treat public to performances they wouldn't get to see otherwise.

When Ed Sullivan sought to negotiate for Russia's Bolshoi ballet as an attraction on his program, he was told by office of impresario Sol Hurok that TV rights had been optioned to Matty Fox's Skiatron TV, which planned to place it exclusively on nationwide closed-circuit theater-TV network—and therefore it wasn't available to free TV.

Skiatron's plan reportedly was to charge a million customers \$5-\$7 a head for a 3-hour show. However, pay-TV deal fell through last week (Hurok's office says it was because of lack of time to make physical arrangements)—and now Skiatron is busily disproving the toll-TV advocates' biggest argument by negotiating with free TV networks to carry the ballet program.

Because Sullivan had blasted the pay-TV plans in his newspaper column as "a grave mistake in public relations," Fox (who still has the TV rights) is understood to have decided to ignore Sullivan's bid and try to sell show direct to network or sponsor as 90-min. or 2-hour special—with Matty Fox as exec. producer.

Talent costs alone for the huge ballet with its large orchestra may run as high as \$600,000 or even more for 90-min. show. Beyond reach of free TV? Obviously not. Other shows have cost this much.

As in case of theater-TV presentations of championship prizefights, there is no rebuttal to the charge that pay TV does indeed siphon off free TV attractions, given enough bidding power. Multiply these isolated occasions by a nationwide network of pay-TV stations on air every day. Potential damage to caliber of free TV entertainment is obvious.

In Russia, Bolshoi ballet may be seen by everyone fortunate enough to have a TV set. In U.S., where nearly every family is fortunate enough to have a TV set, it would have been particularly ironic to limit TV audience to those who can afford to spend \$5 or \$7 for an evening's entertainment.

We predict Bolshoi ballet will be seen on TV by largest audience ever to view a Russian ballet performance. This audience will be drawn from all walks of life, all economic strata. The performance will be sponsored by one or more top American corporations, which will get their money's worth. And it will be free to anyone who cares to watch it—but only because pay-TV's siphon got plugged up.

CBS MOVES FROM 'INTELLECTUAL GHETTO': TV's vociferous press critics probably won't be stilled, no matter what networks do or don't do by way of programming. But CBS Inc. pres. Frank Stanton, one of industry's most resourceful & articulate spokesmen, came up last week with at least one answer to one chronic complaint—that it's hard to find non-Western fare on TV except in the non-prime time of Sunday afternoons.

CBS-TV's prime evening time plan for regular monthly hour-long news shows "in depth" next season—as announced by Stanton in major speech at Ohio State U.'s Institute for Education by Radio-TV (see p. 9)—is big step out of Sunday "intellectual ghetto," as critics like to call it. And Stanton promised more of same prime-time informational programming—bi-weekly in 1960, weekly in 1961, in addition to usual news specials—"if networks are permitted to maintain their present structure."

Stanton beat no retreat for TV in face of "explosion of words" from critics, however. He welcomed "atmosphere of volatile & opinionated criticism," suggesting only that much of it lacks "perspective."

TV has to be more than an informational & cultural medium, Stanton pointed out. It must amuse, entertain, divert viewers, he said—"not just so that it can build a sufficient circulation to keep its financial house in order but also to become an accepted part of the everyday lives of the people."

House spectrum study by chairman Harris (D-Ark.) of House Commerce Committee (Vol. 15:17) will get under way at panel hearings June 8-9. A definite agenda for the sessions hasn't been set up—and Harris still hasn't picked a special staff for his survey—but panel participants will include spokesmen for OCDM, FCC, EIA, NAB. Purpose of preliminary hearings, a Committee source told us, "is just to see who is going to proceed and how" on uses of spectrum space.

"Scores" of members of Congress are backing the Hollywood AFL Film Council in its fight for a Federal law requiring all movies & telefilms made abroad & shown here to be so labeled in the main screen title. So claimed council pres. John W. Lehnert last week, adding that the council believes such action will help to solve acute unemployment problems caused by "runaway productions," i.e., those pictures which the council feels are made overseas simply to gain tax & other advantages such as lower wage scales.

The FCC

More about

ACTION ON EQUAL TIME: If FCC needed any excuses for reversing itself on its widely-protested 4-3 Lar Daly ruling—that the Federal Communications Act's equal-time Sec. 315 equates newscasts with political campaign speeches (Vol. 15:8-16, 18)—it got them last week.

In a memorandum to the Commission, Attorney General Wm. P. Rogers called for "reconsideration & reversal" of the ruling. "The question here goes to the heart of the effective operation of our system of govt.," he said in his 10-page brief. Rogers concluded that the Lar Daly doctrine "not only seems at odds with Sec. 315, but in effect runs counter to our time-honored goal of an informed electorate."

Rogers acted on instructions from President Eisenhower, who had already called the Chicago ruling "ridiculous" (Vol. 15:12). And added emphasis to the Administration's support of broadcasters on the equal-time issue was given at the White House, which announced filing of the FCC memorandum after Rogers had conferred there with the President.

Signed by Acting Asst. Attorney General Robert A. Bicks and ex-FCC litigation chief Richard A. Solomon as well as by Rogers, the Justice Dept. brief argued that the legislative history of the Communications Act—and interpretations by the courts & the Commission itself—run counter to the Lar Daly dictum:

"Sec. 315 does not support the holding that every time a candidate is shown on a regular news program, at the station's sole initiative, such showing constitutes a 'use' by him.

"Especially so since such a holding, by requiring the grant of equal time for all other candidates, might effectively bar all direct news coverage of important campaign developments. For, as a practical matter, this would make impossible successful news programming of a campaign."

The Rogers brief warned that "real benefit to the American people may be virtually eliminated insofar as news programs are concerned" because "stations cannot be expected to permit any candidate's appearance on a news program, however brief, if this will require them to afford equal time to all other candidates to use the station as they see fit."

It also said: "Generally speaking, radio & TV broadcasters have shown a sense of fairness & responsibility in their news coverage of political campaigns. But in any event the Communications Act, properly construed, imposes this general-fairness obligation, which the Commission has the duty of applying on the basis of common sense & informed experience."

There was no immediate official FCC reaction to the Rogers memorandum. And it's unlikely that the Commission will meet again on the Lar Daly issue until the scheduled return from Japan May 18 of Chairman Doerfer, who thinks Sec. 315 should be repealed (Vol. 15:12).

Pending Doerfer's return & disposal of specific questions raised by Rogers—and by similar briefs filed by CBS, NBC & ABC for the networks & their Chicago stations—the Commission also delayed giving Congress requested comments on a flock of bills to clarify Sec. 315.

Most sweeping of all the Sec. 315 measures (S-1858) was submitted last week by freshman Sen. Hartke (D-Ind.), a Commerce Committee member. Calling it the "fair political broadcasting code," Hartke said his bill is

"designed to promote the best interests of our freedom of expression and right-to-know heritage."

It would: (1) Exempt newscasts from application of Sec. 315. (2) Prohibit suits against broadcasters for anything said by candidates who use stations under equal-time privileges. (3) Define "legally qualified" minority-party candidates for President & Vice President to prevent "nuisance" politicians from enforcing equal-time demands.

Two networks, which were consulted by Hartke when he drafted his bill, applauded its provisions. "Most important forward step," said CBS Inc. pres. Frank Stanton. "Constructive effort to remove the shackles from American broadcasters," said NBC chairman Robert W. Sarnoff.

Meanwhile CBS arranged a private showing of a kind of one of Lar Daly's Chicago mayoralty campaign equal-time TV appearances for a dozen members of the House Committee in its offices. The purpose of the demonstration in committee offices was to show what Chicago stations had to put up with under FCC's ruling.

And Daly himself submitted an FCC affidavit charging that exec. asst. C. W. Doebler of CBS' WBBM-TV Chicago and his counsel Gale Robertson had uttered falsehoods in April 23 affidavits in the case. Daly said lie-detector tests should be given to all parties. He also demanded that FCC reject the Justice Dept.'s brief and give him a personal hearing.

Elimination of the much-abused "protest" procedure & its replacement by a "pre-grant" procedure of dealing with objections to station grants, is proposed in HR-7017, introduced last week by Rep. Harris (D-Ark.) at the request of the Federal Communications Bar Assn. The new procedure, amending Sec. 309, FCBA said, "Provides a method for reducing the possibility that the Commission will act erroneously by providing for consideration of objections before, rather than after, the Commission acts, but eliminates the power of protestants to compel hearings or oral arguments in situations where no useful purpose would be served thereby. In short, the proposed procedure will give the Commission ample discretion to dispose summarily of frivolous objections to a grant, but will require appropriate consideration of substantial objections before it makes a grant." The bill would require FCC to withhold action on an application for 30 days after public notice has been made of its acceptance for filing. The bill would also amend Sec. 405 to require FCC to act within 90 days on petitions for rehearing of grants made without hearing.

Temporary 3-year licenses for stations—giving licensees nothing to sell during the period—is one technique being considered by the FCC as a means of reducing the turnover in stations & curbing "trafficking" in licenses. The FCC staff has been studying the pattern of station sales—and the Commission may soon determine whether to institute rule-making or hearings on the subject. One Commissioner makes this comment: "It makes you feel kind of silly to pick an applicant in a competitive hearing because of certain qualifications, then see him turn around shortly & sell to someone who couldn't have won in the hearing."

Facility changes: WIS-TV (Ch. 10) Columbia, S. C. May 6 received program test authorization for boost to 316-kw, using 1526-ft. tower at new site. WSIL-TV (Ch. 3) Harrisburg, Ill. April 29 got program test authorization after operating on test basis on Ch. 3 since March 7 switch from Ch. 22. KSYD-TV (Ch. 6) Wichita Falls, Tex. April 29 was authorized to begin programming using new 1036-ft. tower. KHPL-TV (Ch. 6) Hayes Center, Neb. satellite of KHOL-TV Kearney, Neb., April 30 boosted to 100-kw.

More about

NORTON VS. LODGE (Cont'd): Although FCC allocations experts disagree with both his engineering & economic conclusions, the Bureau of Standards' Dr. Kenneth Norton doesn't retreat one whit from his argument that co-channel spacings down to 100 miles will give the nation more & better TV service than the current 170 (see p. 2).

Following are excerpts from Norton's May 1 letter to CBS v.p. William Lodge, answering the latter's attack (Vol. 15:16) :

"Note that the use of spacings designed to maximize the service area per channel, and thus maximize the total service provided to rural as well as urban areas, will in fact lead to a reduction of the service areas of the individual stations. In fact, if the 100-mile minimum rule were to be adopted by the FCC, the total area, both rural & urban, provided with services for each channel allocated to TV would be increased substantially over that now available. Furthermore, this desirable increase in the over-all area provided with service is accomplished by adding stations on each channel, thus making possible in addition, a larger number of different services in areas (both rural & urban) already provided with service.

"The price which must be paid for this increase in total service area & number of services available on each channel is a [usually small] reduction in the area covered by the individual stations although, in those few cases where the spacing would be as small as 100 miles, each of the 2 stations so spaced would have its individual area reduced to about a half of the area which it would have been able to serve if it were the only station on the channel, i.e., if it were a clear-channel station. Thus we see that, although our proposal does not represent any compromise at all with the public interest in TV since it provides for a greater coverage of both area & number of services, it would have the effect of reducing the service areas of individual TV stations. . . .

"In your letter you raise the question 'how can you be sure that theoretical "replacement" circles will actually be built in the areas losing service?' My proposal is simply that the FCC relax their present 170-mile minimum rule to 100 miles. In the unlikely event that no potential broadcaster availed himself of the opportunity of operating a station at closer than 170 miles, then it would appear that there is no economic support for such additional stations and consequently no possibility within the framework of the American free enterprise system of sustaining such additional stations. On the other hand, if it is economically feasible to operate such additional stations there will certainly be many applicants for the potential facilities.

"You also ask whether these new stations will carry 'equivalent programming.' I do not profess to know the correct answer to this very pertinent question. It is my own personal opinion that the operation of an unlimited number of competing broadcasting services is not necessarily in the public interest. Thus the division of a supposedly limited number of advertising dollars among many broadcasters may well lead to a deterioration of the quality of the service they provide.

"However, it is my understanding that the FCC, the majority of Congress and most of the industry all profess to believe that much more competition between broadcasting stations is desirable, and under these circumstances, my only responsibility is to devise technically efficient ways for accomplishing this objective . . . I know of no sensible way of catering further to the interests of the

rural viewers other than by maximizing the total area provided with service for each channel allocated. . . .

"Under our proposal many such additional signals would be made available and in no case would it be necessary to destroy any present service without the addition of a larger area of coverage by the new stations. In fact, the very essence of our plan is to maximize the coverage of area within the limits of economic feasibility. And our proposal envisages the determination of what is economically feasible by the individual investor rather than by the FCC. Even after our plan is adopted there may well be many sparsely settled areas in the U.S. where the viewer must still receive his service from distances of 50-100 miles and at even greater distances simply because the operation of TV stations in such areas is unprofitable; in such cases this long distance service would, of course, still be available since no interfering station would be constructed.

"However, if our proposal were adopted, no areas capable of providing economic support to the operation of TV stations would be deprived of good TV service. The present FCC policy is to protect from interference the large secondary service areas in which existing stations provide a barely satisfactory & intermittent service, and this forces the rural viewers to use this relatively unsatisfactory service; if our plan were adopted, such presently protected areas would be supplied with superior service from local stations. Thus, in a very real sense the present FCC policy actually deprives the rural viewers in many localities from having higher quality services and forces them to rely on service from stations 50 to 100 miles away."

Norton concluded by asking Lodge: "How do you propose to solve the TV coverage problem other than by maximizing the coverage of area?"

* * *

Assn. of Maximum Service Telecasters (MST) last week released the full texts of statements made to MST members during its March 15 meeting in Chicago by exec. director Lester W. Lindow, engineering consultant Howard T. Head and legal counsel Ernest W. Jennes. MST calls particular attention to Jennes' remarks about the economics of telecasting:

"The existing effective system of TV should not be torn down because of 'pie in the sky.' No new plan for future allocations should be adopted unless it is grounded in solid TV economics. For example, talk about 3 or 4 TV stations in every one of the top 200 TV markets in the U.S. is wholly unrealistic." Jennes cited FCC figures showing that 43% of the post-freeze vhf stations lost money in 1957, more than did in 1956. "Figures such as these," he said, "should certainly give pause to those who make charges of rich monopoly in TV station broadcast operations and who would tear down what we now have in the search for something they think is better." Copies of the report are available from MST, 1735 DeSales St. NW, Washington.

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Omnibus CATV-booster bill carrying out FCC-recommended Communications Act amendments (Vol. 15:17) has been introduced by Sen. Moss (D-Utah). Separate measures containing FCC's proposed changes have been submitted by Commerce Committee Chairman Magnuson (D-Wash.), but Moss said his combined bill is needed because enactment of any one of the 3 Magnuson bills without the others "will produce chaos in the broadcasting industry." A House companion (HR-6937) to the Moss bill was offered at the same time by Rep. King (D-Utah), and a similar measure was put in the hopper by Rep. Dixon (R-Utah).

THE FCC 'UNTOUCHABLES': Though it comes as little surprise, the 3-0 Court of Appeals decision in the St. Louis Ch. 2 case last week emphasizes that it becomes more & more touchy to talk to FCC members about more & more subjects. What the Court did was to vacate FCC's decision shifting Ch. 2 from Springfield, Ill. to St. Louis—on the grounds that KTVI principal Harry Tenenbaum should not have discussed the shift with Commissioners outside the record. Tenenbaum had contended that the law permits such discussions on rule-making matters while forbidding them in adjudicatory proceedings such as competitive hearings. KTVI now operates on Ch. 2, having received a grant to shift from Ch. 36 after a merger with competitors for Ch. 2.

Tenenbaum has never made any bones about his contacts with Commissioners. Before Harris investigating committee last year, he testified that he'd seen them many times, lunched with them—even given all of them turkeys in 1955 & 1956. The court duly noted all this, including the turkeys.

Court of Appeals ordered the FCC to conduct a hearing under a specially appointed examiner "to determine the nature & source of all ex parte pleas and other approaches that were made to Commissioners while the former proceeding was pending, and any other factors that might be thought to require either disqualification of some Commissioners from participating in the reopened proceeding or disqualification of some parties from receiving any award that may ultimately result."

The essential portions of the decision by Judges Edgerton, Fahy & Bastian, written by Edgerton, were as follows:

"The Commission & the intervenor contend that because the proceeding now on review was 'rule-making,' ex parte attempts to influence the Commissioners did not invalidate it. The Dept. of Justice disagrees. On behalf of the U.S., the Dept. urges that whatever the proceeding may be called, it involved not only allocation of TV channels among communities but also resolution of conflicting private claims to a valuable privilege, and that basic fairness requires such a proceeding to be carried on in the open. We agree with the Dept. of Justice. Accordingly the private approaches to the members of the Commission vitiated its action, and the proceeding must be reopened.

"We agree also that the Commission proceeding must be reopened for another reason. Agency action that substantially & prejudicially violates the agency's rules cannot stand. At the time of the proceeding, the Commission had no general regulations governing all rule-making. But when it proposed an allocation of TV channels to particular communities, it was its usual practice—followed in this instance—to prescribe a cut-off date before which 'any interested person . . . may file with the Commission . . . written data, views, or argument setting forth his comments' favoring or opposing the plan. By plain implication, this rule forbade submitting material to the Commission's members after the time for filing it with the Commission had gone by. The rule cannot be interpreted to permit parties to make off-the-record contentions that it forbids them to make on the record."

A switch of Ch. 16 & Ch. 22 from Temple to Austin, Tex., and Ch. 18 & Ch. 24 from Austin to Temple, plus the substitution of Ch. 18 & 30 for Ch. 16 & Ch. 22 in Corpus Christi, were sought in a petition filed with FCC last week by Austin Radio Co., which proposes to apply for Ch. 22.

MIAMI CH. 10 REHASH: "Discrepancies" in testimony were formally noted last week by Judge Burnita S. Matthews as the re-run of the celebrated Miami Ch. 10 case dragged through its 5th stop-&-go week in U.S. District Court, Washington.

Presiding at the criminal conspiracy trial of ex-FCC Comr. Richard A. Mack and Miami lawyer Thurman A. Whiteside on charges that they plotted to swing Ch. 10 to National Airlines' WPST-TV (Vol. 15:15-18), Judge Matthews made this observation after listening to govt. witness William Y. Stembler:

"From reading the Grand Jury record, there have been discrepancies of a substantial nature."

Head of the Miami Stembler-Sheldon insurance agency and life-long friend of both defendants, Stembler had been called by prosecutor J. Frank Cunningham to substantiate the Govt.'s charge that Whiteside had used the agency to channel money to Mack to help buy his Ch. 10 vote.

Under cross-examination by defense counsel, Stembler testified instead that an account held by Mack in the agency actually was used "to reimburse Mr. Whiteside for monies he advanced" to Mack. Cunningham protested that the testimony had taken the prosecution by surprise. Whiteside's lawyer Arthur J. Hilland complained that Stembler was being "bullied & badgered." And there were heated objections from both sides.

It was at this point that Judge Matthews observed from the bench that she was hearing tangled testimony—something that characterized the Miami Ch. 10 case all through House legislative oversight subcommittee hearings and a subsequent FCC rehearing last year. As the trial approached its 6th week, the Govt. still was trying to pin down meaning of a series of Whiteside-Mack checks.

Meanwhile FCC postponed oral argument in its own Ch. 10 proceedings to a date to be announced. Argument had been scheduled for May 21, but the trial will stretch far beyond that deadline.

Translator CPs granted by FCC last week: Ch. 76, Frostburg, Md., to Frostburg Community TV . . . Ch. 75, Point Arena, Cal., to Point Arena TV . . . Ch. 74, Pittsfield, Mass., to WWOR-TV (Ch. 14) Springfield . . . Ch. 72 & 76, Tucumcari, N. M., to uhf TV Assn. . . . Ch. 72, Maupin, Ore., to Maupin TV Corp.

Translator starts: Minn. double string of 3 stations relaying programs of Duluth's KDAL-TV & WDSM-TV to Bemidji, Minn., 139 mi. away, is scheduled to complete on-air adjustments (begun March 7) and begin full-time operation by May 15, reports fund director James H. Carrington. K70BG & K74AR, Deer River, pick up Duluth stations and relay them to K78AK & K82AF, Cass Lake, which retransmits them to K82AT & K75AM, Bemidji.

New AM application processing procedure adopted by the FCC (Vol. 15:15) is not only unfair & illegal but won't carry out FCC's objective of speeding processing, asserts the Federal Communications Bar Assn. FCBA last week asked the Commission to reconsider the new rules, and at the same time offered its own proposed procedure to hasten processing. Copies of FCBA's petition & proposal are available from Leonard Marks, Cafritz Bldg., Washington.

Facilities of WFAM-TV (Ch. 59) Lafayette, Ind. are being sold for \$65,000 to Sarks Tarzian Inc., which will also seek FCC approval for transfer of WFAM-TV's CP to Ch. 18. It is also asking for permission to remain silent for 60 days, starting May 15. Tarzian operates WTTV (Ch. 4) Bloomington and WPTA (Ch. 21) Ft. Wayne.

Networks

More about

TIE-IN PROBE KICKS OFF: The first week of FCC's network program "tie-in" hearing (see p. 2) was devoted to groundwork-laying & tone-setting. The Commission's broadcast bureau chief Harold G. Cowgill summed up the proceeding thus:

"In hearings before committees of Congress & elsewhere, allegations have been made that the networks, in some instances, tie the use of network time & facilities to programs owned or controlled by them or in which they have acquired a financial or proprietary interest." It is the FCC's duty, he said, to explore such charges exhaustively, but he was quick to add that "any attempt by Govt. to assume an active role in the selection of the program fare to be broadcast to the public would, in our view, be extremely unwise if not catastrophic."

Additional stage-setting was provided by FCC economist James B. Sheridan, who introduced a series of charts reflecting the growth of the medium since 1949—time sales, with breakdown between network, spot & local; networks' share of advertisers' expenditures; audience breakdown, by time period; network & station investment, etc.

Chief FCC counsel in the hearing is Ashbrook P. Bryant, from the office of network study, who traced the Commission's whole network investigation. He's assisted by James F. Tierney.

FCC's staff has its job cut out for it—analyzing the thousands of pages of exhibits offered by CBS-TV v.p.-gen. attorney Thomas K. Fisher, NBC v.p.-gen. attorney Thomas E. Ervin and ABC gen. counsel Mortimer Weinbach. By prior agreement, financial & other data of a possible "sensitive" nature is being kept confidential—although CBS did offer certain 1953-55 program expense-revenue figures (previously covered in greater detail in 1956 congressional hearings; see Vol. 12:28).

Anti-ratings crusade by Sen. Monroney (D-Okla.) got some more press ammunition last week. Following up a floor speech against "mumbo-jumbo" of TV audience measurement systems and ABC-TV's plans to drop *Voice of Firestone* (Vol. 15:18), Monroney used the appendix of the *Congressional Record* to cite columns by Anthony La Camera in Hearst's *Boston Evening American* and *Advertiser* which criticized TV network programming. "Surely the networks can, without help either from Congress or other outside critics, pry themselves loose from their supine slavery to the ratings," said Monroney.

Next U.S. Census should carry a series of "carefully selected questions to ascertain the American public's tastes in TV programming," suggested ABC-TV pres. Oliver Treyz May 7 to students & faculty gathered at the U. of Missouri's "50th Journalism Week." Bringing the census (which already checks TV set counts in a deal with A. C. Nielsen) into the TV research orbit, Treyz felt, would provide samples big enough "to eliminate any doubt in the minds of those outside the industry who question current rating procedures." There's still time to work out an arrangement with authorities, Treyz added, "because the U.S. Census will be going into the field next April." TV programming, Treyz added, should be designed to "provide what the public wants," and should not be developed primarily to please "critics who think they can determine arbitrarily what the people need & should get from TV."

Network Television Billings

March 1959

(For Feb. report see TELEVISION DIGEST, Vol. 15:17)

MARCH TOPS JAN. & FEB.: Gross time billings for March were 12.2% ahead of the same month in 1958, and the 3-month cumulative figures are an 8.9% improvement over Jan.-Feb.-March of last year.

March was also the best individual month of the year thus far, showing a gain of \$6,635,223 over February. The report for March:

	NETWORK TELEVISION					
	March 1959	March 1958	% change	Jan.-Mar. 1959	Jan.-Mar. 1958	% change
ABC	\$11,565,031	\$ 9,402,407	+23.0	\$ 32,236,569	\$ 27,013,004	+19.3
CBS	23,226,385	21,211,070	+ 9.6	66,161,853	62,715,826	+ 5.5
NBC	20,728,315	18,874,597	+ 9.8	58,081,996	54,004,023	+ 7.6
Total.....	\$55,519,731	\$49,488,074	+12.2	\$156,480,418	\$143,732,853	+ 8.9

	1959 NETWORK TELEVISION TOTALS, BY MONTHS			
	ABC	CBS	NBC	Total
January	\$10,647,078	\$22,129,248	\$19,299,853	\$52,076,179
February	10,024,460	20,806,220	18,053,828	48,884,508
March	11,565,031	23,226,385	20,728,315	55,519,731

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

NETWORK ACTIVITY

Purchase	ABC-TV	Sponsor & Agency
1/3 of 60-min. <i>Bourbon Street Beat</i> (Mon., 8:30-9:30 P.M.) eff. next fall.		Libby-Owens-Ford (Fuller & Smith & Ross).
<i>Cheyenne</i> in new weekly time slot for next season (Mon., 7:30-8:30 P.M.).		Johnson & Johnson (Y&R) eff. Dec. 14; Ralston Purina (Garneder) eff. Sept. 21; Nat'l Carbon (Wm. Esty) eff. Oct. 5.
60-min. special <i>The Golden Circle</i> starring Eydie Gorme & Steve Lawrence, Wed., Nov. 25, 10-11 P.M.		John Oster Mfg. Co. (The Brady Co.).
<i>Captain of Detectives</i> to debut Oct. 16 (Fri., 10-10:30 P.M.), starring Robert Taylor.		Procter & Gamble (Benton & Bowles).
4 renewals for <i>77 Sunset Strip</i> (Fri., 9:30-10:30 P.M.).		H. F. Ritchie (Kenyon & Eckhardt); R. J. Reynolds (Esty); Whitehall Labs and American Chicle, (Bates).
Renewal of <i>Ozzie & Harriet</i> (Wed., 8:30-9 P.M.)		Quaker Oats & Kodak (both J. Walter Thompson).
	CBS-TV	
New Screen Gems series <i>Undercover Man</i> for renewed Tues., 9-9:30 P.M. time slot.		Pharmaceuticals Inc. (Parkson).
Renewal of <i>Rawhide</i> (Fri., 7:30-8:30 P.M.). One of six participating sponsors. Eff. immediately.		Pharmaceuticals Inc. (Parkson).
Alt. sponsorship of <i>Wanted: Dead or Alive</i> (Sat., 8:30-9 P.M.) eff. in Sept.		Kimberly-Clark (Foote, Cone & Belding).
	NBC-TV	
Alt. sponsorship of <i>Fibber McGee & Molly</i> debuting in Tues., 8:30-9 P.M. spot.		Singer Sewing Machine (Y&R) and Standard Brands (JWT).
<i>Loretta Young Show</i> to continue Sun., 10-10:30 P.M.		Toni Co. (North) and Philip Morris (Burnett).
<i>Trouleshooters</i> Thurs., 10:30-11 P.M. Alt. sponsorship.		Phillip Morris (Leo Burnett); other half still available.
Renewal of half-sponsorship of <i>Howdy Doody Show</i> for 8th year, eff. June 13. (Sat., 10-10:30 A.M.).		Continental Baking (Ted Bates).
<i>The Challenge</i> (Sat., 8:30-9 P.M.).		R. J. Reynolds (Esty) and Chemstrand (Doyle Dane Bernbach).
<i>Tales of Wells Fargo</i> (Mon., 8:30-9 P.M.) for next season.		Procter & Gamble (Benton & Bowles) new order, and American Tobacco (Sullivan, Stauffer, Colwell & Bayles), renewal.
Renewal of <i>Wagon Train</i> (Wed., 7:30-8:30 P.M.) for next season.		Ford (Kenyon & Eckhardt and J. Walter Thompson); Nat'l Biscuit (McCann-Erickson); R. J. Reynolds (Esty).

Showdown Seen in NABET Dispute: A break this week in the 2-week-old labor dispute between NBC-TV & NABET seemed a strong possibility to observers in N.Y. on Friday.

Representatives of both NBC and the Natl. Assn. of Bcst. Engineers & Technicians, met Friday morning and afternoon in an "undisputed area" (i.e., outside NBC's picketed N.Y. headquarters). And, a follow-up meeting was to be held on Saturday, May 9. Neither side would comment directly on what had happened during the Friday session, but both sides indicated to us unofficially that such lengthy talks were "an encouraging sign."

The rift between NABET (with some 1400 members off the job) and NBC had, prior to the Friday session, been growing ever-wider during the second week of the dispute. At the RCA stockholder's meeting, May 5, NBC chairman Robert W. Sarnoff had reiterated NBC's feeling that the NABET work stoppage was "an unlawful strike in violation of the no-strike of the contract." Then, on May 6, NBC had notified the union and its membership that the network considered the contract "rescinded."

NABET's G. Tyler Byrne, dir. of network relations, promptly snapped back, telling us that "this is just a device to intimidate and scare us. There's no clause in our contract with NBC which would permit a unilateral cancellation."

Although meetings during the week between union & network, arranged by federal mediators, failed to produce agreement, industry observers felt the break would come soon through NABET's offer, May 7, "to enter into continuous meeting in an effort to resolve the issues honorably & fairly."

Such meetings in a deadlocked work stoppage are generally the start of final settlements, sources at NBC & NABET told us on an off-the-record basis May 8. The usual quota of side issues were raised last week, in the dispute.

On Wednesday afternoon, U.S. Steel Workers pres. David J. McDonald refused to appear in a filmed panel discussion with U.S. Steel's R. Conrad Cooper, exec. v.p., of issues in the steel wage negotiations when he noticed the camera was manned by an NBC news crew.

That same night Vice-President Richard Nixon & press secretary Jim Hagerty avoided crossing a NABET picket line at Washington's Mayflower Hotel to participate in the Emmy telecast (there were NABET pickets at the N.Y. & L.A. originating points, too) by simply skipping a dinner date with Winston Churchill and arriving before the pickets. Commented NABET in N.Y.: "Preference for management over labor."

And, the latest apocryphal gag making the rounds at NBC-TV was this: The quizmaster of one of NBC's live-on-tape daytime shows, during the usual warm-up, asked the usual question: "How many of you folks are in a TV studio for the first time?"—and 3 NBC cameramen raised their hands.

Direct affiliation of Yankee Network with Mutual is in the works, joint announcement by network officials stating preliminary arrangements have been completed. At present only Yankee key station WNAC, Boston, is affiliated with Mutual, alternately feeding Yankee and Mutual programs to other 26 New England outlets. Under new plan, both Mutual & Yankee will have own lines to each station. Yankee is a div. of RKO Teleradio Pictures Inc., operator also of WNAC-TV, WOR-TV N.Y., KHJ-TV Los Angeles, WHBQ-TV Memphis, and radio stations.

NBC's STATE OF THE UNION: "What's important to a network is not just how well you're doing in the top-10 ratings, or what nights of the week you have an edge," Robert W. Sarnoff, board chairman of NBC, told the May 5 meeting of RCA stockholders in N.Y. "The real measure is totality of service."

In answer to a stockholder query, Sarnoff gave a bullish forecast for the coming fall-winter season on NBC-TV. "We expect to be fully sold out by the start of the season," he said, pointing out, however, that NBC was "not in a race" and preferred to concentrate on "getting the right program for the right advertiser in every time slot." From the standpoint of sales orders on hand, NBC-TV is "ahead of the same position last year at this time," with the 1959 gross revenue "likely to be higher" than last year's.

Discussing network audiences, Sarnoff admitted that "there will be a triangulation of audiences and a levelling off" due chiefly to "strides made by ABC in some of its nighttime periods." He also said that "CBS has been ahead, frankly, in total audience," but added that "as far as ratings go, the NBC picture is good" and pointed to "NBC's strong position in daytime TV."

A big schedule of NBC-TV special shows was mentioned for the coming season, with "about 200" blueprinted. (Note: NBC's definition of specials includes some regularly-scheduled series, such as *Kaleidoscope* and *Omnibus*. The number of special NBC one-shots, therefore, may be about half the above mentioned figures. See Vol. 15:17.)

More big NBC news shows "established in depth & breadth rather than around an individual" were also promised, as well as educational, public service and other "diversified" show types designed "to satisfy the tastes of all audience segments." A heavy schedule of color TV shows was also promised.

"NBC," Sarnoff added, "is characterized by leadership over the years, and by a long-range view."

Another network issue was raised by shareholder Louis D. Gilbert, who wanted to know if NBC Radio was for sale. Replied RCA chairman Brig. Gen. David Sarnoff: "NBC is not for sale . . . no discussions, no negotiations."

(For other news of the RCA annual stockholders meetings, see p. 24.)

New libel trial for MBS commentator Fulton Lewis Jr., was ordered last week in Washington's U. S. District Court by Judge George L. Hart, who set aside a \$145,000 damage verdict awarded by a jury to Seattle educator Pearl A. Wanamaker (Vol. 15:6, 15). The judge said the award—biggest ever handed down in the court—"is so excessive as to shock the conscience and lead to the conclusion that the jury was influenced by passion or prejudice." Hart added that Mrs. Wanamaker no doubt was humiliated by a Lewis broadcast in which she was linked with Communists—but not \$145,000 worth. Lewis himself has described the broadcast as a "horrifying mistake." Granting a re-trial motion by Lewis' counsel Roger Robb, the judge said that Mrs. Wanamaker's reputation among her colleagues hadn't been impaired by the broadcast and that her lawyer, J. P. Tonkoff had made "highly improper" remarks in questioning one defense witness at the trial.

Immunity for newsmen against demands by federal courts & Congressional committees that they disclose sources of information is provided in a bill (HR-6650) by Rep. Adair (R-Ind.). It is similar to a measure (S-965) by Sen. Keating (R-N.Y.), (Vol. 15:7).

Educational Television

More about

'NEW APPROACH' FOR ETV: GE's Paul L. Chamberlain, who prophesied in 1958 that educational TV stations would outnumber commercial outlets within 10 years (Vol. 14:39), repeated his prediction last week—and sketched “a broad-brush proposal of how this can be done” with multiple-station school setups.

Addressing the 1959 Ohio State U. Institute for Education by Radio-TV in Columbus, the marketing mgr. of GE's technical products operation at Electronics Park, Syracuse, said it's time “to take educational TV out of the laboratory-proven stage & apply it full-scale to help solve the economic problems” of financially-pressed primary & secondary schools.

“Instead of concentrating on what we can do for one school, or for one community, by using one TV station,” Chamberlain suggested “utilization of a multiplicity of educational TV stations on a consolidated basis”:

“This system would spread simultaneous programs from several educational stations across many school districts from a central point. There would be at least 4 stations serving all school districts in a radius of 30 or 40 miles. Such a system could serve all grades, kindergarten through 12 in each school district.”

Chamberlain figured that his “new approach” would save taxpayers money—that schools served by such a system could build it for less than the average \$28,000 cost of one new classroom per district. He said that in his own Syracuse area, installation costs would work out to about \$14.81, operating costs \$8.42, annually per pupil.

Other headline speakers at the 3-day Ohio State Institute included chairman John P. Cunningham of Cunningham & Walsh, CBS Inc. pres. Frank Stanton, FCC Comr. Frederick Ford. The packed program also included a telephone interview by a panel of ETV specialists in Columbus with Chairmen Magnuson (D-Wash.) & Harris (D-Ark.) of Senate & House Commerce Committees, sitting in their Washington offices.

Cunningham resubmitted his Feb. proposal that advertising agencies get together with commercial broadcasters & educators behind an “operation headway” to spread ETV across the country (Vol. 15:7, 10). But he admitted wryly that he had not yet set fires of enthusiasm along Madison Ave. Reporting he had been “battered & chided” for “getting off the reservation,” Cunningham said he also had received offers of help from admen, and:

“I'm sure we'll undertake this problem, perhaps through the Advertising Council, and—whether we grab the ball and run with it, or walk it up & down Madison Ave., or run it up the flagpole—we'll help set the advantages of ETV before the national mind, so that it will desire to upgrade itself.”

Returning to the campus where he won a Ph.D. in 1936, Stanton used the Institute forum to announce CBS-TV's plans for prime-time informational programs next season (see p. 3). He also gave the 600 delegates a short course in the history of TV as a communications medium from the time it “burst upon our society, little more than a decade ago, almost in a state of full growth.”

“We have had to pay for the extraordinary speed with which TV has grown by an unavoidable failure to construct a sound perspective from which to look at the medium,” Stanton said. “TV continues to be the most conspicuous medium in America today. Everyone seems concerned with its achievements, failures, limitations, its excesses.”

Stanton concluded: “Historically it is the latest development in the long democratization of the arts. Politically, it is the most recent aid to informing the people of a democracy quicker & directly. Socially, it is another & perhaps more vivid example of the intense interaction that must go on between a mass medium & its total society if it is to be truly a mass medium serving everyone.”

Comr. Ford reviewed “allocation problems & educational TV,” observed that it's “significant” that while 32 of the 80 vhf assignments reserved for educational TV are now on the air, only 10 of the 162 uhf ETV assignments have been activated.

Ford had no sure solutions to offer for ETV's problems. But he said that FCC's proposed receiver-regulation law for all-channel sets (Vol. 15:16-18) is essential if any of its allocations alternatives is “ever to be transformed into a nationwide adequate system of TV in which education & commerce can be properly accommodated.”

In their remote interview, Sen. Magnuson & Rep. Harris talked about prospects for enactment this session of Magnuson's federal-aid-to-ETV bill (S-12) for \$51,000,000 equipment grants (Vol. 15:18). Magnuson urged speed by Harris in pushing the Senate-passed bill through hearings. Harris pointed out he'd scheduled hearings for this weekend, and planned to hold a panel discussion of the subject with educators some time in June.

* * * *

Annual Ohio State awards in the 23rd American Exhibition of educational Radio & TV Programs, held in connection with last week's Institute at the University, were granted in 7 TV & 10 radio classes. U. S. & Canadian entries in the competition for best programs totaled 651, of which 286 were in TV, 365 in radio. Top TV network citations: **Public affairs**, *Explorations*, CBC; *Meet the Press*, NBC; *Outlook*, NBC. **Children's programs**: “Art Carney meets Peter & the Wolf,” ABC; *Junior Magazine*, CBC. **Systematic Instruction**: *Explorations*, CBC; *Adventuring in the Hand Arts*, NBC & NET (National Educational TV & Radio Center). **School Telecasts**: *The Elizabethan Theatre*, CBC & Manitoba Education Dept. **Special Interest**: *Farmer Series*, CBC; *Catholic Hour*, NBC; *No More Strangers*, CBC. **Cultural**: *Explorations*, CBC; *Hallmark Hall of Fame*, NBC; *CBC Folio*, CBC; *Wisdom Series*, NBC; *Conquest*, CBS; *Guilty or Not Guilty*, CBC; *Once Upon a Japanese Time*, KQED San Francisco & NET. **Personal & Social Problems**: *Close-Up*, CBC; *Open House*, CBC; *Armstrong Circle Theatre*, CBS; *Outlook*, NBC; *20th Century*, CBS; *People Are Taught to Be Different*, KUHT-TV Houston & NET.

N.Y.'s Last ETV Class: Lack of funds will force N.Y.C.'s META (Metropolitan ETV Assn.) to suspend preparation of classroom material on June 30. With the N.Y. State Board of Regents, it has been telecasting 7 hours of classroom work weekly over WPIX Ch. 11 (Vol. 15:16). META will drop more than 35 employes, keep less than 6.

Next season, META will pursue a cherished goal: to acquire a vhf channel of its own. Its pres., Dr. Alan Willard Brown, told us last week that ETV cannot do a mass education job with uhf in N.Y. A fund-raising drive will start Oct. 1 under exec. comm. chairman Joseph S. Iseman.

E. A. Hungerford Jr., operations dir., returns from leave of absence to lead META. Dr. Brown has asked to be relieved of his duties to accept a Ford Foundation grant, to investigate foreign ETV & broadcasting. Program director Richard D. Heffner is leaving to do *Faces of Africa*, a series for National Educational TV & Radio Center.

Programming

EMMY (no stuffed-shirt she): Emmy's 42 awards were given out last week in N.Y., L.A. and Washington with predictable profusion, confusion, criticism—and high ratings. As everybody knows by now, one-time movie & stage idol Fred Astaire picked up 9 Emmys with his one special of the year, and Hallmark's dramatic "Little Moon of Alban" captured 4. Critic Jack Gould approved of this but feared that the total volume of awards made it possible for "potboiler programs" to be "effectively confused with quality." His view that the show "probably proved of greater satisfaction to the industry than the viewer" was not borne out by the Trendex 25-city report of its 34.2 rating & 60.6% share of audience vs. ABC's boxing, CBS' U. S. Steel show and other programs at that time.

Other N.Y. critics were hardly enthusiastic. Harriet Van Horne, *World Telegram & Sun*, said: "Last night's ceremonies had a warm, amiable quality but there were no dark horses and no suspense. It is always pleasant to watch people receive prizes, but I'd take a more joyous view of the Emmy Awards if (1) the nominating procedure were tidied up and (2) press agents and promotion men were denied the ballot."

Ben Gross, *Daily News*, wrote: "Despite the strike of cameramen & other technicians, televising of the complicated proceedings went off in a smooth manner, with only a few rough spots noticeable. And yet the impact of the program was blunted by the fact that there were Emmys for 42 categories with no less than 190 nominations . . ."

Bob Williams, *Post*: "The evening hardly distinguished TV as a creative medium." And Atra Baer, *Journal-American*: ". . . A generally fast-paced smooth show but . . . short of the excitement [of] the Oscar."

But perhaps the most significant point about this year's Emmycast was its demonstration of this industry's capacity for self-criticism—an element entirely missing from the Oscar (or for that matter, anybody else's) award ceremonies—and particularly noteworthy in a year when TV has demonstrated its first official sensitivity toward & taken its first formal steps to answer (NAB convention, Vol. 15:12) outside criticism. N.Y.'s staging of the gag presentation in which Elaine May gave an award to Mike Nichols for being the greatest mediocrity in TV (there was a reference to the production of "garbage") and his subsequent acceptance speech in which he talked of his unerring loyalty to his ideal—money—might just as well have been put on as a piece of partisan amusement at a convention of competing media. In a more gentle vein of self-criticism—and a notable apologia—NBC's Chet Huntley wound up the ceremony with these words:

"May I suggest some commendation for an industry which in 1958 & '59 amused & bemused, entertained, instructed, delighted, angered, achieved triumph and knew failures, filled many hours with entertainment or information, and wasted some, looked heroic on some occasions and foolish on others, and, indeed, did occasionally inspire . . . an industry which is self-critical and so unerringly aware when it has triumphed or when it has failed . . . an industry in which there is the freedom to be wrong or to make mistakes . . . which at least tries to reward its best & its finest . . . [and which is] in a restless search for technical improvement—For example the perfection of color TV, the triumph of both color and black & white,

video tape, and other technical achievements honored here this evening.

"A grudging encomium [too] for even our critics, bless 'em, in spite of their inconsistencies and frequent tendencies to march majestically backward from conclusion to fact. A eulogy for those of you who watch & listen, for your frustrating, inconsistent, and unpredictable demands or applause; for your unshakable refusal to permit your tastes & your preferences to be reduced to holes in a tabulating card.

"And finally, a restrained hosannah to those who, in the forthcoming year, will somehow manage to keep our moments of foolishness & mediocrity to a minimum; who, while realizing that every song to be sung is not likely to be a Puccini aria, that every word uttered will not be a Tennyson gem, that every canvas is not a Rembrandt, will still aspire to that exhilarating moment when he can say "this was our finest."

A truer picture of America will result if TV programs sold abroad incorporate more American ideals & thoughts, editor Merrill Panitt opined last week to the American Public Relations Assn., convening in Hollywood Beach, Fla. Programs now sent abroad are populated largely by "policemen, private eyes & good cowboys—often greatly outnumbered by gangsters, murderers & bad cowboys." He urged the U.S. Information Agency to work with TV producers on program content, and held that the agency's total budget of \$707,600 for overseas TV was "ridiculous" to tackle the task of working with the 435 TV stations & 23,161,000 sets in operation in those foreign countries which are West-oriented or neutral.

A deal for Bob Hope's NBC specials, to be sponsored by Buick again next season, is in negotiation. Hope, currently recovering from a blood clot, tells us he would like to limit his TV activities next season to about 6 shows, as compared to this season's 8. Buick wants the comedian to star in two 2-hour spectaculars in addition to hour-long shows, but the comedian has been ordered by his doctors to take it easy. "We'll probably compromise," Hope tells us. What does Hope have in mind for those 2-hour shows? "Book musicals. For one thing, I'd like to do 'Say When,' with Frank Sinatra or Bing Crosby," he says. Hope's agent, James Saphier, is representing him in the negotiations in N.Y.

Exemption of broadcasters and other news-gathering agencies from 10% excise taxes on private long-distance telephone circuits handled through switchboards and connected with other cities' systems is sought by NAB. News agencies & common carriers don't pay the excise on private circuits between cities, but the Treasury Dept. has ruled under the Excise Tax Technical Changes Act of 1958 that interconnected switchboard operations are subject to the tax. NAB chief counsel Douglas A. Anello has asked for a reinterpretation of the law to reinstate the exemption.

The Screen Actors Guild has voted approval of its national board of directors' recommendation to increase the size of the board from 39 to 52 members. The move will provide direct board representation for members in all cities where the Guild has active branches.

Elvis Presley has been signed to an exclusive TV contract by ABC in a deal negotiated by mgr., Col. Tom Parker: one special a year, to begin next spring when Presley receives his Army discharge.

Stations

NO RETREAT FROM CODE: Open warfare on NAB TV code rebels who persist in carrying disapproved commercials while displaying its seal of approval was declared last week by review board chairman Donald H. McGannon.

In his first public pronouncement on code defiance since he took on TV's self-policing assignment in March, the Westinghouse Bcstg. Co. pres. said.

"Anyone who seeks to use the code as a front, behind which he accepts or rejects its individual provisions according to the expediency of the moment, cannot expect to continue long to enjoy the privilege of displaying the seal of good practice."

McGannon's warning to recalcitrant code subscribers who refuse to drop such proscribed advertising as commercials for hemorrhoid remedy Preparation H (Vol. 15:17), came a week after NAB's TV board had cracked down on "several" rebels by withdrawing their seals (Vol. 15:18).

The review board chairman picked a meeting of advertisers—not broadcasters—to make his pronouncement. It came in a speech to members of the 5th district of the Advertising Federation of American in Huntington, W. Va.

At the same time, McGannon reported that with NAB's approval, the review board plans to open a West Coast office soon. He said the new code outpost will provide closer liaison with Hollywood independent filmed commercial producers. The review board office there will "counsel, guide & assist" the producers in adherence to code rules, McGannon told the advertisers.

Meanwhile in N. Y., the Ted Bates Agency, whose client American Home Products makes Preparation H, reported it had received no cancellations by stations of commercials for the code-offending patent remedy following the TV board's disciplinary action.

A spokesman for Ted Bates said NAB was making "a fundamental mistake" in objecting to the commercials.

By the agency's count, more than 140 TV stations were carrying the commercials at the end of April—and nearly half of them were reported to be code subscribers. Next NAB showdown on the Preparation H issue probably will come when the TV board meets again in Washington the week of June 15. No date for the review board's next meeting has been set, but it probably will convene in Washington just before the general sessions.

Broadcasting's biggest challenge "is to inform the people," NAB pres. Harold E. Fellows told the annual banquet of the radio & TV dept. at Indiana U., Bloomington. He said he didn't mean it's the responsibility of TV & radio to provide formal education. But broadcasters should furnish "regular & accurate reporting of current events, through the scheduling of discussions that will provoke thought and thus illuminate decision, and through the presentation of special features in all of the arts & sciences that will make the great lessons of life palatable & understandable to all of us," Fellows said.

New spot TV "cost summary," documenting a "trend toward the establishment of different rates for min. & 20-sec. announcements," was issued last week by the Katz agency, station reps. Of the 239 stations tabulated, 85 showed different rates for min. & 20-sec. announcements. "Up to 6 months ago," says Katz, "rates for these units were generally the same." Summary also includes Katz formulas for rapid estimating of spot TV budgets.

"Implementing" the PR Program: The job of raising some \$725,000 annually and figuring how best to spend it to enhance the public's "image" of TV (Vol. 15:18) is now in the hands of a top-notch committee of NAB board members: Clair R. McCollough, WGAL-TV Lancaster, Pa., chairman, C. Howard Lane, KOIN-TV Portland, Ore., Dwight W. Martin, WAFB-TV Baton Rouge, La., G. Richard Shafto, WIS-TV Columbia, S.C., Willard E. Walbridge, KTRK-TV Houston. The group meets in N.Y. June 2, reports to NAB board June 17.

The new committee is considering the recommendations of the special group, now disbanded, which was headed by C. Wrede Petersmeyer, pres. of Corinthian Stations. These included the following major annual expenditures: \$250,000 for staff (\$40-50,000 for top man), \$100,000 for advertising, \$120,000 for research—balance for special projects, mailing, on-air promotion, etc. The Petersmeyer group suggested that \$415,000 of the budget come from stations, \$175,000-\$200,000 from the combined networks (in addition to their o-&o stations' contributions) \$75,000 from NAB—and all other TV organizations would be invited to contribute, with the amounts to be determined.

NAB's TV finance committee for 1959-60 is headed by v.p.-managing dir. C. Howard Lane of KOIN-TV Portland, Ore. Other members named by NAB pres. Harold E. Fellows: John E. Fetzer, WKZO-TV Kalamazoo; Payson Hall, Meredith Publishing Co. (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, radio KRMG Tulsa); C. Wrede Petersmeyer, Corinthian Bcstg. Corp. (KOTV Tulsa, KGUL-TV Houston, WANE-TV & WANE Ft. Wayne, WISH-TV & WISH Indianapolis, KXTV Sacramento); W. D. (Dub) Rogers, KDUB-TV Lubbock, Tex. Chairman of NAB's general finance committee, of which Lane, Fetzer & Hall also are members, is Merrill Lindsay, radio WSOY Decatur, Ill. Others: Frank Gaither, radio WSB Atlanta; Joseph M. Higgins, WTHI-TV & WTHI Terre Haute; Rex Howell, KREX-TV & KREX Grand Junction, Colo.; Richard H. Mason, radio WPTF Raleigh; Robert L. Pratt, radio KGGF Coffeyville, Kan.

Support for editorializing by TV & radio stations has been voted by directors of the American Civil Liberties Union, reversing their position of 10 years ago which held that air editorials would be confusing & unworkable. The statement, made public by exec. director Patrick Murphy Malin, was formulated on recommendation of the group's radio-TV committee, headed by Thomas R. Carskadon, assoc. director of the 20th Century Fund. The ACLU saw a need for "the fullest exchange of information & opinion" in today's turbulent world—but held that stations should clearly identify editorials, and permit responsible opponents to be heard, if the opportunity is sought.

Nasty word? The adjective in "mass media" should be dropped from broadcasters' vocabularies and replaced by "popular," NAB broadcast personnel & economics mgr. Charles H. Tower suggests. He told the Mo. Bcstrs. Assn. at a meeting at the U. of Mo., Columbia, that "mass" has become "almost an epithet" when applied to TV & radio. "Popular" would be more properly descriptive of media's "wholehearted acceptance" by the public, he said. Amen!

Radio daytimers who want to change operations from sunrise-sunset to 6 a.m.-6 p.m. have another House champion. Rep. Moulder (D-Mo.) introduced a bill (HR-6868) backing the new time as proposed earlier (Vol. 15:18) by Rep. Shipley (D-Ill.).

Space Relays Next Year? Hope for orbiting TV relays "by the end of 1960" was expressed by Presidential aide James C. Hagerty May 9 in a special "Salute to Radio Month" program on Mutual network. "It would be the greatest thing for worldwide understanding," he said. "This would overcome the barrier of language. If you can telecast an image, you can readily interpose a brief explanation in the proper language over that picture. But the picture itself will tell the story."

CBS News reported that AT&T and the Japanese telephone company have agreed to build the longest underwater telephone cable in the world—stretching 4300 miles from Hawaii to Japan. The project was said to have been broached to FCC Chairman Doerfer, who was asked if the U.S. was interested in countering a Russian offer to link Japan with Western Europe by microwave via Siberia. Although the cable won't accommodate TV pictures, a microwave link eventually could be modified to carry them.

Also last week, the House Committee on Science & Astronautics, under Chairman Brooks (D-La.) issued a report, *Satellites for World Communication*, which concludes: "Significant success has been achieved in critical steps of this military program, and completion of the first worldwide communication network based on the use of satellites for transoceanic links appears probable within the next 4 years. Commercial applications in this field are proceeding at a more cautious pace. This is quite understandable since the feasibility of several possible technical approaches has yet to be demonstrated. Hardware will be designed and built to take advantage of the results of such investigations. Until these things are done, the communication industry is in no position to expend large amounts of money in duplicating the efforts of govt. agencies."

Westinghouse is extending its coverage of major news events and will participate, with the networks, in reporting the forthcoming foreign ministers' conference in Geneva. Rod MacLeish, WBC's European news bureau chief will tape for WBC AM & TV stations, on-the-spot news events, interviews with conference delegates. KDKA newsman Al McDowell is currently covering the United Steelworkers of America conference negotiations which opened May 5 in N. Y. James V. Sheean has been named WBC Far Eastern correspondent, with his first assignment a series of TV-radio specials on India & other Asiatic areas.

Puerto Rican communications center costing \$15 million will be built by *El Mundo* (WKAQ-TV & WKAQ) on a 15-acre site 7 miles from San Juan's downtown center. Newspaper & broadcasting facilities, including film processing & dubbing labs, will occupy half of 500,000 sq. ft. provided by the development, which is designed by Cleveland's Austin Co. and scheduled for occupancy in 1961.

Two new commercial stations are scheduled to be built by Britain's Independent TV Authority (ITA) next year to cover Devon & Cornwall in Southwest England. They'll both be programmed by the same contractor, to be selected this year, and programming is expected to begin late in 1960.

British commercial TV station in Dover, due to start late this year or early in 1960, will be programmed by Southern Television Ltd.

News & selling are broadcasting's "2 major employment needs," mgr. Charles H. Tower of NAB's personnel & economics dept. told the annual banquet of the radio & TV dept. of U. of Kan. at Lawrence.

Triple (spot) Threat: Stations that triple-spot video schedules may be boycotted by a group of top agencies, in addition to any actions that may be taken by the NAB's TV code review board. The N.Y. Advertising Media Planners, a group of media buyers from more than 3 dozen agencies, met May 5 to exchange suggestions for cracking down on stations scheduling too many TV spots back-to-back, and to compare lists of prime offenders.

A "tidy overall gain" for radio in 1959 is predicted by RAB pres. Kevin B. Sweeney—"whether or not the volume of business from national advertisers rises as sharply as we expect it to in the last half of the year." He thought the gain would come, as it has in most cities during the first 4 months of 1959, from greatly increased use of radio "by all types of retailers." He said automobile advertisers had become local radio's principal customer, displacing supermarkets—although not, he said, because supermarkets are spending less. Addressing RAB sales clinics around the country, he said summer business is running at an all-time high, with soft drink advertisers especially active.

Suit against Edward Lamb for \$500,000 in legal fees was filed last week in Lucas County Common Pleas Court, Toledo, by Washington attorney Russell M. Brown, who defended the renewal of Lamb's license for WICU Erie, Pa. during FCC hearings. The hearings examined allegations that Lamb had lied to the Commission when he stated he had never had any sympathy for Communism. Lamb won the case, retained his license (Vol. 13:24). As a member of McGrath & Brown, Brown was Lamb's chief counsel. He has since established a separate practice.

Sale of WEAR-TV (Ch. 3) Pensacola, Fla. to Rollings Telecasting Inc. for \$1,400,000 by Charles W. Smith, Mel Wheeler and associates (Vol. 15:14) was approved May 6 by FCC. New owner, applicant for Ch. 12 Wilmington, Del., also operates WPTZ (Ch. 5) Plattsburgh, N. Y. and a string of 7 AM stations.

Three-station TV tower in Baltimore (Vol. 13:6, 14:42, 15:13) has been completed by Dresser-Ideco, and RCA engineers have begun electrical checkout of the antennas. The candelabra-type tower will be used by WBAL-TV, WJZ-TV and WMAR-TV.

One-time GOP presidential candidate Alf M. Landon, is owner of KSCB Liberal, Kan. which has applied for a new radio station in Dodge City, Kan. to operate on 1550 kc, 1-kw daytime. Landon also owns 16-2/3% of WREN Topeka.

"Look for a room with a radio" in hotels & motels is NAB's slogan for a summer vacation season promotion campaign featuring a series of spot announcements distributed to 1900 radio members. Typical spot says: "The best hotels & motels have a radio in every room . . ."

Weather program with trimmin's is offered advertisers on ABC's WBKB Chicago. Purchasers of 13-week, 5-min. TV cycle get free booklets in quantity on radar prediction, imprinted with advertiser's sales message, for passing out to customers. WBKB also lends animated lobby display.

Purchase of WXIX (Ch. 18) Milwaukee by Gene Posner & Assoc. from CBS for \$50,000 (Vol. 15:13 & 16) was approved by FCC May 7.

Call letter change: KGUL-TV (Ch. 11) Houston, Tex., changes to KHOU-TV June 1.

First ETV station to join Assn. of Maximum Service Telecasters is WGBH-TV (Ch. 2) Boston.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.
WALTER H. ANNENBERG, President

PUBLICATION OFFICE

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WEEKLY NEWSLETTER TV & AM-FM ADDENDA
Published Saturdays Published Saturdays

WASHINGTON BUREAU

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Washington 5, D.C.
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MARTIN CODEL

Associate Publisher

AM-FM DIRECTORY
Published in January

TELEVISION FACTBOOK Published in March and September

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Personals: Wayne Kearn named mgr., KENS-TV San Antonio, succeeding Albert D. Johnson resigned . . . Anthony (Bob) Hennig, ex-NBC dir. of live operations, appointed v.p. in charge of video tape & closed circuit operations, Sports Network . . . William G. Mulvey, ex-program dir., WFBG-TV Altoona-Johnstown, Pa., named program dir., WNHC-TV Hartford-New Haven, Conn. . . Peter Onnigian, chief engineer of KXTV Sacramento, resigns to join Jampro Antenna Co. and Sacramento Industrial TV Corp.

Erik Diesen, TV producer of Norsk Rikskringkasting (Norway) and Luis B. Quintos, chief studio engineer of Philippine Bcstg. Service, now in U.S. studying TV techniques at KVOO-TV Tulsa & WTMJ-TV Milwaukee under State Dept. cultural exchange program . . . Charles Bell Jr., v.p. of Conn. State Network and ex-station mgr. of WHAY New Britain, Conn., named exec. asst. to gen. mgr. Edward D. Taddei of WHCT (Ch. 18) Hartford.

John R. O'Brien promoted to deputy director, Voice of America, succeeding Gordon Ewing, now public affairs office, Vienna Austria . . . Frank Harms, ex-WNED-TV Buffalo, N.Y. (educational), named TV program dir., WRCV-TV Philadelphia, effective May 15 . . . Harry Diner, ex-KPIX San Francisco, appointed San Francisco sales mgr., TV Advertising Representatives . . . Martin Minney, partner in the San Francisco law firm of Heller, Ehrman, White & McAuliffe, named Ampex v.p. & general counsel.

Arthur Casey, sales mgr., radio KSD St. Louis, has also been named to new post of station mgr. . . . Walter Schwartz named sales mgr. of AM Radio Sales Co.'s new Detroit office in Penobscot Bldg. . . . Wm. Hobbs promoted to local sales mgr., WFAA-TV Dallas . . . Jack R. Gennaro promoted from regional sales mgr. to station mgr. of WFRV-TV Green Bay, Wis.

John V. B. Sullivan named gen. mgr., radio WNEW, succeeding Richard D. Buckley, who has resigned his connections with Metropolitan Bcstg. Corp. and sold his stock interest to a syndicate of investors . . . Art Gross, ex-Guild Films, named Flamingo Telefilm Sales v.p. in charge of syndicated film sales.

George Cyr, ex-program dir. of WRCV-TV, Philadelphia, named exec. producer of Al Kane Productions, same city . . . Edwin C. Wilbur, NBC-TV supervisor of network liaison, retires May 31 after 30 years with NBC . . . Allen R. Cooper, NBC mgr. of markets & media, appointed to Advertising Research Foundation's 5th Annual Conference Program Committee.

"Pulitzer Prize for TV" proposal was reactivated last week in a letter to Dr. John Hohenberg, of the Pulitzer advisory board, from TvB pres. Norman E. Cash, who said "I earnestly hope that this overdue step will be taken in the near future." The original proposal came from NBC chairman Robert W. Sarnoff who suggested a Pulitzer prize in the category of TV drama, but was overlooked by the Pulitzer committee on the grounds that TV drama is "included in other prizes available to TV." Said Cash: "That other groups also award prizes (to TV drama) is academic . . . the fact remains that a Pulitzer prize for an accomplishment in any medium is singular."

Late Show feature showcase on WCBS-TV N.Y. will try something new on May 23: Sponsorship of all commercial breaks in a 105-min. feature film by a single advertiser, Schaefer brewing. For the occasion, *Late Show* title will be changed to *Schaefer Award Theatre*, and a Schaefer jingle will be used as signature theme. Due to be screened: "It Happened One Night," 1934 Oscar-winner starring Gable & Colbert.

Precedent-setting TV coverage of Mass. Gov. Foster Furcolo's bi-weekly news conferences, now open to electronic journalists, drew a large group of TV-radio newsmen with film & tape equipment May 5. Commenting on Gov. Furcolo's decision to allow TV coverage, Mass. Bcstrs. Assn. pres. W. C. Swartley called it "another milestone in the continuous progress of TV-radio news coverage."

New FTC nominee, named by President Eisenhower to serve out the unexpired term of resigning chairman John W. Gwynne (Vol. 15:15) until Sept. 1960, is FTC gen. counsel Earl W. Kintner. He joined FTC in 1948, served as trial examiner & legal advisor before being promoted to the counsel's post in 1953.

Live TV of legislative debates in Albany was advocated last week by Michael H. Prendergast, N.Y. State Democratic chairman. Alluding to the "widespread interest in the TV coverage" of Congressional hearings, Prendergast said televising the state body's deliberations would bring it closer to the people.

"News Pictures of the Year" second prize in the general news category has been won by photographer Bill Martin of WGAL-TV Lancaster, Pa. in the annual competition co-sponsored by the National Press Photographers Assn., U. of Mo. and *Encyclopedia Britannica*.

Obituary

Roger S. Littleford Sr., 72, chairman of Billboard Publishing Company, died May 7 of leukemia at Fort Thomas, Ky. Surviving him are his widow, 2 sons (Roger S. Jr. and William D.—present *Billboard* publishers), 2 daughters, a brother, sister and 9 grandchildren.

Clark M. Agnew, 53, pres. of the N.Y. TV consulting & producing firm bearing his name, and creator of the Old Gold dancing packs TV commercials, died May 2. Surviving are his widow and 2 sons.

Cecil D. Mastin, 73, former v.p.-gen. mgr., WNBC-TV Binghamton, N.Y., died April 27 in Sarasota, Fla. He is survived by his widow.

J. Battista Cella, 78, pres. of Cella Vineyards (Napa wines), and father-in-law of NBC v.p. Lloyd E. Yoder, died April 19.

Walter Paschall, 48, promotion mgr., WSB-TV & WSB Atlanta, Ga., died May 5 of a heart attack in Savannah.

Advertising

PROTECT THAT PUNCH! Is viewer resistance to commercials stiffening? Yes, says Horace S. Schwerin, pres. of Schwerin Research Corp., who sees trouble ahead for TV advertisers unless they improve their sell.

"The average effectiveness of all commercials was down significantly in 1958 from the averages for the preceding 2 years," Schwerin told an audience eager to hear of the latest trends in U.S. video—the 44th annual conference of the Assoc. of Canadian Advertisers, held in Toronto May 5.

"Not only was effectiveness down, there were more commercials that were relatively or absolutely ineffective," he added. "This trend toward the mediocre was not just a phenomenon of U.S. TV either. We found it to be the pattern in Canadian and British TV as well."

Having tested, in the last few years, more than 13,000 different TV commercials before a total audience in all 3 countries of some 1,250,000 panel members (a sample whose size, Schwerin felt, "should satisfy even the most rigorous statistician"), Schwerin offered 4 factors "which may have contributed toward the conditions."

1. **Viewer resistance:** This "is the spectre that haunts every TV advertiser," since it means the viewer will "at the moment the commercial appears on the home screen, tune it out—either actually or mentally." Such a tendency "has become more frequent" in the U.S.

2. **"Borrowing" ideas:** The tendency of agencies & advertisers to copy-cat a clever commercial idea is diluting the effect of TV commercials, "leaving the originator's idea devalued & dimmed through imitation."

3. **Increased competition:** "With a multiplicity of brands vying for the viewer's attention, and an increasing number of commercials for a brand, it becomes increasingly difficult to create a unique sales idea for any one brand. Yet that is precisely what the creative advertiser must do to escape the slough of mediocrity."

4. **Abuse of techniques:** TV commercials which are blends of live action & animation "were extremely effective as a group." Commercials that relied on demonstration devices, however, "showed a marked decline in average effectiveness." They are particularly apt to lose their punch when advertisers plagiarize what has originally been a strong image. ("Which of us have not reacted wearily to such clichés & tired metaphors as the cast iron stomach, 'Secret Ingredient X-234,' the 'independent' research laboratory findings, the bandwagon appeal of 'Everyone is switching to . . .,' the gigantic number—'Over 15 million housewives,' '500,000 filter traps . . .,'—or the pseudo-scientific claim, as in 'Electro-oscillameter tests prove . . .?')")

Another major threat to TV commercial effectiveness cited by Schwerin was in the basic realm of products themselves, since "technological change is threatening the very existence of a number of products." With products "unknown 15, 10, even 5 years ago" garnering large shares of many consumer markets, advertisers must find the "vital promise" of their merchandise because "all of the outstanding commercials we have studied have this in common: a vital promise convincingly communicated," said Schwerin. "A new product with a vital promise offers the greatest potential of gain. Next would be the improved product, where the vital promise would produce lesser effectiveness. The least effective possibility is the established product which invokes a new vital promise."

Concluded researcher Schwerin: "The function of the creative imagination in TV advertising is to produce the

fresh, bright image that will best set off a product's vital promise to the viewer. In the sort of economy in which we live—marked by the wasting away & death of established products, and the fierce competition among both old & new products for a place in the marketing sun—creativity is not just one of alternate paths to the promised land. It is the price of survival itself."

* * *

"Drastic downturn" occurred during 1958 in the ability of auto commercials to convince audiences, Schwerin Research Corp. tells us, as a P.S. to the above. The drop paralleled the generally lackluster sales performance of Detroit models. Using 1956 as an index of 100, Schwerin found that "relative effectiveness" of TV auto commercials among men & women climbed to 136 in 1957, then plunged down to 36 in 1958. The most effective auto commercials, Schwerin researchers say, "have not emphasized power, speed or size, but have associated the car with pleasant, easy-going TV-personalities."

* * *

But how does Schwerin reconcile its picture of declining commercial effectiveness with the generally upbeat product sales & relatively few squawks reported by major TV advertisers? We put this question to Henry B. Newell, v.p. of the Schwerin office in N.Y., who replied:

"TV is just one of the factors influencing product sales. In an expanding economy, the effect is not immediately obvious. Advertising tends to seek improvement when selling is tough, not when it's easy. It's our feeling that advertisers would sell more goods if commercials were better—not that they're unable to sell at all. A tightening of the economy would quickly show up ineffective commercials, [but] strong commercials would continue to do a job."

When we asked how Schwerin determined "effectiveness" of commercials, we were told that one method is a measure of "competitive preference," in which panelists are asked to indicate—before & after viewing a commercial in program context—which of a list of major brands they'd like to win at a drawing held at the session. Shifts in attitude, conditioned by the commercial, measure effectiveness. Another measurement is "unaided remembrance," in which panelists are requested to write down all the details they remember about a commercial.

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Shifting Advertisers: The "top 100" newspaper advertisers moved more heavily into the TV camp, and lessened their newspaper expenditures during 1958, TvB finds. Gross TV time, including spot & net, sold to these advertisers went up 15.9%, while their newspaper buy decreased 4.5% from 1957. Both General Motors (top company in newspapers) and Procter & Gamble (leader in TV advertising) increased their TV expenditures, while cutting back in newspapers. Here's the comparison:

Advertiser	1958	1957
100 advertisers—		
Newspaper space	\$364,000,000	\$381,151,000
TV time	581,983,460	502,137,986
General Motors—		
Newspaper space	34,603,336	52,390,306
TV time	22,115,436	14,286,067
Procter & Gamble—		
Newspaper space	6,972,897	7,939,655
TV time	84,471,707	72,962,855

Life magazine drops its newsstand price to 19¢ from the present 25¢, with the June 1 issue. For the past 2 years, the magazine has been sold experimentally in limited areas with 15¢ and 19¢ cover prices.

Advertising People: Hunter S. Bell, former Southeast regional mgr. for bottle sales, named v.p.-adv. mgr., Coca-Cola Co. . . . Clemens F. Hathaway, ex-dir. new products dept. of General Foods Corp., named v.p. & management supervisor of Sullivan, Stauffer, Colwell & Bayles, N. Y. . . . John Kuneau, onetime Philco PR v.p., now Grey Adv. v.p., elected to Grey board along with v.p.'s Edward Myer & Jerry Stolzoff.

Paul Freyd, BBDO marketing dir., and Robert J. Stefan, mgr. of Hollywood office, elected v.p.'s . . . E. B. Ferree named Kenyon & Eckhardt Toronto office mgr. He also succeeds George B. Macgillivray as v.p. of K&E's Canadian operations.

J. Raymond Lenahan, v.p. & special asst. to the pres., Grant Adv., will resign on or before Aug. 1 . . . Grant H. Keeler promoted to adv. mgr., Fels & Co. . . . Robert H. Schmelzer, ex-BBDO, appointed v.p. & management supervisor, Benton & Bowles, effective June 15.

Richard W. Tully, sr. v.p. in charge of operations, Foote, Cone & Belding, N. Y., also takes over duties of western offices, following resignation of Arthur A. Bailey . . . Jack Landis, ex-NBC research development mgr., appointed to the research dept. of J. Walter Thompson.

John L. Lowden, ex-Erwin Wasey, Ruthrauff & Ryan, named adv. mgr., General Dynamics Corp. . . . Stan Sauerhaft, ex-McCann-Erickson affiliate, Communications Counselors, named v.p. & dir., Howard Chase Assoc., PR firm . . . Peter Golick appointed v.p. & gen. mgr., new Montreal office of Grey Adv.

Edward J. Garvey, ex-J. M. Mathes, named Lennen & Newell v.p. . . . Reg W. Twiggs, West Coast v.p.-mgr., McCann-Erickson, resigns, effective May 31.

ARB Extends Service: Total homes in the U. S. "that are able to receive any TV station whatsoever," will be reported by ARB next fall from data extracted simultaneously from its total area reports, says dir. Jim Seiler. Daily & weekly viewing by stations or clusters of counties will also be reported.

Further ARB plans: An increase for its metropolitan market reports, total to exceed 150 before the end of 1959; surveys of homes reached by stations outside of the particular market surveyed; reports of total no. of persons who tune in a particular station at least once, daily & weekly; daily & weekly newspaper circulation in the home. A new Univac automatic computer will be installed in ARB's Beltsville, Md. headquarters in mid-August, which will "speed up market survey computing to from 12 to 15 markets per day," states Seiler.

Paint, varnish & protective coatings rang up their highest dollar volume in spot TV during 1958 (figures for this commodity were first recorded in 1956) reports TvB, on the basis of data from N. C. Rorabaugh Co. National brands & regional brands put \$1,184,600 into station coffers for spot, a 4% increase over 1957, and a 33% rise over 1956. Early-evening was the favorite spot buy, getting more than 50% of the total investment.

Foreign directory of ad agencies & market research organizations in more than 80 countries has been compiled by the Commerce Dept.'s Bureau of Foreign Commerce.

Obituary

E. Graham Nickerson, 54, v.p. & asst. to the pres., Compton Adv., died of a heart attack May 2. He is survived by his wife, mother, brother and 3 sisters.

Film & Tape

AMPEX's NEW VTR: Ampex Corp. unveiled its new Videotape recorder model VR-1000B (Vol. 15:18) last week and announced deliveries will begin next month. Although tapes made on the previous VR-1000 are completely interchangeable with those made on the new model, professional products div. mgr. Neal K. McNaughten said tighter quality control has resulted in a guaranteed signal-to-noise ratio of 36 db as opposed to 30 db for the previous model.

McNaughten said the new machine—whose appearance is virtually identical with the original version—"offers specific improvement" in the quality of tape copies or duplicates by means of an RF-RF interconnection between the playback unit & the copying recorders which eliminates some electronic components normally required to convert the video signal into a form which magnetic tape will accept.

These new features have been added: (1) Faster tape start, bringing tape to full operating speed in 2 seconds vs. 5 seconds in the current model. (2) Automatic brake release, permitting quicker threading & splicing. (3) Tape playback speed control, to permit lip-sync of 2 video tape recorders or to synchronize video recorder with an external audio recorder.

Among other innovations are: (1) A head-life indicator, indicating remaining operating life. (2) Direct metering to 38 power-tube points for service checks. (3) More accessible controls. (4) Improved switcher & demodulator design. (5) Protective circuits to indicate to the operator the location of any trouble. (6) Adjustment "memory" to indicate original dial settings during subsequent adjustments. (7) Easier access to components.

The VR-1000B includes several built-in features not included in the VR-1000, such as cue & erase, tape timer and full video, audio & waveform monitors with pushbutton monitor selector panel. The new recorder is priced at \$52,950 vs. \$45,000 for the VR-1000. Included in the price is free service supervision for an entire year.

Faster Color Film for TV: A newly developed faster professional color film stock offers TV commercial & package producers "lower color TV film production costs," "more scenes at one shooting," and "added profit potential from anticipated TV reruns in color."

So stated Eastman Kodak officials May 4 at simultaneous New York-Hollywood demonstration screenings of prints made from Eastman Color Negative Film Type 5250, a high-speed color stock developed after 3 years of experimentation.

Secret of the new film (available in 35-mm size, as well as wider versions for Todd-AO and other theatrical uses) is its ASA exposure index of 50 tungsten and 32 daylight, a speed increase which Kodak states will allow film to be shot "in half the artificial illumination or sunlight required by presently used materials."

Previewed last week also in Miami at the annual convention of Society of Motion Picture & TV Engineers, Type 5250 raw stock will be available in "unlimited" quantities after July, and on a special order basis meanwhile, according to Edward Peck Curtis, Kodak v.p. in chg. of professional motion picture sales.

Dore Schary, speaking at RTES luncheon in N.Y. May 13, will discuss & analyze differences & similarities in TV, movie, and theater production.

More about

TOO MANY PILOTS: With sentiment growing steadily among Hollywood producers against the big gamble of making of pilots, one company may hold the key to the future. That's Warner Bros., which has sold 2 hour-long series for ABC showing next season solely on the basis of presentations. No pilots were made. If successful, these ventures will unquestionably spur a trend toward presentations instead of expensive pilots.

The independent producer simply hasn't the money to make endless pilots. For example, Blake Edwards, independent producer of the successful *Peter Gunn* series, has a new hour-long Western series—*Rango*—in mind. But it would be a color series and expenditure would be great. Moreover, Edwards feels his approach to the series could not be adequately explained in a pilot. So he has prepared a presentation (cost \$3000). For a second show, a half-hour venture, he will make a pilot, however.

Here's what leading Hollywood producers told us about the pilot situation:

Martin Manulis, in charge of production, 20th-Fox TV: "Too many pilots aren't worth making. Some bad shows are sold, and some good ones aren't. But in most cases unsold pilots were not good enough in the first place. In a great many cases, the pilots aren't justified. If producers used more discrimination, there wouldn't be such a loss. A lot of pilots are being made by people—not the majors & networks—who are totally unqualified."

Bob Sisk, (*Wyatt Earp*): "Quit making the stuff that isn't solid to begin with. They're shooting in the dark. A lot of it isn't researched or carefully prepared."

Howie Horwitz, (*77 Sunset Strip*): "The only solution I can see is confidence in the production company. Warner Bros. sold *Bourbon Street Blues* and *Diamond Head*—each firm for 26 weeks, with 2 sponsors, without pilots. Warner Bros. has another project, *The Alaskans*, also with no pilot. In the case of 'Blues' and 'Diamond,' Warners had no format or cast, but the sponsors said 'Give us a show like *Sunset Strip*.' An independent like Don Sharpe, who was the motivating force behind *Four Star* and *I Love Lucy*, has a fighting chance to sell an idea without a pilot. Sponsors & agencies should invest in the company or individual, just as 20th-Fox invests in George Stevens when they give him money to make a picture."

Wilbur Stark, (*Colonel Flack*): "I see no solution. Everybody who has an idea thinks he has a . . . hit."

William Sackheim, exec. producer, Screen Gems: "I don't know if there is a solution. Eventually producers will make fewer shows and concentrate their efforts. Fewer pilots will mean a better chance to sell. Producers must concentrate on quality, not quantity. They must set trends, not follow them."

Vincent Fennelly, exec. producer, Four Star: "They shouldn't be gambling. I'm bailed out before I start. I use my pilots on our various series."

Mike Meshekoff, (*Steve Canyon*): "You can't quit making pilots. It depends largely on what the structure of the business will be in the future. The big power play is on at the majors—they're spending money like it was going out of style, and doing a helluva job. This may discourage the independent from spending all that money. In the future, 90% of the business will be done by the major studios & major TV companies such as Revue and Desilu. The independent will then be reluctant to put up money for pilots. When a big star or literary name is available to TV, they may be sold without pilots."

Roy Huggins, (*Maverick*): "A better answer than pilots is the reputation of the producing group. In the future there may be presentations with perhaps a few scenes and clips of the cast. The pilot as a selling technique will decline rapidly after this year. The buyer has begun to realize a pilot is often not a representation of what he is getting. Our *Maverick* pilot didn't clearly indicate what the series was like. The pilot evolved because nobody had a reputation in TV originally. That time is gone."

Arthur Gardner, (*The Rifleman*): "A lot of pilots are made by networks with tax writeoffs. However, since the fruits of the gamble warrant the investment, I see no solution."

Nat Holt, (*Wells Fargo*): "If you have a project you have faith in and think it will sell, you should go ahead & make it, regardless of the competition. We are planning 3 more pilots before fall."

Everett Freeman, (*Bachelor Father*): "It's a big risk. In the theater & movies, when you gamble at least you get a public reaction, but unsold pilots get no such reaction. And even selling is no guarantee you'll make a dime."

Sam Rolfe, (*Have Gun—Will Travel*): "It does seem sheer waste. The only outfits smart about it are companies with anthology series, where they show these pilots. As for the others, I don't know. It's a gamble, but as long as the payoff is high, people are not going to stop making pilots."

Richard Maibaum, MGM-TV production exec.: "The solution is closer cooperation & integration of policies between the ad agencies, network, sponsor and production companies, so that we can have custom-built product. We won't be shooting in the dark and the pilot can become a sure thing. We would fulfill a particular need. The day may come when we will just make a whole series."

Irving Pincus, (*The Real McCoys*): "It's a disgrace—an occupational disease that ought to be cured. There should be more concentration on the people behind the project—what is their track record for that kind of show?"

John Payne, (*The Restless Gun*): "I'm convinced that a competent creator, before spending considerable money, should be able to take 12 to 14 good scripts to a prospective buyer and get his decision."

Warren Lewis, (*Man Behind a Camera*): "Unfortunately, the independents have to make pilots. It's a handicap when the law of averages is against selling, since the networks control the time slots. This year 225 pilots were scheduled to be made—for the limited number of time slots available. Unless you are with a network, there is no guarantee a pilot will be sold. Sometimes in the first blush of success you can make a deal without a pilot; it can also be done if a big name is involved."

Charles Marquis Warren, (*Rawhide*): "I solved the problem for myself. After having produced *Gunsmoke* and later *Rawhide*, I now make a presentation, not a pilot. Some producers put everything into a pilot, then cut corners on future episodes. The ideal way would be to make 10 telefilms, as we did with *Rawhide* . . ."

Devery Freeman, (*The Ann Sothern Show*): "I don't think there's any solution. Why take this competition away? It's a situation that will work itself out. When it becomes too expensive they will make less pilots and will try to sell by script instead of a pilot."

David Dortort, (*Bonanza*): "Many pilots are made very hurriedly on the basis of snap decisions. A pilot should be seriously, carefully worked out. You should take utmost care and surround yourself with top creative people. Since there are not too many top creators, most pilots are doomed to failure."

New York Roundup: Jo Linten, Madrid-based telefilm & commercials producer who says he can deliver "the best low-priced animation in Europe" at his Movierecord studios in Spain, will now have a chance to prove it. General Motors, Nescafe, Ponds cosmetics, Folger coffee and Narragansett Brewing signed orders for animated TV film commercials during his U.S. visit, he told us before leaving N.Y. last week. Linten also plans 3 syndication telefilm series—musical, action-adventure, and comedy—as American co-productions this summer in Spain.

Add diversification: Latest industrial firm to plan an invasion of the TV film field is Victor Industries, Greenwich, Conn., a manufacturer of aluminum containers, which has set up a subsidiary, Victor Film Enterprises, to buy telefilm libraries & features, new or old, with a purchase fund of \$2 million, according to pres. Victor Muscat. Ohio's Buckeye Corp. (Transfilm, Flamingo) and ill-fated Scranton Corp. (Hal Roach, Mutual) pioneered the trend.

NTA is close to its first major-network telefilm sale. Lever Bros. has optioned *The Third Man*, a half-hour telefilm series co-produced by NTA with Britain's BBC-TV, and is looking at evening time slots on all 3 networks in N.Y. Interestingly, Lever being the U.S. offshoot of Britain's giant Unilever Ltd., makes this an international sale on both program & sponsor levels.

Clarence Green-Russell Rouse production team scored a national sale on *Undercover Man*, their first TV film show (see "Network Activity" table, p. 7, this issue) within days of delivering the pilot to Screen Gems' N.Y. office. Greene & Rouse are best known for low-budget, off-beat Hollywood features like the no-dialog "The Thief."

Richard Carlson, starring in *Mackenzie's Raiders*, believes telefilm stars should "get out on the road and meet local & regional sponsors." Carlson himself has just completed a 3-week, 11-city 9000-mile junket to get acquainted with advertisers using his Ziv-syndicated show, reports "it's the best thing we've done yet in sponsor relations."

John Houseman's new taped show for CBS-TV, *The Law Breakers*, will roll its first episode early in June, with a script based on the career of John Dillinger.

Sterling TV plans to release 39 half-hours in syndication gleaned from its recent purchase of old D. W. Griffith features, including a trimmed-down version of "Birth of a Nation," possibly with guest commentary by an NAACP official to avoid the 44-year-old friction between the picture and minority groups, says Sterling's pres. Saul Turell.

MPO's Marvin Rothenberg, pres., denies a N.Y. rumor that his commercial film firm plans to cut back West Coast operations, tells us the reverse is true. He's hired Tom Armistead, former head of J. Walter Thompson's Hollywood film dept., to be in charge of West Coast activities, and tells us MPO "will probably shoot twice as much in Hollywood as we did last year." Some 75% of MPO shooting is still in the East, however.

MCA-TV's SA-7, syndicated series, has been averaging 8 sales a week (total of 143 cities) since it hit the market Jan. 1. Latest regional buyers: Kroger Co. in Atlanta and Falstaff Brewing in L.A.

Screen Gems is about to launch a summer sales drive on *Stakeout* in syndication, aiming first for multi-market regional sales. Bob Seideman, SG's dir. of syndicated sales, is currently finishing an L.A.-Atlanta-Chicago-N.Y. round of "sales clinics" to acquaint SG salesmen with the show.

Ziv's "Bold Venture" adds 8 foreign markets to its slate of 163 U.S. stations, with sales to Mexico Telesistima (for 5 Mexican cities), Australia's GTV (for Sydney & Melbourne) and Assoc. Rediffusion (for London).

Hollywood Roundup: Warner Bros.' *Maverick* producer Roy Huggins is leaving that series to produce exploitation movies for the studio . . . Goodson-Todman Productions plans an hour-long western anthology series featuring stories by members of the Western Writers of America Assn. No pilot will be made.

CBS's plan to produce *The Lincup*, *Gunsmoke*, *Have Gun—Will Travel* and *Twilight Zone* at the Goldwyn studio next season has collapsed. The network & Goldwyn were unable to agree on terms . . . ABC has announced the title of a new hour-long private eye series produced by Warner Bros. as *Diamond Head*, but this title is subject to change. At Warners, they call it *Hawaiian Eye*. Stanley Niss is producer, lyric writer Mack David his asst. No cast has been set.

Ziv TV has named Henry Kesler to produce its *Lockup* series, starring Macdonald Carey . . . Joseph Kaufman has acquired rights to *Stopover*, by Steve Fisher, and plans to base both a movie & a telefilm series on it . . . Bernard Girard Productions plans production of a new pilot, *Mr. Garlund*, starring Charles Quinlivan . . . Ziv TV plans a second year of production on its syndicated series *Mackenzie's Raiders*, starring Richard Carlson.

Screen Gems production chief Irving Briskin has gone to N.Y. for conferences with SG executives, including pres. Ralph Cohn, regarding policy & programming matters . . . Warner Bros. has a new half-hour private eye series called *Solitaire*, and is reported close to signing a deal for the show to be on ABC next season.

Two more NTA taped shows are in the works for the syndication market, according to sales chief Michael M. Sillerman. Xavier Cugat & wife Abbe Lane, as well as sportscaster Mel Allen, have been signed by NTA for new half-hour series to be taped in N.Y. and launched in station sales this summer. So far, NTA has sold its first pair of taped shows, *Peter Potter's Juke Box Jury* and *Bishop Sheen* in an unduplicated total of 10 markets (excluding NTA-owned stations, and Potter's originating point of KTTV Los Angeles), or about one out of every 4 tape-equipped U.S. markets.

Producer Mathew Rapf plans a new telefilm series, *Yankee Strip*, which would be filmed in Central America . . . Producer-director Sheldon Leonard has been re-signed for the *Danny Thomas Show*.

Frank Sinatra will receive close to one million dollars for the 4 spectaculars he will star in on ABC next season. The singer-actor will receive \$250,000 each for 2 of the shows, \$225,000 each for the other two. That includes production costs, of course . . . Jeffrey Sayre was re-elected pres. of the Screen Extras Guild last week . . . KHJ-TV bought 38 20th-Fox movies from NTA & 8 RKO post-'48's.

Pilots, C.O.D.: Warner Bros.' establishment of a department for production of exploitation movies (low-budget films with "gimmicks" which lend themselves to exploitation) under the aegis of its TV film operation may have industrywide repercussions. For what Warners isn't saying is the most important part of the new operation—that exploitation movies can also be used as pilots for new telefilm series. In this way the studio will recoup its production budget from theatrical release. It's a smart maneuver which may soon be imitated by other major studios.

Warners has already attempted this—last summer, with the low-budget 90-min. "Girl on the Run." This was also the pilot for *77 Sunset Strip*. But the series sold so quickly that the studio decided not to release the movie to theaters, used it instead as the initial "Strip" show.

TV's INDICATORS—CAUSE FOR OPTIMISM: There's a burst of optimistic feeling on the TV scene right down the line, from just about every quarter. While as yet unsubstantiated by sales figures (see p. 20), groundswell is too general to be unfounded. Here are some of the indicators:

First-Quarter Reports: Just about every TV manufacturer has reported big increases in sales & profits for first-quarter 1959 over the 1958 period. This week's crop—detailed in our Finance section—includes RCA's record first-quarter sales & earnings, as well as extremely substantial increases by Motorola, Philco & Hoffman. Last week we reported Zenith's new record and Admiral's good showing (Vol. 15:18).

Preliminary tabulation of first-quarter sales & earnings of 8 companies specializing in consumer electronic products shows these interesting results: Total sales for first-quarter 1959 were 74% higher than first-quarter 1958. In same period, net earnings increased 168% over last year's quarter.

6.2 Million Sets? From Hoffman consumer products v.p. Ray B. Cox comes bullish prediction of 6.2 million TV set sales this year (vs. 5.1 million last year and 6.6 million in 1957). His reasoning:

"There has been a better relationship between production & sales, with a resultant better-balanced inventory in dealers' stores. This will give the dealer a larger open-to-buy factor for the balance of the year." He estimates 2.77 million sets will be sold as replacements, 1.25 million to multiple-set homes, 2.15 million to new TV homes.

Industry Maturity: "We have seen the day of the giveaway artist, of the wheel-&-deal boys, of drunken-sailor spending," said Motorola's astute exec. v.p. Edward R. Taylor in May 6 talk to NARDA Northwestern Ohio Appliance-TV Dealers Workshop. "Anyone who kids himself that the consumer is interested in price alone is on the wrong track. The customer is willing to pay a little more to get a little more."

In a speech devoted to industry self-appraisal, he decried the "appalling lack of leadership" shown in past by TV-appliance manufacturers. This was manifest, he said, in these practices: (1) "Volume for volume's sake, regardless of the consequences—keep building sets to keep the plants going." (2) "The price is the thing—the public knows the price of everything & the value of nothing." (3) "Blitzkrieg attempts of manufacturers to buy leadership regardless of the consequences . . . and the consequential liquidations & dumps . . ."

De-emphasis of Price: Ed Taylor's remarks drew substantial backing from leading dealers who spoke at Toledo NARDA meet—and from rank-&-file of Ohio dealers attending. Consensus of speakers: There's definite trend toward the maintained price, far less haggling, more interest by public in reputation of dealer and service he provides—even reflected by changing practices of some discount houses.

We talked to dealers attending the meeting, found them satisfied with TV sales this year—by & large—as better than last year in both quantity of sales & price per sale. Those to whom we talked indicated that public is buying higher-priced sets—there's more interest this year in cabinets & sound. (For report on the NARDA Workshop, see p. 21.)

Economic Indicators: Optimism is reflected in report of business survey committee of National Assn. of Purchasing Agents, released at week's end. The 56% who reported better production in May was highest number since early 1955. Only 3% indicated decreases, and 41% reported no change. Some 53% reported higher new orders, 35% no change, 12% reporting poorer position. Total of 38% said they expected to add people to their payrolls during 2nd quarter, only 6% foreseeing decreases.

TV-RADIO PRODUCTION: TV set production was 92,157 in week ended May 1 vs. 97,485 in preceding week & 77,344 in same 1958 week, EIA reports. Year's 17th week brought production to 1,781,906 vs. 1,523,858 last year. Radio production was 255,218 (117,422 auto) vs. 263,434 (108,122 auto) in preceding week & 149,604 (39,754 auto) in '58. For 17 weeks: 4,641,376 (1,786,695 auto) vs. 3,255,838 (1,043,470 auto) in '58.

CALENDAR OF TV-RADIO SHOWINGS: Most major manufacturers will show 1960 lines of TVs, radios & phonos to distributors and/or dealers next month—many of them in conjunction with June 15-25 Merchandise & Furniture Marts in Chicago, others at special distributor junkets.

On basis of all information currently available from manufacturers, we've compiled this table of new-line premieres. Those whose plans are still undecided will be covered in future issues as soon as definite information is ready.

Manufacturer	Date	Location
Admiral	June 1	Distributor convention, Edgewater Beach Hotel, Chicago (see below)
Du Mont	Some time in June	New York City
Emerson	Before Du Mont showing	New York City
GE	June 8	Syracuse, N. Y.
Hoffman	June 15	Royal Nevada Hotel, Las Vegas
Magnavox	June 22	Statler Hotel, N. Y. (Music Show)
Motorola	July 6-31	Special showings in 15 cities
Olympic	June 14-19	Congress Hotel, Chicago (see p. 20)
Packard-Bell	June 24	Ambassador Hotel, Los Angeles
Philco	May 29	Distributor convention, Acapulco, Mexico
Prescott	May 1	Headquarters, Los Angeles
RCA	June 5	Conrad Hilton Hotel, Chicago
Setchell Carlson	May 18-20	Congress Hotel, Chicago
Sylvania	June 12	Edgewater Beach Hotel, Chicago
Trav-Ler	June 15	Headquarters, Chicago
Westinghouse	June 8	Knickerbocker Hotel, Chicago
Zenith	undecided	

Trade Personals: Dr. Robert Adler, Zenith assoc. dir. of research, elected v.p. . . . G. W. Pfister promoted from v.p.-consumer products service to new post of v.p.-operations mgr., RCA Service Co. . . . Aurel G. Petrusek named advanced market planning mgr., industrial tube products dept., RCA electron tube div.

Pinckney B. Reed, RCA v.p., named to new post in Washington to co-ordinate RCA activities with federal agencies . . . Earl I. Anderson appointed to new post of chief engineer, home instruments engineering, RCA consumer products div. . . . George Konkol named Sylvania Electric Products parts div. gen. manufacturing mgr.

Peter B. Atwood and James L. Von Harz, who also becomes v.p. in charge of mfg., elected to board of Oak Mfg. Co. John A. Rovelstad, treas., appointed v.p., Edwin C. Wolf named secy., latter replaced as asst. treas. by R. Douglas Wilber. Robert T. McTigue appointed gen. sales mgr. . . . Irving Shapiro promoted from electronic equipment development section head to quality control mgr., Sylvania semiconductor div.

Richard W. Lee elected pres., General Precision Lab, succeeding James W. Murray, now chairman & chief exec. officer of parent, General Precision Equipment Corp. William P. Hilliard named GPL v.p.-gen. mgr.

Fred P. Ciambone appointed area communications system mgr., Stromberg-Carlson electronics div. . . . Mert Goodman promoted to admin. asst. to pres., Snyder Manufacturing Co., auto & TV antenna maker.

A. C. DeAngelis elected v.p., Dynamics Corp of America. He is pres. of subsidiary Radio Engineering Labs . . . Sydney F. Love appointed supervisor of TV engineering, Dominion Electrohome Industries Ltd., Kitchener, Ont. . . . Paul W. Brown appointed supervisor, division field engineering, Sylvania Electronic Systems.

Hoffman TV shipments to distributors increased 26% over 1958 in the first quarter, consumer products v.p. Ray B. Cox told May 4 stockholders meeting. He said distributor shipments of Hoffman sets to dealers were up 18.9% in the same period and reported that Hoffman added 11 new distributors and 316 new dealers during the first quarter, and now "enjoys the strongest national distribution position" in its history. The company's ad spending for 1959 will be 40% higher than 1958. "Currently," said Cox, "we are developing a new educational TV receiver [incorporating] features to meet the growing demand for schoolroom TV educational requirement." He visualized a market for more than 6 million educational TV sets in the next 10 years. "We are not planning on producing color sets this year," he stated, but "we are ready to move any time the market is large enough so that we can make a profit."

Showings of Admiral's new line, following the June 1 national distributor convention (see above): June 3, national key dealer convention, Edgewater Beach Hotel, Chicago; June 5 & 8, Midwest dealers convention, Edgewater Beach; June 12, Southeast dealers convention, Deauville Hotel, Miami; June 18-19, metropolitan div. dealers, Ambassador Hotel, Atlantic City; June 20, Northeast dealers, Ambassador Hotel; June 25, Western dealers, Stardust Hotel, Las Vegas.

Continuing expansion of market coverage for Du Mont renewal picture & receiving tubes, Dutrex Industries has appointed 5 manufacturers' representative firms to handle the line in 23 states, extending the coverage to 34 states.

Packard-Bell is one of the first Western advertisers to take advantage of the geographical split-runs for advertisers in both *Life* and *SatEvePost*. It is advertising TV & stereo in Western runs only of the magazines.

PRODUCTION-SALES FIGURES: Official first-quarter EIA trade statistics show total TV retail sales were 1,375,626, compared with 1,446,969 in first-quarter 1958. They also confirm last week's preliminary finding that sales in March were ahead of last year—the first 1959 month to show an increase (Vol. 15:18). The figures differ from last week's estimates because the final statistics don't include exports.

The TV production statistics show an extremely healthy picture with regard to inventories—1,390,550 produced, 1,375,626 sold—indicating that production is very carefully geared to sales and virtually insuring against liquidations & dumps when new models appear on the scene. Radio, picture & receiving tube and transistor sales were all well ahead of 1958.

The TV production-&-sales figures for the first 3 months of 1959 as compared with 1958:

	1959		1958	
	Production	Sales	Production	Sales
January	437,026	501,704	433,983	581,486
February	459,492	448,173	370,413	448,727
March	494,032	425,749	416,903	416,756
TOTAL	1,390,550	1,375,626	1,221,299	1,446,969

Production of uhf-equipped TVs totaled 32,112 in March, compared with 34,678 in Feb., 35,841 in Jan. and 36,050 in March 1958.

Radio output & sales—both auto & home—continued to show a healthy tone in both the March & quarterly figures. FM radio production increased in March to 32,994 from 29,145 in Feb., 30,235 in Jan. (no 1958 comparison available). EIA's radio recap (1958 figures revised to exclude radio-phono combinations, not included in 1959 count):

	1959			1958		
	Total Radio Output	Auto Radio Output	Sales (excl. auto)	Total Radio Output	Auto Radio Output	Sales (excl. auto)
January	1,124,737	420,052	700,490	944,780	349,679	489,086
February	1,125,385	432,551	474,888	794,397	268,445	385,419
March	1,347,554	511,219	515,563	865,067	234,911	502,920
TOTAL.....	3,597,676	1,363,822	1,690,941	2,604,244	853,035	1,377,425

Picture & receiving tube sales continued to run far ahead of 1958. For the first 3 months, picture tube sales totaled 2,240,386 vs. 1,812,825 in last year's period. For March, the figure was 717,144 vs. 634,779. First-quarter receiving tube sales totaled 104,146,000 vs. 84,990,000 in last year's period, and March sales were 39,841,000 vs. 33,155,000. The complete 1959 figures:

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
January	784,906	\$15,209,896	31,150,000	\$26,808,060
February	738,336	14,084,922	33,155,000	28,630,000
March	717,144	13,804,012	39,841,000	35,286,000
TOTAL	2,240,386	\$43,098,830	104,146,000	\$90,724,000

Factory sales of transistors for the first 2 months of 1959 totaled 10,588,694 at \$28,176,942, compared with 6,061,955 at \$13,510,945 during the same 1958 period. Feb.) sales were 5,393,377 at \$14,550,056 vs. 5,195,317 at \$13,626,886 in Jan. and 3,106,708 at \$6,806,562 in Feb. 1958.

First peek at new 23-in. sets was given to a group of distributors & dealers from throughout the U.S. who qualified for Sylvania's "Silhouette Holiday in Mexico"—a sales contest for the Silhouette TV set. Prototypes of Sylvania's new models incorporating the square-corner tube were displayed to those attending the Acapulco holiday.

EMERSON BUYS WEBCOR CONTROL: Continuing the expansion which started last year with the purchase of the consumer products lines of Allen B. Du Mont Labs (Vol. 14:27, 31), Emerson Radio & Phonograph Co. has purchased control of Webcor Inc., one of the largest makers of phonos & record changers, which also manufactures tape recorders & hi-fi equipment.

Emerson pres. Benjamin Abrams said his company had acquired for an undisclosed amount of cash all Webcor common stock owned by Webcor chairman-pres. Titus Haffa, who will be retained in his present capacity. Emerson's acquisition amounts to about 20% of all outstanding Webcor common. Based on the 650,737 shares outstanding at the end of last year & the current market price of about \$18 a share, the purchase at market value would be \$2,342,610. Abrams denied reports that he had offered \$5 more than the market price for the stock.

Emerson's net sales for the fiscal year ended Oct. 31, 1958 totaled \$58,401,179, net income \$1,410,009, and its total assets as of Oct. 31 were \$38,557,594. (Vol. 15:4). Webcor's net sales for 9 months ended March 31, 1959 were \$26,496,000, its net income for the period \$532,000 (see opposite page). Its current assets as of June 30, 1958 were \$12,493,746.

Another merger in the phono field was announced last week with the establishment of a new combine by a group of Chicago & N. Y. investors which announced it will carry out development, manufacturing & marketing operations in the consumer, industrial & military electronics field. Heading the corporation is Edgar N. Greenebaum Jr., Chicago financial consultant & specialist in electronics. John M. Rau is pres. & chief executive officer.

The group's initial acquisition is Waters Conley Co., Rochester, Minn. manufacturer of phonos & other electronic products. Founded in 1899, it claims to be the largest private-label phono manufacturer. It also distributes phonographs under the Phonola brand name. The new corporation will be called Waters Conley Co.

The company has also acquired the assets of Stereophonic Automation Corp., Skokie, Ill., maker of Fidelipac magnetic tape magazines & Fidelivox tape reproducing equipment. Sales of the consolidated operations are currently running at an annual rate of more than \$12 million. Other acquisitions are under negotiation, says Greenebaum.

Olympic's 1960 lines, following their first showing June 14-19 at Chicago's Congress Hotel (see p. 19), will be displayed June 22-25 at N. Y. Trade Show Bldg. (Music Show) and June 28-29 at O'Henry Hotel, Greensboro, N. C.

Obituary

Donald Q. Quarles, 65, Deputy Secy. of Defense, died in his sleep May 7 at his home in Washington. Frequently mentioned as a possible successor to Defense Secy. Neil McElroy, who retires late this year, Quarles had held top defense posts since coming to Washington in 1953 as asst. secy. of defense for research & development. An engineer & physicist, he began his career with Western Electric in 1920, became v.p. of Bell Labs in 1948, and in 1952 was named v.p. of Western Electric and pres. of its subsidiary Sandia Corp. He is survived by his widow and 2 daughters, and a son by a former marriage. The present Mrs. Quarles also has a daughter by a former marriage. The precise cause of Quarles' death was not announced immediately. He hadn't been ill, according to his associates, and he had been due to appear on the *Today* program May 8.

EMPHASIS ON QUALITY & SERVICE: Price is now secondary to value among consumers shopping for TVs, radio & appliances—and value includes quality of merchandise & services of retailers. This was the opinion of many of the dealer-speakers at NARDA's Toledo workshop last week (see p. 8) and of the preponderant number of Ohio dealers attending the session.

Astute Harry Price, owner of a 7-store chain in Norfolk & Portsmouth, Va., told the dealers he had just completed a national tour and "found a definite trend on all levels to the maintained price." Customers, he said, "want to get all the thrill possible out of the purchase of a new appliance, and part of this is the thrill of being treated right. It is we who have created the Persian bazaar approach—not the public."

"Customers must be romanced," said senior v.p. Selmer Solem of Appliance Buyers Credit Corp., which finances RCA, Whirlpool & Carrier appliances. "After 2 years of 'was-is' advertising, most consumers still won't admit TV & appliance prices are low." He called stereo & color "the most demonstrable equipment on the market" and hailed the "rediscovery of the importance of sound after 10 years of emphasizing sight alone" as a major factor in the selling of higher-priced TV.

"We've allowed the public to pick our pockets," said NARDA chairman Mort Farr. "We've learned a lot during the recent economic coffee-break. Our business will be more competitive than ever. We must make a profit on the volume of business we're now doing—and the way to do this is to keep our eye on the customer, not on the competitor." Pointing out that he sold 85 color sets last December, he asserted: "You can do that with any low-saturation item—such as stereo or dryers." The key to sales, he added, is not price-cutting but service—including such items as repair departments, financing, attractive store, displays, etc.

Electronic Headaches: The electronics industry is ready for any space-age challenge, EIA pres. David R. Hull told the Washington chapter of the Armed Forces Communications & Electronics Assn. last week. But he added that the industry is troubled by problems—many of them stemming from heavy defense production which now accounts for more than half of \$8 billion in annual electronic sales. Among the troubles, Raytheon's Hull cited these: (1) Renegotiation Act terms, now under House Ways & Means Committee review. (2) House hearings on defense contracting, conducted by Rep. Hebert (D-La.). (3) The Walsh-Healey Act, with its govt. contract wage determinations and "inflationary threat." (4) "Increasing congestion of the radio spectrum" vs. space, military, industrial & commercial demands which threaten to become "chaotic." (5) Increasing foreign competition which U.S. manufacturers are "powerless" to meet because of disparities in labor rates. Hull said that nevertheless he's "confident that we will solve these problems just as we have equally perplexing problems in military electronics. We are prepared to accept any challenge that is thrown to us as an industry."

Two low-priced complete stereo phonos have been introduced by Webcor—the one-piece Melody at \$37.95 and the 3-piece Lark, with 2 detachable speakers, at \$39.95. Both have non-automatic phonos.

Zenith contributed more than \$94,000 worth of hearing aids to hearing-society chapters & speech clinics in 1958.

Finance

Motorola's Good Quarter: Riding high on increasing sales & prestige, Motorola's first-quarter earnings were nearly 4 times as high in 1959 as in 1958, while sales were 56% ahead, chairman Paul V. Galvin told stockholders at last week's annual meeting in Chicago. If present trends continue, he said he expects 1959 sales to top \$250 million (vs. \$216.6 million in 1958) and earnings to approximate \$5.50 a share (vs. \$3.80).

"TV is the most encouraging of our products," he said. "Our percentage of the industry is up dramatically over the past 2 years." He added that consumer products sales in the first quarter were double those of the same 1958 period, automotive products up 60%, 2-way communications sales up 30%, military electronics up 10%, with a "substantial" gain by the semiconductor products div. In answer to a stockholder's question, he said directors will keep the possibility of a stock split or dividend increase "under serious study."

Investors reacted dramatically to Motorola's favorable report, bidding the stock up 17½ points to 123 May 6 after a delayed opening on a block of 4600 shares at 114. Addressing a NARDA workshop in Toledo May 7, Motorola consumer products exec. v.p. Edward Taylor took note of the recent surge in the company's stock in a speech in which he mentioned the firm's continuing improvement of its products. He expressed satisfaction "watching the way the investment market is supporting our efforts," adding: "I'm not selling any stock, and I invite you to come along for the ride."

For 3 months to March 31:	1959	1958
Sales	\$63,653,184	\$40,894,492
Net earnings	2,616,427	677,782
Earned per share	1.35	35¢

Paramount's pre-1948 features have already grossed "well over \$50 million" for distributor MCA-TV "and there are reasonable prospects" that total rentals will reach at least \$75 million, Paramount pres. Barney Balaban said in the annual report. Among other highlights of the report: (1) The Lawrence tri-color tube, being developed by Du Mont for Paramount, still is viewed optimistically by Paramount, and "we are discussing the problems of commercial use of such product with several large American TV set manufacturers." (2) Paramount's KTLA Los Angeles "has greatly improved its profit potential" under its new management and live-TV policy. (3) Palm Springs (Cal.) Community TV System, built as a testing-ground for Paramount's Telemeter pay-TV system, "was sold early in 1959 at a price which recovered our investment."

Webcor Inc., now 20% owned by Emerson (see Trade Report), reports net income of \$532,000 (82¢ a share) on sales of \$26,496,000, for 9 months ended March 31. No comparable figures are available, as Webcor changed from a calendar to a fiscal year in 1958. Chairman Titus Haffa said the company's March sales hit a record \$3,314,107, earnings for the month approximating 13¢ a share.

Magnavox's first-quarter sales were about the same as the \$21 million recorded for the period last year, and profits were 5%-10% above the \$791,000 of first-quarter 1958, according to pres. Frank Freimann.

Herold Radio & Electronics earned \$185,782 (33¢ per share) for the year ended Feb. 28, versus \$166,064 (29¢ per share) in 1958.

Philco Pulls Ahead: Philco chalked up a first-quarter sales increase of 29% over the 1958 period and was soundly in the black, as opposed to a loss during first-quarter 1958. "Sizeable increases in both consumer & govt. business, and profitable operations in all divisions," said pres. James M. Skinner Jr., "made possible the marked earnings improvement." Before-tax earnings were \$3,391,000 vs. a before-tax loss of \$2,149,000 in first-quarter 1958. For 3 months ended March 31:

	1959	1958
Sales	\$95,553,000	\$74,016,000
Net earnings (loss in '58)	3,391,000	(2,149,000)
Earned per share	37¢	—
Shares outstanding	4,069,629	4,069,629

Guild Films reported a net loss of more than \$4 million for the year ended Nov. 30, 1958 in a report filed last week with the American Stock Exchange. Pres. John J. Cole explained that the losses resulted from writing off film properties & converting to video tape production. The report showed amortization of the properties at \$2,495,168, film distribution & administrative expenses \$2,155,342, other costs \$1,522,111, participation in rentals \$927,888. "We decided to write off everything we could," said Cole, adding that the loss for the quarter ended Feb. 28 would be about \$350,000—but "in the current 2nd quarter we are either breaking even or making money [and] we will make money this year." He said 70% of Guild's sales are now coming from taped shows, that "3 of our 4 shows produced originally on tape are in the black, and the 4th should be this week." Two weeks ago, SEC brought suit to force Guild to file a report for the fiscal year & to correct certain "deficiencies" in reports for 2 prior years (Vol. 15:18). The report for the year ended Nov. 30:

	1958	1957
Gross film income	\$3,273,380	\$4,793,578
Net loss	4,061,143	463,227

Standard Coil Products reports a 31% increase in net sales for the first quarter and a net profit as opposed to a loss in the first quarter of 1958. Pres. James O. Burke said sales had increased in all the company's major divisions. "The first 3 months is historically our poorest quarter," he stated. "Based on the anticipated performance from some of our new products and increasing orders from customers, we expect substantial increases in both sales & profits through the balance of the year." For 3 months ended March 31:

	1959	1958
Sales	\$16,591,852	\$12,701,848
Net earnings (loss in '58)	390,397	(266,508)
Earned per share	21¢	—

Westinghouse Electric Corp.'s common shares outstanding at the end of the first quarter 1959 totalled 17,193,608, compared with 16,946,912 at the end of the same period for 1958—and not as carried in our issue last week, when a duplicate line of type from another report inadvertently was substituted for the Westinghouse figures.

General Transistor Corp. directors have voted a 2-for-1 stock split, subject to approval at a special stockholders meeting. The meeting will also consider whether to increase authorized common stock to 2 million from 750,000 shares and to increase par value to \$1 from 25¢. GTC currently has 416,000 shares outstanding.

Wells-Gardner & Co. reports a profit of \$70,097 (17¢ a share) for the first quarter, compared to a loss of \$58,455 during the like quarter of 1958.

International Resistance Co. looks forward to record earnings this year, pres. Charles Weyl said after the an-

nual meeting. A reasonable estimate would be \$1,140,000, he commented. For the first 15 weeks of 1959, the company exceeded its entire last-year profit (1958 net: \$504,268, or 37¢ a share, after a special charge of \$71,126). He said IRC was now spending \$2,200,000 yearly for research. For 15-week accounting period ended April 12:

	1959	1958
Sales	\$5,489,430	\$3,430,009
Net earnings (loss in '58)	571,204	(150,287)
Earned per share	42¢	—

Beckman Instruments showed profits for both the past quarter and 9-month period, after net losses in both periods for the year before. For 9 mos. to March 31:

	1959	1958
Sales	\$32,499,588	\$29,327,875
Net earnings (loss in '58)	1,432,884	(435,529)
Earned per share	1.06	—
For quarter to March 31:		
Sales	11,292,845	9,699,892
Net earnings (loss in '58)	418,395	(353,314)
Earned per share	31¢	—

Dynamics Corp. of America raised earnings 20% for the first 4 months of the year, compared to the like 1958 period, shareholders were told at the annual meeting. For 4 months ended April 30:

	1959	1958
Sales	\$22,600,000	\$6,900,000
Net earnings	421,000	351,397
Earned per share	10¢	7¢

Indiana Steel Products Co. reports a profitable first quarter, with the comment that the increase in business which commenced in the final 1958 quarter has continued without signs of slackening. For 13 weeks to March 31:

	1959	1958
Sales	\$433,138	\$184,896
Net earnings	219,898	78,346
Earned per share	75¢	27¢
Shares outstanding	295,348	293,298

Thompson Ramo Wooldridge reports first-quarter earnings increased \$196,869 over the 1958 period. Per-share earnings reported for both periods are based on present number of shares. For 13 weeks to March 31:

	1959	1958
Sales	\$91,281,091	\$86,842,286
Net income	2,236,704	2,039,335
Earned per share	72¢	65¢
Shares outstanding	3,028,283	2,764,110

Arvin Industries rebounded for the first quarter, with per-share earnings 14 times better than first-quarter 1958. For quarter ended March 31:

	1959	1958
Sales	\$15,938,426	\$11,188,072
Net earnings	512,233	37,498
Earned per share	57¢	4¢
Shares outstanding	900,480	899,025

Howard W. Sams & Co., electronics research & publishing firm, reports record first-quarter sales & profits, in unaudited figures showing a 10.7% increase in sales and a 22.8% rise in net earnings. For 3 months ended March 31:

	1959	1958
Sales	\$2,510,816	\$2,268,639
Net profit	80,353	65,451

Tung-Sol Electric increased earnings by 31% and sales by 28% for 13 weeks ended March 28:

	1959	1958
Sales	\$17,613,971	\$13,730,470
Net earnings	770,923	535,422
Earned per share	78¢	52¢
Shares outstanding	906,747	893,800

Officers-&Directors stock transactions as reported to SEC for April:

Amplex. A. M. Poniatoff bought 100, holds 3850.
 Amphinol-Borg. John L. Woods exercised option to buy 250, holds 1975.
 Avco. Robert L. Johnson bought 600, holds 900. Frank S. Larson bought 303, holds 6403. A. B. Newton sold 4900, holds 1000. Arthur E. Rasmussen bought 1000, holds 1033.
 CBS Inc. Louis G. Cowan bought 1545, holds 3193.
 Columbia Pictures. Louis J. Barbano bought 20,000 through Fico Corp., in which 12 officers & directors are beneficial owners, holds 96,287 in Fico Corp., none personally.
 Desilu Productions. Martin N. Leeds sold 100, holds 41,100 personally, 1200 in trust for sons.
 Electronics Corp. of America. Burton E. Shaw sold 1000, holds 4000.
 General Dynamics. Frederic de Hoffmann sold 700, holds 4330. J. V. Naish sold 1600, holds 3075. Frank Pace Jr. sold 3280, holds 30,500.
 Vernon M. Welsh exercised option to buy 7000, holds 11,000.
 GE. John W. Belanger sold 1200, holds 15,488. F. J. Borch bought 11,813, holds 13,351. Wm. S. Ginn exercised option to buy 2734, holds 6351 personally, 407 as trustee. George L. Irvine sold 200, holds 3143.
 George F. Metcalf bought 124 through profit-sharing plan, sold 300, holds 124 in profit-sharing plan, 2122 personally. Gerald L. Phillippe sold 1000, holds 6224 personally, 600 as custodian. Arthur F. Vinson sold 1167, holds 7802 personally, 810 as custodian.
 General Instrument. Abraham Blumenkrantz exercised option to buy 11,000, holds 23,000. Alois Konecny Jr. bought 1000, holds 4500. J. Gerald Mayer sold 8850, holds 30,000.
 General Telephone & Electronics. R. D. Heusel sold 300, holds 825.
 Donald C. Power exercised option to buy 5000, received 100 in Sylvania merger, holds 20,075.
 Hazeltine. Laurence B. Dodds sold 100, holds 130.
 Hoffman Electronics. M. E. Paradise exercised option to buy 3333, sold 500, holds 3333. C. E. Underwood exercised option to buy 2000, holds 7500.
 International Resistance. Ambrose H. Hardwick exercised option to buy 2000, holds 2120.
 Litton Industries. Roy L. Ash acquired 73 in partnership through failure of performance under sales contract, disposed of 107 in partnership through exercise of options by employes, sold 300 personally, holds 5662 in partnership, 51,254 personally, 2100 as custodian. Carl A. Spaatz sold 100, holds 3283. Charles B. Thorton acquired 161 in partnership through failure of performance under sales contract, disposed of 236 in partnership through exercise of options by employes, sold 200 personally, holds 12,455 in partnership, 125,630 personally.
 Loew's Inc. Nathan Cummings bought 5050, holds 56,550. Joseph A. Macchia bought 200, holds 200. Benjamin Meiniker bought 635, holds 1135. Jerome A. Newman bought 500 and 900 more through Graham-Newman & Co., holds 5770 personally, 1100 in Graham-Newman & Co. Robert H. O'Brien bought 685, holds 1185.
 P. R. Mallory. H. C. Buell sold 100, holds 1794. G. A. Godwin sold 300, holds 5630 personally, 1530 in trust. Leon Robbin bought 640, holds 694.
 National Telefilm Assoc. Harold Goldman exercised option to buy 9000, sold 40,025 to National Theatres in exchange for debentures & warrants, holds 9000. Ely A. Landau exercised option to buy 20,000, sold 80,350 to National Theatres in exchange for debentures & warrants, holds 20,100. Edythe Rein exercised option to buy 10,000, holds 10,000. Bernard Tabakin bought 500, sold 3000, holds 1050.
 National Theatres. Charles A. Barker Jr. bought 500, holds 500.
 Paramount Pictures. Paul Raibourn bought 900, holds 1000.
 Philco. David B. Smith sold 400, holds 3042.
 Philips Electronics. Don T. McKone bought 500, holds 1000. Arie Vernes bought 220, holds 620.
 RCA. Frank M. Folsom sold 3000, holds 10,705.
 Raytheon. Carl J. Gilbert sold 498, holds 500. Allen E. Reed exercised option to buy 1000, holds 1036.
 Siegler. Philip S. Fogg sold 2200, holds 22,800. Norman E. Grandt exercised option to buy 666, holds 6166 personally, 100 as trustee. Lloyd G. Hallamore sold 6000, holds 3935. Donald Royce sold 500, holds 9500. Walter G. Ullman sold 2600, holds 3000.
 Skiatron Electronics & TV. Marion Davies sold 8400, holds 21,600. Arthur Levey exercised option to buy 20,000, holds 270,431. Kurt Widder sold 2500, holds 1500.
 Stanley Warner. David Fogelson sold 300 through Schwarts & Frohlich, holds 336 in Schwarts & Frohlich, none personally.
 Sylvania. Leon C. Guest Jr. bought 690, holds 1093. M. E. Pettegrew exercised option to buy 860, holds 1240.
 TelePrompTer. Walter Craig sold 3000, holds 15,125.
 Television Industries. E. H. Ezzes bought 100, holds 200.
 Trans Lux. Harry Brandt bought 200 personally, 1000 through Brapick Corp., 400 through foundations, sold 500 through foundations, holds 168,500 personally, 2000 in Brapick Corp., 30,730 in foundations, 17,600 for his wife, 200 in Bilpam Corp., 1000 in Marathon Pictures Corp.
 Trav-Ler. D. F. J. Shea sold 300, holds 600.
 Tung-Sol. Paul J. Hemschoot exercised option to buy 216, holds 216. Mervin J. Kelly bought 100, holds 100.
 Walt Disney Productions. Lawrence E. Tryon sold 164 and 20 more as custodian, holds none.
 Warner Bros. William T. Orr bought 900, holds 16,900. Jack L. Warner bought 13,800, holds 242,799 personally, 1400 in trust.
 Webeor. Nick Malz sold 300 and 2500 more jointly with wife, holds 1065 personally, 10,625 jointly with wife.
 Westinghouse. C. H. Bartlett sold 300, holds 775. Carlisle P. Myers bought 100, holds 432.

Packard-Bell has registered 120,000 shares of capital stock with the SEC (File 2-15066) for public sale—100,000 to be offered by the company, 20,000 for the account of chairman H. A. Bell, who holds 18% of 692,100 shares outstanding. Underwriters are headed by White, Weld & Co. From proceeds of the sale—price & terms to be supplied in an amendment to the SEC registration statement—\$750,000 would be applied to constructing & equipping a new plant at Newbury Park, Cal., \$3 million to reducing short-term bank indebtedness, the balance to working capital.

Reports & comments available: General Tire & Rubber by Paine, Webber, Jackson & Curtis, 24 Federal St., Boston 10 . . . American Telephone by Keller & Co., 31 State St., Boston 9 . . . RCA in *Investor's Reader*, by Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 . . . GE, by Oliphant & Co., 61 Broadway, N.Y. 6.

Corporation	Common Stock Dividends		Stk. of record
	Amt.	Payable	
Erie Resistor	(no action May 4)		
General Tire	\$0.17½	May 29	May 15
Hoffman Electronics	100% stk.	Jun. 25	May 26
Hoffman Elec. (new) . . . .	.15	July 31	July 15
Intl. Resistance . . . . .	.05	Jun. 1	May 15
I-T-E Circuit Breaker . . .	.45	Jun. 1	May 15
Tung-Sol (correction)35	Jun. 2	May 12
TV-Electronics Fund08	May 30	May 4
United Artists40	Jun. 18	May 25

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Hoffman Electronics directors voted a 100% stock dividend plus a more liberal dividend policy on the increased shares (15¢ a share, equal to an annual rate of \$1.20 on the present shares vs. the present \$1 rate). C. E. Underwood, v.p.-treas., said after last week's annual meeting that 2nd-quarter sales will be about \$12 million vs. first quarter's \$11.4 million (Vol. 15:18) and that profits should be slightly higher than the first period. Pres. H. Leslie Hoffman told stockholders the company's program aimed at new sales & earnings records (Vol. 15:11) is on schedule. He said the semiconductor div., whose sales were 113% ahead of first-quarter 1958, will gross about \$12 million this year. Hoffman Labs pres. James D. McLean said his division has \$54 million backlog and its shipments are expected to run about 20% ahead of last year.

Meredith Publishing Co.—owner of WHEN-TV & WHEN Syracuse, WOW-TV and WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, radio KRMG Tulsa and publisher of *Better Homes & Gardens* and *Successful Farming*—reports a slight increase in net income on virtually unchanged total revenues for 9 months ended March 31, as compared with the similar 1958 period. The report for the period:

	1959	1958
Total revenues	\$38,041,236	\$38,049,890
Net income	3,204,802	3,181,051
Earned per share	2.47	2.46
Shares outstanding	1,298,475	1,294,749

RCA's BEST FIRST QUARTER: Pres. John L. Burns reported May 5 that sales & earnings had risen to the highest first-quarter levels in RCA's 40-year history, and its base of operations were broadening in many directions. He was talking to some 1500 RCA stockholders crowded into 2 NBC studios in N. Y. (one hooked in on closed-circuit TV).

Sales amounted to \$321,816,000—an increase of 16%—and earnings stood at 88¢—a rise of 44% over the first quarter of last year, said Burns, adding he had “every confidence” that the trend will continue with total sales for the year well in excess of last year's figure of \$1,176,094,000. Other points from Burns:

RCA expansion in the fields of basic circuitry, computers, controls and communications, and an expanded “contribution to national defense & space exploration” were also producing tangible gains. Defense sales “may run as much as \$100 million ahead of last year's figure of some \$300,000,000.”

In the past 2 years, “the non-entertainment aspects of RCA's business have increased by more than 30%,” with a boost of capital asset expenditures in this field from \$25 million last year to \$40 million this year.

In the field of basic circuitry were such developments as the Nuvistor tube, the micromodule concept “which has produced a radio circuit no larger than a lump of sugar,” and “an advanced concept of integrated electronics which holds promise, ultimately, of making computer elements almost as compact as the components of the human brain.” (To emphasize his point visually, Burns showed the audience a working radio no larger than a matchbox.)

Defense work is also occupying a growing importance to RCA, with the big electronics firm involved in early-warning systems, radar, military communications, missile-tracking work and space exploration.

In TV, the RCA pres. said that “notable progress” has been made in the 5 years since color TV was launched on a large scale. If charted, “color has now advanced along the base to a point just before the sharp rise,” Burns stated, pointing to what he described as “a genuine groundswell” for color TV. “RCA is rapidly approaching the point where it will begin earning a profit on its color investment (Vol. 15:18). Over the next several years, we expect this profit to mount up as color TV gives a fresh dimension to American home entertainment.”

In the broadcast field, NBC-TV had made “impressive advances” in 1958, Burns said. (For Robert W. Sarnoff's report on the current status of NBC-TV, see p. 8).

Jarring the businesslike atmosphere of the RCA meeting was the appearance of songwriter Gloria Parker (one share, RCA common) and her attorney-manager, Barney Young, both of whom have music suits pending against NBC-RCA. It was a repeat showing (with added features of a Parker haymaker launched at a lady spectator who had suggested that the orange-haired Miss Parker was something less than a lady) of their recent heckling at the CBS stockholders meetings.

As Boston-accented Barney Young (“I'm a Harvard graduate just like you!”) pounded on the dais and Miss Parker screeched encouragement, John T. Cahill, RCA gen. counsel, quipped to the audience: “They write music—but you wouldn't know it to listen to them.”

The report of RCA & domestic subsidiaries for the quarter ended March 31:

	1959	1958
Sales	\$321,816,000	\$278,339,000
Net earnings	12,931,000	9,004,000
Earned per share	88¢	59¢
Shares outstanding	13,848,696	13,848,696

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WEEKLY **Television Digest**

MAY 18, 1959

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MAY 18 1959

VOL. 15: No. 20

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

SUMMARY-INDEX OF WEEK'S NEWS

Manufacturing & Distribution

1959 MAY BE TOP YEAR for electronics, as indicated by first-quarter reports & 2nd-quarter predictions. Survey of 20 firms shows quarter profits up 22%, sales 7.8% (p. 1).

COMPONENT HI FI is a booming consumer industry dominated by small business. This year's sales estimated at \$300-million, with stereo seen leading to higher sales (p. 17).

"CAPTIVE FINANCE," FRINGE BENEFIT of TV trade, provides powerful tool in TV-appliance merchandising. Credit subsidiaries help in battle for competitive standing (p. 18).

IMPORT MOMENTUM CONTINUES as more foreign-made electronics items displayed at World Trade Fair. Some 50 exhibitors listed for coming Japan Electronic Show (p. 19).

Networks

BOOM IN SHOWS TAPED ABROAD forecast as NABET accepts agreement with NBC which gives network complete jurisdiction over foreign taping (pp. 2 & 7).

FCC

FCC, RULE-MAKING AND INDUSTRY CONTACTS. No big change in attitude but some tightening up is likely following Court of Appeals' St. Louis Ch. 2 decision (p. 3).

POTENTIAL DROP-IN MARKETS examined by FCC, although no criterion agreed on yet. List of 37, ranged according to affiliates' rates, considered prime prospects (p. 5).

BIG PUSH ON SEC. 315 starts as 14 senators back Hartke bill to rewrite Communications Act's equal-time rules (p. 6).

Congress

GOVT. ETV AID OPPOSED as House Commerce subcommittee holds brief hearings on Senate-passed \$51,000,000 measure. Outlook for passage not bright (pp. 3 & 4).

Auxiliary Services

GAUGING VHF BOOSTER POTENTIAL, manufacturer Mid-America Relay Systems foresees no great rush after Congress clears path, FCC issues new rules (p. 2).

CATV'S ANALYSIS OF PROPERTY RIGHTS by NCTA counsel Smith asserts claims are "unique," notes failure of copyright holders to participate in suit (p. 9).

Programming

BOLSHOI-ON-TAPE SYNDICATION deal from Matty Fox proposes large station guarantees against dollar bills to be sent in by audience for viewing sans commercials (p. 8).

Stations

VELVET GLOVE FOR CODE—that's the attitude of NAB code board chairman Don McGannon, who is not revealing which stations have lost their seals (p. 10).

TV'S "SUMMER DROP-OFF" is in the amount of viewing per home during a typical week, not in the total number of TV homes dialing, says Nielsen (p. 11).

Advertising

TREND TO THE SUBURBS has given TV another point of superiority for market penetration (p. 13).

Film & Tape

HOW TELEFILMERS RANK. MCA's telefilm subsidiary, Revue, is Hollywood's TV powerhouse, with 16 series (p. 14).

Financial

CBS INTO SPACE with formation of Space Recovery Systems Inc., missile venture. CBS's sales & profits also soar into space, setting new first-quarter records (p. 24).

1959 MAY BE ELECTRONICS' TOP YEAR: You've seen individual first-quarter financial reports of nearly all TV-electronics firms in our Finance section in recent weeks—and almost without exception, sales & profits are strongly higher than 1958. Preliminary second-quarter estimates confirm the speculation that the trend is accelerating—leading to new predictions that profit-wise, and perhaps sales-wise, 1959 will be the peak year for electronics industry.

Just how well did TV-electronics do industry-wide during first-quarter 1959? Averaging 20 companies which have reported first-calendar-quarter sales & earnings (see list on p. 2), we have found aggregate sales increased 7.8% (from \$2.146 billion to \$2.314 billion) over first-quarter 1958, while profits soared 22% (\$79.7 million to \$97.3 million).

This is below profit increase of 53.9% for all industry as shown in recent Wall Street Journal survey—but remember, electronics industry as a whole was not hit nearly so hard by 1958 recession as other industries. Our survey of 1958 profits last March showed electronics profits down only 3.2% while U.S. corporations as a whole dropped 16% (Vol. 15:12).

Companies known principally as consumer product or component makers were hardest hit among electronics firms by recession—and have shown biggest rebound. Nine companies grouped arbitrarily as "TV-radio group" (although many of them do much military & industrial business) aggregated 31% increase in sales, 171% increase in net profit in first-quarter 1959 over first-quarter 1958. In every case, sales & profits were individually higher in the 1959 period.

Seven component makers showed 30% increase in sales, 136% hike in profits between the 2 periods. Again, all 7 had increased sales & profits.

Five large diversified manufacturers (4 of which make consumer products but were not included in TV-radio group) reported 4.2% increase in sales, 13% increase in profits in first-quarter 1959. All showed rises in profits, and 4 of the 5 reported increased sales.

These companies were represented in the first-quarter sales & profits tabulation: Diversified group—GE, RCA, Raytheon, Thompson Ramo Wooldridge, Westinghouse. TV-radio group—Admiral, Granco, Hoffman, Motorola, Packard-Bell, Philco, Siegler, Wells-Gardner, Zenith. Components group—International Resistance, Mallory, Muter, Oak, Standard Coil, Tung-Sol.

Financial data for more than 100 major companies in TV-radio-electronics & broadcasting from 1950 through first-quarter 1959 will be contained in our updated annual Special Financial Report now being prepared by Chicago financial consultant Edgar N. Greenebaum. New edition of this popular report will be distributed shortly as a supplement to all subscribers.

GREEN LIGHT FOR LOCATION TV-TAPING: All the world's a TV stage, thanks to video tape—and the collapse of NABET's 19-day strike against NBC (see p. 7) removes one of last major barriers against extensive location taping of network shows both in U.S. & overseas.

Current boom in overseas specials is almost certain to be extended next season, most industry observers feel—technicians unions' jurisdiction having been definitely and firmly pinned down to within 200 miles of network-owned stations.

Ill-fated strike—which started when NABET leadership objected to Paris taping of NBC-TV Today show—is almost certain to have serious ramifications within union. Unpopular walkout won NABET almost nothing and lost wages, prestige & bargaining position, and may well signal a major shakeup of union's top officials.

And it offered further proof (as did CBS strike last year) that a complex TV network can be kept running fairly adequately without its usual complement of technical staffers.

GAUGING VHF BOOSTER POTENTIAL: No great rush in vhf booster construction is anticipated when & if Congress passes the necessary legislation and FCC comes up with full technical specifications (Vol. 15:16)—according to biggest manufacturer of equipment used by booster operators, Mid-America Relay Systems, 601 Main St., Rapid City, S.D.

Gen. mgr. Gene Bartlett informs us that although his firm warns that FCC hasn't authorized boosters, some 200 organizations have bought & installed Mid-America equipment. Reason for "no new rush," he explains, is that operators have ignored FCC anyway, haven't waited for Commission go-ahead.

FCC has yet to come up with full technical specifications of booster equipment—but Bartlett is satisfied that he can build satisfactory gear, "actually more stringent than FCC's probable requirements," to sell for less than \$500. Complete installation with antennas, tower, etc., usually will run less than \$1000, he says.

Commission seems satisfied with the 1/3-watt Mid-America unit tested by FCC labs, and the firm plans to submit a 1-watt unit (with 5-watt potential, if ever authorized) for Commission scrutiny.

Bartlett estimates that there are 800-1000 boosters in operation, that 50% of towns have 1 channel, 30% 2, 20% 3 or more. He puts average cost of operation at \$100-150 annually and says that operators—mostly non-profit clubs—have little trouble raising funds for installation & maintenance.

Mid-America, established in 1954, is 50% owned by secy.-treas. Bartlett & wife, 50% by pres.-chief engineer Keith Anderson & wife.

Though FCC staff hasn't devised rules & standards, it's understood that Commissioners lean toward proposals submitted in detail by Washington engineer Dr. Frank G. Kear for Colo. TV Repeater Assn.

FCC, RULE-MAKING AND INDUSTRY CONTACTS: No drastic change in FCC's attitude toward contacts with industry is seen stemming from Court of Appeals' decision ordering Commission to hold a hearing covering off-the-record discussions in connection with shift of Ch. 2 from Springfield, Ill. to St. Louis (Vol. 15:19). Though their general counsel's office has yet to analyze decision, FCC members generally have been quite careful about out-of-school discussions of such things as TV channel shifts where, as court said, there are "conflicting claims to a valuable privilege."

However, it wouldn't be surprising to find a certain amount of tightening up, now that Court has acted finally. Generally speaking, there always will be situations which aren't clear-cut, and Commissioners will always vary in outspokenness according to their individual interpretations—and temperament.

Chairman Doerfer is expected to clarify Commission's attitude on "ex parte" discussions of "legislative" matters (such as rule-making) in a speech before Federal Communications Bar Assn. May 26. He's been a leader in drive to keep Commission from being locked up in an ivory tower.

Court of Appeals last week handed down an order in another case which had been tied to St. Louis Ch. 2 situation by U.S. Supreme Court (Vol. 14:43). This is the Peoria Ch. 8 rule-making, in which FCC removed Ch. 8 from city to leave area all-uhf. When Supreme Court sent it back to Court of Appeals, former didn't make its reasons clear. Court of Appeals previously had rejected allegations by WIRL Peoria—whose CP for Ch. 8 was taken away—that Sen. Kerr (D-Okla.) used his "influence, power & prestige" to get Ch. 8 deleted, because he wanted no vhf competition for his uhf WEEK-TV (Ch. 43) in Peoria.

Last week, Court of Appeals apparently concluded that Peoria case was sent back by Supreme Court solely because it involved vhf-uhf deintermixture and thus was tied into the deintermixture of Springfield & St. Louis. Therefore, it didn't order FCC to conduct a hearing into any Peoria "ex parte" discussions. It merely sent case back to FCC "for such proceedings, if any, as may be proper after & in view of the Commission's report & recommendation in the [St. Louis] case." Court called attention to similarities in "certain physical characteristics of the stations (and their operation)" in the St. Louis & Peoria situations—presumably meaning the deintermixture problem.

On another "contact" front, there's no gainsaying that FCC members have become very careful about accepting industry gifts & favors—ever since their painful & sometimes unfair treatment by Harris' investigating committee last year. But members have no official code about what they will accept. We understand that all—like just about everyone else in our contemporary society—consider it rude to reject mere tokens. (Don't ask us to define "mere.")

ROUGH GOING IN HOUSE FOR AID TO ETV: Federal aid to educational TV is in trouble. With sure-handed guidance of Chairman Magnuson (D-Wash.) of Senate Commerce Committee, his proposal for \$51 million govt. grants to states to buy ETV equipment sailed through Senate last month (Vol. 15:16). But precedent-making project ran into heavy weather in House hearings by Commerce subcommittee last week (see p. 4). It's in danger of foundering there.

Biggest obstacle to quick clearance for Magnuson bill—or for any of half-dozen similar ETV measures—is House Commerce Committee Chairman Harris (D-Ark.). He voted for it in 1958, when it just missed getting on House floor after passing Senate. But this time he warned proponents he needed some re-selling on need. Harris said they'd better have some convincing arguments to overcome administration objections—voiced insistently by ranking minority committee member Bennett (R-Mich.)—that it's not Govt.'s responsibility to rescue TV educators from chronic financial distress, that their problems should be solved locally.

Usual array of dozen ETV pros, veterans of Hill hearings by now, did best to prove that national development of ETV will be thwarted without direct federal subsidies—that self-help won't be enough. But they didn't seem to impress Harris, who stayed skeptical. And they failed entirely to convert Bennett.

There may be another chance for advocates of federal aid to try to clinch their case when Harris takes up educational allocations in his spectrum study starting next month (Vol. 15:19). But time at this session already is growing late.

FTC consent order signed by 4 affiliated N.Y. promotion firms requires them to stop selling TV-radio-merchant advertising plans cited in a 1958 complaint alleging misrepresentation. Named in the agreement are Advertisers Assoc. of America Inc., Teleradio Advertisers Inc., United

Publicity Inc., and Arthur Hammell trading as Teleradio Advertisers. The FTC said the firms promoted contests but failed to carry out all their terms. The consent order constituted a settlement of the FTC case—not an admission of guilt by the firms.

Congress

More about

GOVT. ETV AID OPPOSED: The first real congressional opposition to Senate-approved proposals for federal grants of up to \$1 million to each state & D.C. for educational TV installations developed last week—and prospects for House action on them this session dimmed accordingly.

After waiting 4 months since the session's start to get around to the subject, the House Commerce communications & power subcommittee finally held quickie 1½-day ETV hearings. Under critical examination were the \$51 million federal aid to TV bill (S-12) by Sen. Magnuson (D-Wash.) on which Senate action was completed last month (Vol. 15:16) and 7 similar House bills (Vol. 15:18).

Objections to all of the bills were raised within the subcommittee. Then it adjourned, scheduling no session for a vote on whether to recommend any action on them to the full committee.

Most vocal opponent of the whole idea of federal financial help for ETV was Rep. Bennett (R-Mich.), ranking minority member of the subcommittee and the full committee, both chaired by Rep. Harris (D-Ark.). Reflecting the Eisenhower Administration's policy position against such govt. assistance, Bennett repeatedly interposed such comments as:

"As far as I can ascertain, there has been no lack of funds for TV of this type in states or areas where the people want facilities of this kind."

"The question of whether the federal Govt. has an obligation in this field gets into the other area of aid to education, and we have had and still have that issue before us."

Several of the House bills, including proposals (HR-2926 & 3043) by Reps. Roberts (D-Ala.) & Moulder (D-Mo.), both Committee members, provide for Govt. ETV grants only if they are matched by the states. But Bennett didn't like them, either: "I am not sure that even then it is a wise program for us to undertake at this point."

And although Harris supported the Magnuson bill last year, when his Committee endorsed it too late for floor action, the chairman this time was openly skeptical of the need for the measure. What with the "budgetary situation" and all the other problems in Congress, Harris said, "A good case is going to have to be made" before he votes for ETV aid again.

At the outset of the hearings he warned ETV proponents that they shouldn't count on quick House Committee clearance of any aid bill. "It isn't at all as simple as just meeting & reporting," Harris said. And when he rapped the hearings to a close he indicated that the pro-ETV-witnesses hadn't convinced the subcommittee that their cause was critically urgent.

* * *

In addition to the House sponsors of ETV bills, proponents who testified or filed statements included a dozen specialists, many of whom repeated presentations they gave at earlier Senate hearings and at last year's Senate & House proceedings. Typical of their arguments:

William G. Harley, National Assn. of Educational Bcstrs. pres.: "Unless federal support is provided, we believe that for many years there will be no more than some 50 to 60 educational TV stations in the nation, while some 200 other frequencies, allocated for education, lie fallow."

Dr. Edward C. Lampert, U. of Mo. TV director (KOMU-TV, Columbia): "Without federal help, 'I fear that many of the 258 TV channels reserved for educational TV never will be utilized . . . with many states hard pressed financially & with foundations beginning to withdraw their support of new ETV installations, the growth of ETV is in danger of being thwarted.'"

L. D. Haskew, U. of Tex. v.p.: "It seems that the Congress is the only agency which can assure this step [activating ETV stations] in time to conserve the gains from the pilot operation."

John F. White, National Educational TV & Radio Center pres.: "The seed money job is now too large for any private source of support. The problem & the potential is a national one . . ."

Part of Haskew's testimony was turned against his ETV aid case by Bennett, however. In arguing for federal help, Haskew pointed out that the Tex. legislature's appropriation for higher education in the state carried a rider forbidding any tax expenditures for "construction or operation of a TV broadcasting station." If a state prohibits investments of its own money in ETV, why should Congress vote to provide them? Bennett wanted to know. Haskew had no ready answer.

— ■ —

The FCC proposal that Congress require all TV sets shipped in interstate commerce be equipped to receive all TV channels (Vol. 15:17), was called "a breakthrough toward adequate TV" by Edward D. Hollander, national dir. of Americans for Democratic Action, in letters to the *N. Y. Times* and *Washington Post* last week. He noted the opposition to FCC proposals expressed by House Commerce Committee Chairman Harris (D-Ark.) who said that Congress "certainly can't" require manufacturers to make sets to receive all channels and that "you get into a problem of networks, too . . . how many can the country support?" Said Hollander: "There is indeed a question of networks, which should be resolved on the side of adequate service & adequate competition. No member of Congress, no matter how powerful or highly placed, should be permitted to foreclose the decision on the side of the existing system & the 2 dominant networks."

TV news cameras focused last week on an historic event (and a dream of a commercial for non-skid floor wax) on Capitol Hill: Sens. Douglas (D-Ill.) & Proxmire (D-Wis.) demonstrating how floors in the new Senate Office Bldg. should be fixed to save money. The Klieg-lighted stunt, in which 4 kinds of wax were applied by Douglas & Proxmire, with a power-driven buffer, was cooked up to show that the tile flooring doesn't need carpeting to make it safe for secretaries in high heels. Slippery floors were one of many defects (including raucous hearing-room amplifying systems) found in the \$25 million building. Over protests by Douglas & Proxmire, the Senate had voted to install \$1500 carpets in each suite. Cost to taxpayers: \$150,000. Despite the Douglas-Proxmire show, the carpets were still scheduled to be laid.

Administrative Practice Office for "coordination & direction of procedures" of FCC and 70-odd other Federal depts. & agencies would be established under a bill (HR-7092) by Rep. Fascell (D-Fla.). The measure incorporates American Bar Assn. recommendations for establishing a career service for govt. lawyers, setting up "new & improved" standards for selection of hearing officers, imposing "standards of conduct" on lawyers practicing before agencies. A similar bill was introduced by Fascell in 1958, got nowhere.

Oversight Push-Off: Panel hearings for FCC & 6 other federal regulatory agencies—probably starting June 15 for a 6-day run—will officially open the 1959 investigative season of the House Commerce legislative oversight subcommittee. Chairman Harris (D-Ark.) last week called on the FCC, CAB, FAA, FPC, ICC, CAB & SEC to get ready to discuss these topics: (1) Prevention of influence by “vested interests” in rule-making decisions. (2) Role of hearing examiners. (3) Role of Commissioners & staffs. (4) Efficiency, hearing procedures, workloads. Each agency was asked to file written statements, then send spokesmen for panel discussions. The agency conferences will be followed by testimony, scheduled to last 2 days, by trade associations, bar groups, representatives of the federal trial examiners’ conference.

FCC’s budget was cut \$600,000 by the House last week—but the Commission fared better than other Federal regulatory agencies whose fiscal 1960 appropriations were voted in a \$6.4 billion appropriations bill. The economy-bent House Appropriations subcommittee on independent offices, headed by Rep. Thomas (D-Tex.), recommended that the FCC be given about 52% of a \$1.2 million increase to \$11 million asked for the upcoming fiscal year (Vol. 15:4). Without discussion, the House voted the cut while slashing other agencies 60% and more. The FCC slices were taken across the budget board, but one item specifically provided was \$90,000 (vs. \$100,000 asked) for a Bureau of Standards study of automatic data processing equipment to speed FCC work. The Independent Offices Bill, covering 18 commissions, boards, etc. now goes into hearings before a Senate Appropriations subcommittee headed by Sen. Magnuson (D-Wash.).

FCC budget deficiency appropriation of \$739,100 for salaries & expenses for fiscal 1959, ending June 30, was approved by the Senate last week & sent to the White House. Action came on a Senate-House conference report on the 2nd supplemental appropriation bill (HR-5916). FCC had asked \$778,000.

TV rating systems are “grossly overrated” by networks, sponsors & advertising agencies, but they “are a useful tool,” said Senate Commerce Committee Chairman Magnuson (D-Wash.). Guesting a John Crosby column (“TV Ratings—Curse or Boon?”), Magnuson lined up with his committee colleague Sen. Monroney (D-Wash.) in holding ratings responsible for much poor programming (Vol. 15:18). He said they “spell death to originality & creativeness.” At the same time Magnuson acknowledged that the TV industry’s “most painful problem” is to determine “the values of the time segment” and that the industry has to count on some kind of measurement.

National Telecommunications Board to advise the White House on spectrum policies, as recommended by the Special Advisory (Cooley) Committee on Telecommunication (Vol. 15:14), would be set up under a bill (HR-7057) introduced by House Commerce Committee Chairman Harris (D-Ark.). But he didn’t endorse the measure as drafted by the Cooley Committee. Harris said he was submitting it only so that it “may be considered by our committee together with other proposals” when his own spectrum study opens panel hearings June 8-9 (Vol. 15:19).

CATV-booster amendments to the Communications Act proposed in a bill (S-1886) by Sen. Moss (D-Utah) to carry out FCC recommendations (Vol. 15:19) have been co-sponsored by Sen. Murray (D-Mont.).

The FCC

POTENTIAL DROP-IN MARKETS: FCC is still considering how to pick “critical” markets intended to get dropped in vhf channels via its proposed interim allocation plan (Vol. 15:17). The Commission is examining all kinds of lists, all kinds of criteria, has settled on none yet.

In its statement to the Senate Commerce Committee (for full text see Vol. 15:17), the Commission called attention to 36 unidentified markets among the top 103 with fewer than 3 vhf or 3 uhf stations. It has been looking over a variety of lineups. One criterion employed is the hourly network rate of affiliates in the markets, obviously an index to their importance. Another is the Nielsen “total homes” figure. Herewith is one FCC list of 37 markets with one or 2 vhf stations, ranked according to the CBS-TV affiliate’s rate (with exceptions noted):

Hartford, Lancaster (NBC), Grand Rapids, Charlotte, Providence, Birmingham, Dayton, Louisville, Champaign, Toledo, Syracuse, San Diego, Binghamton, Rochester, Jacksonville, Altoona, Shreveport, Fresno, Erie (NBC), Madison, Knoxville, Raleigh-Durham, Cape Girardeau, Austin, Terre Haute, Evansville, (ABC), Sioux City, Baton Rouge (NBC), Jackson, Miss., Quincy, Ill., Columbus, Ga., Macon, Augusta, Ga., Corpus Christi, Springfield, Mo., Topeka, Brownsville, Tex.

The foregoing are not all certain to get dropped-in channels, if & when—but they’re prime prospects.

* * *

A petition to add a vhf channel to Birmingham, without cutting mileages, was offered to FCC last week by grantee WBMG (Ch. 42). It proposed that Ch. 4 be shifted from Columbus, Miss. to Birmingham, while Ch. 3 & Ch. 9 are substituted for Ch. 4 in Columbus, Ga. WCBI-TV now operates on Ch. 4 in Columbus, Miss., but owner Birney Imes Jr. has agreed to shift to Ch. 2—if FCC moves it from State College, Miss., where it is allocated (but unsought) for educational use. For the costs of shifting, WBMG would pay Imes \$185,000 “plus the actual cost of equipment & installation for like facilities as those now utilized by said TV station WCBI-TV, but not to exceed \$85,000 in case it should be necessary to move the transmitter tower of WCBI-TV, and not to exceed \$15,000 in case it should not be necessary to move said tower.”

WBMG asks authority to build on Ch. 4 immediately—pending finalization of the rule-making & pending any comparative hearing for the channel.

Miami Trial (cont.): An attempt by ex-FCC Comr. Richard A. Mack to get into his own federal courtroom act relieved the tedium in the 6th week of his Washington trial with lawyer Thurman Whiteside for alleged conspiracy to swing Miami Ch. 10 to National Airlines’ WPST-TV (Vol. 15:15-19). In contrast to his friend Whiteside, who totes bulging briefcases to court and scribbles notes endlessly at the defense counsel table, Mack usually sits quietly, looking more like an interested spectator than a co-defendant. But last week when govt. & defense lawyers got embroiled in a bench wrangle over the whereabouts of Mack’s 1953-56 income tax records and other personal papers, Mack suddenly jumped up and broke in: “Your honor—.” He got no further. Judge Burnita S. Matthews shushed him, told him to speak out only through his counsel. The week otherwise was taken up with examination, cross-examination, re-examination & re-cross-examination of bookkeeper Elaine B. Wood about Mack accounts in the Whiteside-controlled Miami Stembler-Shelden insurance firm.

BIG PUSH ON SEC. 315: A powerful bipartisan Senate coalition was lined up last week to back legislative overhaul of the Communications Act's political equal-time Sec. 315 as proposed by Sen. Hartke (D-Ind.) following the FCC's Lar Daly newscast ruling (Vol. 15:19)—and a similar reform bill was introduced in the House.

The Hartke bill (S-1858)—rewriting Sec. 315 to eliminate newscasts from its requirements, to define minority candidates for President & Vice President and to free stations from libel suits threats—had drawn 14 co-sponsors by week's end. In the House, Rep. Barr (D-Ind.) submitted an indetical "Fair Political Broadcasting Act of 1959" (HR-7122).

In addition, Sen. Holland (D-Fla.) introduced a simpler amendment (S-1929) of Sec. 315 in line with earlier House moves by Rep. Cunningham (R-Ia.) and others making the equal-time rule applicable only to regular news broadcasts in which candidates appear.

Senate supporters of the Hartke measure were Sens. Dodd (D-Conn.), Capehart (R-Ind.), Thurmond (D-S.C.), Green (D-R.I.), Humphrey (D-Minn.), Young (D-O.), McGee (D-Wyo.), Bartlett (D-Alaska), Case (R-S.D.), Bible (D-Nev.), Bush (R-Conn.), McCarthy (D-Minn.), Randolph (D-W. Va.), Engle (D-Cal.). Others were expected to join.

In a floor speech, Sen. Keating (R-N.Y.) agreed it's "time for a congressional review" for Sec. 315. But he said he didn't think an attempt should be made now for a complete overhaul. Instead, he urged "a very careful, overall study" by Congress in which equal-time rights of 3rd-party candidates would get "special attention."

Noting that "a furor all over the country" (even the Los Angeles City Council passed a protest resolution) had been raised by the FCC's Lar Daly doctrine, Keating lauded "vigorous efforts" for correction by Attorney General William P. Rogers, who called on the Commission to reconsider & reverse its newscast interpretation. The FCC continued to mark time on the issue pending scheduled return of Chairman Doerfer from Japan this week.

Meanwhile, ABC, which didn't join CBS & NBC in endorsing the Hartke bill when it was introduced week before last, sent a letter to him explaining its position. AB-PT pres. Leonard H. Goldenson said ABC wanted "clarification" of the news show ruling. But he expressed fear that "general rewriting of the equal-time requirements might well result in such delay as to hamper seriously coverage of the 1960 campaigns & elections."

One thing is sure: Chicago's perennial candidate Lar Daly is still vocal. Last week he followed up a series of pronouncements on the case with a complaint to FCC that Attorney General Rogers tried to "stick his snout" into its business. Daly demanded that the Commission throw Rogers out of the case and he said that FCC Chairman Doerfer should disqualify himself from voting on the case because he has urged that Sec. 315 be repealed.

TASO hopes to have its report printed by the end of May, says exec. director Dr. George Town. He doesn't yet know how large it will be or how much will be charged for it. His address: Box M, Station A, Iowa State College, Ames, Ia.

FCC Comr. Rosel Hyde's hearing on his renomination to another term to start July 1 has been set tentatively for May 27 by the Senate Commerce Committee.

KKTU (Ch. 11) Colorado Springs, Colo. has been granted permission to identify itself also with Pueblo.

The application-processing procedure suggested by Federal Communications Bar Assn. (Vol. 15:19) wouldn't relieve the backlog, FCC replied last week, in rejecting FCBA's petition for reconsideration. Said the Commission: "The amendments adopted by the Commission were so designed to combat several practices which have become prevalent over the years and have played a large part in the build-up of the standard broadcast backlog. For example: (1) The practice of filing a sham application to obtain a place in the processing line with the intention of amending to the originally intended proposal when the application is reached for processing; (2) The practice of filing an application with a minimum engineering showing to obtain a place in line with the intention of curing deficiencies by last-minute amendments; (3) The practice of waiting until pending applications had been processed before filing a competing application; and (4) The all too prevalent practice of last-minute filings when such delay was not necessary. The FCBA proposal would not meet these & the other objectives of the Commission to the same extent as the amendments which have been adopted. Indeed, in our opinion, the FCBA proposal would do little to ameliorate the existing situation on the standard broadcast processing line."

Justice Dept. & FCC have gone to the U.S. Supreme Court to seek a review of the Court of Appeals decision last year which overruled the Commission's edict on FM functional music (Vol. 14:45). FCC had ordered FM stations supplying functional music to shift from simplex to multiplex technique, so that the main channel would continue to offer a general broadcast service. The ruling was appealed by Functional Inc., and the Court of Appeals reversed the Commission, stating that simplexed functional music has "the requisite attributes of broadcasting," disagreeing with FCC's argument that the service is essentially "point-to-point"—and something for which the FM band wasn't allocated. Solicitor General J. Lee Rankin's petition for a writ of *certiorari*, filed with the Supreme Court last week, states: "In effect, the Court's decision does what the Commission refused to do and permits the re-allocation of the FM band to specialized non-broadcast services of the nature here involved. The Court below has substituted its judgment for that of the Commission on an important matter of administrative regulation, one which Congress has left to the responsible agency concerned, and not to the reviewing court."

Court of Appeals upheld the FCC last week in the decision which added Ch. 17 & Ch. 39 to Bakersfield, Cal. In a brief "per curiam" decision, Judges Edgerton, Washington & Burger stated: "We find no error." KBAK-TV (Ch. 29) Bakersfield had taken the Commission to court because FCC had added the 2 uhf channels without acting on pending petitions to deintermix the area. The deintermixture petitions are still pending. The Commission had stated that there was demand for the new uhf channels and that they should be added now. Both channels have been granted but protests have delayed construction.

FCC's "impossible ground rules" on broadcast editorializing, established in 1949, were attacked by Sol Taishoff, ed. & pub. of *Broadcasting*, in an address to the Washington Ad Club May 12. "Fortunately," he said, "the FCC has yet to apply its own decision literally, perhaps in recognition of the outlandishness of the decision. But the possibility of literal enforcement is always there . . ."

CP for Ch. 12 Aguadilla, P.R. was granted to Western Bestg. Corp. of P.R. last week, FCC upholding examiner Millard F. French's initial decision of March 26 (Vol. 15:13).

Networks

More about

NABET THROWS IN THE TOWEL: After 19 days off the job—and an estimated total of \$820,000 in lost wages—1500 members of the Natl. Assn. of Bcst. Engineers & Technicians across the country trooped into mass meetings on Friday, May 15, and voted to approve a new agreement that ended the work stoppage at production centers and o-&o's of NBC-TV.

The agreement had been worked out the preceding night in a top-level meeting at N.Y.'s Essex House between an NBC team headed by exec. admin. v.p. J. M. Clifford and personnel v.p. B. Lowell Jacobsen, and a union team headed by G. Tyler Byrne, NABET dir. of network relations.

Announcement of the agreement came from Benjamin C. Roberts, N.Y. attorney, who had been called in as an impartial mediator, after union-network sessions held with Federal Mediation Service executives failed to produce results.

Officials at NBC and NABET at first declined to discuss the substance of the agreement. But the details were announced officially by NBC late Friday night.

Gist of the new NBC-NABET agreement:

1. **Tape jurisdiction:** The issue that kicked off the dispute on the morning of April 27, when technicians refused to air a Dave Garroway *Today* show taped in Paris with a 50% French crew, was settled once and for all—on NBC's terms. NABET (like rival union IBEW, which represents technicians at CBS) is specifically confined to domestic U.S. jurisdiction on NBC's own taped shows with this jurisdiction defined as "within 200 miles of NBC o-&o's."

2. **Union contract:** Back into force will go the NABET-NBC contract originally drawn in May 1958 and rescinded unilaterally by NBC-TV early in the work stoppage. But a new addition to the basic contract gives NBC the right to determine methods of program operation (live, tape or film), to make work assignments, to discipline or discharge employes who refuse such assignments, and to file grievances against the union.

3. **Lawsuits against NABET:** The total of \$600,000 in damage suits pending by NBC are being dropped with union approval of the new agreement. Meanwhile, like a Damoclean sword, they remain over the heads of NABET officials until the final OK is made.

■

NBC Builds Up News: A new 6-figure program-development fund, reportedly ordered by NBC-TV's pres. Robert Kintner, is being made available to William R. McAndrew, v.p. for NBC News. Armed with this addition to the regular news budget, NBC is already at work on a number of news-in-depth projects which McAndrew hopes to have ready for summer & fall scheduling. They include:

A 2-part series on the rise of African nationalism in Nigeria, Ghana, Guinea, Liberia and other countries; a special program on the use of newly developed drugs & chemicals for treating mental illness; and a new special to cover the struggle between democracy & communism in Latin America. Correspondents Wilson & Lee Hall (husband & wife news team) have been assigned.

NBC could take gratification this week from a bouquet for its ability at news specials, from one of TV's severer critics. Said May 18th *Time* of a Chet Huntley-team report on Berlin in prime evening time: "television journalism at its best."

NETWORK ACTIVITY

All 3 networks were virtually sold out as of May 15, CBS having had 2¾ hours on the block, ABC and NBC approximately 3 full hours. Sparking last week's activity was Ford's two-year renewal of NBC-TV's *Ford Show*. Ford has already renewed its segments of that network's *Wagon Train* (Vol. 15:19), and NBC is hopeful on further Ford activity involving 39 specials. Other auto companies on NBC-TV for the fall are General Motors (Chevrolet for *The Chevy Show* and Delco for 8 Art Carney specials) and Plymouth for *The Steve Allen Show* when it moves to Monday night. Negotiations for a renewal of the Buick-Bob Hope specials, are currently in progress.

ABC-TV

Hawaiian Eye, former title *Diamond Head* (Wed. 9-10 p.m.), purchase of segments, effective in the fall:

Harold F. Ritchie (Kenyon & Eckhardt).

Lawman (Sun. 8:30-9 p.m.) alt. sponsorship next fall. Program now sold out:

Whitehall (Ted Bates).

The Rebel, which debuts next season (Sun. 9-9:30 p.m.):

Procter & Gamble (Y&R) and Liggett & Myers (McCann-Erickson).

CBS-TV

Hennessy, new comedy-drama series to debut Oct. 5:

P. Lorillard (Lennen & Newell), co-sponsorship with General Foods (Benton & Bowles).

Keep Talking sponsorship (Wed. 8-8:30 p.m.) effective May 20:

Drug Research Corp. for Regimen Tablets (Kastor, Hilton, Chesley & Clifford).

The Many Loves of Dobie Gillis, debut next fall (Tues. 8:30-9 p.m.):

Philip Morris and Pillsbury Mills (both Leo Burnett Co.).

NBC-TV

Art Carney in 8 specials, (four 60-min. & four 90-min.):

General Motors for A. C. Sparkplug div. and Delco div. (Campbell-Ewald).

Love & Marriage, debut next season (Mon. 8-8:30 p.m.), alt. week sponsorship:

Noxzema Chemical (Sullivan, Stauffer, Colwell & Bayles).

Arthur Murray Party, renewal of alt. week sponsorship. Program moves to new day & time Sept. 29 (Tues. 9-9:30 p.m.):

P. Lorillard (Lennen & Newell).

The David Niven Show (Tues. 10-10:30 p.m.) sponsorship of 4 programs in June & July:

Esso Standard Oil (McCann-Erickson).

Summer on Ice special (June 1, 10-11 p.m.):

U.S. Brewers Foundation (J. Walter Thompson).

Alcoa Goodyear Theatre (Mon. 9:30-10 p.m.) renewal for '59-60 season: Alcoa (Fuller & Smith & Ross) and Goodyear (Y&R).

The Ford Show (Thurs. 9:30-10 p.m.) 2-year renewal:

Ford (J. Walter Thompson).

You Bet Your Life (Thurs. 10-10:30 p.m.) renewal:

Lever Bros. (BBDO).

"We in Wannatosa, Wis." begins a letter in Stockton Helffrich's latest continuity-acceptance report, "do not care for those overly-personal ads for laxative, mucous membrane, toilet bowl and sanitary napkins." But, continues the same correspondent to NBC: "Don't pay any attention to complaints about violence or immodesty. I believe you must face the facts of life, and that includes murders, robberies, beatings, divorces, rapes & sexy dolls."

Russian TV will play host to Ed Sullivan, a 24-act variety bill, and CBS-TV dir. Robert Plecht during the Moscow Trades Fair, Aug. 3-23. While in Moscow, Sullivan, who is going as a State Dept. representative, and Plecht will tape a 90-min. show for Soviet TV which CBS-TV also plans to show this fall. The troupe has a 24-performance theatrical schedule.

Each of 8 magazines using MBS radio within the past 9 months for advertising has noted circulation & ad-lineage gains, according to Mutual's research dept. The advertisers were *Reader's Digest*, *Time*, *Look*, *Popular Science*, *Coronet*, *Esquire*, *U. S. News & World Report*, *Argosy*.

CBS-TV pres. Louis G. Cowan is slated to address the Ad Club of Washington May 18 on "The Program Story."

Programming

BOLSHOI-ON-TAPE SYNDICATION: From Matty Fox's inexhaustible well of off-beat TV ideas last week came a new one. Now he wants to syndicate 4 one-hour taped non-commercial specials of the Bolshoi Ballet to individual stations, which would put up whopping guarantees in the hope that audiences would send in dollar bills to Fox's Skiatron TV on a sort of "subliminal pay-TV" basis.

The project was hatched by Fox as the latest step in his current attempt to find a profitable outlet for a Bolshoi TV show, for which he holds rights (for a reputed \$450,000 guarantee, not necessarily in cash down) from impresario Sol Hurok. A plan to stage the telecast as a theatrical attraction, via closed-circuit facilities of TelePrompTer, had fallen through when theaters wouldn't buy the idea of \$5-\$7 admission prices (Vol. 14:19).

Fox's offer to stations and leading station groups last week went along these lines:

Fox would deliver the 4 Bolshoi tapes to stations, which would then guarantee an average of \$25,000 per show per large-market station—probably the highest "price" in TV history for a syndicated show. For a 5-station group, in major markets, for example, the guarantee for the total 4-program package would be \$500,000.

N. Y. would lead the price parade, if the deal goes through—the price for the country's largest TV market is reportedly \$368,000 for the quartet of ballet specials.

No commercials would be aired in the shows. Instead, as in the offer made to Ed Sullivan and CBS-TV (which was turned down), an announcement at the end of the show, backstopped by print media ads, would solicit audiences to send in a dollar to Skiatron as a form of "honor system" pay TV.

Stations would be in the "first money" position—keeping the contributions up to the level of the guarantee. Fox would then split the above-guarantee dollars on various deals (one station group was offered a 35-65 split, another reported 50-50). If the project were a real success, everybody would make a small fortune.

As of late Friday, no stations, groups or networks contacted by us reported that they had signed for the deal, although by week's end the deal was becoming known in broadcast circles.

Fox, however, was going ahead with plans to produce the shows. Location site for the live-on-tape production is slated to be the largest studio of Paramount's KTLA Los Angeles, formerly Stage 6 of the Paramount lot. Into its 16,000-sq.-ft. area, on June 1 & 2, Fox hopes to bring the Bolshoi troupe during a layover following its 2-week Los Angeles engagement, and prior to the departure for San Francisco (last U.S. stop before Toronto).

Tentative budgeting for the 4 shows, we've learned, is around \$750,000, with some \$300,000 going for below-the-line costs of crews & technicians.

Slated to be the producer of the quartet of ballet specials is Ted Mills, a producer of a number of major spectaculars, sources at Paramount confirm. Paul White, of Matty Fox's staff, is due to be listed as executive producer.

"Paramount is not a partner in the venture. It's just a facilities rental deal, although it's the biggest deal of its kind we've ever had," we were told by James A. Schulke, v.p. in charge of KTLA, who was in N.Y. negotiating the Fox deal.

When contacted in N.Y., neither Sol Hurok's spokesman, Martin Feinstein, nor Matty Fox gave out much in the way of news.

Feinstein deplored what he termed "a fallacy" in recent press coverage given the Bolshoi TV deal. "The Bolshoi arrival in the U.S. for a tour was confirmed in late February and March," Feinstein said. "But after that date, none of the networks, and no sponsor, approached us to talk about a free-TV special on the Bolshoi. The first person to make a firm offer was Mr. Fox. Is there any reason why we shouldn't have considered the offer?"

Matty Fox, although willing to chat generally about Bolshoi-TV with our N.Y. bureau, preferred to parry, rather than answer any direct questions. Samples:

Q. Mr. Fox, would you care to comment on the guarantee you are making to Hurok for TV rights?

A. I guaranteed 12 cigar store coupons. What else do you want to know?

Q. Have any stations agreed to sign for your 4-show package?

A. Why should I give you guys information so you can beat my brains out?

Q. Is it true you plan to tape the Bolshoi Ballet in Los Angeles?

A. Me no speak English.

* * *

Ed Sullivan is determined not to be caught short again on TV presentation of import dance troupes, as he was with the Bolshoi. Sullivan last week quietly signed TV rights to Japan's Takarzuka dance company, due to appear in the U.S. in August as a William Morris-arranged concert attraction. The Takarzuka troupe will appear at the Metropolitan Opera in N.Y., then tour the U.S., appearing on Sullivan's show sometime in November.

Intramural Sports: At week's end it was still a scoreless tie. The runs, hits & errors went like this:

Talent Associates	0-2-1
NBC	0-1-1

Talent Associates' David Susskind was up first—on Mike Wallace's WNTA-TV talk show. Selecting the biggest, thickest bat available, he assumed his creative stance at the plate and connected with:

"NBC is probably the saddest case history in network programming . . . It is the network of antiquity . . . mired in nonsense and . . . pandering to the lowest element, trying to catch up with the third network, which is ABC."

Syd Eiges, NBC publicity v.p., batted for his network: "Dave's success in developing adaptations of well known classics to TV specials . . . and his own even greater development of the art of self-promotion have obscured the number of mediocre programs he has produced over the years [notably his recently-dropped Oldsmobile live musical show on NBC]. Compared with his lofty vocal pretensions, his recent program submissions include *87th Precinct* and *Alias Mr. White*, both mysteries, and a private-eye series, *Sutton Place South*."

Next time up, in a statement, Susskind bunted: "These 3 new offerings sustain the same high quality and attempt at originality as any of our other shows. [We] definitely are not going in for programs that pander to the lowest common denominator in the audience."

Susskind's error was when he bit the hand of NBC, which is slated to run a number of Talent Associates specials next season. NBC's was in pointing to its winning of 27 out of 42 Emmy Awards as proof of its programming quality and creativity.

It was a dull game.

Fight Over Fight Rights: Long-smoldering feud between the 2 biggest closed-circuit TV entrepreneurs burst into flame last week when promoter Bill Rosensohn awarded theater-TV rights for the upcoming heavyweight championship battle to his former bosses at TelePrompTer for a record \$300,000, brushing aside a \$450,000 bid from Nathan Halpern's Theatre Network TV (TNT).

The June 25 Floyd Patterson-Ingemar Johansson bout will originate from Yankee Stadium. The rights won by TelePrompTer also include motion pictures & radio (and pres. Irving Kahn says he won't take less than \$100,000 for the radio rights), but no theater-TV performances will be permitted within 75 miles of the stadium. There will, of course, be no free TV broadcast.

Kahn expects theater audiences to surpass those of the Robinson-Basilio fight in March 1958, when nearly 400,000 spectators in 174 locations saw the bout, with receipts totaling approximately \$1.4 million. He expects 200 theaters to carry the Patterson-Johansson bout.

The bid from TNT was rejected by fight promoter Bill Rosensohn because the TelePrompTer agreement had already been reached. Rosensohn suggested that the TNT bid was insincere, but a TNT spokesman disputed this, declaring that he had been assured by Rosensohn May 10 that the bidding was still open, and that it had been indicated to him that rights would go to the highest bidder. TNT "might as well have offered \$800,000," Rosensohn said. "It was safe at that time."

Rosensohn asserted that money was not the only consideration, anyway, and that TelePrompTer had been favored over other theater-TV promoters because of its "past record for getting the job done." Rosensohn is the former TelePrompTer v.p. in charge of closed-circuit TV activities.

The \$300,000 price will be divided as usual: 40% to the champion, 20% to the challenger, 40% to the promoter.

TelePrompTer is understood to be exploring the possibilities of taping the fight for replay in Europe.

Fred Astaire, troubled about "confusion & controversy" that had arisen about one of his Emmys, offered last week to return his award for "best performance by an actor." Replied the Academy's secy. Thomas Freebairn-Smith: "It's a closed issue. If 4000 members of the Academy voted that way, that's the way they want it." On another subject, Astaire says he will discontinue the practice of going on shows to plug movies. He agrees with Gregory Peck & Cary Grant that such walk-ons are too obvious, of doubtful value, and hurt more than they help. The actor-dancer, who won 9 Emmys at one blow, will begin planning in July and will assemble his company in September for his next TV special, to be on NBC in October, with Chrysler sponsoring. He is also signed for a special for the 1960-'61 season, and doesn't want to do more than the one TV show each year.

The Pat Weaver touch will show itself again this week (Monday evening, CBS) in Coca Cola's spectacular, "America Pauses for the Merry Month of May." (Weaver is a consultant at the sponsor's agency, McCann-Erickson.) Discussing the show last week (via Marie Torre), Weaver said: "I have some very challenging plans brewing for that time when I get back into the racket. I would like once again to effect changes in the medium, to experiment, to fight for worth-while ideas. Things don't happen, you know, unless people fight for them."

Auxiliary Services

CATV'S ANALYSIS OF PROPERTY RIGHTS: Court trial of the 3 Salt Lake City stations' property-rights suit against community antenna system operator W. L. Reiher, Twin Falls, Ida. (Vol. 15:18) isn't likely to come before this fall. National Community TV Assn. will bear the burden of Reiher's defense, and it plans to ask for a 60-day extension from May 27 in which to file its answer to the stations' complaint. The request is likely to be granted.

NCTA gen. counsel E. Stratford Smith has examined the complaint and presents his views as follows in the NCTA *Membership Bulletin*:

"Careful analysis of the complaint reveals that in its present form, it does not raise issues with respect to copyright infringement. The complaint rather seeks to establish a new type of property right not recognized as protectable under the Federal Copyright Act or under common law copyright principles . . . this new concept is interesting, but appears to be without precedent in broadcast law. Attorneys with whom the complaint has been discussed consider the concept to be unique and several have expressed the opinion that it will be difficult to establish. . .

"All network & independently-produced TV programs, whether live or film, are licensed to the local stations for broadcasting. The right to broadcast under license is not a protectable copyright under the copyright code of common law. Thus, as a practical matter, TV broadcast stations have few, if any copyrights in any programs which they broadcast. . .

"An interesting facet of the history of the complaint is the fact that counsel for the NAB has sought diligently during the past several months to obtain cooperation of a TV broadcast network or producer to participate as a plaintiff together with the Salt Lake City stations in the case in order that the copyright issues might also be tried at this time. Thus far, no producer of TV film programs, network, advertising agency, or performing society has been willing to join in the complaint. It is only possible to conjecture as to the reasons. However, it is believed that current investigations by congressional committees, the U.S. Dept. of Justice and the FCC into practices of the networks & producers with respect to the production & distribution of programs in the light of federal anti-trust legislation may well be responsible for the reluctance of these copyright owners to raise the issue at this time.

"The NAB's chief attorney (Douglas Anello) believes that it is quite possible that now that the stations have taken the initiative in filing a complaint, some copyright holders may file concurrent complaints in the same jurisdiction in order that both the copyright and the property right issues can be tried."

Anello informs us that he has no assurance that copyright holders will join in, but that "they have so much at stake—particularly the motion picture producers—that I have a feeling they'll be in before it's all over."

A "TV eye" is now guarding gate at Gulf's Girard Point refinery in Philadelphia. General Precision Labs installed a TV system so workers could use a more convenient entrance. The employe and his badge number are monitored in the main gate house, after which a button is pressed to admit him.

Stations

VELVET GLOVE FOR CODE: "We're not believers in slap-on-the-wrist reprimands to stations. But we're not going to post the call letters of offending stations on a bulletin board, nor are we going to organize picket lines, figuratively speaking, carrying 'unfair' signs." Don McGannon—Westinghouse Bestg. pres. & chairman of NAB's Code Review Board, thus summed up for us last week the current revocation by NAB of the organization's Seal of Approval from several TV stations charged with infractions (Vol. 15:18).

"As a major medium, TV is only 7 years old," said McGannon. "But we've made tremendous strides in self-policing the industry, and there's no reason why we can't approach our code problems as mature individuals. We're not declaring war on stations. We want to create an 'image' for the code seal, both with the public & the industry, so that stations will literally want to carry the seal."

McGannon declined ("NAB won't let me tell you") to identify the number of stations involved in the current crackdown on code offenders, although he indicated it was not an extensive list. He also declined to confirm or deny (as did ABC-TV station relations div. earlier in the day) the report, persistent in N.Y. circles, that some of ABC's o-&o TV outlets were on the NAB code blacklist.

The WBC executive agreed with agency comments made to us recently that it was perfectly possible to make an inoffensive commercial for many types of drug & household items that are not generally subjects of polite conversation. However, he warned, "there's always some advertiser who will inadvertently put a jolt in such commercials," and he reaffirmed his antipathy toward seeing "certain categories of personal hygiene & hemorrhoid products" on TV.

On a long-range basis, McGannon sees a "gradual improvement" developing in the realm of commercials & programs that tread close to the abyss of NAB code disapproval. "It won't come this year, or even next. It's a long-range educational job. But we've accomplished much in working with the TV committee on the 4-A's as well as advertisers & producers. And, don't forget that audiences are becoming more sophisticated, so that many of our problems aren't as acute as they used to be."

Court-blocked sale of WJAR-TV Providence and its parent Outlet Co. department store (Vol. 14:49-50, 15:4, 8, 10) will get a hearing in a special session of the R. I. Supreme Court June 17. The state superior court had upheld J. S. (Dody) Sinclair, WJAR-TV & WJAR gen. mgr. & grandson of Outlet co-founder Col. Joseph Samuels, in granting an injunction against sale of control of the properties by trustees of Samuels' estate to N. Y. real estate magnate William Zeckendorf & Denver telecaster John C. Mullins. Sinclair claimed backing to buy control at a higher price. Timing of hearing may be critical, as the prospective purchasers after July 21 are no longer bound to go forward with their contract to purchase the company's outstanding stock. The court made it clear that it was not guaranteeing a decision by that date.

Signs of the radio times: N. Y. Times' WQXR will sell fewer spots, increase rates starting June 1. Sponsors of 15-min. programs will be permitted only an opening & closing commercial—with the middle commercial eliminated. About 300 spot availabilities per week will be withdrawn. Spots will go up approximately 20% in cost.

Dollar Gusher For TV: Spending by gasoline & oil firms for both spot & network TV time is increasing, TvB reports. The total gross investment for time in 1958 by petroleum companies was \$26,538,400—a 9.3% increase over the previous year.

Spot TV is still far ahead of network spending (nearly 8-to-1) although both are growing at almost the same rate. Gross spending in spot totalled \$23,406,000—an increase of 9.2%—and network spending was \$3,132,400 for a 9.5% gain.

Among individual advertisers, Sun Oil Co. showed the sharpest gain—over 3000%—with 1958 expenditures for gross time of \$1,970,200 as against only \$80,100 in 1957. Biggest spender was Shell Oil (primarily a spot buyer) with \$3,272,400 during 1958, a gain of 64%.

Charted below by TvB is the growth in TV spending by leaders in the petroleum industry:

TV SPENDING BY MAJOR* PETROLEUM ADVERTISERS—1958

	1956 (Add 000)	1957 (Add 000)	1958 (Add 000)	% Change '58 vs. '56
Atlantic Oil & Refining ..	\$ 475.8	\$ 857.8	\$1,144.3	+ 141%
Esso Standard Oil	2,190.8	3,649.1	2,338.9	+ 7%
Phillips Petroleum	618.6	1,372.3	1,595.1	+ 158%
Shell Oil	2,000.2	2,993.1	3,272.4	+ 64%
Standard Oil (California)	474.4	600.7	1,004.1	+ 112%
Standard Oil (Indiana) ..	1,417.6	1,648.5	1,621.0	+ 14%
Texas Company	1,053.4	2,225.1	1,860.5	+ 77%
Sunoco	63.0	80.1	1,970.2	+3027%
Socony Mobil Oil	1,228.7	1,515.5	1,711.2	+ 39%
Gulf	2,320.8	1,280.0	2,465.0	6%

* \$1 million-or-more. Sources: Spot TV—TvB-Rorabaugh; Network TV—LNA-BAR

GAS & OIL EXPENDITURES IN VARIOUS MEDIA

	Newspapers (Add 000)	Magazines (Add 000)	Outdoor (Add 000)	Spot TV (Add 000)	Network TV (Add 000)	Total TV (Add 000)
1956	\$32,357	\$11,011	\$19,235	\$15,372	\$4,198	\$19,570
1957	30,224	12,431	20,942	21,426	2,861	24,287
1958	29,000*	12,937	19,217	23,406	3,132	26,538

Percent Change in Expenditures

	Newspapers	Magazines	Outdoor	Spot TV	Network TV	Total TV
'57 vs. '56	- 6.6	+12.9	+8.9	+39.4	-31.8	+24.1
'58 vs. '57	- 4.1	+ 4.1	-8.2	+ 9.2	+ 9.5	+ 9.3
'58 vs. '56	-10.4	+17.5	-0.1	+52.3	-25.4	+35.6

* Advance Estimate by Bureau of Advertising, ANPA Sources:

Newspapers—"Expenditures of National Advertisers in Newspapers" (1956, 1957, Gross Space Costs Only.)

Magazines—PIB, Gross Space Costs Only.

Television—Spot Expenditures: TvB-Rorabaugh; Network Expenditures—LNA-BAR, (gross time charges only; does not include production costs)

Outdoor—Outdoor Advertising, Inc.

Station Rate Increases

Station:	Base Hour	Minute	Date
¹ CKLW-TV Windsor, Ont. Detroit, Mich.	\$1400 to \$1600	\$280 to \$320	May 1
² WKBW-TV Buffalo	1000 to 1200	200 to 240	May 1
KVOS-TV Bellingham, Wash.	650 to 725	162.50 to 181.25	July 1
KTVH Hutchinson- Wichita	575 to 700	135 to 145	April 15
WKST-TV New Castle, Pa.-Youngstown, O. ..	350 to 400	52.50 ³	May 1
KTTS-TV Springfield, Mo.	325 to 350	\$1.25 to 87.50 ⁴	April 15
CHCH-TV, Hamilton, Ont.	650 to 700	160 to 225	April 1

Gulf
* 1 million-or-more.

¹U.S. rates only.

²Added Class AA hour (7:30-10:30 p.m. daily), Class A hour going from \$1000 to \$900.

³Min. remains unchanged at \$52.50.

⁴20 Sec. only.

A second office for RAB has been opened in N.Y. at 120 E. 56 St., to house an expanded national sales dept.

Beating the Summer Slump: It's the *amount of viewing* in the average U.S. TV home that drops off during the summer, not the *number of homes* that use sets, says Nielsen.

During 1958's winter months, 94.2% of TV homes turned on TV some time during the evening in the average week. During the summer months of June, July and August, the figure dropped only slightly—to 90.9%.

The loss came in terms of weekly hours spent with TV. In winter, the figure averaged 24¾ hrs. In summer, the figure fell to 17 hrs.

This, of course, says Nielsen, poses a problem to the advertiser whose big selling season falls in the summer months. The researchers cite the problem of such an advertiser, whose main TV effort was a participation in a once-weekly show, on a 52-week basis. As a result of the drop-off in the amount-per-home of summer viewing, this sponsor was reaching only 43.1% of TV homes during the average summer month (on a frequency of 1.9 messages per home) as against 53.8% of TV homes and a 2.4 frequency during the winter months.

His agency suggested a switch to a winter schedule of one participation per month, and a full-sponsorship of his show during the 13-week summer period. Result: His "homes-reached" figure during the warm-weather months went up to 49.2%—during the height of his sales season—and the winter level was a comfortable 33.0%.

A pleasant clincher: "The increase in the summer audience, coupled with the much higher frequency of sales messages per home, was decisive. The fact that the present schedule cost slightly less than the one it replaced was another consideration."

Summer bargain in 10-second spots is being offered timebuyers by WRCA-TV N.Y. The spots consist of 10-second weather & temperature reports—including full-screen telops, picture of the advertiser's product, his logo, and weather-slanted product slogan. There's no extra charge for production, and the spots will sell at "regular 10-second rate card price," says station mgr. Max E. Buck.

Assn. of Federal Communications Consulting Engineers holds its annual meeting at the Beacon Arms Hotel, Ottawa, Can. May 22-23. The agenda includes discussion of Class IV AM power increases, TV Allocations Study Organization (TASO), 25-kw power for AM regionals, FCC's new AM processing procedure, Federal Aviation Agency's approach to TV-radio towers. There will also be a roundtable discussion of treaties, rules, etc., with members of Canadian Assn. of Broadcast Consultants and members of U.S. Federal Communications Bar Assn.

Merger of Transcontinent TV Corp. and Marietta Bcstg. Inc. in stock exchange deal, whereby Marietta receives 34.81% of Transcontinent Stock for all of Marietta's (Vol. 15:7), was approved by FCC last week. Deal combines the following under single management: Transcontinent's WGR-TV (Ch. 2) & WGR Buffalo; WROC-TV (Ch. 5) Rochester; 60% of WNEP-TV (Ch. 16) Scranton-Wilkes-Barre; 50% of WSVA-TV (Ch. 5) & WSVA Harrisonburg, Va.; Marietta's KFMB-TV (Ch. 8) & KFMB San Diego, and KERO-TV (Ch. 10) Bakersfield, Cal.

Sizeable gains in all segments of TV advertising will undoubtedly be recorded in 1959 and, "if the first quarter is any indication, national spot will show its greatest increase over previous years," Station Reps. Assn. managing dir. Lawrence Webb last week told the Neb. Assn. of Bcstrs. Pointing to national spot's growth, he compared 1949's 26.5% of TV's total revenue with 1957's 34.1%.

NEW & UPCOMING STATIONS: May 16 start of WTOM-TV (Ch. 4) Cheboygan, Mich. as NBC-TV outlet, offsets demise on the previous day of WFAM-TV (Ch. 59) Lafayette, Ind. Total no. of stations on air remains at 554, but uhf on-air total declines by one to 84 (revised figures). WFAM-TV isn't off air permanently, as Sarkes Tarzian Inc. is acquiring license & facilities, along with CP for Ch. 18, for \$65,000 (Vol. 15:19). Provided FCC approves transfer, Tarzian plans to resume in 90 days—or as soon thereafter as Ch. 18 equipment can be installed.

WTOM-TV has 5-kw RCA transmitter & Stainless 500-ft. tower with 6-bay antenna. Owner is Midwestern Bestg. Co., operator of WPBN-TV (Ch. 7) Traverse City, also operator of string of 5 Mich. radio stations called the Paul Bunyan Radio Network. WTOM-TV is near tip of state, projecting into Straits of MacKinac, between Lakes Huron & Michigan. It picks up network from WPBN-TV, 83 mi. SW, near Lake Michigan, using 2 microwave towers. Les Biederman is pres.-gen. mgr. & 30% owner of stations; Roberts Mills, ex-WNEM-TV Bay City, is gen. mgr. of WTOM-TV. Base hour is \$200, with station also to be sold in combination with WPBN-TV. Rep is Hal Holman.

* * *

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

WAFG-TV (Ch. 31) Huntsville, Ala. has 1-kw GPL Continental transmitter on hand and hopes to begin programming in Aug., according to pres. John S. Gregory Jr. Construction of studio-transmitter building is about ¼ completed and it will use 150-ft. U. S. tower with GE 5-bay antenna. Network affiliation hasn't been signed, nor has base hourly rate been set. Rep will be Weed.

WTMA-TV (Ch. 4) Charleston, S. C. has Sept. target for start with ABC-TV, according to release from grantee Atlantic Coast Bestg. Corp., also owner of radio WTMA (Charles E. Smith, pres. & 40% owner). Make of equipment wasn't reported, but studio-transmitter building and 400-ft. tower will be at Orange Grove Estates, on west bank of Ashley River. Rates not set. Rep not chosen.

WMUB-TV (Ch. 14, educational) Oxford, O., plans May 24 test patterns, but programming will be delayed until opening of school term in Sept., reports Stephen Hathaway, director of broadcasting for grantee U. of Miami. It has 1-kw RCA transmitter and 320-ft. Truscon tower with 6-section helical antenna.

RCA had a good turnout of consulting & govt. engineers (87 the first day, 152 the 2nd) for its May 12-13 broadcast equipment seminar at the Statler Hotel, Washington. Engineers were brought up to date on latest equipment, including units introduced at the NAB convention (Vol. 15:12). The sessions covered: FM multiplex & transmitting equipment, FM antennas, AM transmitters, AM phasing equipment, remote pickup gear, TV transmitters, TV travelling wave antenna, portable envelope delay measuring equipment, microwave systems, TV tape recorder, high-definition industrial TV, slow-scan TV systems.

Spot TV costs increased 6.5% from March 1958 to March 1959, indicates the Advertising Cost Index in the May SR&D *Media/scope*. Other increases: Spot radio, 1.9%, consumer magazines 5.82%, newspapers 3.01%, business publications 3.09%.

TvB's first 6 sales clinics, which were kicked-off May 5 at Winston-Salem, have played host to over 300 station & station rep executives.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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PUBLICATION OFFICE

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Hollywood 2B, Calif.
DAVID KAUFMAN

WEEKLY NEWSLETTER TV & AM-FM ADDENDA AM-FM DIRECTORY
Published Saturdays Published Saturdays Published in January

TELEVISION FACTBOOK Published in March and September

Copyright 1959, by Triangle Publications, Inc.

WASHINGTON BUREAU

Wyatt Building
Washington 5, D.C.
Telephane Sterling 3-1755

ALBERT WARREN, *Chief*
WILBUR H. BALDINGER

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MARTIN CODEL

Associate Publisher

Personals: Daniel H. Smith, ex-WEDU Tampa, Fla., appointed v.p. & engineering dir., Capital Cities TV Corp. (WTEN Albany, WCDC Adams, Mass., WTVD Durham, N.C.) . . . William B. Quarton, exec. v.p., elected pres. of WMT-TV Cedar Rapids . . . E. Manne Russo promoted from national to gen. sales mgr. of WDAF-TV Kansas City . . . Warren G. Woodward elected v.p. for personnel management & station relations, KTBC-TV & KTBC Austin.

George Faust named mgr., CBS-TV Spot Sales Los Angeles office . . . Irwin Spiegel, ex-WMGM N.Y. service mgr., named on-the-air promotions dir., WNTA-TV Newark-N.Y. . . . James Vincent Sheean, foreign correspondent and author, named special Far Eastern correspondent, Westinghouse Bcstg. Company . . . Bruce McGorriell promoted from commercial mgr. to gen. sales mgr. of WCSH-TV Portland, Me.

Joseph P. Dougherty, ex-sales mgr. of WJZ-TV Baltimore, promoted from mgr. of radio WPRO Providence to gen. mgr. of WPRO-TV succeeding Arnold F. Schoen Jr., named exec. v.p. of WDBO-TV Orlando, of which he is v.p.-secy. & 5% owner . . . Allen H. Smith promoted from office mgr. to station mgr. of KLOR-TV Provo, Utah . . . Russell Porterfield, ex-WRVA-TV Richmond, named production mgr. of WAVY-TV Norfolk.

Dean Buchanan, ex-KING Seattle, named news dir., Hawaiian Bcstg. System (KGMB-TV & KGMB Honolulu, KHBC-TV & KHBC Hilo, KMAU-TV Wailuku) . . . Stephen Joseph (Steve) McCormick named MBS news dir. . . . Roger O'Sullivan, Avery-Knodel, named Chicago chapter pres., SRA. Thomas Taylor, Peters, Griffin, Woodward, named v.p.; French Eason, H-R Representatives, treas.; Charles Compton, Meeker Co., secy. . . . John C. Cooper Jr., gen. mgr. of WJRD Tuscaloosa, elected pres. of Ala. Bcstrs. Assn., with Ray Furr WAPI-TV, Birmingham, v.p. for TV.

Jacques Grinieff elected chairman, Jayark Films Corp. Jerry Pressman named treas. . . . Howard Anderson named a v.p. & supervisor of sales, ABC Films. Richard C. Hurley promoted to central div. sales mgr. Edwin J. Smith, dir. of international operations, named v.p. . . . James L. Herman promoted to v.p. of Atlas Film Corp., Chicago . . . Jack J. Brown appointed Midwest div. mgr., Trans-Lux TV Corp., Murray Oken takes charge of Los Angeles office June 1 . . . Joseph Ende elected United Artists Corp. v.p., continuing as controller.

Charles C. Allen, ex-BBDO, named to head research & merchandising, Blair-TV . . . Neil Morrison, CBC audience research dir., heads a team of broadcasting advisers to the West Indies Federation . . . Irving R. Levine, NBC News' Rome correspondent has won Columbia Journalism Alumni award for "distinguished service to journalism." . . . Harold J. Panepacker, radio WRCV Philadelphia, elected pres. Philadelphia Guild of Advertising Men.

Charles L. Townsend, ex-NBC film & kinescope facilities operations mgr., named dir., TV engineering, Tele-Prompter Corp. . . . Dresser Dahlstead appointed dir. of operations for ABC Pacific Coast network . . . Charles Heaton resigns as promotion dir. of WTTG Washington.

First Frank Stanton Award for meritorious research on the media of mass communication was presented to Charles A. Siepman, author of *TV and Our School Crisis* published by Dodd, Mead & Co. The award, consisting of \$500 and a scroll, has been established in Dr. Stanton's name "in recognition of the many significant contributions [he] made during the past 20 years to research in mass communications media." It was established by 2 professors in the Columbia U. Bureau of Applied Social Research and will be made every 2 years.

Hamilton, Stubblefield, Twining & Assoc. station brokerage firm has changed name to Hamilton-Landis & Associates Inc., with Richard A. Shaheen, ex-Allen Kander & Co., in charge of Chicago office in Tribune Tower (Delaware 7-2754). Ray Hamilton remains in charge of the Washington office, Dewitt (Judge) Landis in charge of Dallas. John F. Hardesty, ex-RAB, took charge May 15 of the San Francisco office as West Coast v.p.

Ely A. Landau was elected senior v.p., National Theatres. Oliver A. Unger 1st v.p., M. Spencer Leve v.p. Landau continues as chairman, Unger as pres., of National Theatres subsidiary NTA, and Leve continues as theater operations v.p., National Theatres Amusement Corp.

Arthur Godfrey left the Columbia Presbyterian Hospital Friday, May 15, to continue his convalescence in his N.Y. apartment, following the removal of a malignant tumor in his left lung April 30.

ABC-TV pres. Oliver Treyz will be presented a "distinguished Binghamton Alumnus Award" May 30 by WNBf-TV. He once was an announcer at radio WNBf.

Obituary

Walter R. Powell Jr., 46, NAB attorney, died of a heart ailment in Washington's Doctors Hospital May 13. He had suffered his first heart attack in Feb. 1955, but had no recurrence until 3 weeks ago. Prior to joining NAB in Jan. 1955, he had served with FCC following duty in the Navy during World War II. Born in Washington, he had attended Centre College, Danville, Ky., George Washington U. and Georgetown U. law schools, and had served in the Justice Dept. before World War II. Surviving are his widow, 2 daughters and his mother.

Nathan M. Abramson, 68, founder and head of the WOR entertainment dept., which supplies entertainment for banquets, cruise ships etc., died in N.Y. May 12 of a heart attack. He is survived by his widow, 2 sons, 2 brothers, 2 sisters and 2 grandchildren.

Doris Gulick, 28, daughter of J. Robert Gulick, asst. gen. mgr. of WGAL-TV Lancaster, Pa., died in the Capital Airlines Viscount crash near Baltimore May 12. She was a stewardess in the crew.

Advertising

Suburban Superiority: The big trend to suburban living is another plus for TV as an ad medium over newspapers, says Robert F. Davis in *May Media/scope*. Davis, dir. of research for CBS TV Spot Sales, points out that in 12 markets served by the CBS rep organization, the number of families in suburban areas is up 37% over 1950, but up only 4% in city zones. Stating that total family units in the 12 markets split about equally between the home county & the surrounding area, he notes that TV families follow this same division. Circulation of the leading newspaper, on the other hand, divides about 70% home county & only 30% outside.

Davis also argues that the cost trend favors TV. In the same dozen markets, newspaper rates have shot up 41%, or 7 times faster than circulations since 1950. However, in TV, cost-per-1000, based on Nielsen nighttime 30-min. network programs, has been going down. Nov.-Dec. rates for 1955 through 1958, were respectively \$3.96, \$3.69, \$3.88, & \$3.55.

Researcher Davis' article is part of a *Media/scope* series, "Comparing Apples & Oranges." In Nov., Dr. Howard D. Hadley, research dir. of the Bureau of Advertising, ANPA, comparing newspapers & TV, had concluded that only 44% of a program's audience sees a single 1-min. program commercial, and 85% see one or more of a program's 3 commercials. Including a factor for multiple readership of a newspaper in households, he found newspaper costs lower for the advertiser than on TV. An example: in comparing a 600-line newspaper ad with a 30-min. nighttime program of average coverage & cost, the print cost-per-thousand was \$5.52, while TV cost \$7.63.

Ad Psychology: Many advertisers lose the TV audience by an attempted snob-appeal thru identifying the viewer with "upper class" or unusual people, warned Philip Eisenberg, pres., Motivation Analysis Inc., West End, N. J. at the Pa. Bestrs. Assn. May 13. Successful TV advertising must "emotionally involve the consumer with the product," said Eisenberg.

Michael Donovan, assoc. media dir., Benton & Bowles, told the group local stations "must follow network examples of program creativity as well as commercial exploitation of programs." Station operators "must assume personalities for their stations—not too suave, not too corny—but believable ones" because agency men today are in the market for "local station production quality," said.

Advertising People: Clifford Dillon, Compton v.p., appointed chairman of new creative board. Raymond F. Gomber, former v.p.-mgr. Compton Milwaukee office, will be v.p. in charge of new Mid-West business & industrial div., headquartering in Chicago.

Larry Semon, ex-Marschalk & Pratt, a McCann-Erickson div., named Kenyon & Eckhardt TV producer . . . Frederick R. Etchen Jr. named senior v.p. and gen. mgr. of newly-formed Erwin Wasey, Ruthrauff & Ryan, W. S. Walker div., Pittsburgh . . . Richard H. Whidden, acc't exec. on General Mills at Dancer-Fitzgerald-Sample, named v.p.

Robert L. Eskridge promoted from adv. & promotion asst. mgr., Ralston-Purina Ralston div., to cereals adv. & promotion mgr. . . . J. J. McGill, adv. mgr. of Imperial Tobacco Co. of Canada, elected pres. of Assn. of Canadian Advertisers, with J. C. Miller, Ford Motor Co. of Canada, elected exec. v.p.

'What Can I Tell You?' Veterans of the Madison Ave. projection-room beat, their eyes bloodshot from viewing pilot possibilities for the agency's hard-to-please clients, may have teared quietly in their New Haven commuter seats as they rode to their labors one morning last week—in gratitude for the understanding of Murray Schumach who had collected for the *New York Times* the classic hypocritical devices which have been substituted for commentary by previewers in the movie business. Wrote Schumach in part: "There are several successful methods of facing two directions at once. Among the most proved is that of patting the producer on the shoulder, saying: 'Joe, you did it again.'

"For those who think a little more enthusiasm is required, the vigorous handshake is in order with the comment: 'Joe, that's a movie.' Be sure the voice does not rise on the last word.

"Then there is the near-Stanislawsky approach. Stop in front of the producer. Speak each word slowly. Grasp one of his biceps firmly and say: 'Joe, what can I tell you?'

"A variation on this theme is handled with hands on the heart and the remark: 'I'm just over-powered, Joe. I'll talk to you tomorrow.'

"The true double-entendre is spoken with both hands on the producer's shoulders, eye looking squarely into eye. The script for this is: 'That's a lot of picture.'

"The pantomimist has an advantage on these occasions. As he leaves, instead of saying he has been struck down by the power of the picture, he stops abruptly in front of the producer, winks, nods his head vigorously and punches the air knockout style. Then he walks away quickly."

NAB video tape committee, established at the Chicago convention in March under chairman Harold P. See (KRON-TV San Francisco), set out last week to explore proposals for operating standards with advertising agencies & TV program producers. The advisory committee on usage met first in Washington with NAB pres. Harold E. Fellows & engineering mgr. A. Prose Walker. Then See, NAB v.p. Thad H. Brown Jr. & Brown's asst. Dan W. Shields conferred in N.Y. with agency representatives David W. Dole (Leo Burnett), Harry Saz (Ted Bates), Dorothy Copeland (American Assn. of Advertising Agencies). See said he hoped "complete coordination" can be worked out in general acceptance of standards for leader length, titling, client numbers of commercials, etc.

Critic Lawrence Laurent (*Washington Post & Times Herald*) has returned a \$25 Benrus watch to the Grey ad agency which mailed it to him as part of an agency plan to gather "expert advice" about the Emmy awards. (Procter & Gamble and Benrus, Emmy sponsors, are Grey clients.) Grey PR dir. Christopher Cross did not say how many other newspaper TV critics had returned their watches but *Editor & Publisher's* April 13 count was 3. Laurent explained that the watch as a gift was too much, but as payment for professional advice, wasn't enough.

Supermarkets & groceries spent 75% more in 1958 on TV spots than they did 2 years before, KTTV Los Angeles sales v.p. John Vrba told the Southern Cal. Food Industries sales clinic last week in Long Beach. The outlets in 1956 spent \$5,200,000 on TV spots, \$7,300,000 in 1957, and \$9,100,000 in 1958. A quiz of grocers, Vrba added, regarding their preference in ad media, found that 78% preferred TV, 19% newspapers, 1% radio, 2% magazines.

False TV-radio commercials & newspaper advertising for "Hollywood Bread" are alleged in an FTC complaint.

Film & Tape

How Season Will Shape Up: With the majority of telefilm series set for next season, either in new deals or renewals, it's evident our early prediction that the Westerns will hold up (Vol. 15:13) is coming true.

Thus far 17 Western series are definite for next season. We also predicted filmed comedy would make a comeback, and that action-adventure series would be in strong evidence. Eleven comedy and 10 action series have been sold.

The new season will see about 6 private eye series and 7 anthologies. So while the viewer of TV film shows won't see much new in types of programming, he will be seeing more Westerns, more comedies, more private eyes.

Besides such Western favorites as *Gunsmoke*, *Have Gun—Will Travel*, *Wagon Train* and *Maverick*, new entries will include Henry Fonda in *The Deputy*; *Shotgun Slade*, starring Scott Brady; *Whispering Smith*, Audie Murphy; *Wichita Town*, Joel McCrea. Private eye returnees such as *Peter Gunn* and *77 Sunset Strip* will be joined by *Johnny Staccato*, *Bourbon Street Blues*, *Hawaiian Eye* and *Philip Marlowe*.

As for comedies, veterans like Danny Thomas and Ozzie and Harriet Nelson will see new competition from *Goldie*, starring Betty Hutton; *Dobey Gillis*, Dwayne Hickman; and *Hennessey*, Jackie Cooper.

Also as predicted, the hour-long series next season will be stronger than ever, with new hour series including *Adventures in Paradise*, *Riverboat*, *Hawaiian Eye*, *Bourbon Street Blues*, *The Alaskan* and *Bronco*.

Surely A TV First: At a time when virtually every TV producer in Hollywood is trying to sell a series, a sponsor request for a 2-year firm renewal of *Father Knows Best* has been politely rejected. Explaining the unique turn-down, star Robert Young tells us, "Lever Bros. & Scott Paper wanted our show for 2 more years, but we felt one was enough. We want to wait & see how we feel a year from now & how the show goes. However, there is a tacit understanding that if we continue our show beyond next season, it will be with them—if they still want us."

Father Knows Best, going into its 6th year, has increased its rating every year it's been on, repeating the success pattern of the radio version. Adds Young: "Ours is not an impact show. We grow slowly but steadily." Screen Gems produces the series in conjunction with the company owned by Young & his partner-producer Eugene Rodney.

Ampex shipped 23 more Videotape recorders to 16 customers during April: WMT-TV Cedar Rapids; KCMO-TV Kansas City (2); WDSU-TV New Orleans; KSL-TV Salt Lake; WWL-TV New Orleans; WTAR-TV Norfolk; KOMO-TV Seattle; KQED San Francisco; Westinghouse Bcstg. Co., N. Y.; GiantView TV Corp., Flat Rock, Mich.; Meridian Films, Toronto (2); Ampex American (distributor), Toronto (4); Mel Wheeler, Pensacola, Fla.; Rank Cintel, London (3); Elliot, Unger & Elliot, N. Y.; CBS, N. Y.

Hollywood (non-chronological) techniques were used in taping ABC-TV's *Pat Boone Show* last week at the U. S. Naval Academy in Annapolis. To be aired May 21, the show depicts a "typical day" in the life of a midshipman—from reveille to taps. In taping the show, however, the crew started with taps and worked backwards to reveille, then spliced the program together. The show was taped from Ampex's Videotape Cruiser.

HOW TELEFILMERS RANK: Although the telefilm buying season is not yet over, MCA's Revue Productions has already emerged as Hollywood's No. 1 TV film power, with 16 series definitely set. At least 2 more may be sold, including *Johnny Midnight*, with Edmund O'Brien.

Revue owns some of its series outright (e.g., *GE Theatre*, *Wagon Train*, *Coronado 9*), it is a partner in others (*Alfred Hitchcock Presents*, *Markham*, *The Deputy*). Its modus operandi is completely flexible, and pays off accordingly. It was in anticipation of record production activities that MCA acquired the Universal-International studio in Universal City, and it's at this site that Revue will produce its many series for next season. Revue's new series are *Riverboat*, *Laramie*, *Whispering Smith*, *Johnny Staccato*, *Shotgun Slade*, *Coronado 9*, *Markham*, and *The Deputy*. Renewals: *Wagon Train*, *Alfred Hitchcock Presents*, *Bachelor Father*, *Leave It to Beaver*, *GE Theatre*, *Wells Fargo* and *M Squad*.

SA No. 7, which has been in production, is also on Revue's schedule for the coming year. It's one of Revue's 2 series for syndication, the only other now planned being the Rod Cameron starrer, *Coronado 9*. Unlike some competitors who specialize in a single type of series, Revue goes in for variety: Westerns, comedies, private eyes, anthologies, action formats.

The only rival even close to Revue in overall production is San Fernando Valley neighbor, Warner Bros. with 11 series due for next season. The new ones are *Bourbon Street Blues*, *Hawaiian Eye* (working title), *Bronco* and *The Alaskan*. Renewals: *Maverick*, *77 Sunset Strip*, *Lawman*, *Colt .45*, *Sugarfoot*, *Cheyenne*. Unlike versatile Revue, Warners confines its programming to Westerns & private eyes. Moreover, all of Warners' series are on ABC—a situation unique in telefilms.

Plans at the other telefilm companies in Hollywood are not as crystallized as at Revue and Warners, but it's evident that in the next rank would be Four Star Films (5 series definitely sold), Screen Gems (5), CBS (5), Ziv TV (5), Desilu (4), Jack Wrather (3), 20th-Fox (3).

These rankings are still subject to change, but it's obvious at this point that Revue's & Warner's strong positions will be held. The buying season is nearing its end, and about 85% of series for next season have been sold.

While the telefilm industry is rapidly becoming one in which the giants are taking over, there are still a few one-series companies which are doing well. These include Spartan Productions (*Peter Gunn*), Marterto Productions (*The Danny Thomas Show*), Brennan-Westgate Productions (*The Real McCoys*), Stage Five (*The Adventures of Ozzie and Harriet*).

The Boring '20's: TV's plunge into the roaring 1920's as a new setting for telefilm series has been a failure—commercially, at least.

The first of this season's "let's-catch-the-atmosphere-of-the-'20's" series was *Pete Kelly's Blues*, produced & directed by Jack Webb for his Mark VII company. The show was clobbered by the critics, and its prospects for renewal are dim.

A second series set in the same era was *The Lawless Years*, produced by Jack Chertok, and starring James Gregory. While this series was received favorably by newspaper critics, NBC hasn't been able to find a sponsor yet.

Next season will see another—*The Untouchables*, which deals with Al Capone's underworld empire. This Desilu-made series will be on ABC.

SPECIALS ON LOCATION: The growing number of stations equipped with video-tape facilities—including mobile units—is providing a new, nationwide “production base” for the production of taped special events. So says Clay Yurdin, exec. producer & co-founder of Production Alliance, a N.Y. independent firm formed for the express purpose of producing on-location taped shows.

“An independent tape producer can now operate like an independent film producer,” Yurdin told us last week. “We’re not going to make a heavy investment in tape equipment. Instead, we’ll rent what we need from local stations, network o-&-o’s and even other tape production companies in all parts of the U.S.”

Yurdin’s plan is now in full operation. The ex-*Camera 3* (CBS-TV) producer has already sold his first on-location package, an hour-long, live-on-tape pickup of the *Mrs. America Pageant* to CBS-TV, to be aired June 20 (11:15 p.m.). And 3 sponsors—RCA Whirlpool (washers), Culligan Inc. (water softeners) and Johns-Manville (building materials)—have signed to co-sponsor the event.

Production Alliance (whose other partner is Phil Melillo, an ex-network producer from Washington) has rented a 2-unit mobile tape setup for the *Mrs. America* show from “a Florida station,” says Yurdin. “We’ll shoot for about 10 days in Fort Lauderdale, covering the contest & social activities,” he explained. “We’ll also produce commercials for the show, since all 3 sponsors have requested location commercials featuring contestants.”

This tape footage will then be integrated with a live pickup of the beauty pageant finale on June 20, and fed directly to CBS-TV via cable. Such an approach, Yurdin feels, will be used more often in the future.

“It used to be that you could only cover the live highlight of a special event, like the actual race of the Kentucky Derby,” he says. “Now, you can cover entertainment events ‘in depth’ over a period of several days with tape, giving background and taking advantage of location values.”

Yurdin has several long-range taped specials in the works. He wants to do a special Christmas show from Bethlehem, Pa., featuring well-known church choirs & holiday highlights of the area. He’s also discussing special treatment of the annual Soapbox Derby, Western festivals like “Frontier Days” and the “Calgary Stampede,” and is exploring TV rights to the upcoming Olympics.

“We’re in business as programming specialists, not commercial producers,” adds Yurdin. “But we’ve found that sponsors are becoming very interested in the idea of doing tape commercials at the same time a location special is being taped.”

High-fashion interiors as background settings for TV film commercials shot in N. Y. are the goal of a new 10-week course for film propertymen instituted by local 52 of the IATSE. Conducted by John La Marre of the N. Y. School of Interior Design, the course will be taught at the West 65th St. sound stages of MPO Films, whose staff property master Sam Robert, is chairman of the project. Some of the topics due to be discussed by the film men: European & American period furniture and room arrangements, modern furniture, textiles, and table settings.

NBC has ordered 12 episodes of its new hour-long series, *Bonanza*, with the production budget at \$100,000 each. The Western series will be produced by David Dortort. No sponsor yet.

‘And Then There Were None’: Last March (Vol. 15:13) there was much angry letter-writing in Hollywood when 3 companies each became involved in telefilm projects entitled *Barbary Coast*.

Allied Artists’ subsidiary, Interstate Television, claimed priority for the title because it had made a pilot for ABC (unsold). Goodson-Todman said it would shoot a pilot of that name. Then Samuel Goldwyn claimed priority on the basis of his film of that title, and CBS announced a deal with Goldwyn to do an hour-long *Barbary Coast* series.

We said at the time that when such title conflicts have arisen in the past, all parties involved usually drop the projects rather than risk competing against a similar title. While no one is admitting it, that seems to be the destiny of *Barbary Coast*.

Goodson-Todman tells us their pilot has been put off “indefinitely.” CBS has called off its *Barbary Coast* following the abrupt termination of negotiations for CBS to rent Goldwyn stages for 5 of its series. One reason the rental deal fell through was that Goldwyn wanted CBS to pay \$30,000 to build a western street. CBS felt Goldwyn should. As for AA—it still has that unsold pilot.

TV title conflicts arise from the lack of a central clearinghouse for titles. And when a TV series & a movie have a title conflict, there is no office to hand down a decision.

“Insofar as color is in the future of TV, color tape will be the preferred medium, not only by reason of its superior technical quality, but also by reason of its associated lower costs.” So stated video products mgr. Ross H. Snyder of Ampex’s professional products div., before the recent meeting in Florida of the Society of Motion Picture & TV Engineers. “Using tape,” he said, “color TV possesses a wider hue & chroma range than does any color photographic film,” and also possesses a high ASA speed, with exactly the same tape as for monochrome.

Tape “screenings” for N. Y. agencies of local Westinghouse TV shows will be used by the station group’s recently formed “house rep,” TV Adv. Reps. Inc. This follows a path blazed earlier this year by Peters, Griffin, Woodward. TvAR is installing Ampex playback equipment and expects to have it in operation by July 1. PGW’s first tape-assisted sales success came in selling a KRON-TV San Francisco schedule to Woolfoam, a N. Y. advertiser, although the rep firm had to use the tape facilities of WPIX New York for a sample show (Vol. 15:7).

An “all-Canadian” TV series, to be shot in the rugged country “north of the 53d parallel,” will go into independent production, headed by Lew Parry, former producer of industrial films. The series, to be called *North of 53*, will be syndicated. “By producing in Canada we will avoid restrictions on American TV in the British market,” says Parry.

More than 100 TV stations in over 60 markets now are equipped with TV tape recorders, Ampex has announced. Videotape Productions, quoted in *Sponsor*, says 70% of U.S. TV homes are covered by tape-equipped stations, and predicts the figure will reach 84% by fall.

Seven rules for making TV commercials, as offered by Elliot, Unger & Elliot, in *Sponsor*: Sell hard but sell nice. Cast professional models. Use sets, props, titles and opticals that follow whole commercial concept. Evoke image to increase message & mood. Respect producer on creative problems. Fix a price. Avoid bad TV ads to move merchandise.

New York Roundup: Timex Watches, which has scheduled an hour-long "Timex Jazz Festival" to be taped on location in Europe this summer, likes the idea so much it has ordered 2 more hour-long jazz shows—without even seeing the first. Previous jazz specials for Timex have given short-term national sales boosts of "as much as 300%," Sylvan Taplinger, TV-radio dir. of Doner & Peck agency, told us. Added feature: The Timex sound track may be recorded & given to watch purchasers as premiums.

TV tourist trap: Working with the USIA, the Commerce Dept. plans to gather films of top American vacation spots for TV distribution abroad as part of its "Visit USA 1960" promotion to bring foreign tourists here.

Cannes Film Festival may be the subject of a filmed network special produced by NTA. Chairman Ely Landau hired a London film crew to cover the Oscar-type awards ceremonies & social functions while attending the international social event. Britain's Associated-Rediffusion has also been shooting a 30-min. show at Cannes.

Music & records field may be invaded soon by independent telefilm companies, just as movie majors have all established music beachheads. ITC is in the final stages of a deal to buy Mills Music (Vol. 15:15). Four Star Films is talking of forming a record label. NTA (which recently leased music excerpts of old Shirley Temple movies to 20th-Fox Records) and MCA-TV (which controls music of Revue Productions) are also said to be considering musical expansions.

George Schaefer, one-time acct. exec. with Campbell-Ewald, will produce the 1959-60 *Hallmark Hall of Fame* through his newly-formed company, Compass Productions, N. Y. He plans to pre-tape several around stage stars.

Near-future CBS-TV project will be a Rome-filmed series by Peter Vertel built around the central character of "an American photographer living and working in Italy." All sequences, both indoor & outdoor, would be shot on location. A pilot film is planned for summer, to be offered for the fall season.

John Wayne's Batjac productions has reportedly finished a pilot of *The Wildcatters*, starring Claude Aikens, Justice McQueen and Wayne's son, Pat, which will be offered as a fall network series by Ashley-Steiner, N. Y. talent reps.

Reub Kaufman, former head of Guild Films, says that "over \$5 million capital assets" have been turned over to his new firm, Jayark Films, to finance production of 2 syndicated telefilm series . . . Official Films, after a concentration last year on selling former network & other rerun properties in syndication, expects to be back on a first-run status by summer with at least 3 new series, pres. Hal Hackett reports.

Add "Space Operas": NBC's Calif. National Productions hopes soon to have a pilot ready for N. Y. showing on *Outpost of Space*, planned by Frank Cleaver as "frontier stories of the Old West in the new frontier of outer space." (Moon rockets, presumably, will be substituted for the Butterfield stagecoach.)

Ziv's new telefilm series, *Lockup*, with Macdonald Carey, sold 35 markets in its first week of release, Len Firestone, syndication sales mgr., reports . . . American Oil Co. will use CBS Films' *U. S. Border Patrol* as a major part of its fall advertising schedule, having signed sponsorship of the syndicated series in 69 Amoco markets.

Art Linkletter hopes to reverse the "Like-father, like-son" adage. With son Jack doing a daytime CBS-TV tape series on location, the senior Linkletter now wants to do a series of taped specials overseas, a la Garroway, and has discussed plans for them with Intercontinental TV.

Hollywood Roundup: Viking Productions plans 2 new telefilm series, *Assignment Tokyo* & *Reynolds of Rome*. The latter is based on files of the Rome police dept. Producer Warner Toub Jr. is negotiating to star Cornel Wilde in one series, Pat O'Brien in the other.

Screen Actors Guild board of directors has voted unanimously to serve RKO with a 60-day notice of cancellation of its contract with the Guild, because RKO is releasing post-1948 movies to TV without paying the actors involved. RKO movies in the SAG action were not included in an agreement made in 1956 between the Guild, RKO and Matty Fox's C&C Television Corp., under which actors were being paid \$715,000 for TV showing of 82 post-1948 movies.

Hollywood producers are bidding for du Pont's juicy film-commercial account which includes commercials for its *Show of the Month* and its new June Allyson series. Du Pont's commercials were formerly produced by Universal-International, but that company folded its commercial operation when it sold its studio to MCA. BBDO's Mal Thompson from N. Y. and George Nielson, in charge of commercials for du Pont, are talking with Screen Gems, Warner Bros., MGM-TV, Four Star & Jack Denove in Hollywood re the account.

MGM-TV, busy producing 2 telefilm series just a year ago, doesn't have a single series today. Colgate has withdrawn its sponsorship of the studio's *The Thin Man* series. *Northwest Passage*, on NBC this season, is also finished. The studio is seeking a new sponsor for *The Thin Man*, but has no hope of keeping "Passage" open. It had been sold to NBC, but the network had had difficulties finding a sponsor from the outset, and the series never did pull a sizeable rating. Meanwhile, General Foods, which had paid half of the production costs of the *Father of the Bride* pilot, is understood to have rejected it. The studio will now seek another sponsor.

Seymour Berns has been signed as producer-director of the Jack Benny CBS series next season . . . Norman Ream has filed a plagiarism suit for \$75,000 against Ziv TV, alleging his story published in the *SatEvePost* in 1958 was used by Ziv for a *Sea Hunt* episode . . . Revue Productions has signed producer-writer Maxwell Shane to replace ailing John Larkin as producer of its *M Squad* series, starring Lee Marvin.

Four Star Films pres. Dick Powell says the company is going into the music publishing business, and eventually, the recording field. He has signed Herschel B. Gilbert as music director for Four Star. . . Ziv TV will produce its first movie, *All God's Children*. Warner Bros. will release the film, to be produced by Bob Yamin.

Louis Edelman Productions plans a new telefilm series, *Triple C*, and will showcase the pilot in Edelman's anthology series, *The Barbara Stanwyck Show*, on NBC next fall . . . Four Star Films will produce for the January sales market an hour-long pilot based on Brett Halliday's Michael Shayne stories.

NTA's *Third Man* series, which has been filming at 20th-Fox, moves to England for 19 more episodes. Michael Rennie stars . . . Whitney Ellsworth, producer of *Superman*, is negotiating the sale of a new series, *Superpup*, the pilot of which is finished.

Revue Productions has signed Michel Kraike as producer of its *The Deputy* series, starring Henry Fonda. Kraike's long-planned series, *The New Adventures of Trader Horn*, to have been made with Gross-Krasne, has been shelved. His deal with G-K fell through . . . Mark VII owner Jack Webb is planning to produce an hour-long Western pilot.

Trade Report

MAY 18, 1959

COMPONENT HI-FI—SMALL-BUSINESS BOOM: The people who started the hi-fi craze— manufacturers of hook-'em-up-yourself audio components (amplifiers, turntables, speakers, etc.)—are currently enjoying biggest boom in their mushrooming 10-year history. But unlike TV-radio, this field is dominated by relatively small businesses.

Estimates of its total volume are closer to guesses than statistics—precisely because of fact that it is a small-business field—and all efforts to set up accurate measuring sticks have failed. Nevertheless, Institute of High Fidelity Manufacturers (IHFM), component hi-fi trade group, estimates that \$260 million worth of such equipment was sold at retail last year, continuing steady progression which began at \$12 million in 1950.

Spurred by stereo, sales will reach \$300 million or more this year, IHFM predicts. Its figures on this unmeasured industry don't jibe with EIA's estimates, which cover only tuners, amplifiers and speakers and place last year's factory volume at \$34 million.

Merchandising pattern of component hi-fi is confusing & interesting. Until relatively recently, nearly all such components were sold through electronic parts houses—sales being to technicians, specialized hobbyists and consumers who considered themselves "in." This trend is still strong, and big component hi-fi show of year is this week's Electronic Parts Distributors Show at Chicago's Conrad Hilton Hotel—where turntables, tuners and amplifiers are displayed alongside tubes, capacitors and resistors.

Pricing structure of hi-fi components is peculiar, but relatively firm. The industry was born in late 1940's when hobbyists who were dissatisfied with sound reproduction of packaged phonos & radios began buying components from local parts jobbers at "net" or wholesale prices. Although components are now sold by many retail outlets, the "net" price myth still persists—having been metamorphosed to "audiophile net," fancy way of saying "list price." Mail order hi-fi houses sometimes sell for slightly less—but unlike packaged TV-radio-hi-fi industry, brand-name component people have been able to adhere to their established prices remarkably well.

Nature of component hi-fi business may be changing, with its increasing prosperity. In recent years, for example, larger firms have showed marked interest and have begun absorbing some established hi-fi companies. Examples: Daystrom's acquisition of Heath Co., biggest maker of hi-fi kits; Thompson Ramo Wooldridge's purchase of Bell Sound Co. (amplifiers, tuners, recorders), Siegler's absorption of Bogen (amplifiers, tuners) and of Presto (recording equipment, turntables).

Large, established electronics firms have been dipping their toes into component hi-fi business. GE and Stromberg-Carlson (General Dynamics) are prime examples, with RCA in & out from time to time, and even such a long-time one-piece-package firm as Emerson tentatively trying the field. And component hi-fi makers are beginning to bridge gap to package field, Pilot Radio Co. and others selling their components complete in attractive console packages as consumer option.

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Growth of package hi-fi business hasn't hurt component field at all—there seems to be plenty of room for both. Public's new awareness of sound reproduction—undoubtedly stimulated by ad campaigns of packaged hi-fi makers—has also spurred more interest among consumers in putting together own audio "rigs" (which actually, of course, consists only of plugging cables into proper jacks). This fever now has spread far beyond original component coterie of audiophiles, electronics bugs and musicians.

Taking cognizance of this fact, component hi-fi makers are going through another major change. They're beginning to advertise in consumer publications, to soft-pedal technical talk (except to those who really dig it) and to stress themes of "good sound" & ease of hook-up.

Component hi-fi field is bellwether of packaged consumer audio business. Its very presence on scene in early 1950's prompted major TV-radio brands to enter field of better sound. Component hi-fi enthusiasts formed avant garde of FM radio's resurgence, which now has spread to packaged field. And they heralded fabulous potential of stereo—starting some 5 years ago with stereo tape recorders & dual-amplifier rigs.

Component hi-fi brings cheering harbinger this year, too. On audiophile level, word is that confusion over stereo is lifting. (Unlike packaged hi-fi field, there are indications that component hi-fi business suffered little or no "stereo recession" last year). In advance of Chicago Parts Show, industry sources say component business is good—and almost 100% stereo.

Its own customers' mental blocks on stereo removed, component hi-fi industry now feels it has no place to go but further up. New purchasers of components are now buying the more expensive components required for stereo (dual-channel amplifiers, 2 speaker systems and sometimes FM-AM stereo tuners). For the millions who already own component hi-fi systems, conversion job is beginning. This means adding stereo cartridge to turntable or changer (or replacing entire unit), buying 2nd amplifier or new 2-channel amplifier, one or more additional speaker systems, plus such other stereo accessories as tuners, control units, etc.

Component hi-fi industry sees continued progression of better business in years ahead—but that's nothing new. It's also the past history of this small-business branch of consumer electronics.

'CAPTIVE FINANCE'—FRINGE BENEFIT OF TV TRADE: Powerful new tool in TV-appliance merchandising has been provided by recent rash of "captive finance" companies. Manufacturer-owned credit companies have proven to be important merchandising aid on factory, distributor & dealer levels—and profitable adjunct to manufacturers' main business of making & selling merchandise.

Captive finance was pioneered by auto industry (General Motors Acceptance Corp.), and in appliance trade the first was GE Credit Corp, the non-consolidated GE subsidiary which has been in business since 1926 and handled \$534 million in credit contracts last year.

Other TV manufacturers participating in captive finance include Westinghouse (Westinghouse Credit Corp.), Admiral (Admiral Credit Corp.), RCA (through Appliance Buyers Credit Corp.) and Motorola (Motorola Finance Co.).

TV-appliance manufacturers' credit subsidiaries usually do complete financing job—floor-planning dealers' & distributors' inventories and providing time-payment credit to ultimate consumer. On consumer level, they finance purchase of any appliances—including competing makes—for dealers who use them.

Main reason for appliance-TV makers' financing activity is to improve own brand standing in highly competitive field. Company credit policies provide big incentive for dealers to carry manufacturers' full lines (and most TV makers active in credit business also have complete appliance lines).

Good example is 2-year-old Appliance Buyers Credit Corp. (ABCC), owned 80% by Whirlpool, 20% by Carrier—which operates as financing arm of RCA, Whirlpool & Carrier. Although RCA currently has no direct ownership in company, it owns 20% of Whirlpool and in the 2 years RCA & Whirlpool have invested \$20 million in \$100 million worth of dealer & consumer credit through ABCC.

What's in TV-appliance financing for RCA-Whirlpool? Principal benefit is big incentive it provides for more dealers to floor the full line of TV-appliances. ABCC finances inventory free for 90 days if dealer buys at least \$1000 worth of RCA & Whirlpool merchandise. Other advantages to parent companies are obvious: Commercial finance in itself is profitable business. In addition—as one credit expert put it to us—a finance subsidiary also "sweetens up the balance sheet" by absorbing distributor debts which might otherwise be owed to parent company. In some cases, too, it provides tax benefits.

Aims of captive finance companies, as outlined by ABCC senior v.p. Selmer Solem at recent NARDA workshop (Vol. 15:19) in Toledo: (1) To promote sales of company's products. (2) To build strong dealer structure. (3) To fulfill the parent company's moral obligations to its dealers & consumers. (4) To operate as a profitable business.

For dealers, there are these advantages: (1) Inventory may be financed on basis of good reputation alone, without necessity of going through banks or outside finance companies, and usually on more liberal terms. (2) Even small independent dealers may offer direct installment credit to consumers, as a regular part of their services. (3) In varying degrees—and this is difficult to pin down—dealer may receive some compensation for handling consumer credit. (4) In some cases, credit companies will repurchase dealers' unsold merchandise.

Granddaddy of all captive finance companies, GECC's 1958 net earnings totaled \$8.3 million in 1958, up about 4% from 1957's \$8 million, although its gross business was down 18% from 1957—presumably because of rise of competing firms. GE's investment in GECC was \$95.7 million at end of 1958.

Distributors & dealers of TV brands without credit adjuncts often participate in financing offered by subsidiaries of non-competitive appliance makers. Borg-Warner Acceptance Corp., for example, does much financing of Zenith purchases—since Zenith & Norge have many distributors in common. Motorola Finance Co., a highly specialized firm, concentrates its main energy on financing purchases of 2-way communications equipment by Motorola's industrial customers. Motorola's investment in this non-consolidated subsidiary was \$4.9 million at end of 1958; it made \$231,863 profit last year vs. \$209,528 in 1957.

TV-RADIO PRODUCTION: EIA statistics for the week ended May 8 (18th week of 1959):

	May 2-8	Preceding wk.	1958 wk.	1959 cumulative	1958 cumulative
TV	106,359	92,157	62,125	1,888,265	1,590,604
Total radio	244,083	255,218	159,967	4,885,459	3,411,063
auto radio	111,747	117,422	46,215	1,898,442	1,089,874

IMPORT MOMENTUM CONTINUES: A variety of new foreign-made electronic products is on display at the current World Trade Show in N. Y. Coliseum. Predominant are Japanese transistor radios—as a sort of curtain-raiser for the big Japan Electronic Show June 16-20 at the Statler-Hilton Hotel in N. Y.

Booths at the Trade Show featuring Japanese electronic items are sponsored by U.S. distributors—Transistor World Corp. for Toshiba, and Petely Enterprises Inc. for Victor Co. of Japan (Hi-Delity). In addition, American Radio Importers Assn. Inc. displayed a variety of Japanese-made radios distributed by its members.

One product, so new it is as yet unpriced, was Toshiba's transistor wall clock. The attractive cordless clock with pendulum uses one transistor and is said to operate a full year on a single flashlight battery. A Toshiba spokesman estimated the clock will sell for about \$8 FOB Tokyo—that is, plus shipment, duty & handling.

Biggest Japanese electronics exhibit was Petely's—devoted to displaying the Victor line (U.S. trade name Hi-Delity). Among the items demonstrated were a tiny 3-lb. 4-transistor tape recorder at \$160, a 7-transistor 4-speed radio-phono in an attractive portable case (weight 10 lb.) at \$90 (without radio and in less ornate case \$70), plus a line of portable, 3-way and AM-shortwave radios.

Among the electronic novelties displayed was a single-transistor solar-powered radio to be sold for \$17 (with earphone) by Niebo International Trading Corp. The solar cell will be available at \$13 to make other transistor sets batteryless. Japanese electric organs were also shown.

Hi-fi & stereo components were shown in 2 displays—a complete line of woofers, tweeters & crossover networks made by Fukuyo Sound Co., shown by Sumitomo Shoji Inc., N. Y., and various Crown brand phono pickup arms and stereo & LP phono cartridges by Shiro Trading Corp., N. Y. Also shown by Shiro were Crown crystal microphones and radio batteries branded "Flattery."

Among non-Japanese electronic goods were a Norwegian Tandberg combination FM-AM-SW tuner & intercom at \$300 in teakwood cabinet and the new German line being handled by Uropa International Inc., N. Y. This includes the Marathon home jukebox at \$350-\$500 (Vol. 15: 18), the Duette 5-lb. 7-transistor radio-phono at \$80 and 7-transistor radios at \$56, \$58 & \$65, plus electronic dictation and intercom equipment.

Preliminary unofficial list of Japanese manufacturers participating in the June 16-20 Japan Electronic Show, grouped by the principal products to be shown by each:

Transistor radios—Hitachi Ltd., Sanritsu Electric Co., Hayakawa Electric Industry Co., Matsushita Electric Industrial Co., The Global Mfg. Co., Mitsubishi Electrical

Mfg. Co., Yoku Electronic Co., Yamanaka Electric Co., Yamada Electric Industry Co., Kobe Kogyo Corp., Asahi Radio Co., Standard Radio Co., Tokyo Optical & Radio Mfg. Co., New Hope Industry Co., Fuji High Frequency Radio Lab Co., Nippon Alpha Electric Co., Nanao Radio Co., Aiko Electric Co.

Tape recorders & transistor radios—Victor Co. of Japan, Nippon Electric Co. (also tubes & components), Yaou Electric Co., Sony Corp.

Hi-fi & sound equipment—Fukuin Electric Co. (speakers), Ashida Sound Co. (speakers, earphones), Foster Electric Co. (speakers), Fuji Seisakusho Ltd. (FM tuners, amplifiers), Fukuyo Onkyo Co. (speakers), Tokyo Shibaura Electric Co. (stereo, speakers, transistor radios, tubes).

Components & parts—Kataoka Electric Co. (TV tuners, switches), Kawabata Mfg. Co. (capacitors), Nippon Communication Industrial Co. (capacitors), Nippon Chemical Condenser Co. (electrolytic capacitors), Showa Musen Kogyo Co. (terminals), Tamura Seisakusho Ltd. (transformers), Horuriku Denki Kogyo Co. (resistors), Tokyo Denki Co. (electrolytic capacitors), Soshin Electric Co. (capacitors), Riken Dengu Seizo Co. (resistors).

Taiyo Yuden Co. (capacitors), Shizuki Electric Works Co. (capacitors), Kansainii Works Co. (capacitors), Ohmatsu Electric Co. (generators), Sanwa Electric Instrument Works (meters), Murata Mfg. Co. (capacitors), Teikoku Tsushin Kogyo Co. (rotary switches), Sansui Electric Co. (transformers).

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The recently-organized American Radio Importers Assn. Inc. (276 Fourth Ave., N. Y.) is a non-profit group formed to promote the sale of imported radios in U.S. Other aims listed by the group: (1) To help establish quality control for imported radios. (2) To eliminate trade practices harmful to the public. (3) To inform the public about imported radios. (4) To collect & distribute trade information. (5) To inform suppliers of Americans needs.

Its members are Channel Master Corp., Ellenville, N. Y.; Continental Merchandise Co., 236 Fifth Ave., N. Y.; Delmonico International (Sony products), 42-24 Orchard St., Long Island City; Excel Corp. of America, 9 Rockefeller Plaza, N. Y.; Harpers International Inc. 366 Fifth Ave., N. Y.; International Importers Inc. (Hitachi), 2242 S. Western Ave., Chicago; Longwood Radio Distributors, 1261 Broadway, N. Y.; Mantone Radio Co. (Little Pal, Manhattan), 263 Canal St. N. Y.; Shiro Inc. (Crown, Linmark), 276 Fourth Ave., N. Y.; Star-Lite Merchandise Co., 37 W. 23 St., N. Y.; Trade Distributors Inc. (Empire), 461 Fourth Ave., N. Y.; Transistor World Corp. (Toshiba, Trancel), 52 Broadway, N. Y. Realtone Electronics, 168 Fifth Ave., N. Y.

Innovations vs. Imports: "We've got to innovate & automate instead of standing around crying." That's the answer to foreign competition, as supplied by GE chairman Ralph J. Cordiner in a news conference last weekend at Commerce Dept.'s international trade outlook session in Hot Springs, Va.

He revealed that GE has lost about 50% of its transistor radio business to Japanese imports—but he added that his company isn't asking for govt. protection. The proper answer for American firms threatened with import competition is to "come on with some innovations that will intrigue the U.S. & foreign markets." Process of innovation must be rapid & continuous, he stressed, and American firms should proceed on the assumption that within 2 years their new products will be copied by foreign manufacturers at lower prices. To compete with cut-rate prices of foreign goods, he urged rapid steps toward automation.

Meanwhile, denial by Japanese govt. & industry sources that any quotas will be imposed on exports of transistor radios to U.S. was reported in Tokyo dispatch in May 14 *Home Furnishings Daily*. The trade paper quoted Trade Ministry officials as saying export restrictions aren't being considered because "only the smaller U.S. manufacturers are loudly opposing imports of Japanese sets."

"Salesman-turned-cost-reduction expert" is description of Emerson pres. Benjamin Abrams by *N.Y. Times* business writer Alfred R. Zipser in May 10 article detailing how Abrams pulled his company's earnings from 4¢ a share in 1956 to an anticipated fiscal 1959 net of \$1 a share or more (\$2 million vs. \$1.41 million for the fiscal year ended Oct. 31, 1958). The company's earnings for the 6 months to April 30, 1959 are estimated at \$915,660 (45¢ a share). Emerson pulled out of its slump due to merchandising expert Abrams' institution of automation, printed circuits, plant consolidation and rigid production & inventory control, the article states. These moves, according to Abrams, shaved expenses in fiscal 1958 by \$2 million, despite the purchase of Du Mont's consumer lines that year. Because inventories have been closely geared to demand during the last several years, Abrams says "there are very few radio, TV or phonographs made by us that are being sold at less than a working profit. We're not giving anything away."

Philco has increased its compensation to independent service technicians for warranty repairs on radios, phonos, tape recorders and sealed systems of refrigerators, freezers & air conditioners. New radio repair rates vary from \$2 for jobs which don't require removal of the chassis from the cabinet to \$5 for various combinations of repairs. Philco says it now has agreements with 5600 independent service agencies to handle its service under the 90-day warranty program, and has been paying nearly \$2 million a year for in-warranty work by independent technicians.

Hoffman, in a move to spur sales of its stereo-fi console models, is offering a 10-album package of Westminster stereophonic records as a premium to buyers. The premium goes with models retailing as low as \$299.95. The dealer promotional package for the record offer includes window banners & newspaper ad mats.

Factory sales of Sylvania TV sets for the first 4 months of 1959 were 50% greater than those of the corresponding 1958 period, and April sales were "nearly double" the April 1958 figure, Sylvania Home Electronics Corp. pres. Robert L. Shaw announced last week.

EIA's 35th Year: Electronic Industries Assn., meeting for its 35th national convention May 20-22 in Chicago, is expected to re-elect Raytheon v.p. David R. Hull for a second year as its president. Actual nominations won't be made until meeting of the nominating committee May 22. Among other highlights of the closed-door convention:

The consumer products div. is due to discuss the FCC's recommendation that Congress outlaw shipment of TV sets which can't receive all allocated channels (Vol: 15:11, 16). It is expected to take strong exception to the proposed legislation.

An important convention feature will be the small business conference, chaired by Joseph B. Elliott, pres. of Tele-Dynamics Inc. and chairman of EIA's small business committee. Theme will be how EIA can help small business.

May 21 dinner will see presentation of 1959 Medal of Honor to Frederick R. Lack, retired Western Electric v.p. "for his many years of constructive leadership & contributions in a dynamic industry" (Vol. 15:12). He will be the 8th industry leader honored by the Assn. Hoffman Electronics pres. H. Leslie Hoffman was last year's recipient.

Color sets in TV technicians' homes is the aim of a campaign by RCA, which hopes thereby to spur dealers & service operators to greater color-set sales. A liberal purchase plan for them has been worked out, with gratifying results in the first month of operation, according to RCA Service Co. pres. Donald H. Kunsman, who told Tri State Council of Radio & TV Service Assns. in Atlantic City that almost two-thirds of new color TV sets are installed & serviced by independent servicing dealers & operators. "We are passing along our color experience in every way we know how," he said. "The facilities of all TV service branches are available to servicing dealers & independent operators on a no-charge basis, for advice concerning color sets."

Automatic color-TV controls—for self-adjustment of hue & chroma on color sets—are described in May 15 *Electronics* by senior research engineer Zbigniew Wiecek, Warwick Mfg. Corp.

"Radio-communication system geared to brush-fire wars" has been developed, the Army announced last week. Designed & built by Adler Electronics Inc., New Rochelle, N.Y., to keep pace with modern fast-moving combat forces, the system provides voice & teletype channels over a range of 1-2000 miles. Embodying 3 major components—transmitter van, a receiver & communications center van, and a field power unit—the system can be transported by air or overland. It has been developed primarily to link field commanders directly with the Army's global communications system. Cost of each unit is approximately \$500,000.

"No planned obsolescence" is the policy of American TV & Radio Co. (ATR), St. Paul, Minn. Specializing in TV consoles (many of them with doors, now rarely seen on major-make TVs), ATR pres. Albert A. Goffstein tells us "it is against company policy to introduce new models with planned obsolescence." Instead, our entire TV approach is to improve our existing models to make them as foolproof & trouble-free as possible."

Canadian TV sales to dealers for first 4 months of 1959 totaled 89,174 units, down from the 97,313 sold in the corresponding 1958 period, according to EIA of Canada. In March, 25,732 were sold, a decline from 31,701 in Feb. & 30,245 in March 1958. One encouraging sign, however, was the fact that sales of console sets in March 1959 was ahead of the March 1958 figure—13,078 vs. 11,639.

Despite Strike, A Product Show: Whether or not a settlement is reached in the strike at its Metuchen, N. J. plant (Vol. 15:18)—now in its 8th week—Westinghouse will show its 1960 TV-radio sets on schedule in Chicago, we're told by consumer products v.p. Chris Witting Jr. The show for distributors is set to begin June 8 for 12 days at the Hotel Knickerbocker (Vol 15:19).

"As a matter of fact," says Witting, "the new line is a major departure from anything we've ever put out before, and it will be backed by a major drive." Changes are said to center in TV & stereo, in both engineering & design.

The Metuchen strike has affected the current line more seriously than 1960-model production, says marketing mgr. Charles J. Durban. "Drafting, testing, cabinet approval have proceeded at full speed during the strike. Personnel at that level have not been affected. New cabinets are right now in production by suppliers." He adds that some current sales have been lost, but when the strike occurred, the plant was tapering off on production with a heavy inventory.

At week's end, no progress was reported in union-management talks. Federal & state mediators entered the discussions May 1. Plant management returns June 18 to Trenton, where it is seeking an injunction to restrain picketing.

Picture tubes "10 times more reliable" are claimed as a result of a new pre-focus & focus lens designed by Motorola engineers. A larger cathode area in the Motorola-designed tubes reduces peak amperage on a given area of cathode from 2 to .2 milliamps. The company says a survey showed that the cathode is the cause of 90% of all picture-tube failure, and states that the new lens "has lengthened the life of the vital cathode as much as 10 times, and has reduced the size of 'blooming' spots 50%." This "intrusion-type" cathode construction is now standard in all premium-rated tubes built for Motorola.

TV set production in W. Germany & W. Berlin rose nearly 80% in 1958 from 1957 output—1.45 million units vs. 808,000—according to reports to the Commerce Dept. from the U. S. Embassy in Bonn. Output is expected to reach 1.8 million this year. At the same time exports of TV receivers, largely to Sweden, increased to 250,000 units in 1958 vs. 179,000 in 1957. The number of licensed TV sets in the Federal Republic & W. Berlin reached 2.19 million at the end of 1958 and is expected to mount to more than 3 million by the end of 1959.

TV comes to Peru: U. S. exports of TV sets to Peru increased from 211 in 1957 to 6000 in 1958, when first commercial telecasts were started Dec. 15 from a 6-kw transmitter in Lima, the Commerce Dept.'s electronics div. reports. Earlier Peruvian programming was limited to a UNESCO educational station. In Lima alone 10,000 sets—60% of them imported from the U. S.—are estimated to be operating. About 750,000 radio receivers, mostly European imports, are in use in Peru.

Telectro Industries Corp., Long Island City, N.Y. manufacturer of magnetic tape recorders, seeks SEC registration (File 2-15078) of 200,000 common stock shares for public sale at \$3 per share through underwriters headed by Milton D. Blauner & Co. Proceeds would be used to retire loans, buy new machinery.

Merger of Servomechanisms, Los Angeles, with Laboratory for Electronics Inc., Boston (Vol. 15:9) has been approved by the directors of each company. If stockholders vote approval, the merger will take place this summer.

'Fair Trade' Endorsed: By a 20-9 vote the House Commerce Committee last week approved a controversial federal fair trade bill (HR-1253) by Chairman Harris (D-Ark.) permitting manufacturers to fix minimum retail prices on their products (Vol. 15:12-13). Supported by NARDA and national organizations of druggists & other retailers but opposed by the Justice Dept. & FTC, the measure faces a stiff fight when it reaches the House floor. Harris said the bill would protect small businesses from "unrestrained, cut-throat competition" of chains & discount houses. Opponents said it violated free-enterprise principles by giving price-fixing powers to manufacturers. In reporting the Harris measure the Committee tacked on an amendment making its provisions applicable to distributors whether or not they are subject to other interstate laws. In effect, the bill would give federal sanction to state fair trade laws which have been knocked out by courts in 17 states, putting manufacturers' price-setting of brand or trade-marked goods on a uniform basis across the country. Violations would be subject to federal prosecution.

* * *

Full-page anti-fair-trade ad in the form of "an open letter to the people of the U.S." was placed in May 10 *N.Y. Times* by discounter Stephen Masters. Attacking Harris & Humphrey fair-trade bills as "insidious" and fair-trade principle as "un-American," Masters urged readers to write their Congressmen.

Stereo with only 2 tubes is possible with the introduction of CBS-Hytron's new miniature triode-pentode 50FY8. In a stereo amplifier using CBS's modified simplex circuit (dual-channel single amplifier, see Vol. 15:4), a pair of 50Y8's constitutes the entire tube complement. Also new from CBS-Hytron: the Professional 55, a high-compliance version of the Columbia CD stereo phono cartridge, designed for use with transcription turntables.

Polarad Electronics Corp., Long Island City, N.Y. designer & maker of microwave test instruments & communication equipment, filed an SEC statement (File 2-15057) for registration of 100,000 common stock shares for public sale through Kidder, Peabody & Co. Also covered in the statement are 80,000 additional shares under Polarad's restricted option plan.

Helping solve problem of big stereo speakers, Philco's new hi-fi line—to be shown to distributors in Acapulco May 29-June 2—will use a new type of electrostatic speaker. Called "Stereo-Phones," the new speakers are decorative & smaller than conventional ones and may be mounted atop, alongside or within the sets. They reproduce high & mid-range frequency where stereo effect is most pronounced.

Zenith will show its new lines of TVs, radios & hi fi to distributors June 1-3 at Chicago's 8th St. Theater. If you will add this information to the Calendar of TV-Radio Showings on page 19 of last week's issue (Vol. 15:19), you'll have a complete table of new-line debuts by TV mfrs.

Sylvania Electronic Tubes div. has published a new characteristics & ratings manual for its 1800 electron devices, with supplements to be mailed quarterly. The book, \$3, is obtainable from Sylvania distributors.

Arvin introduced 6 new radios, 2 stereo phonos, and a 4-speed monophonic player. One radio is a 3-band, 7-transistor portable with suggested list of \$100.

Stromberg-Carlson has awarded \$500 grants for advanced summer study to 6 Rochester area science & mathematics teachers.

Trade Personals: Walter M. Norton elected chairman, RCA Victor Distributing Corp., succeeded as pres. by L. F. Holleran, who will be chief exec. officer, effective June 1 . . . Herbert L. Brown elected Ampex v.p. & mgr. of wholly-owned subsidiary Ampex Audio . . . Richard T. Orth, ex-Westinghouse Electric Corp. and RCA tube div., resigns as v.p. of Sanders Assoc. to become planning v.p., Eitel-McCullough.

Albert J. Franczak appointed Zenith asst. treas., continuing as asst. controller. Edwin M. Schroeder named asst. secy. . . . David M. Knox promoted from adv. & PR dir., Packard-Bell technical products div. to corporate PR dir. . . . Kimball Prince, ex-Sandia Corp., promoted to Bell Labs asst. gen. atty. as of July 1, to become gen. atty. Aug. 1 upon retirement of W. C. Toole.

John C. Marshall retires as v.p.-gen. mgr., Arvin Industries. He will continue as a dir. . . . David B. Nicholson promoted to v.p. in charge of engineering, Kollsman Instrument Corp. . . . Gerald E. Tucker promoted from asst. mgr. to distributor sales mgr., Tung-Sol, succeeding Dwight L. Lindborg, who is retiring after 25 years but will remain in an advisory capacity . . . George D. Meimaris named purch. agent, RCA semiconductor & materials div.

H. Leslie Hoffman, pres. of Hoffman Electronics Corp., is now back at his desk, having completely recovered from recent surgery.

Electronics Personals: Capt. Robert B. Conaughty (ret.), former commander of Naval Communication Station at Norfolk, joins Page Communications Engineers, Washington, assigned to management responsibilities in European operations . . . Dr. Clifford C. Furnas, U. of Buffalo chancellor, appointed vice chmn., Army Scientific Advisory Panel.

John S. Auld named dir., new military programs div. of Du Mont Labs' military electronic operations, succeeded as mgr. of reconnaissance lab by Michael V. Sullivan.

A 20-cent telephone call to anywhere in the world may be possible in 5 years. That's the prediction of Dr. Lloyd V. Berkner, pres. of International Scientific Radio Union. In an address to a joint meeting of the Union's U.S. committee and the IRE in Washington recently, Berkner said that one radio-relay satellite in a fixed orbit about 22,700 miles above the earth could relay 2 billion telephone messages a year. He predicted that such satellites will soon revolutionize world communications, and advised industry to start preparing now because "this is coming & it is coming fast." He estimated it would cost about \$10 million to put a 500-lb. satellite into orbit 5 years from now.

Granco Products, radio manufacturer which specializes in FM sets, has been licensed to make stereo radio receivers & adapters for the Crosby FM multiplex system. Granco reportedly plans to manufacture a multiplex adaptor for about \$20. Although experimental single-channel stereo broadcasts are now being transmitted, FCC may require a year or more to determine which system or systems will be authorized for regular broadcasting.

Obituary

Whitley C. Collins, 61, pres. of Northrop Aircraft Inc. and chairman of its recently acquired subsidiary Page Communications Engineers, Washington, died in Los Angeles May 12 of a circulatory ailment. A native of Des Moines, he began his career as a statistician, rose through the ranks of several companies, including Lockheed Aircraft, before coming to Northrop.

Distributor Notes: Sylvania appoints Interstate Hardware Co., Bristol, Tenn. for parts of Tenn., Va., & Ky. . . . RCA appoints Audiotronics Supply Co., New Orleans, for sound products . . . Olympic appoints World Radio Labs, Council Bluffs, Ia., for Eastern Neb. and Western Ia.

Telefunken appoints GE Supply Co. for Buffalo & Rochester . . . Harry S. Baker Jr., ex-Stromberg-Carlson, named Zenith district sales rep. for Charlotte & Raleigh, N. C., Columbia, S. C., and Richmond, Va. . . . David A. Flude named Sylvania Home Electronics district sales mgr., Pittsburgh . . . Jack Crawford, ex-Crosley, appointed Olympic regional district mgr., for 10 western states excluding California, headquartering in Portland, Ore.

John B. Davidson appointed RCA Victor Distributing Corp. mgr. of record sales, succeeding Donald MacDonald.

Westinghouse school grants: Engineering & science scholarship grants and donations of lab equipment totaling \$1.6 million—the biggest budget in its 15-year history—will be awarded this year by the Westinghouse Electric Corp.'s Westinghouse Educational Foundation. As announced by Westinghouse engineering v.p. Dr. John A. Hutcheson, Foundation chairman, the 1959 program will include contributions of all-purpose lab equipment worth \$530,000 to 150 accredited university & college electrical engineering depts. Other allocations include: \$335,000 for professorships, fellowships & scholarships; \$427,000 for special college programs; \$94,250 for the Westinghouse science talent search.

ITT has concluded licensing agreements with Raytheon and Bendix involving its basic radar patents. Cross-license agreement with Raytheon involves patents of both companies in several electronics fields, including ITT's moving target indicator radar and plan position indicator (PPI) radar, plus other radar patents, commercial radio, TV apparatus, radio telemetry, antennas and hydrogen thyratron tubes. ITT's Tacan air navigation system was excluded from the agreement. In the Bendix agreement, ITT granted a license for PPI radar.

"Rapid increase in color-TV financing at the consumer level over the past 6 months" was reported by senior v.p. Selmer Solem of Appliance Buyers Credit Corp., which handles consumer credit for many RCA dealers. He said ABCC has "experienced no loss in our color-TV financing program due to customer dissatisfaction or the technical performance of the set."

Audio Devices Inc., manufacturer of magnetic tape, has doubled its administrative offices at 444 Madison Ave., N.Y. The company says its Audiotape sales have increased at an average of more than 40% a year for the last 4 years "largely because of the growing importance of magnetic tape to industry & Govt. for automation & instrumentation purposes."

The "Alphadyne"—which generates electronic numbers & characters for read-out on cathode-ray tubes—has been announced in 2 models by Skiatron. Instead of bulkier character-forming CR tubes at display points, conventional CR tubes can be used.

"Admiral now sells more portable TV than any other manufacturer," claims pres. Ross D. Siragusa. He told a recent stockholders meeting: "We estimate that we have obtained 18% of this market."

Western winter market dates: Los Angeles Home Furnishings Mart, Jan. 10-15, 1960. Western Merchandise Mart, San Francisco, Jan. 18-22.

Finance

Magnavox sales & profits improved for the quarter concluded in March, compared to the 1958 quarter. However, the report for 9 months ended March 31 shows a decline from the like period a year ago. For the 9 months to March 31:

	1959	1958
Sales	\$67,048,000	\$69,209,000
Net earnings	3,063,000	3,199,000
Earned per share	2.62	2.68
For 3 months to March 31:		
Sales	22,904,000	20,854,000
Net earnings	841,000	791,000
Earned per share	75¢	65¢

Herold Radio & Electronics Corp. reports improved earnings for the fiscal year ended Feb. 28. The final quarter showed a profit, contrasted to the loss in the like period of the preceding year. Common shares shown below are at each year-end, adjusted to reflect conversion of outstanding preferred shares. For year ended Feb. 28:

	1959	1958
Sales	\$10,491,781	\$10,111,253
Net earnings	185,782	166,064
Earned per share	33¢	29¢
Shares outstanding	567,984	567,913
For quarter ended Feb. 28:		
Net earnings ('58 loss) ..	\$125,453	(\$6,613)
Earned per share	22¢	—

ITT & consolidated subsidiaries report first-quarter earnings at a record high, 6% greater than first-quarter 1958. Orders on hand March 31 were at a new peak of \$571,000,000—exceeding by 12% the backlog at the end of 1958, and 21% more than a year ago. For the 3 months ended March 31:

	1959	1958
Sales	\$157,025,702	\$142,824,878
Net earnings	6,387,115	6,026,193
Earned per share	43¢	42¢
Shares outstanding	14,979,069	14,353,354

Clevite Corp. has completed a strong first quarter, with order backlogs in automatic bearings & electronic products the most favorable since mid-1957, according to the company report. For the quarter ended March 31:

	1959	1958
Sales & other revenue ...	\$19,998,000	\$15,656,000
Net earnings	1,456,000	423,000
Earned per share	76¢	20¢
Shares outstanding	1,807,152	1,807,152

American Electronics reports a 691% improvement in net income for the first quarter, making no provision for Federal income tax in 1959 because of loss carry-over. For 13 weeks to March 31:

	1959	1958
Sales	\$4,652,558	\$4,497,695
Net earnings	108,117	13,669
Earned per share	12¢	2¢
Shares outstanding	869,994	789,994

General Dynamics Corp.'s net earnings for the first quarter declined to \$5,925,385 (60¢ a share) from \$9,872,366 (\$1.01 per share) in the 1958 period. Chairman Frank Pace Jr. attributed the drop to lower net sales (\$330.6 million vs. \$386.4 million) & heavy investment in R&D on a commercial jet aircraft program.

General Dynamics has applied for SEC registration (File 2-15091) of 400,445 common stock shares to be offered under the company's restricted stock option plan for officers & employes.

Secondary offering of 46,000 common shares of Thompson Ramo Wooldridge (\$3,128,000) has been oversubscribed at \$68 a share, Bache & Co. announced.

Trav-Ler Radio Corp. earned close to 40¢ a share for the year ended April 30, compared with 1¢ a share (\$10,617 net earnings) for the previous fiscal year, it is estimated by pres. Joe Friedman. With sales "pretty much the same" as fiscal 1958's \$15,127,000, improvement was accomplished because of better conditions in the electronics industry, Friedman said, and through consolidations of plant facilities at Orleans, Ind., saving \$200,000 annually. The company is currently filling the heaviest backlog in its history, led by its super-thin 17-in. TV receiver. Manufacturing for private-label customers now accounts for 50% of the company's business, compared with 35% a year ago.

Electronic Engineering Co., Santa Ana, Cal. manufacturer of instrumentation systems, has asked SEC registration (File 2-15106) of 100,000 common stock shares for public sale, 78,750 offered by the company, 21,250 by present holders. Principal underwriter of the offering is Kidder, Peabody & Co.

United Artists has arranged private placement of \$15 million in 6% participating promissory notes, mostly with the Prudential Insurance Co. of America. The company's convertible 6% subordinated debentures, due 1969, have been called for redemption. Increased production of major movies, and greater activity in TV film, recording and music publishing are being undertaken, pres. Robert S. Benjamin reports.

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Walt Disney Productions Inc. reports an increase in gross income for 6 months ended April 4, but a lessened profit, compared with the same 1958 period. The dip in earnings was attributed to timing of feature-picture releases, with revenues from recent releases expected to swell in the last half of the fiscal year, ending next Oct. 3. Income from Disneyland Park enterprise (in which AB-PT has a 35% interest) rose to \$4,300,000 in the period, compared to \$3,800,000 in the like period a year ago. Outlook for the total fiscal year is expected to be somewhat below the \$2.51 per share reported last year, treas. Paul L. Pease said in an interim report. Figures below are for 27 weeks to April 4, 1959, vs. 26 weeks to March 29, 1958:

	1959	1958
Gross income	\$23,430,211	\$22,499,750
Net earnings	906,485	1,633,250
Earned per share	57¢	1.06
Shares outstanding	1,581,011	1,537,054

Metropolitan Broadcasting Corp. (WNEW-TV & WNEW N. Y., WTTG Washington, radio WHK Cleveland) reports a strong improvement in net profit for first-quarter 1959, compared to a year ago. Chairman & pres. John W. Kluge told the annual meeting that no taxes were paid during this first quarter because of a tax credit. For 13 weeks to April 5:

	1959	1958
Net earnings	\$287,512	\$56,021
Earned per share	19¢	4¢

CBS INTO SPACE: CBS is getting into the missile business. At the May 14 meeting of the CBS board, the formation of Space Recovery Systems Inc.—a joint venture of CBS Labs div. and M. Steinthal & Co., described as “the world’s largest parachute manufacturing facility”—was announced by chairman William S. Paley & pres. Frank Stanton.

The new company, Paley said, will develop advance systems and produce equipment for the safe recovery, tracking and location of missile & space vehicle components & payloads. Chairman of Space Recovery Systems will be Dr. Peter C. Goldmark, pres. of CBS Labs. Augustus J. Steinthal, v.p. of the partnering firm, will become pres. Other officers are Theodore W. Knacke, v.p.-engineering dir.; Gordon S. Burroughs, v.p.-electronics; Milton R. Neaman, secy.

News of a more earth-bound nature also came from Paley & Stanton, who reported that first-quarter sales & earnings had set a record for that period. Net earnings were up 7.9% and consolidated net sales rose 7.5% from the figures for first-quarter 1958. The report of CBS for the quarter ended March 31:

	1959	1958
Sales	\$111,052,290	\$103,296,857
Net Income	7,032,686	6,518,039
Earned Per Share	87¢	83¢
Shares Outstanding	8,127,460	7,881,400

CBS Inc. common stock trading on the Boston exchange on an unlisted basis (Vol. 15:18) has been approved by the SEC.

Meredith Publishing Co. (*Better Homes & Gardens, Successful Farming, WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, radio KRMG Tulsa*) has purchased National Plan Service Inc. of Chicago, which creates promotional & advertising materials for retail building materials dealers.

Loew’s Inc. (MGM) is not resuming cash dividends now, chairman George Killion announced, following a meeting in Culver City, Cal., but “expects to be in a position to inaugurate a regular dividend policy” later in the year if “current progress continues.”

Decca Records Inc. reports \$197,560 (13¢ a share) in first-quarter earnings, compared to \$168,117 (11¢ a share) for the same 1958 quarter.

Aerovox reports net income of \$143,779 (17¢ a share) for the quarter ended March 31, compared with \$18,867 (2¢ a share) in the first quarter a year ago.

Reports & comments available: Dynamics Corp. of America by Ira Haupt & Co. 111 Broadway, N.Y. . . . Airpax Electronics by McDonnell & Co., 120 Broadway, N.Y. . . . P. R. Mallory by T. L. Watson & Co., 25 Broad St., N.Y. . . . General Dynamics by Walston & Co. 265 Montgomery St., San Francisco.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
CBS	Q	\$0.30	Jun. 12	May 29
Hazeltine	Q	.35	Jun. 15	May 29
Northrop Corp.	Q	.40	Jun. 9	May 25
Republic Pictures	Q	.25	July 1	Jun. 10
Sprague Elec.	Q	.30	Jun. 13	May 29
Victoreen Inst.	—	25% stk.	Jun. 16	May 25
WJR Goodwill Sta. ...	—	.10	Jun. 4	May 21

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SUMMARY-INDEX OF WEEK'S NEWS

Manufacturing & Distribution

2 NEW JAPANESE TUBE LINES now on U.S. market. High interest is shown at Parts Show as Hitachi and Nippon tube promotions begin through established U.S. firms (p. 15).

TAPE RECORDER INDUSTRY fights back against inroads of stereo disc, and confusion over tape cartridges, with new standards for stereo music tape, backed by promotion campaign (p. 17).

EIA RE-ELECTS HULL, Secrest & Muter for 1959-60 term (p. 18). Annual convention reflects optimism of industry, as Hull predicts sales of \$9 billion (p. 17).

BOOM IN CHEAP FM SETS is enjoyed by Granco Products, virtually the sole manufacturer, and now claiming 45% of domestic FM market. Its next project: Auto FM & FM-AM sets (p. 18).

Film & Tape

FILM-VS.-TAPE FIGHT starts in N.Y. as Film Producers Assn. declares it is forming an alliance with IATSE to "keep networks honest" in tape-commercials field (p. 13).

PRODUCTION AT record peak of \$125 million for Hollywood telefilmmers preparing for next season (p. 13).

Congress

TWIN-FEATURE FCC SHOW is billed on Capitol Hill for June. Competing with House panel sessions, Sen. Pastore schedules hearings for dozen FCC measures (p. 4).

NEWS BY STOPWATCH under FCC's Lar Daly political equal-time ruling would be state-controlled news, Sen. Case (R-S.D.) warns in strong speech (p. 4).

FCC

STANDARDS' DR. NORTON REBUKED by his boss, Dr. Astin apologizing to FCC for Norton's actions on TV allocations. Won't happen again, he vows (p. 3). Other news on p. 5.

Stations

RADIO FACILITIES—NO SATURATION in sight, as 155 applications are filed, including 30 for new stations, on May 15 AM processing cut-off date (p. 2).

COMPETITION FOR 'WORLD'S TALLEST' title shows U.S. likely to retain lead in TV towers, despite Russian plans for 1625-footer. Several taller due (pp. 3 & 9).

100 LARGEST TV ADVERTISERS of 1958 (p. 7). TV expenditures by product classification (p. 8).

BROADCASTERS' SALARIES, a J. K. Lasser study for 'Printers' Ink' (p. 10).

Programming

TV SET MAKERS TO PLUG PROGRAMS next fall in revamped public-relations drive by EIA. Surprise switch in manufacturers' tactics parallels NAB promotion effort (p. 1).

Foreign

OVERSEAS TV—25,600,000 SETS, 855 stations—as of March 31, according to USIA quarterly report. East Germany's TV offensive vs. U.S. budget request (pp. 3 & 10).

Other Departments

NETWORKS (p. 6). **ADVERTISING** (p. 12). **FINANCE** (p. 19).

TV SET MAKERS TO PLUG FALL PROGRAMS: In unexpected change of tactics, TV receiver manufacturers have voted to launch serious campaign to call public's attention to excellence of special TV programs next season.

EIA's consumer products div. decided at last week's convention in Chicago to "develop a new type of TV promotion aimed at creating public interest in the new fall TV spectaculars." Information on programs will be provided by the 3 networks, and, according to plan approved by set makers, "manufacturers will include 'plugs' of these new programs in their presentations to distributors and probably in their advertising."

Program will be piloted by top-level 3-man committee of members of EIA consumer products exec. committee—Zenith's Len Truesdell, Motorola's Ed Taylor and Warwick's Charles N. Hoffman. This group will develop program of suggestions, "with possibly a recommended advertising slug which EIA will then distribute among all TV manufacturers."

Move presumably means end of EIA's abortive "buy-a-second-set" campaign, which was to have been conducted through PR & advertising depts. of TV manufacturers. This drive was actively opposed by some set makers on grounds that "second set" is usually a portable—least profitable item in TV line.

Action represents surprising switch by set makers. It's no secret that some of them had been loudly blaming "poor programming" for TV set sales slump. Now there's even some possibility that EIA will work

very closely with NAB's "TV image" campaign. Whether it does or not, there's plenty of sentiment in the telecasting & manufacturing fraternities that new 2-pronged promotion on same theme would be much more effective for both industries than separate efforts on different themes.

EIA group also voted to fight FCC's proposal to ban interstate shipment of TV sets which can't receive all channels (Vol. 15:11, 16-17). Organization's consumer products exec. committee chairman Robert S. Bell, of Packard-Bell, summed up feeling thus: "The whole idea is ridiculous. It would cost consumers \$100-\$150 million a year for the benefit of a small segment of the broadcasting industry. It's giving a platinum transfusion to a dead horse."

RADIO FACILITIES—NO SATURATION IN SIGHT: Looks like no end to demand for radio stations. A good index is what happened on May 15—cut-off date of FCC's new AM processing procedure (Vol. 15:20). Thirty applications for new stations were filed, 45 for changes in facilities of existing stations—plus amendments of 80 applications. As of today, Commission has in its files 645 applications for new stations, 614 for changes in facilities. Of the facilities-changes sought, 326 are from 250-watters requesting increase in daytime power to 1 kw.

Prediction of 5500 AM stations by 1970, proffered by FCC chief economist Dr. H. H. Goldin at NAB convention (Vol. 15:12), doesn't seem at all outlandish. Right now there are 3360 AMs operating, plus 124 CPs not yet on air. In addition there are 605 FM's operating, 135 CPs to be activated.

Though some broadcasters would like some sort of economic freeze on new stations, FCC has yet to find any justification for one. As Chairman Doerfer says in May issue of "U.S. Radio" magazine: "I'm aware of the view that continued growth in the number of broadcast facilities will eventually lead to a deterioration in programming. But the Commission does not dictate what programs a broadcaster puts on his station. We have no alternative but to issue new grants in areas where they are available and where additional radio service will contribute to a more knowledgeable & better informed public."

OVERSEAS TV—25,600,000 SETS, 855 STATIONS: U.S. Information Agency's quarterly report on foreign TV is getting to be substantial document—current edition running 32 pages—reflecting accelerating expansion of overseas TV.

Sets-in-use figure, USIA estimates, has risen to 25,600,000 for all countries—excluding U.S., its territories & Canada. This is an increase of 2,750,000 in quarter ending March 31—twice the rise of preceding quarter. Operating stations have jumped from 739 to 855 (including satellites, large & small). Of these, 714 are in free-world countries, an increase of 97, and 141 in Communist bloc, a rise of 19.

Most of free-world expansion was provided by Italy, which added 42 stations, now has 294, and West Germany, which boosted its total to 117 by building 26.

In addition to a tabular compilation for all countries (see p. 10), USIA provides a country-by-country narrative covering programming & facilities developments. It devotes considerable space to the propaganda offensive planned against West Germany by East Germany, as reported by the Bavarian Govt. weekly "Bayerische Staatszeitung." According to the paper, USIA says, East Germany has allocated 60 million marks for "an entirely new" propaganda approach:

"The 'sledge-hammer method' of propaganda used on the East German population is not to be used in broadcasts for West German consumption. Instead . . . a clever mixture of sex, jazz and humor is being scheduled in just the right dosage to bring home the underlying political intent to West German TV audiences. In this type of programming, the paper continued, the political functionary is being replaced by the charmer in an attempt to accommodate Western tastes and simultaneously to suggest that life in East Germany is by no means drab." Among programs planned are newest French, Italian, Indian & West German motion pictures, and East German movies are to be televised on the day of their premieres. It's understood that 15 new border stations are planned.

The excellent report is available from USIA, 1776 Pennsylvania Ave. NW, Washington.

Note: Potential free-world TV audience for USIA's own overseas programming is estimated by TV service director Romney Wheeler at more than 100 million. Urging approval of budget boost of \$555,000 to \$1,263,300 (Vol. 15:16) for TV, he told House appropriations subcommittee that 78% increase is needed to compete with Communist bloc efforts to put propaganda on Western TV. For overseas TV production & distribution in upcoming year, Wheeler wants to spend \$380,128—W. Europe, \$130,550; E. Europe, \$34,220; Latin America, \$118,808; Near East & S. Asia, \$60,250; Far East, \$36,300.

Outlook isn't bright, however, House is expected to vote this week on bill (HR-7343) by Rep. Rooney (D-N.Y.) which would slash USIA budget from \$120 million to \$113 million, cut VOA radio construction & acquisition funds from \$11 million to \$9 million, and slice TV service requests proportionately.

COMPETITION FOR 'WORLD'S TALLEST' TITLE: Though Russia has entered the tall TV tower act by announcing plans to build a 1625-ft. Moscow structure—which would be taller than any other man-made edifice—U.S. has a couple of taller ones in the works, is likely to have more.

Right now, title to "world's tallest" is still held by KSWs-TV Roswell, N.M., with 1610 ft. However, holding clearance from aviation authorities and FCC approval are KFVS-TV Cape Girardeau, Mo. with 1677 ft. and WGAN-TV Portland, Me. with 1619 ft. The proposed whopper of them all—1859 ft. application of WHAS-TV Louisville—is still fighting for both airspace & FCC approval. Hearing examiner recently closed record on WHAS-TV's long hearing, but not even an initial decision is expected before end of year.

According to FCC records, there are 80 TV towers over 1000 ft., CPs granted for 8 more, applications pending for 18 (for complete Commission list, see p. 9). In addition to the special case of the 7 N.Y. stations on Empire State Bldg., most of which are 1465 ft. above ground, the "top 10" (actually 11 because of tie for 8th place) in use today are the following:

KSWs-TV Roswell, N.M., 1610; KWTv & KETA Oklahoma City, Okla. (sharing 1 tower), 1572; KENS-TV & WOAI-TV San Antonio, Tex., (shared), 1530.8; WIS-TV Columbia, S.C., 1526; WFAA-TV & KRLD-TV Dallas, Tex. (shared), 1521; WTVD Durham-Raleigh, N.C., 1504; WSM-TV Nashville, Tenn., 1369; KOCO-TV Enid, Okla. & WTEN Albany, N.Y., 1356; WMT-TV Cedar Rapids, Ia., 1355; KTVE El Dorado, Ark., 1348.

All the foregoing are guyed towers. Tallest self-supporting tower in U.S. is in Kansas City, KCMO-TV's 1045 ft. Tokyo recently took lead in this category with 1092-ft. all-purpose structure (Vol. 15:18).

Leading big-stick builder is Dresser-Ideco, Columbus, O., which has fabricated 62 over 1000 ft. According to the company, each of its competitors has built or has on order the following number over 1000 ft.: Stainless 16, Kimco 9, Blaw-Knox 8, Truscon 4, Lehigh 2, Parkersburg Rig & Reel 2, Emsco 2, Andrews 1.

Good rule-of-thumb in calculating tower cost is \$100 a ft. up to 1250 ft., \$120 a ft. for 1250 to 1600-1700 ft. This includes purchase & erection of the tower & lighting facilities, plus cost of installing transmission lines & antenna (but not cost of transmission lines & antenna themselves). This also excludes elevator, which runs about \$20,000, and foundations—which cost about \$10,000 for 1000-footers, \$15,000 for greater heights.

In filing estimates with FCC, telecasters include cost of transmission lines & antennas—so figures run higher. WHAS-TV quotes \$925,000 for its 1859-ft. proposal. KFVS-TV Cape Girardeau estimates \$284,000 for 1677 ft. KWTv & KETA report \$736,990 for 1572 ft. Following are some typical figures for others: KTVE El Dorado, \$222,900, 1348 ft.; WTTV Bloomington-Indianapolis, \$227,620, 1225 ft.; WMT-TV Cedar Rapids, \$234,525, 1355 ft.; KSWs-TV Roswell, \$274,239, 1610 ft.; WTVD Durham-Raleigh, \$200,000, 1504 ft.

STANDARDS' DR. NORTON REBUKED BY HIS BOSS: Severe knuckle-rapping was administered to Bureau of Standards' radio propagation chief Dr. Kenneth Norton—critic of TV Allocations Study Organization (TASO) and of FCC's allocations policies (Vol. 15:19)—by none other than his boss, Bureau of Standards director Dr. A. V. Astin. In a letter to FCC Chairman Doerfer, read by the latter to his colleagues last week, Dr. Astin stated that Norton's position "does not reflect the official views" of the Bureau. Furthermore, he said, publication of Norton's views in trade press was "completely unauthorized and I apologize for it." And: "steps will be taken to prevent a recurrence."

Dr. Astin said that Norton's position might better have been presented as a minority report of TASO, on whose panels Bureau of Standards' engineers had served. He went on to note that the Bureau has no responsibility in field of TV allocations but that it is available in advisory capacity on propagation.

Doerfer replied with note expressing appreciation for "clarification of what most of us suspected."

Dr. Norton thus finds himself in an awkward position—no one stepping forward, as yet, to endorse his assertion that more TV service could be renewed if co-channel station separations were reduced from 170 to 100 miles, or even less.

Meanwhile, CBS v.p. William B. Lodge, with whom Norton had been carrying on a running argument, decided to call a halt, writing Norton: "I believe that either an FCC or Senate committee hearing would be a more appropriate forum in which to discuss the various problems involved in improving (none of us expects a 'perfect' solution) the TV allocations problem."

Congress

TWIN-FEATURE FCC SHOW: There'll be a double billing for FCC in congressional hearings next month, with the Senate Commerce opening its legislative investigation season alongside the House Commerce Committee.

After moves by Chairman Harris (D-Ark.) of the House group to set up June 15-23 legislative oversight subcommittee panel hearings for FCC & other federal regulatory agencies (Vol. 15:20), Chairman Pastore (D-R.I.) of the Senate Commerce communications subcommittee scheduled a series of FCC hearings starting in June & running into July. They'll cover booster-CATV issues & a wide range of other subjects.

On Pastore's agenda, as announced last week, will be a dozen bills amending the Communications Act—mostly measures introduced by Chairman Magnuson (D-Wash.) of the full committee at the request of FCC (Vol. 15:16).

Billed for the oversight subcommittee panels by Harris, in order of appearance for Commissioners, agency lawyers & staffers, were: CAB, FCC, FPC, FTC, ICC, SEC. He set out the scope of the hearings—to determine what's wrong with present laws and whether the agencies are 'observing congressional wishes—in a 4-page outline. Harris also said rules of procedure, which weren't always followed during sensation-studded FCC hearings last year, will be printed in pamphlet form so that subcommittee members & witnesses will know just what they are.

First up on the Senate side June 9 will be bills (S-1734-36, S-1738, S-1740) to: (1) Prohibit ex-parte presentations in FCC adjudicatory cases unless all parties are notified. (2) Repeal a provision in the law permitting Commission members to receive "honorariums" for speeches, etc. (3) Give FCC's review staff more latitude. (4) Extend Commission authority over microwave & other point-to-point radio services. (5) Cut out some sworn-statement requirements in FCC cases.

The second phase of the Pastore hearings (now scheduled off-&-on for June 11, 18, 23, 24, 25 & 30 and July 1) will explore Magnuson measures (S-1733, S-1737 & S-1898) to: (1) Eliminate the Communications Act requirement for prehearing notices to applicants (McFarland letters). (2) Provide fines for violations of rules in special service & common carrier safety fields. (3) Revise application-processing procedure along lines urged by the FCC Bar Assn. but opposed by FCC (Vol. 15:19-20).

Saved by Pastore for the wind-up of his hearings will be Magnuson's FCC-written bills (S-1739, S-1741, S-1801) and an omnibus measure (S-1886) by Sens. Moss (D-Utah) & Murray (D-Mont.) carrying out the Commission's legislative recommendations on boosters & CATV systems (Vol. 15:15-17, 19).

Meanwhile Magnuson introduced still another bill (S-1965) applying to regulatory agencies including FCC. A holdover from last season, it would authorize the President to dismiss Commission members for cause, clearing up existing legislation which is cloudy on the tenure subject. The measure also would permit Commissioners whose terms expire to continue in office until successors have been installed.

And the D. C. Judicial Conference composed of federal judges & lawyers, adopted a resolution calling for creation by Congress of a similar conference to oversee administration of justice by the agencies. As proposed by a committee headed by Washington communications lawyer William C. Koplowitz, the group would carry on studies of administration problems.

NEWS BY STOPWATCH: FCC's Lar Daly equal-news-cast-time interpretation of the Communications Act's Sec. 315 (Vol. 15:8-16, 18-20) could lead into "state control of news," Sen. Case (R-S.D.) warned last week.

In one of the strongest Capitol Hill statements yet made on the political equal-time broadcast issue, the co-sponsor of a bill (S-1858) by Sen. Hartke (D-Ind.) to rewrite Sec. 315 (Vol. 15:20) told the Senate:

"To require equal time for all candidates in the coverage of news is as absurd as requiring of a newspaper equal space to all candidates, including minor factions. It would make candidates the judges of news values. Abuse would be inevitable.

"An informed electorate is essential to democracy. Feeding the news to the public by a measuring spoon or regulating its quantity by a stopwatch is hardly the way to accomplish this desired objective. Rather, reporting of the news should be left to the discretion of the news media. News by stopwatch would be news by state control."

Case said that unless broadcasters are freed from the Lar Daly ruling "we may well see radio & TV forced out of the business of covering political campaigns. This result would be unfortunate indeed for the American people & their right to be informed on public issues."

He also said he thought that the Hartke bill—which defines minority candidates for president & vice president and insures broadcasters against libel suits for equal-time statements by politicians—should be broadened to spell out qualifications of all minority candidates. Coverage should take in "candidates for state & local offices, including members of Congress," according to Case.

Meanwhile more House companions (HR-7180 & HR-7206) to the Hartke "Fair Political Broadcasting Act" were introduced by Reps. Aspinwall (D-Colo.) & Rogers (D-Colo.). They are identical with an earlier bill (HR-7123) by Rep. Barr (D-Ind.).

No hearings on the proposed Sec. 315 changes have been scheduled in either Senate or House. But the Senate Commerce Committee has put the legislation on its tentative agenda for mid-June.

Senate TV-radio coverage rules won't be relaxed to permit tape recorders & other electronic journalism equipment in Capitol hallways or in the President's Room next to the Senate chamber, the Senate Rules Committee has decided. Official permission to record interviews in corridors or the President's Room, where Senators can be caught quickly, had been sought by NBC's Julian Goodman, exec. committee chairman of the Radio & TV Correspondents Galleries. But the Rules Committee headed by Sen. Hennings (D-Mo.) turned him down, reaffirming a long-standing but often-ignored regulation. Goodman's appeal to the Rules Committee followed an incident in which reporters for News Associates Inc. were forbidden by sgt. at arms to carry tape recorders into the President's Room.

Echo of ASCAP probe by a House Small Business subcommittee last year (Vol. 14:19) was heard again on the House floor last week. Chairman Roosevelt (D-Cal.) said that after a year he was tired of waiting for the Justice Dept. to come up with a new ASCAP consent decree giving smaller composers & publishers better breaks. Pointing out that his 1958 hearings showed that they "could not be expected to remain in business unless important changes were made in some of ASCAP's policies & procedures," he called on Justice for "decisive action." Roosevelt said he hoped it won't "require another year to make up its mind."

The FCC

NAB Wants Teasers: Rigid FCC rules requiring sponsor or product identification of broadcast commercials are fine when they serve to protect the public from fraud & propaganda "by unknown individuals or organizations," NAB said last week. But it asked: What's the harm in "teaser" announcements?

NAB chief counsel Douglas A. Anello & attorney Robert V. Cahill filed a rule-making petition with the Commission urging that this language be added to regulations governing commercials: "In the case of announcements designed merely to stimulate interest in a future substantive announcement advertising commercial products or services, it shall not be deemed necessary to announce the sponsor or product provided that such is announced at the time the substantive commercial shall be made. With respect to such teaser announcement, it shall be necessary to merely state that the announcement is an advertisement."

The NAB lawyers pointed out that TV & radio are the only media now precluded from use of teasers, whose effectiveness is destroyed if the sponsor or product must be identified. "There can be no deception, for nothing is offered" by such announcements, they added. "Obviously, upon final fruition of a teaser series, all Commission rules & regulations respecting identification must be met for it is here, literally, that the listening or viewing audience for the first time is made aware of the product or service to which the series has been pointed."

Schedule of witnesses in the first 2 weeks of FCC's hearing on the allocation of 25-890 mc, as released last week (number of witnesses in parentheses): May 25—RCA Communications (1), AT&T (4). May 28—A.C. Sparkplug Div., General Motors (1), General Telephone & Electronics (1), Lenkurt Electric (1), U.S. Independent Telephone Assn. (2), Motorola (4). May 29—Calvin Goodenough (1), National Mobile Radio System (5), Associated Telephone Answering Exchanges (1), Don Rettick (1), Forest Industries Radio Communications (2), KAAR Engineering (2). June 3—Electronic Industries Assn. (6). June 4—Central Station Electrical (2), Alaska Aviation Radio (1), Aeronautical Radio (3), National Committee for Utilities Radio (6), Central Committee on Radio Facilities of the American Petroleum Institute (5), Petroleum Equipment Suppliers Assn. (1), Special Industrial Radio Service Assn. (7), National Assn. of Mfrs. (2), Amer. Transit Assn. (2).

Unique "program balance" situation in Atlanta has had 9 AM stations & 1 FM awaiting renewal of their licenses for more than a year. Rarely have more than one station per city been on the FCC "limited program structure" hook at one time. The Atlanta list was reduced by one last week when the Commission voted to renew the license of WIIN & to approve its sale by ailing Emil J. Arnold. Comrs. Bartley, Lee & Ford dissented, wanted to conduct a hearing. Still pending are: WAKE, WAOK, WEAS, WERL, WGST, WQXI, WTJH, WGKA & WGKA-FM. Also last week, the Commission renewed the license of WDXB, Chattanooga, which had been questioned about "imbalance," with Comrs. Lee & Cross dissenting. This suggests that Cross may become the swing man in a potential 4-3 vote on the Atlanta stations.

Deadline for comments on the option-time proposal issued by FCC (Vol. 15:17) has been extended by the Commission from June 22 to Aug. 3. CBS had requested a Sept. 11 deadline, NBC Sept. 22.

Half Way For Mack: The Marathon Miami Ch. 10 conspiracy trial of ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside (Vol. 15:15-20), which started April 7, slowly neared the half-way mark last week. Govt. prosecutors said they should need no more than another week to wind up their case, in which Mack & Whiteside are accused of plotting to throw Ch. 10 to National Airlines' WPST-TV. Figuring on a June 1 opening for their case, defense lawyers promptly began sending out subpoenas for what is expected to be a lengthy list of witnesses. Among the first called: A Frank Katzentine, owner of WKAT (Ch. 10 loser) & Sen. Kefauver (D-Tenn.), Katzentine's friend who has acknowledged interceding with FCC members in the hotly contested grant. Most of last week's trial proceedings in Washington's U.S. District Court were devoted to questioning of Whiteside's bookkeeper, Mrs. J. S. Grisillo—over strident defense objections—about intricacies of financial transactions involving Mack. The week also brought another complaint by Mack's lawyer Nicholas J. Chase that Judge Burnita S. Matthews was "clearly biased" against his client. Chase again demanded a mistrial. Judge Matthews turned him down again.

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Orlando Ch. 9 "influence" case was remanded to the FCC by the Court of Appeals last week, as expected, following the Commission's own decision to conduct an evidentiary hearing (Vol. 15:13). The Court instructed FCC to conduct the same kind of hearing as those held or ordered in similar cases, such as Miami Ch. 10—special hearing examiner, etc. The decision was rendered by Judges Fahy, Washington & Danaher. The case involves allegations that an off-the-record pitch in favor of Ch. 9 winner WLOF-TV had been made to former Comr. Mack by Orlando attorney William H. Dial, who had worked for WLOF-TV on some non-FCC matters. FCC action in all "influence" cases is being postponed pending conclusion of the Mack-Whiteside Court case, which has many weeks to go.

Court of Appeals last week ruled that FCC had erred in dismissing the protest filed by KXLJ-TV Helena, Mont. against the microwave CP granted to Montana Microwave (James G. Edmiston) to serve a CATV system in Helena. The short "per curiam" decision by Judges Edgerton, Miller & Danaher simply ordered the Commission to give KXLJ-TV's protest a hearing. FCC can call for an oral argument or for an evidentiary hearing. The Court didn't rule on any legal or policy matters.

ABC-TV affiliates' "Select Committee", which has been participating in FCC's network proceedings, met in Washington May 21 to discuss the Commission's new proposal on option-time and related rules (Vol. 15:17). The committee decided to poll all ABC-TV affiliates before submitting comments to the FCC, now due Aug. 3. The group had testified in defense of present option-time rules. Members: Alex Keese, WFAA, Dallas, chairman; Thomas Shelburne, WNEP-TV Scranton; Philip P. Allen, WLVA-TV Lynchburg; Joseph Bernard, KTVI St. Louis; Frederick S. Houwink, WMAL-TV Washington; Roger W. Clipp, WFIL-TV Philadelphia; William E. Walbridge, KTRK-TV Houston; Donald D. Davis, KMBC-TV Kansas City. All but last 2 were at the Washington meeting.

Hearings on FCC Comr. Rosel Hyde's reappointment to a new term and the elevation of FTC gen. counsel Earl Kintner to FTC commissionership have been set for May 27 by the Senate Commerce Committee—at 10:30 a.m., room 5110, New Senate Office Bldg.

Networks

ABC-TV's Gains: First-quarter ABC-TV billings were 19% ahead of last year, American Broadcasting-Paramount Theatres pres. Leonard H. Goldenson told the annual stockholders' meeting May 19. He added that this was a better percentage increase, in both billings & dollars, than for the competing networks. Earnings (Vol. 15:18) were 54¢ a share, against 43¢ per share for first-quarter 1958. He foresaw the 1959-60 season showing continued gains, led by the TV network, with ABC Radio continuing to improve by cutting its operating costs. ABC-TV pres. Oliver Treyz told the meeting that the network's evening programs now attract audiences 3 times as large as the 1953 average—compared to a doubling of TV homes since then. Gross time billings have multiplied almost 5 times for ABC-TV since 1953, vs. the gross time billings increase for all networks of 149%, Treyz said.

The fate of *The Voice of Firestone* and ABC's color TV plans commanded attention in floor discussion following the Goldenson-Treyz reports. When asked why "Voice" was dropped, Goldenson explained that Firestone, for one thing, had rejected the network's proposal to move it to 10 p.m. on Monday. Also, he said, in the 9-9:30 p.m. Monday slot, Voice was able to reach 3.5 million homes, whereas another show "might reach 14 million in that spot." As long as Firestone underwrote the half-hour on a 52-week basis, the time period was secure, Goldenson said. Firestone, aware of this, cut back to 39 weeks 2 years ago. A request for a show of hands from stockholders present, to see how many still wanted Firestone on, brought about a 20% response in favor of the program.

ABC-TV would convert to color, Goldenson said, when set costs become closer to costs of b&w sets and when there are "a sufficient number of sets sold or in production." Color TV today is "rather prohibitive" for the average person, with service charges during the first year around \$100, he said.

* * *

"Voice of Firestone" fans who write the tire & rubber company about its departing show receive an acknowledgment from natl. adv. mgr. A. J. McGinness which says in part: "It is with deep regret that we . . . discontinue the *Voice of Firestone* after our program of June 1, because no suitable evening time was offered by any of the 3 TV networks. We hope you understand that we were willing to continue . . . but that the networks would not accept the program except at a time when very few TV sets are in use. We can only hope that some day the networks will decide to make good evening time periods available for quality TV programming as well as mass appeal shows."

Robert W. Sarnoff, NBC's chairman, took advantage last week of a guest-column invitation from vacationing John Crosby to tell the columnist in part: "On some happy day, I hope, Mr. Crosby will come forth and confess that when he criticizes broadcasters for much of their popular entertainment fare he really means to criticize popular taste. And there is no reason he should don sackcloth to do so. The fact that his own preferences often depart from popular taste in no sense makes him a less worthy critic. The job facing the television industry as I see it is to attempt to reconcile more effectively the varying, and often contradictory, tastes of the national audience—including those of Mr. Crosby. And we must do so, not by abdicating under the whip of criticism our primary responsibility to majority tastes but by seeking areas where all tastes can be satisfied more effectively."

NETWORK ACTIVITY

ABC-TV

Partial sponsorship of *The Untouchables*, (Thurs., 9:30-10:30 p.m.). Full sponsorship of *Black Saddle*, which moves to ABC Oct. 2 (Fri., 10:30-11 p.m.). Liggett & Myers (McCann-Erickson).

CBS-TV

Conquest science series, to be presented next season Sun. afternoons (either 5-5:30 or 5:30-6) in series of 20 half-hours. Monsanto Chemical Co. (Gardner Agency).

6 hour-long news specials to be presented in prime nighttime hours next season. Lever Bros. (BBDO).

NBC-TV

2nd-year renewal of *You Bet Your Life*, (Thurs., 10-10:30 p.m.) for next season. Lever Bros. (BBDO).

6 Bob Hope specials, with possibility of one being 2 hours in length, all next season. Buick (McCann-Erickson).

New orders & renewals, totaling \$1,012,000 in gross billings on *Today* & *Jack Paar Show*.

New orders placed by American Petroleum Institute (SSC&B); Palm Beach Co. (Grey); Polk-Miller Products (Ayer); Savings & Loan Foundation (McCann-Erickson); Wembley Inc. (Walker-Saussy Adv.); Howard Johnson (Ayer); General Mills (Knox, Reeves Adv.); Burlington Ribbon Mills (S. R. Leon). Renewals placed by Thomas J. Lipton (Young & Rubicam); Ben Mont Papers (Woodard, Voss & Hevenor); American Marietta Co. (Turner Adv.).

Renewa of *The Price Is Right* (Wed., 8:30-9 p.m.).

Lever Bros. (Ogilvy, Benson & Mather) and Speidel, (Norman, Craig & Kummel).

"Totality of programming" concept recently stressed by NBC-TV chmn. Robert W. Sarnoff will go into action this fall with a 39-week series of "top-budget, top-quality specials," says program & talent v.p. David Levy. The series will be aired in the Fri.-night 8:30-9:30 P.M. slot, starting in September, and will include musicals, news-in-depth, live dramas, one-man shows and salutes to personalities. Several major advertisers are reported to have placed orders for shows in the package, most of which will be in color. News specials will be drawn from a package of 7 hour-long shows being developed by NBC news v.p. William R. McAndrew and partly financed by the dept.'s new program fund (Vol. 15: 20).

Wage raises in Canada for CBC technicians, recommended by the majority report of a federal conciliation board, have been agreed to by the network's board of directors. The report called for a 2% general wage increase retroactive to Aug. 1, 1958, a further 3% effective May 1, 1959, with a final 3.15% effective Feb. 1, 1960—a total of 8.15% increase. The board's minority report, however, called for a 10% raise, and the union (NABET) has voted to take strike action for the additional 1.85%. Another meeting is scheduled for this week (May 25).

NABET's TV tape strike against NBC (Vol. 15:20) could have been prevented—and wouldn't have lasted 19 days in any event—if the Taft-Hartley Act permitted quick Federal court injunctions against walkouts & lockouts in violation of contracts, says NAB personnel & economics mgr. Charles H. Tower. He told the Wis. Bestrs. Assn. in Milwaukee that the law should be amended to provide "injunctive relief where the breach of contract involves the use of the ultimate weapons of force." Taft-Hartley now permits only court suits by parties in contract breaches. Tower slapped NABET leaders for what he said was their failure to settle the NBC dispute "by peaceful means with an impartial arbitrator as the last resort." They displayed "a lack of responsibility which strikes at the very core of good faith bargaining," he said.

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NBC executives who worked as technicians during the NABET strike (Vol. 15:20) have been rewarded by the network with bonuses of extra vacation time and/or cash of \$400 or more.

Stations

KYW-TV Attacks City Fathers: Gathering its editorial wrath, KYW-TV & KYW Cleveland lashed out last week at "the horse-&-buggy people who are running Cleveland" in what was perhaps the strongest on-air editorializing to date. Specifically, KYW had in mind the City Planning Commission, its chairman Ernest Bohn, and chief city planner Eric Grubb. The stations (members of the Westinghouse group) were incensed over "discriminatory" release of a plan, 2 years in preparation and costing \$100,000, for rehabilitation of downtown Cleveland.

On May 19, said the station, a picture & story was leaked to Cleveland's "morning newspaper" (*Plain Dealer*, not identified on air). On May 21, master plan & photos went to all papers. Three hours later, an envelope arrived at KYW, containing 2 photographs, no story.

"This irresponsible, arbitrary discrimination on the part of the City Planning Commission will not go unchallenged. We intend that it will not," promised the air message. KYW reminded its audience that the Commission itself had said that the plan would fail without public comment & understanding. "Our leaders know little about 20th-century communication," said the air editorial—"with a revolution in communications taking place around them, they are still in the horse-&-buggy era." The station pledged to urge the Mayor and city council to see that "in the future public information will be released on an equal basis to the press, radio & TV."

First production-model RCA TV recorder was installed at WBT Charlotte in what RCA described as record time. Just 2 hours & 56 minutes after its removal from the truck, it had been installed, and had already recorded and played back a portion of a program. RCA broadcast & TV equipment div. gen. mgr. C. H. Colledge credited the speed to "new techniques in testing, packing & shipping" plus close cooperation between RCA & WBT in unloading and installing the 6 racks of equipment. The new color recorder is a companion to the pre-production RCA recorder which has been in use at WBT since last Sept., and is in operation 20-30 hours weekly. Six other pre-production RCA units are in use by NBC-TV in N.Y. & Burbank, Cal.

Philadelphia's educational station WHYI-TV (Ch. 35) last week filed an application requesting non-commercial use of Wilmington's Ch. 12. Two Wilmington applicants for the channel are radio WAMS and a partnership comprising Richard Goodman, Mason A. Loundy, Egmont Sonderling & George T. Herreich. Other applications filed last week were for Ch. 13, Panama City, Fla. by a group headed by appliance store owner John S. Thompson and including 6 employes of WALA-TV (Ch. 10) Mobile, and for Ch. 3, Salem, Ore. by the owners of KUGN Eugene.

Seeking a drop-in vhf channel, off-air KCCC-TV (Ch. 40) Sacramento last week petitioned FCC to lower minimum co-channel assignments & mileage separations in Zone II from 190 miles to 100-125 miles.

Station Rate Increases

Station	Base Hour	Minute	Date
WFAX-TV Dallas	\$1000 to \$1200	\$300 to \$325	1
WVUE New Orleans	600 to 800	90 to 175	May 1
KTVK Phoenix	500 to 600	100 ²	May 1
WFIE-TV Evansville, Ind.	350 to 425	70 to 88	May 1
KZTV Corpus Christi	300 to 350	75 to 85	March 1

¹Effective date not reported.
²Remains unchanged at \$100.

100 Largest TV Advertisers of 1958

Gross time cost only, as estimated for TvB. Spot figures from N. C. Rorabaugh. Network figures from LNA-BAR (Leading National Advertisers & Broadcast Advertisers Reports).

Rank	Advertisers	Total TV	Spot TV	Network TV
1.	Procter & Gamble	\$84,471,710	\$33,833,060	\$50,638,650
2.	Lever Brothers	38,537,230	16,578,860	21,958,370
3.	Colgate-Palmolive	33,855,990	10,998,490	22,857,500
4.	General Foods	31,753,900	11,020,780	20,733,120
5.	American Home Products	27,783,360	7,275,680	20,507,680
6.	General Motors	22,115,440	1,522,070	20,593,370
7.	Bristol-Myers	18,918,690	2,845,890	16,072,800
8.	R. J. Reynolds Tobacco	18,436,470	2,434,260	16,002,210
9.	Gillette	18,076,740	1,944,380	16,132,360
10.	Brown & Williamson	17,664,000	9,413,530	8,250,470
11.	P. Lorillard	16,508,680	6,717,450	9,791,230
12.	Chrysler	14,732,210	390,740	14,341,470
13.	American Tobacco	14,270,330	3,018,150	11,252,180
14.	General Mills	13,777,090	2,986,970	10,790,120
15.	Ford Motor	13,601,550	1,041,430	12,561,120
16.	Sterling Drug	13,565,080	3,645,220	9,919,860
17.	Kellogg Company	12,840,330	2,549,440	10,290,890
18.	Liggett & Myers	12,715,810	1,865,830	10,849,980
19.	Miles Laboratories	12,631,340	7,895,950	4,735,390
20.	Adell Chemical	12,339,090	12,339,090	—
21.	Warner-Lambert Pharma.	11,725,590	8,832,990	2,892,600
22.	Standard Brands	10,513,270	4,368,290	6,144,980
23.	Pharmaceuticals, Inc.	10,376,000	202,440	10,173,560
24.	Continental Baking	9,964,170	9,223,910	740,260
25.	Philip Morris	9,033,720	4,066,710	4,967,010
26.	Corn Products	8,119,030	3,191,790	4,927,240
27.	National Dairy Prods.	7,672,430	962,920	6,709,510
28.	National Biscuit	7,619,730	4,022,960	3,596,820
29.	Carter Products	7,542,400	5,202,300	2,340,100
30.	Revlon	7,156,890	847,550	6,309,040
31.	S. C. Johnson & Son	7,055,840	1,513,560	5,242,280
32.	RCA	6,458,130	—	6,458,130
33.	Quaker Oats	6,373,420	1,679,690	4,693,730
34.	Eastman Kodak	6,194,830	257,520	5,937,360
35.	Pillsbury Mills	5,730,740	525,160	5,205,580
36.	General Electric	5,687,210	391,210	5,296,000
37.	International Latex Corp.	5,678,510	5,678,510	—
38.	American Chiclé	5,324,670	2,355,040	2,969,630
39.	Nestle Company	5,219,220	1,681,800	3,537,420
40.	Westinghouse Elec. Corp.	4,724,610	85,380	4,639,230
41.	Texize Chemical	4,704,170	4,704,170	—
42.	Chesebrough-Ponds	4,639,770	1,591,690	3,098,080
43.	Campbell Soup	4,506,260	272,520	4,233,740
44.	Jos. E. Schlitz Brewing	4,503,060	1,778,630	2,724,380
45.	Armour & Co.	4,271,090	738,350	3,532,740
46.	Swift & Co.	4,163,240	1,209,590	2,953,650
47.	Robert Hall Clothes	3,993,850	3,993,850	—
48.	Scott Paper	3,906,370	488,270	3,418,100
49.	Prudential Ins. Co. of Amer.	3,849,960	22,200	3,826,760
50.	Ralston-Purina	3,753,550	377,510	3,376,040
51.	Coca-Cola Co./Bottlers	3,699,270	3,699,270	—
52.	Helene Curtis Industries	3,690,720	752,240	2,938,480
53.	The Borden Co.	3,611,570	1,750,940	1,860,630
54.	Bulova Watch	3,523,280	1,856,220	1,667,060
55.	Kaiser Industries	3,470,310	83,040	3,387,270
56.	E. I. Du Pont de Nemours	3,406,320	645,290	2,671,030
57.	Carnation	3,391,110	729,860	2,661,250
58.	Shell Oil	3,272,410	3,272,410	—
59.	Food Manufacturers, Inc.	3,259,350	3,259,350	—
60.	Falstaff Brewing	3,258,800	2,238,920	969,880
61.	Pepsi Cola Co./Bottlers	3,163,040	3,163,040	—
62.	Andrew Jergens	3,153,280	3,153,280	—
63.	Kimberly-Clark	3,105,820	139,050	2,966,770
64.	United States Steel	3,086,950	—	3,086,950
65.	Anheuser-Busch	3,053,690	3,053,690	—
66.	Max Factor	3,004,970	1,309,360	1,695,610
67.	J. A. Folger	2,975,260	2,975,260	—
68.	Block Drug Company	2,890,450	1,533,210	1,357,240
69.	Speery Rand Corp.	2,838,150	85,940	2,802,210
70.	Charles Antell	2,866,320	2,866,320	—
71.	Pabst Brewing	2,836,100	2,836,100	—
72.	Avon Products	2,770,420	2,770,420	—
73.	Armstrong Cork	2,764,450	—	2,764,450
74.	Vick Chemical	2,727,510	2,216,390	510,620
75.	Alberto-Culver	2,632,710	1,247,330	1,434,880
76.	Sylvania Elec. Prods.	2,630,950	83,940	2,547,010
77.	Johnson & Johnson	2,618,690	157,660	2,461,030
78.	Beech-Nut Life Savers	2,597,940	121,760	2,476,180
79.	Hazel Bishop	2,589,170	476,530	2,112,590
80.	Standard Oil Co. of Indiana	2,546,620	1,961,290	585,330
81.	Schick, Inc.	2,515,290	777,550	1,737,740
82.	Gulf Oil Corp.	2,465,030	1,916,020	549,010
83.	The Mennen Co.	2,459,930	79,200	2,380,730
84.	Marathon Corp.	2,434,000	2,434,000	—
85.	Esso Standard Oil	2,333,490	2,333,490	—
86.	Reynolds Metals	2,379,860	21,010	2,358,850
87.	Sears Roebuck	2,317,960	765,330	1,552,130
88.	Atlantis Sales	2,265,080	942,090	1,322,990
89.	Pet Milk	2,233,340	22,250	2,211,090
90.	Singer Manufacturing	2,225,090	—	2,225,090
91.	Drug Research Corp.	2,144,050	2,144,050	—
92.	Associated Products	2,115,630	738,290	1,377,340
93.	William Wrigley, Jr.	2,071,990	2,071,990	—
94.	Theo. Hamm Brewing	2,056,660	1,690,180	366,480
95.	Wildroot	2,032,480	523,310	1,509,170
96.	H. J. Heinz	2,002,570	1,207,050	795,520
97.	Greyhound	1,993,880	360,060	1,633,820
98.	Salada-Shirriff-Horsey	1,991,060	—	1,991,060
99.	U. S. Borax & Chemical	1,988,690	1,988,690	—
100.	Seven-Up Co./Bottlers	1,970,390	602,110	1,368,280

TV Expenditures by Product Classifications

Network & Spot—1958

TVB releases this week its list—based on the figures of N. C. Rorabaugh and Leading National Advertisers—Broadcast Advertiser Reports — of estimated 1958 TV expenditures by advertiser types. They fall into 32 categories. Leading with the biggest category, Food & Grocery Products, the list runs as follows:

	Total TV	Spot TV	Network TV
Agriculture	\$ 1,378,154	\$ 1,350,000	\$ 28,154
Feeds, Meals	774,154	746,000	28,154
Misc.	604,000	604,000	—
Ale, Beer & Wine	50,502,987	44,214,000	6,288,987
Beer & Ale	46,172,656	40,299,000	5,873,656
Wine	4,330,331	3,915,000	415,331
Amusements, Entertainment..	771,616	559,000	212,616
Automotive	58,840,855	7,376,000	51,464,855
Anti-Freeze	1,170,251	112,000	1,058,251
Batteries	884,984	131,000	753,984
Cars	46,119,575	4,134,000	41,985,575
Tires & Tubes	4,112,266	1,554,000	2,558,266
Trucks & Trailers	2,354,178	132,000	2,222,178
Misc. Accrs. & Supplies ..	2,583,525	1,313,000	1,270,525
Auto. Institutional	1,616,076	—	1,616,076
Building Material, Equipment, Fixtures, Paints	17,675,494	2,789,000	14,886,494
Fixtures, Plumbing	—	—	—
Supplies	562,000	562,000	—
Materials	3,623,716	656,000	2,967,716
Paints	2,792,760	1,185,000	1,607,760
Power Tools	275,996	59,000	216,996
Miscellaneous	452,903	327,000	125,903
Ind. Mtes. Inst't'nl	9,968,119	—	9,968,119
Industrial Materials	—	—	—
Institutional	9,968,119	—	9,968,119
Chemicals Institutional	404,969	—	404,969
Clothing, Furnishings,			
Accessories	17,215,439	13,241,000	3,974,439
Clothing	13,793,587	11,269,000	2,524,587
Footwear	2,694,327	1,445,000	1,249,327
Hosiery	556,499	497,000	59,499
Misc.	171,026	30,000	141,026
Confections & Soft Drinks ..	40,254,724	28,237,000	12,017,724
Confections	21,191,973	12,039,000	9,152,973
Soft Drinks	19,062,751	16,198,000	2,864,751
Consumer Services	26,325,054	14,605,000	11,720,054
Dry Cleaning & Laundries ..	81,000	—	81,000
Financial	2,298,209	2,181,000	117,209
Insurance	9,717,696	2,773,000	6,944,696
Medical & Dental	151,000	151,000	—
Moving, Storage	317,000	317,000	—
Public Utilities	9,338,706	7,099,000	2,739,706
Relig., Political, Unions ..	2,802,089	1,224,000	2,739,706
Schools & Colleges	135,000	135,000	—
Misc. Services	1,484,354	644,000	840,354
Cosmetics & Toiletries	126,107,799	46,749,000	79,358,799
Cosmetics	14,291,147	8,133,000	6,158,147
Deodorants	10,393,933	3,426,000	6,967,933
Depilatories	365,560	295,000	70,560
Hair Tonics & Shampoos ..	25,099,209	8,674,000	16,425,209
Hand, Face Lotions	6,634,264	2,813,000	3,821,264
Home Perm. & Coloring ..	19,399,683	5,890,000	13,509,683
Perfumes, Toilet Waters ..	2,191,874	1,704,000	487,874
Razors, Blades	10,523,583	1,904,000	8,619,583
Shaving Creams, Lotions ..	7,397,084	1,694,000	5,703,084
Toilet Soaps	26,257,410	10,744,000	15,513,410
Misc.	3,554,052	1,472,000	2,082,052
Dental Products	34,330,671	14,467,000	19,863,671
Dentifrices	29,026,972	11,132,000	17,894,972
Mouth Washes	3,631,484	2,455,000	1,176,484
Misc.	1,672,215	880,000	792,215
Drug Products	98,224,639	44,626,000	53,598,639
Cold Remedies	20,347,749	12,863,000	7,484,749
Headache Remedies	28,592,976	7,792,000	20,800,976
Indigestion Remedies	14,925,100	8,988,000	5,937,100
Laxatives	8,510,764	3,082,000	5,428,764
Vitamins	8,654,652	2,825,000	5,829,652
Weight Aids	2,199,936	1,917,000	282,936
Misc. Drug Products	14,115,792	6,285,000	7,830,792
Drug Stores	877,670	874,000	3,670
Food & Grocery Products	243,515,420	135,687,000	107,828,420
Baked Goods	30,600,235	26,469,000	4,131,235
Cereals	38,943,194	11,552,000	27,391,194
Coffee, Tea & Food Drinks ..	49,040,909	32,140,000	16,900,909
Cond., Sauces, Appetizers ..	9,521,787	5,515,000	4,006,787
Diary Products	19,639,043	7,853,000	11,786,043
Desserts	6,646,848	2,023,000	4,623,848
Dry Foods (Flour Mixes, Rice, etc.)	20,544,486	8,314,000	12,230,486
Fruits & Veg., Juices	17,818,420	9,429,000	8,389,420
Macaroni, Noodles, Chill ..	2,984,184	1,934,000	1,050,184

Margarine, Shortenings	12,691,659	6,673,000	6,018,659
Meat, Poultry & Fish	9,973,214	6,366,000	3,607,214
Soups	4,107,958	461,000	3,646,958
Misc. Foods	10,040,510	6,420,000	3,620,510
Misc. Frozen Foods	1,878,973	1,454,000	424,973
Food Stores	9,084,000	9,084,000	—
Garden Supplies & Equip.	880,638	661,000	219,638
Gasoline & Lubricants	27,979,209	24,479,000	3,500,209
Gasoline & Oil	26,911,209	23,411,000	3,500,209
Oil Additives	858,000	858,000	—
Misc.	210,000	210,000	—
Hotels, Resorts, Restaurants	521,705	423,000	98,705
Household Cleaners, Cleansers			
Polishes, Waxes	46,098,594	29,650,000	16,448,594
Cleaners, Cleansers	31,581,550	24,051,000	7,530,550
Floor & Furn. Polish, Wax ..	9,097,030	4,146,000	4,951,030
Glass Cleaners	1,883,042	392,000	1,491,042
Home Dry Cleaners	1,001,519	405,000	596,519
Shoe Polish	1,456,653	148,000	1,308,653
Misc. Cleaners	1,078,300	508,000	570,300
Household Equipment—			
Appliances	18,996,479	4,621,000	14,375,479
Household Furnishings	5,353,509	2,926,000	2,427,509
Beds, Matt., Springs	1,807,881	1,671,000	136,881
Furn. & Other Frnsh'gs. ..	3,545,628	1,255,000	2,290,628
Household Laundry Products			
Bleaches, Starches	76,237,980	29,940,000	46,297,980
Pkagd. Soaps, Detergents ..	6,648,628	4,814,000	1,834,628
Misc.	67,510,561	23,217,000	44,293,561
Household Paper Products ..	2,078,791	1,909,000	169,791
Cleaning Tissues	15,153,884	5,163,000	9,990,884
Food Wraps	2,170,063	1,411,000	759,063
Napkins	4,970,802	1,417,000	3,553,802
Toilet Tissue	1,914,937	347,000	1,567,937
Misc.	3,553,086	755,000	2,808,086
Household General	2,539,995	1,233,000	1,306,995
Brooms, Brushes, Mops ...	10,257,185	4,101,000	6,156,185
China, Glassware, Crockery, Containers	524,372	430,000	94,372
Disinfectants, Deodorizers ..	1,456,429	356,000	1,100,429
Fuels (heating, etc.)	3,599,480	1,090,000	2,509,480
Insecticides, Rodenticides ..	488,000	488,000	—
Kitchen Utensils	2,143,821	821,000	1,322,821
Misc.	272,362	89,000	183,362
Notions	1,772,721	827,000	945,721
Pet Products	415,720	384,000	31,720
Publications	11,665,699	4,411,000	7,254,699
Sporting Goods,			
Bicycles, Toys	1,559,069	757,000	802,069
Bicycles & Supplies	5,209,243	3,045,000	2,164,243
Toys & Games	335,905	35,000	300,905
Misc.	3,497,873	2,819,000	678,873
Stationery, Office Equip.	1,875,465	191,000	1,184,465
TV, Radio, Phono.,			
Musical Instruments	2,834,817	149,000	2,685,817
Antennas	11,495,606	1,501,000	9,994,606
Radio & TV Sets	163,844	108,000	55,844
Records	6,245,688	208,000	6,037,688
Misc.	1,732,149	750,000	982,149
Tobacco Prods. & Supplies ..	3,353,925	435,000	2,918,925
Cigarettes	93,443,822	31,119,000	62,324,822
Cigars, Pipe Tobacco	89,248,461	28,164,000	61,084,461
Misc.	3,413,776	2,562,000	851,776
Transportation & Travel ...	781,585	393,000	388,585
Air	5,641,358	2,937,000	2,704,358
Bus	2,471,600	1,469,000	1,002,600
Rail	2,125,111	666,000	1,459,111
Misc.	702,000	702,000	—
Watches, Jewelry, Cameras			
Cameras, Access., Supplies ..	342,647	100,000	242,647
Clocks & Watches	20,550,151	4,459,000	16,091,151
Jewelry	9,177,184	290,000	8,887,184
Pens & Pencils	5,064,188	1,925,000	3,139,188
Misc.	413,794	160,000	253,794
Miscellaneous	4,918,875	1,988,000	2,930,875
Trading Stamps	976,110	96,000	880,110
Misc. Products	8,517,912	7,144,000	1,373,912
Misc. Stores	892,000	892,000	—
	4,133,912	2,760,000	1,373,912
	3,492,000	3,492,000	—
Total	\$1,078,360,401	\$511,770,000	\$566,590,401

Newspapers are increasing spot TV spending. A TvB survey conducted by BAR in 11 major markets shows 35 newspapers purchased 705 spots during a sample week in the 4th quarter of 1958. During 4th quarter 1957, 32 papers bought 626 spots, and in 1956, 24 papers took 412 spots.

Liquor ads in North Carolina would be banned from TV newspapers and magazines, in a bill proposed in the state's house of representatives by Sneed High & Harry Horton. Outdoor & radio liquor ads are already outlawed.

More about

TALL TOWER TALLY: FCC's reports that its current count of over-1000-ft. TV towers (see p. 3) shows 46 operating in the 1000 (to 1099)-ft. range, 17 in 1100-ft., 6 in 1200-ft., 5 in 1300-ft., 6 in 1500-2000-ft. Herewith is the Commission's complete list, with stations sharing same tower facilities indented:

Group A—Existing Antenna Towers*

City	Station	Channel No.	Height Above Ground
El Dorado, Ark.	KTVE	10	1348
Little Rock, Ark.	KARK-TV	4	1176
	KTHV	11	1175
Tampa, Fla.	WFLA-TV	8	1055
Albany, Ga.	WALB-TV	10	1000
Atlanta, Ga.	WLW-A	11	1042
	WSB-TV	2	1076
	WAGA-TV	5	1100
Augusta, Ga.	WJBF	6	1292
Bloomington, Ind.	WTV	4	1225
Indianapolis, Ind.	WFBS-TV	6	1019
	WLWI	13	1024
	WISH-TV	8	1001
Cedar Rapids, Ia.	KCRG-TV	9	1079
	WMP-TV	2	1355
Waterloo, Ia.	KWWL-TV	7	1083
Great Bend, Kan.	KCKT	2	1006
Wichita, Kan.	KAKE-TV	10	1079
	KARD-TV	3	1071
	KSLA-TV	12	1195
	KTBS-TV	3	1151
Shreveport, La.	WBZ-TV	4	1199
Boston, Mass.	WHDH-TV	5	1249
Bay City-Flint-Saginaw, Mich.	WNEM-TV	5	1056
Cadillac, Mich.	WWTW	13	1232
Detroit, Mich.	WJBK-TV	2	1057
	WXYZ-TV	7	1073
	WWJ-TV	4	1064
East Lansing, Mich.	WKAR-TV ¹	60	1037
Flint, Mich.	WJRT	12	1002
Lansing, Mich.	WJIM-TV	6	1023
Alexandria, Minn.	KCMT	7	1130
Kansas City, Mo.	KMBC-TV	9	1025
	KCMO-TV ²	5	1045
Kirksville, Mo.	KTVO	3	1101
St. Louis, Mo.	KSD-TV	5	1159
	KMOX-TV	4	1214
Lincoln, Neb.	KOLN-TV	10	1002
Roswell, N. M.	KSWB-TV	8	1610
Albany, N.Y.	WTEN	10	1356
Buffalo, N.Y.	WKBW-TV	7	1076
	WBEN-TV	4	1059
Utica, N.Y.	WKTW	2	1064
Charlotte, N.C.	WSOC-TV	9	1073
Durham-Raleigh, N.C.	WTVD	11	1504
Raleigh, N.C.	WRAL-TV	5	1160
Fargo, N.D.	WDAY-TV	5	1206
Minot, N.D.	KXMC-TV	13	1053
Valley City, N.D.	KXJB-TV	4	1035
Dayton, O.	WHIO-TV	7	1096
Toledo, O.	WTOL-TV	11	1045
Youngstown, O.	WFMY-TV	21	1015
Enid, Okla.	KOCO-TV	5	1356
Oklahoma City, Okla.	KWTW	9	1572
	KETA	13	1572
Tulsa, Okla.	KVOO-TV	2	1175
	KOTV	6	1133
	KOED-TV	11	1133
Philadelphia, Pa.	WFIL-TV	6	1116
	WRCV-TV	3	1116
Pittsburgh, Pa.	WTAE	4	1066
Charleston, S.C.	WCSC-TV	5	1044
Columbia, S.C.	WIS-TV	10	1526
Sioux Falls, S.D.	KELO-TV	11	1032
Memphis, Tenn.	WMCT	5	1088
	WHBQ-TV	13	1073
	WREC-TV	3	1077
Nashville, Tenn.	WSM-TV	4	1369
	WLAC-TV	5	1179
Austin, Tex.	KTBC-TV	7	1137
Dallas, Tex.	WFAA-TV	8	1521
	KRLD-TV	4	1521
Fort Worth, Tex.	WBAP-TV	5	1113
	KFJZ-TV	11	1074
Houston, Tex.	KHOU-TV	11	1196
San Antonio, Tex.	KENS-TV	5	1531
	WOAI-TV	4	1531
Wichita Falls, Tex.	KFDX-TV	3	1049
	KSYD-TV	6	1039
Norfolk, Va.	WTAR-TV	3	1029
Portsmouth-Norfolk, Va.	WAVY-TV	10	1026
Huntington, W. Va.	WSAZ-TV	3	1069
Green Bay, Wis.	WFRV	5	1002
Milwaukee, Wis.	WTMJ-TV	4	1035
	WISN-TV	12	1105
	WITI-TV	6	1044
	WMVS-TV	10	1044

Group B—Construction Permits Granted (Construction not completed)

City	Station	Channel No.	Above Ground Height
†Athens, Ga.	WGTV	8	1017
Portland, Me.	WGAN-TV	13	*1619
†Mankato, Minn.	KEYC-TV	12	1116
Cape Girardeau, Mo.	KFVS-TV	12	*1677
St. Louis, Mo.	KTVI	2	1046
St. Louis, Mo.	KPLR-TV	11	1159
Toledo, O.	WSPD-TV	13	1002
Madison, Wis.	WISC-TV	3	1104

†CP only, station not in operation

Group C—Applications Pending

Sacramento, Cal.	KCRA-TV	3	1549
Athens, Ga.	WGTW	8	*1042
Waycross, Ga.	WEGS-TV	8	*1089
Columbus, Ga.	WRBL-TV	3	*1260
	WTVM	2s	*1260
Savannah, Ga.	Georgia State Board of Education	9	*1086
Davenport, Ia.	WOC-TV	6	1344
Moline, Ill.	Moline TV Corp.	8	*1065
Moline, Ill.	Community Tele-casting Corp.	8	*1048
Moline, Ill.	Midland Bestg. Co.	8	*1039
Moline, Ill.	Tele-View News Co., Inc.	8	*1042
Terre Haute, Ind.	Livesay Bestg. Co., Inc.	10	1004
Louisville, Ky.	WHAS-TV	11	1859
Lake Charles, La.	KTAG-TV	3	*1046
Lafayette, La.	Evangeline Bestg. Co.	3	*1039
	Acadian TV Corp.	3	*1039
Boston, Mass.	WNAC-TV	7	*1161
Panama City, Fla.	TBC Inc.	13	1003
Jackson, Miss.	WLBT	3	*1529
	WJTV	12	1000
Greensboro, N.C.	Jefferson Std. Bestg. Co.	8	*1016
	Tri-Cities Bestg. Co.	8	1058
High Point, N.C.	High Point TV Co.	8	*1078
Winston-Salem, N.C.	Southern Bestrs.	8	*1256
Toledo, O.	WSPD-TV	13	*1049
Sioux Falls, S.D.	KSOO-TV	13	*1117

*Approved by Airspace

The 488-ft. tower of radio KMA Shenandoah, Ia., was blown down during the tornado in that area recently. Tower had been in operation for 22 years. KMA was off the air for about 2¼ hours but resumed broadcasting after switching to its directional tower.

Educational Television

Missing ETV Testimony: An answer to hostile questions raised by Rep. Bennett (R-Mich.) at May 12-13 House Commerce subcommittee hearings on Federal aid to educational TV (Vol. 15:20) was supplied last week by exec. dir. Ralph Steetle of the Joint Council on Educational TV.

The Bennett questions—as to why the Tex. state legislature had attached a rider to a school appropriations bill forbidding expenditures for ETV stations—had gone unanswered by pro-ETV witness L. D. Haskew, U. of Tex. v.p. He said he didn't know why the ban was ordered or who was behind it.

Steetle dug out the transcript of Senate Commerce ETV hearings in Jan. (Vol. 15:5), pointed to testimony by Sen. Yarborough (D-Tex.) in behalf of a \$51 million aid bill (S-12) by Chairman Magnuson (D-Wash.) Yarborough said "economic pressure" by "lobbyists representing commercial interests" was responsible for the legislature's anti-ETV policy. Yarborough testified that they were trying to get inactive Texas ETV channels shifted to commercial use—"a virtual license to rob the people of their own multi-million-dollar public TV channels." Urging quick action on the Magnuson measure, Yarborough said: "This is a race between the need for education & the desire for dollars."

College-credit course in world politics will be telecast 7-7:30 a.m. Mon., Wed. & Fri. starting June 22 by WTOP-TV Washington. Dr. Abdul A. Said of American U. will be the instructor.

* Excluding antennas on Empire State Building

¹Construction permit relinquished July, 1953

²Tallest self-supporting tower in the United States

BROADCASTERS' SALARIES: Who gets the best pay in the TV-radio station field? Top money, of course, goes to executives in TV outlets that do the biggest volumes, but other factors influence salaries, says J. K. Lasser & Co. study of broadcasting salaries in *Printers' Ink*.

For instance, radio station executives are by no means poor cousins. When a TV station is matched against a radio outlet doing the same volume of business—radio station salaries are higher. In listing salaries below, Lasser eliminated highest 25% & lowest 25%, retaining "middle 50%" as being, statistically, the most indicative portion.

TELEVISION STATIONS

Annual Volume of Business	High	Low	Median
Under \$500,000			
General manager	\$15,000	\$10,800	\$13,300
Station manager	12,000	8,000	10,300
Commercial manager	10,200	6,500	8,000
Program manager	7,500	5,200	6,500
Promotion manager	6,000	3,500	4,700
Chief engineer	7,500	5,500	6,500
\$500,000-\$1,000,000			
General manager	20,000	15,000	18,000
Station manager	15,000	10,000	12,000
Commercial manager	13,500	9,000	10,400
Program manager	9,000	7,000	7,500
Promotion manager	7,000	5,000	6,000
Chief engineer	9,000	7,200	8,000
\$1,000,000-\$2,000,000			
General manager	32,500	20,000	28,000
Station manager	20,000	14,500	17,500
Commercial manager	18,000	13,000	16,200
Program manager	12,000	8,000	9,500
Promotion manager	9,800	7,000	8,400
Chief engineer	12,000	9,000	10,000
Over \$2,000,000			
General manager	38,000	31,000	34,000
Station manager	27,500	21,000	25,500
Commercial manager	21,000	16,000	18,000
Program manager	15,000	10,400	12,000
Promotion manager	12,000	7,500	10,000
Chief engineer	18,000	10,000	13,000

RADIO STATIONS

Annual Volume of Business	High	Low	Median
Under \$50,000			
General manager	\$ 7,000	\$ 5,300	\$ 6,200
Station manager	6,500	5,200	6,000
Commercial manager	5,500	4,000	4,500
Program manager	4,800	3,400	3,900
Chief engineer	5,000	3,600	4,000
\$50,000-\$100,000			
General manager	10,500	7,500	8,500
Station manager	9,000	6,500	7,800
Commercial manager	7,200	5,500	6,000
Program manager	5,400	4,200	5,000
Promotion manager	5,300	4,400	5,100
Chief engineer	5,500	4,700	5,000
\$100,000-\$250,000			
General manager	15,000	10,000	12,000
Station manager	12,000	7,500	9,000
Commercial manager	10,700	7,000	9,100
Program manager	7,500	5,400	6,500
Promotion manager	6,000	5,000	5,300
Chief engineer	7,000	5,200	6,000
\$250,000-\$500,000			
General manager	25,000	14,000	19,000
Commercial manager	12,000	10,400	11,700
Program manager	10,000	7,800	8,500
Chief engineer	8,900	6,500	7,500
\$500,000-\$1,000,000			
General manager	30,000	25,000	26,000
Commercial manager	18,000	12,000	15,000
Program manager	12,000	9,000	10,000
Promotion manager	9,000	6,000	8,000
Chief engineer	11,500	9,000	10,000
Over \$1,000,000			
General manager	40,000	28,000	32,000
Commercial manager	20,500	18,000	19,500
Program manager	15,000	8,000	10,000
Promotion manager	9,000	6,000	7,300
Chief engineer	12,500	10,000	11,000

Foreign

USIA's FOREIGN FIGURES: U.S. Information Agency's quarterly wrap-up of foreign TV growth (see p. x), showing the station & receiver status as of March 31, is prefaced with this note:

"Statistical data must be viewed with caution since the reliability of the sources from which these statistics are compiled varies. Wherever available, official sources are used. Where official sources are lacking, a consensus of a variety of unofficial sources is used. TV transmitting station figures include all types, such as TV centers, relay stations, experimental stations, and others. TV set figures include estimates of unlicensed or 'black' sets whenever available."

We're quite appreciative of that caveat—for we've found in our own compilations (Vol. 15:13) that even official estimates are sometimes unreliable. But they're getting better. Following are USIA's figures, which exclude U.S., its territories, Canada, and U.S. Armed Forces stations abroad:

Country	Stations	Sets	Country	Stations	Sets
Western Europe					
Austria	15	65,000	Uruguay	1	15,000
Belgium	5	350,000	Venezuela	11	200,000
Denmark	6	254,000	Near East, South Asia & Africa		
Finland	8	16,100	Algeria	2	25,000
France	37	1,099,000	Cyprus	1	3,000
West Germany ..	117	2,418,700	India	1	100
Italy	294	1,200,000	Iran	1	7,500
Luxembourg	1	3,500	Kuwait	1	600
Malta	1	4,000	Iraq	1	9,000
Monaco	1	11,000	Morocco	2*	5,000
Netherlands	6	427,000	Saudi Arabia ..	1	2,500
Norway	1	1,000	Turkey	1	1,000
Portugal	5	20,000	Far East		
Spain	2	65,000	Australia	6	560,000
Sweden	14	400,000	Hong Kong	1**	2,500
Switzerland	12	59,700	Japan	58	2,338,500
United Kingdom	30	10,000,000	Korea (So.)	1	6,000
Yugoslavia	3	8,000	Philippines	2	20,000
Latin America					
Argentina	1	250,000	Thailand	2	36,000
Brazil	7	850,000	Communist Bloc		
Colombia	9	150,000	Bulgaria	1	500
Cuba	23	350,000	Czechoslovakia ..	7	373,100
Dominican Rep. .	4	7,500	E. Germany	11	350,000
El Salvador	2	15,000	Hungary	2	16,000
Guatemala	2	20,000	Poland	9	110,000
Mexico	15	450,000	Rumania	2	12,000
Nicaragua	1	2,400	USSR	106	3,000,000
Panama	1	8,000	Communist		
Peru	2	5,000	China	3	200
TOTAL					
				855	25,633,400

* Off air.

** Closed-circuit cable system; not included in station total.

Preliminary agreement on common TV standards for European uhf stations was reached by the 9th plenary session of the International Radio Consultative Committee (CCIR) which recently concluded its 4-week proceedings in Los Angeles. All members, including Great Britain & France (which use different standards for vhf TV) tentatively agreed upon a 625-line standard with 8-mc spacing for uhf, paving the way for an eventual standardized color TV system for all of Europe. The next plenary session will be held in New Delhi, India, in 1962.

Growth of Austrian TV, as reported by the U.S. Dept. of Commerce: (1) Receivers increased from 16,324 to 49,234 during 1958, with the total expected to reach 300,000 in the next 5 years. (2) 14 stations operating, covering 60% of the population. (3) Receiver prices dropped 10% during 1958 but are still 30% higher than in Germany. (4) Almost all receivers are built in Austria, because imports of assembled sets are restricted severely. (5) Most components are imported, largely from the Netherlands & West Germany.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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

WEEKLY NEWSLETTER TV & AM-FM ADDENDA
Published Mondays

WASHINGTON BUREAU

Wyatt Building
Washington 5, D.C.
Telephone STerling 3-1755

ALBERT WARREN, *Chief*
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WM. J. McMAHON, *Jr.*

MARTIN CODEL

Associate Publisher

AM-FM DIRECTORY
Published in January

TELEVISION FACTBOOK Published in March and September

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Personals: Robert V. Cahill appointed NAB attorney replacing Walter R. Powell, deceased (Vol. 15:20) . . . E. K. Hartenbower, gen. mgr., KCMO-TV & KCMO Kansas City, Mo., elected v.p. of KCMO div., Meredith Engineering Co., a subsidiary of Meredith Publishing Co. . . . Richard B. Rawls, gen. mgr., KPHO-TV, elected v.p., KPHO div., Meredith Engineering.

Jerome B. Golden, secy. & gen. counsel, AB-PT, elected a v.p. . . . Paul Loyet, v.p. & mgr. of WHO-TV Des Moines, elected pres. of Ia. Bcstg. Assn., with Ken Hastie of radio WMT Cedar Rapids, as v.p. . . . Jim McNamara, national sales mgr. of WALA-TV Mobile, also named asst. gen. mgr. . . . Wendell B. Campbell, ex-radio KFRC San Francisco gen. mgr., appointed RKO Teleradio Pictures v.p. in charge of Pacific Coast sales for o-&o stations.

Adolph (Ade) N. Hult, former MBS sales v.p., and more recently a TV consultant for Screen Gems and RKO Teleradio Pictures, has rejoined MBS as v.p. in charge of new Special Projects Dept. Richard W. Brahm, ex-pres. of Media-Merchandising Inc., named MBS midwest mgr. . . . Ernie Tannen named local sales mgr., WTTG Washington. Symon Cowles, ex-WCKT Miami, named promotion mgr.

George Comte, TV-radio v.p.-gen. mgr., The Journal Co. (WTMJ-TV & WTMJ Milwaukee), and Mrs. Rita Moran Oleson, a WTMJ-TV employee, were married May 11 . . . Jack Morris, KTUL-TV Tulsa, Okla., news dir., elected pres., Associated Press Bcstrs. in Oklahoma.

Keith G. Dare, ex-NTA, ABC and the Katz Agency, named WHCT Hartford sales dir. . . . Herschel R. Cary, ex-KIMA-TV Yakima, Washington, named sales mgr., KTNT-TV Seattle-Tacoma . . . Warren Marshall, ex-sales mgr. of KGHL-TV Billings, Mont. named local sales director of WTVR Richmond, Va. . . . Virgil B. Wolff promoted to asst. sales mgr. of KYW-TV Cleveland, succeeding Robert E. Newsham, now with WJZ-TV Baltimore (Vol. 15:18).

Jack Gilbert, KHOL-TV Kearney, Neb., elected pres., Nebraska Bcstrs. Asoc. Owen Saddler, KMTV Omaha, and E. James Ebel, KOLN-TV Lincoln, named TV dirs. . . . Elmer W. Lower, dir. of operations, CBS news, has won a Missouri honor award for distinguished service in journalism, from U. of Mo. school of journalism . . . Richard D. Dudley, gen. & commercial mgr. of WSAU-TV Wausau, elected treas. of Wis. Bcstrs. Assn., succeeding Jeanne Donald of radio WTCH Shawano, resigned.

Jay Williams named v.p. in charge of Flamingo Films International, new div. of Flamingo Telefilm Sales . . . Arnold Fetbrod named syndication sales dept. mgr., Official

Films . . . Charles H. Cottington, ex-Erwin, Wasey & Co., named pres., Stars National Inc., TV & radio station reps.

Charles L. Townsend, ex-NBC film & kinescope facilities operations mgr., appointed TV engineering dir., Tele-Prompter . . . Miles David, RAB dir. of promotion, and Warren Boorum, dir. of member service, named v.p.'s . . . Raymond F. Guy, senior staff engineer, NBC, awarded a fellowship in American Institute of Electrical Engineers.

F. Ben Hevel, ex-KETV-TV Omaha, named operations director of Griffin Stations (KTUL-TV Tulsa, KWTW Oklahoma City, KATV Little Rock) . . . Stanley Wainer, ex-ITC treas., named to new post of KTLA Los Angeles business mgr. . . . John J. Kelly, ex-MBS, named client relations dir., CBS-TV spot sales; George Pious, ex-WCAU-TV, appointed head of client relations Midwest dept. . . . Cliff Anderson appointed to new post of dir. of special services.

Conelrad National Industry Advisory Committee met with FCC, OCDM, and other govt. representatives in Washington last week and had this to say about the results of the April 17 national drill (Vol. 15:16): "With the exception of a few problem areas, the drill was generally extremely satisfactory." The group also discussed such projects as the standardization of a "Conelrad Attention Signal" to permit the reproduction of low-cost receivers for sale to the general public.

Ralph Renick, Radio-TV News Directors Assn. pres. & news v.p. of WTVJ Miami, made front page news himself last week. On a European tour with 45 other Fla. civic & business leaders, he was the chief spokesman for the group in a 2-hour Moscow interview with Soviet Premier Nikita Khrushchev. Tass released a full transcript of the conference, in which the Communist boss predicted there never would be war between the U. S. & Russia.

National Community Antenna TV Assn. of Canada elects: W. H. Cranston, Midland, Ont., pres.; J. C. Couture, Victoriaville, Que., v.p.; K. J. Easton, Montreal, Que., secy.; Omer Girard, Magog, Que., treas.-assoc. secy. Directors: A. Rousseau, Sherbrooke, Que.; F. T. Metcalf, Guelph, Ont.; G. W. Rymal, Hamilton, Ont.; Ed Jarman, London, Ont.; P. Guerette, Kedgewick, N.B.; J. Beauchemin, Shawinigan, Que.; D. Purnell, Edmonton, Alta.; Bud Shepard, Vancouver.

James T. Aubrey Jr. appointed to newly created post of exec. v.p. of CBS-TV, eff. June 1. He'll report to Louis G. Cowan, pres., with TV dept. heads reporting to Aubrey. He joined CBS in April 1958. He was formerly v.p. in chg. of programming & talent of ABC-TV and prior to that, mgr. of KNXT, Los Angeles. He is married to actress Phyllis Thaxter.

ABC-TV pres. Oliver Treyz will receive a "distinguished Binghamton Alumnus award" May 30 at a banquet celebrating the opening of the new studios of ABC-TV & CBS-TV affiliate WNBK-TV (Triangle Publications, Inc.). Mr. Treyz began his broadcasting career in Binghamton in 1939, announcing for radio WNBK, after graduating from Hamilton College.

Sam Cook Digges, admin. v.p. of CBS Films, was scheduled as toastmaster May 24 at the 10th anniversary dinner in N.Y. for Assn. for Help of Retarded Children.

Obituary

Harold M. Taylor Sr., 64, who was connected with radio WGI Medford Hillside, Mass., just after it began experimental broadcasting in 1915, died May 17. He had been ill since contracting multiple sclerosis in 1927. He is survived by his wife, 2 sons, a sister and 8 grandchildren.

Advertising

ANA Seeks Better Image: Now it's the advertising industry that's planning a campaign to improve its "image" in the minds of non-members. Word of the new program came last week at the Assoc. of Natl. Advertisers 50th spring meeting at Chicago's Edgewater Beach Hotel from Henry Schachte, ANA chairman & Lever Bros. exec. v.p.

Schachte stated that top management of leading corporations is constantly exposed to the "public's negative image of the ad man," with the ad men themselves "usually working infrequently against it." Further word of the campaign, dubbed "Project X," came from Donald S. Frost, vice-chairman of ANA and advertising v.p. of Bristol-Myers, who stated he felt the project might also "bridge the gap between advertising & government, the professions and even the public at large." Details of the new campaign were not revealed at the ANA meeting, but officials indicated it has "top priority."

In Other Media: *Look's* newly-announced "Magazine" plan, by which advertisers may buy any or all 7 parts of its total circulation, adds another name to the list of national media which are placing themselves in competition with local & regional media. The roster of national magazines which are now selling advertisers all or parts of their total print run includes *Reader's Digest*, *TV Guide*, *Life*, *SatEvePost*, *Esquire*, *Better Homes & Gardens*, among others. Some magazines now operate a parallel of TV's split sponsorship, by allowing 2 advertisers to take the same page for different parts of the print run.

Arizona ghost town is the prize offered to adv. & sales execs. by *SatEvePost* in a jingle contest designed to call attention to the Post's latest circulation & media figures. The 10-acre town has been named Ulcer Gulch by the magazine. Underlining the tongue-in-cheek dig at TV Westerns is 2nd prize, a real stagecoach. Says the contest literature: "What a plaything for your kids! Or . . . start your own TV network."

TV topics at *Advertising Age's* 2nd annual summer workshop in creative advertising, in Chicago, Aug. 5-8, will include: "What I have learned about gaining & holding attention on TV," by Hubbell Robinson Jr., CBS-TV v.p. in charge of network programs; "How to turn print advertising into TV advertising, & vice versa," by TV-radio creative dir. of Needham, Louis & Brorby, Kenneth C. T. Snyder; "What you can do with a live camera," by pres. of Creative House, Jack Baxter; and "TV commercials don't have to be expensive," by Walter Colmes, Colmes-Werrenrath Productions.

Over 1 billion ad impressions for Pontiac are forecast for a new tie-up between the motor firm & General Mills, in a TV-slanted contest due to start next month & continuing through fall. A total of 32 Pontiacs will be given away as prizes & featured on 55 million cereal boxes, as well as in 1-min. commercials on General Mills' 14 TV shows. Pontiac will cross-plug the contest with its own TV shows, dealer displays and promotions. The contest was arranged by MacManus, John & Adams agency.

"Maverick" aids Jeep sales, 89% of Willys dealers told a Trendex poll for ABC-TV. Another 7% said the show did not help, and 4% were uncertain.

Ampex pres. George Long will address N.Y. Sales Executives Club May 26 meeting on use of Videotape recorder.

Hollywood Guinea Pigs: Admen were treated to the odd sight last week of a research firm planning to open a major Hollywood branch—without particularly wanting to. The expanding firm is Schwerin Research Corp., whose statements on TV commercial & program testing (Vol. 15:19) have caused advertiser controversy. Pres. Horace S. Schwerin on May 25 will begin panel tests in Los Angeles along the same lines as the firm's TV research probes in other U. S. cities, as well as Britain & Canada, to meet what he terms "the insistent demands of a number of advertisers."

Schwerin's comments on the move are a study in reluctance. He admits that there may be some different reactions to commercials because of strongly developed West Coast product brands. But, he adds, the firm's research "leads us to expect that Los Angeles audiences will react in a pattern similar to people in N. Y. & Kansas City. There might be some differences of degree, but a basically strong commercial will sell and a weak one won't."

Advertising People: Bern Kanner promoted from asst. media dir. to assoc. media dir., Benton & Bowles. Roger Clapp named asst. media dir. . . . Curtis A. Abel named Y&R v.p. and mgr. of Los Angeles office . . . Eric Marder, Kenyon & Eckhardt market research supervisor, named v.p.

Don Cunningham named managing dir., Foote, Cone & Belding's new Frankfurt, Germany office . . . Harold D. Frazee, ex-Bryan Houston, named to head the drug div., Tatham-Laird . . . Ken Striker named McCann-Erickson Los Angeles office mgr. of planning and scheduling.

Ray G. Rasner, personnel dir., Grey Adv., elected a v.p. . . . Orrin Spellman, ex-Erwin Wasey, Ruthrauff & Ryan, appointed v.p. & adv. mgr., Farm Journal Inc.

Robert Kesner, ex-asst. adv. mgr., Coca Cola Co., named senior v.p., Lennen & Newell.

New advisory panel on public relations has been appointed by the U.S. Information Agency, comparable to the Broadcast Advisory Committee. The members: John K. Murphy, Penn. R.R.; James W. Armsey, Ford Foundation; H. Walton Cloke, Kaiser Indus.; George M. Crowson, Ill. Central R.R.; Kalman B. Druck, Carl Byoir; William A. Durbin, American Cyanamid; Robert E. Fitzgibbon, Cal. Tex. Oil; John W. Hill, Hill & Knowlton; Caroline Hood, Rockefeller Center Inc.; Howard P. Hudson, Natl. Planning Assn.; Kerryn King, Texaco; Ed Lipscomb, Natl. Cotton Council of America; Kidder Meade, CBS; Robert Ramspeck, Eastern Air Lines; Charles E. Trout, Tuskegee Inst.; Carrol R. West, Title Insurance & Trust.

Jim Moran, "world's largest auto dealer"—gave this 3-part counsel on commercials to the Broadcast Advertising Club of Chicago last week: (1) Achieve rapport with your viewer by not treating him like an idiot. (2) Give him sensible reasons for coming to see you. (3) Live up to your promise when he appears. Moran scoffed at auto commercials that use 20 dancing girls & 40 singers—but don't let the audience see the car.

Federal advertising controls can be dangerous, ex-FTC Comr. Lowell Mason (1945-56) warns in a new book, *The Language of Dissent* (World Publishing Co., 2231 W. 110th St., Cleveland, \$5). It includes his dissenting opinions in FTC fraud cases in which he argued that govt. policing of ads can be so rigid as to threaten legitimate sales promotion.

Film & Tape

Film-vs.-Tape Fight in N.Y.: With the 3 networks due to shoot an estimated \$2.5 million worth of video-taped commercials in N.Y. this year, the 35-member Film Producers Assn. (FPA)—representing the majority of commercial film producers in the East, and now billing over \$20 million in TV commercials—is fighting network competition.

Using the occasion of the FPA's first "industry achievement awards dinner" May 19, pres. Nathan Zucker (who's also pres. of Dynamic Films) stated that the networks weren't going to walk off with the tape-commercial business unopposed. "We are not going to stop the networks from going into production, either on video tape or film, but we are going to keep them honest."

This, said Zucker, the FPA—with the aid of the East council of the International Alliance of Theatrical & Stage Employees—hopes to do with "a joint committee on video tape . . . which is jointly supported . . . to research the problem and press for immediate action."

Zucker told film producers & guests gathered at the Hotel Plaza that the FPA-IATSE team had already approached the Senate small business committee to review the entry of networks into the commercials field.

"Video tape production, because it is particularly compatible with telecasting techniques, gives [the networks] advantages which they have shown an unfair inclination to exploit," he said.

The FPA pres. also stated that steps were being taken to ease the entry of FPA members into the tape field. For one thing, the FPA-IATSE committee "has been meeting to resolve jurisdictional disputes before they happen." For another, FPA was exploring ways of "assuring the availability of video-tape equipment for every member."

Zucker stated he would seek the aid of ad agencies in his fight, warning them that "the giant who can pre-empt time, talent, programming and production can, with just a little giant step, assume all relationship with the client."

Cooling Down on Pay TV: Most Hollywood writers, directors, producers, and actors, once convinced that pay TV would soon be a reality, have begun to grow cold on the subject. The initial zeal of the craftsmen was dictated by a pie-in-the-sky picture of manifold job opportunities if movies were to be made for pay TV.

Although some—such as the unions—still hope for subscription TV, one rarely hears any genuine belief in or enthusiasm for the idea anymore. This is because (1) pay TV has made no progress in recent years, (2) there is a growing realization that the public really doesn't want to pay for TV, and (3) Hollywood now asks: what could pay TV offer that free TV doesn't?

Transfilm, now under control of Buckeye Corp., has signed an affiliation agreement with Wylde Studios, N. Y., a commercial animation house. The 5-year-old Wylde firm will shortly move its equipment & personnel from its present office space to Transfilm's HQ on W. 45th St. Among the immediate plans for the new affiliation is an entry into TV programming for Transfilm with cartoon series.

Warner Bros. has sold its 2800-acre ranch at Calabasas, Cal., for approximately \$10 million. While confirming the sale, the studio refused to disclose identity of the purchaser. It's reported the land will be developed for housing tracts. Reports of the sale boosted Warner Bros. \$4.25 on the N.Y. Stock Exchange May 15 to 43, high for the year.

PRODUCTION AT RECORD PEAK: Hollywood's telefilm companies are preparing for their most prosperous production season yet. The deals now set already mean for telefilmmers a record \$125 million in production. This far & away outdistances the previous mark of \$105 million. A few years ago overall production of TV films in Hollywood seemed to stabilize at around \$100 million but the new season is a real eye-opener.

Unquestionably, one of the most important factors in this spurt is the trend to hour-long shows, which cost *more* than twice as much as half-hour shows.

There are 18 hour-long series planned for next season—9 of them holdovers: *Adventures in Paradise* (20th-Fox TV), *Riverboat* (Revue), *Hawaiian Eye* (Warner Bros.), *Laramie* (Revue), *Bourbon Street Blues* (Warner Bros.), *The Alaskan* (Warner Bros.), *Bronco* (Warner Bros.), *The Untouchables* (Desilu) and *Bonanza* (NBC).

The bulk of Hollywood's record TV-film business will be handled by Revue (16 series) & Warner Bros. (11 series) [Vol. 15:20], totaling close to \$50 million. Also facing impressive schedules are Desilu, Four Star, Screen Gems, 20th-Fox TV and Ziv TV. Hollywood thinking is that the trend to bigness will continue. For not only do the big companies have the behind-the-scenes power to get such business, but they can also turn them out more economically than smaller companies.

TV Tempo Up at 20th: With 5 telefilm series—and 2 more network sales expected—20th-Fox is already moving some TV production to the Fox Western lot that is being vacated by Four Star, which is moving to Republic. Twentieth has also requested CBS to move its *Perry Mason* series off the Westwood lot because it needs the space. Already in production at Fox Western are 20th's *Dobey Gillis*, *Man Without a Gun* & *How to Marry a Millionaire*, the latter 2 for NTA syndication. The NTA deals are for 13 telefilms, with options, on each series. To be produced at the Westwood lot are *5 Fingers*, *Adventures in Paradise*, *The Last Frontier* and several pilots.

Irving Asher, v.p. in charge of sales for 20th-Fox TV, tells us that both the Fox Western and Westwood lots will soon be at capacity, with an expanded TV schedule & an ambitious movie-production program. Asher is overseeing a new 20th-Fox TV pilot, *Threshold of Space*, being produced by Anthony Muto, and planned for selling next Sept. Of Four Star's move to Republic, Asher commented "we're glad they're going. I don't know what we would have done for space. We won't have a vacant stage." Four Star must complete its move by June 15.

Paramount-owned KTLA Los Angeles has allocated \$50,000 for an overhaul of its stage 6, to prepare for taping the Bolshoi Ballet June 2-3. Four one-hour tapes will be made for Matty Fox (Vol. 13:20). The stage, recently converted for TV & videotaping, now has a fully equipped TV control room, 5 image orthicon & 2 vidicon cameras.

Peachtree Production Associates Inc., Atlanta, has absorbed Strickland Films Inc. there. The firm expects ultimately to add video tape to present live & film TV-radio production. Skip Thomas is pres. and Philip W. Taylor is v.p. Louis C. Ingram Jr., ex-WAGA-TV & WLWA Atlanta, is sales mgr. Norman Whitman, from WKRG-TV Mobile, is production mgr.

20th-Fox TV plans to use 50% live music along with 50% canned in its telefilm production this season. Lionel Newman has been named music director.

New York Roundup: ABC-TV clients are due for a mild shock when they learn the title of the long-playing album invariably used to provide piped-in background music in the social moments before & after client screenings of new film shows in ABC's N.Y. executive conference room. It was picked, according to one slightly-embarrassed ABC source, because "It has just the right soothing quality." The album: "Music for Expectant Mothers."

Carling Brewing has bought one of the season's biggest rerun package deals. It's a 3-year, 63-market purchase of the 142-episode backlog of *Phil Silvers Show* reruns acquired this spring by CBS Films for the syndication market. Carling contracts call for over \$4 million in spot time & program charges.

Shirley Temple merchandising tie-ins have been arranged by NTA International, now distributing 6 of her feature oldies as part of a 64-film movie package, with Random House (book versions of 5 movies) and with Rosenau Bros. and Nanette Mfg. (Shirley Temple dresses). Merchandise will be offered to stations for on-the-air prizes & promotions, sold in stores this fall.

Corporate image can be a tricky thing, according to Jack Heffernan, sales mgr. of CBS-offshoot Terrytoons. In a letter to N.Y. TV executives last week, Heffernan informed commercial producers that Terrytoons "almost lost a particularly juicy animation job because the agency thought all we did was comic cartoons." He asked for "an opportunity to show off our versatility."

Ziv TV's score so far for *Lock-Up*, new syndicated telefilm series starring Macdonald Carey, is 46 markets in the first 2 weeks of selling, sales mgr. Len Firestone states . . . Show Corp of America, new TV feature distribution firm, reports 20 markets signed this month for its "mid-'50 movies" package of 22 features, all made after 1948 . . . Westinghouse-Ted Granik taped public affairs shows, *Youth Wants to Know* & *American Forum*, are reported sold for prime-time airing in 10 markets, apart from the 5 cities where WBC has outlets.

The filmed "Wisdom" series will return to NBC-TV in the fall with 13 half-hour "conversations between a group of noted personalities & celebrated interviewers," says Don Hyatt, NBC's dir. of special projects. Jim Nelson will produce the series, which will visit this season notables of such fields as classical ballet, specialized medicine, symphony conducting and humor.

Jayark Films (Vol. 15:20, p. 16) has announced titles of the 2 new telefilm series to be shot by the Reub Kaufman-organized firm: *Trapped* and *Birthright*. They're slated for production at the Republic lot in Hollywood.

Add film markets: European TV Corp., of 38 Bradenburgischestr., West Berlin, is currently running trade ads announcing it's in the market to buy European distribution rights to telefilm series.

MCA's *Shotgun Slade* series has been bought by P. Ballantine & Son for 24-market regional syndicated placement along the eastern seaboard, replacing *Highway Patrol* & *Bold Venture*. Ballantine has been a 52-week syndication buyer since the first runs of Sheldon Reynolds' *Foreign Intrigue*, now has more than 80% of its syndication slots in prime evening time.

United Artists Associated has reported "record sales activity" with new sales and renewals involving 19 stations and all UAA products. WPTV West Palm Beach, in the biggest order, bought the "39" and "Lucky 7" film packages and renewed "Movieland" features.

Van Praag Productions, essentially a film commercial producer is looking for a network sponsor and spot for its latest venture, a live-tape series called *The Ad Libbers*.

Hollywood Roundup: Motion Picture Academy has received a \$400 time refund for its Oscar show on NBC. It had bought up all station-break time on NBC to keep the show free of commercials, but NBC's Sacramento affiliate, KCRA, inserted 2 10-sec. commercials, so the Academy got its refund.

Film shows will be transferred to tape and vice versa by Hollywood's Acme Film Labs, the first motion picture lab to be equipped for TV tape. With 2 Ampex Videotape recorders, Acme v.p.-gen. mgr. Mel Sawelson suggested that stations might wish to convert large blocks of film programming, station-break commercials, etc., to tape for automatic programming. In the case of sports programming, he said, "the live picture of a game could be fed to the lab's tape recorder, immediately transferred to 16-mm film, edited into a half-hour program and shipped out to stations for broadcast that same night."

California National Productions plans syndication of 2 series, *Not For Hire*, starring Ralph Meeker, and *Pony Express* . . . Walt Disney has dropped production of his *Zorro* series on ABC following cancellation of the program by 7 Up and AC Spark Plugs. Price per episode this season was \$60,000 average (one segment cost \$85,000), and Disney was told by ABC that if he could lower the price, another sponsor might be found. He lowered it to \$49,500 per episode, but ABC felt this was still too high.

Producer-packager Jack Douglas has put into production a new half-hour film series, *Sweet Success*. He also has a new project called *Sundown* . . . Producer Bernard Schubert, here from N.Y. to oversee preparations for his new series, *Counterspy*, has named Herb Stewart exec. producer. Schubert will syndicate the series. He hasn't yet decided whether he will replace Jonathan Winters, whom he had signed to star in his *Alexander Botts* series. Winters was picked up in San Francisco recently for psychiatric examination.

Producer-Director-Writer Tom Gries, combining 2 of TV's most popular types, is planning a Western-private eye series. He has acquired TV (& movie) rights to *Hands Up* a recently re-issued condensed criminal history of the Far West, by Gen. Dave Cook (U. of Oklahoma Press). Originally published in 1882, it presents Cook as the head of an organization called the Rocky Mountain Detective Assn., which captured over 3000 criminals in the old West.

At Cannes Film Festival, "Eddie" (with Mickey Rooney), a segment of Screen Gems' *Alcoa Theatre* series this season, received honorable mention in the Eurovision course (TV section of the festival) . . . Peggy Wood will star in a new TV series, *Maud Silver*, being prepared by Lenore Coffee.

CBS Film Sales will handle syndication of reruns of 5 telefilm series produced by Gene Autry's Flying A Productions. Properties are *Annie Oakley*, *Buffalo Bill Jr.*, *The Gene Autry Show*, *Adventures of Champion* and *Range Rider*.

Kirk Douglas' Bryna Productions has dropped one telefilm project & added another. New series is *The Gladiators*, a half-hour show being produced by John Fulton. Bryna's long-projected *Report From Space*, in which the company was partnered with writer Ray Bradbury and Fulton, has been dropped. Bryna also has *The Indian Fighter*, which would be made as part of *United Artists Playhouse* series.

Zsa Zsa Gabor hopes to star in her own telefilm series, called *Zsa Zsa*, with Charles Isaacs & William Harmon as producers-writers. The pilot will go into production in August.

Trade Report

MAY 25, 1959

TWO NEW 'MAJOR TUBE LINES' — FROM JAPAN: Add another important electronic field where Japanese products are now beginning to compete with American on the marketplace: receiving tubes. Working through U.S. distribution firms of high repute, the 2 top Japanese electronics manufacturers now are marketing tube lines here. Both were represented at last week's Electronic Part Distributors Show in Chicago, and there was plenty of interest among parts jobbers in the merchandise.

Starting all-out sales campaign for line of 152 Japanese receiving tube types is big old-line distributor, the Sampson Co., of Chicago. It's handling all Hitachi products in U.S., including transistor radios & parts. Tubes are being merchandised under Hitachi name, cover about 80% of TV replacements.

Although Sampson has handled Hitachi tube line for about year, big push in replacement field was begun with parts show. Hitachi tubes are being sold at about 25% below prices of U.S. types at all levels—and this includes original equipment manufacturers. Sampson spokesman told us at the parts show that 22 U.S. manufacturers are now using Hitachi tubes in original equipment—including Arvin and Sears' Silver-tone brands. In original equipment, tubes are usually rebranded with set manufacturer's name.

Unveiling line of 22 most-frequently-used TV & radio tubes, big antenna maker Channel Master followed up its successful entry into transistor radio market (via Sonyo-made portables) with its Channel Master-branded replacement receiving tubes. To be handled only by Channel-Master franchised jobbers (about 500 nationally), these tubes—according to sales mgr. Sam Schlüssel—are to be sold at same price as U.S. brands. Manufactured by big Nippon Electric Co., they will be merchandised as a "premium" line, he asserted. U.S. tube makers expressed doubt that Japanese tubes could be or would be sold on this price basis.

Lest there be any misunderstanding, this is not dime-store merchandise. Those with no axes to grind who have worked with Japanese tubes, testify that quality is high—comparable to top-brand Japanese transistor radios & cameras. Spokesman for Sampson told us: "We're trying to prove that there's room for one more tube line in this country, and we're selling on that basis. We have been guaranteed—and we're guaranteeing to the trade—19 years of continuing source of supply. We know the Japanese wage level will be going up in the next 3-5 years and the price advantage will be lessened or wiped out. We want this to be recognized as a quality tube."

Neither importer would describe quantities he expects to offer—but major invasion on the order of the transistor radio flood does not seem to be in cards, at least not now. Japanese TV-radio-electronics industry is running full-blast, with nearly entire tube output required for domestic output. It's believed Japanese tube makers are now cutting into domestic requirements in order to get foothold in U.S. markets as insurance against future plant idleness. Channel Master says its tube supply is relatively small and that it has been forced to allocate tubes among its distributors. Japan's status in U.S. tube market was relatively small last year. As opposed to 397 million domestic receiving tubes sold, Japan exported between 1 & 2 million to America last year, not including those shipped in end-equipment.

Imports of other Japanese parts & components are due to increase this year. Sampson, for example, says it is now "bringing in a complete line of Japanese radio batteries." It hopes by Sept. to have "full line of high-price transistors" but doesn't expect these to comprise quantity item because of limited availability. It is also handling increasing quantities of Japanese capacitors, resistors and miniature light bulbs.

Channel Master, too, has its eye on increased Japanese trade. As companion piece for its U.S.-made component hi-fi equipment, it will soon begin importing phono turntables.

How about major U.S. manufacturers? Motorola is still only TV-radio maker we know which has chosen to fight fire with fire—offering transistor portable made largely with Japanese parts. CBS may join parade soon, in a way. Although it no longer produces radios itself, it's understood planning to import Columbia-branded transistor radios—manufactured by its Japanese licensee.

International GE has signed 3-year agreement with Tokyo Shibaura Electric (Toshiba) to buy transistor radios, tubes & other components for sale in markets outside U.S. & Canada. Toshiba said contract will be renewable every 3 years thereafter, and that first order is valued at more than \$2.2 million

and covers one million tubes, 800,000 transistors & 75,000 transistor radios. IGE said move will give it "broader coverage" in its export line—particularly in multi-band transistor radios which it currently doesn't handle. Sets won't carry GE monogram, but another trade name owned by IGE—possibly "Ingenco."

U.S. manufacturers still haven't decided, by & large, exactly what to do about import situation. Fight 'em or join 'em, or both? And how? One viewpoint was summed up sharply last week at EIA convention in Chicago by Sylvania's D. W. Gunn, in his annual report to tube & semiconductor div., of which he was 1958-59 chairman:

"A major problem confronting this section, and in fact all divisions of EIA, is the importation of goods from abroad. Due to the size & nature of the product, transistors have been affected most severely by the importation of sets & devices, and it is apparent that some action must be taken to control these imports if the domestic industry is to survive."

Subject of Japanese imports was undoubtedly hottest one at EIA convention—with very little agreement on how big a threat they are or what to do about them. Tube & semiconductor div. discussed situation, reached no conclusions and decided to discuss it some more at next meeting when members are to come armed with statistics. RCA's L.S. Thees heads special tube & semiconductor div. import committee.

On organization-wide level, Robert C. Sprague heads electronic imports committee, which is attempting to get industry support of petition to Govt. to negotiate limitation on imports with Japan. Principal avenue of approach to Govt. is expected to be through Office of Civilian & Defense Mobilization rather than State Dept. or Congress. EIA's top-level thinking on electronics imports was summed up by pres. D. R. Hull in his May 21 annual report:

"While this foreign competition presently is largely in the consumer goods field, eventually it will affect our ability to produce & conduct research for national defense. Our commercial business strengthens our ability to meet the demands of the military."

TAPE RECORDER INDUSTRY FIGHTS BACK: Kicked in the teeth by the stereo disc, clobbered by confusion over tape cartridges, large segment of magnetic tape recording industry last week mapped plans for full-scale comeback campaign, backed by new "standard" in pre-recorded stereo tapes and virtual repudiation of the "cartridge" approach—at least for time being.

Here's the background: Tape recording industry blazed trail of stereo music in the home. Until last year, if you wanted stereo you bought tapes—expensive, but good. Standard stereo tapes had 2 tracks, ran at 7½ in. per second. Then along came stereo discs—cheaper, easier to play—but not better.

Various tape recorder manufacturers mapped ways to make pre-recorded stereo tapes competitive and as easy to use as discs. RCA & Ampex worked on similar "cartridge" approaches—a pre-loaded magazine which simply was dropped on recorder (no threading) and was ready to play. Speed was cut from 7½ in. per sec. to 3¾, and 4 tracks were used instead of 2, so cartridge could be turned over like a disc and playing time was quadrupled. Competitive, yes—but, some in industry claimed, at sacrifice of fidelity.

RCA, Ampex, Pentron & others "bought" this cartridge approach. Music lovers began to await the highly-publicized cartridge which had been promised for last Christmas. RCA hasn't changed its plans, says cartridge will be introduced in "near future." Meanwhile, though, sales of conventional stereo-music-on-tape have dropped to nearly nothing. Situation reached critical proportions 2 weeks ago when word leaked that CBS & Minnesota Mining were working on entirely different cartridge using narrower tape playing at 1½ in. per sec.—harking back to 33 vs. 45-rpm war between RCA Victor & Columbia in the late 1940's.

Pouring oil on troubled waters, Minnesota Mining announced that no decision had been made on new cartridge, that it would be some time before such a device could be marketed, if affirmative decision were made. In meantime, however, tape recorder sales stood still or dropped in 1958 from the 450,000 sold in 1957, though sales of other hi-fi equipment soared.

The counter-attack: A new standard has been set for pre-recorded stereo tapes—4 tracks at 7½ in. per sec., no cartridge. This doubles playing time, and preserves excellent fidelity of present 7½-in. speed. Prices: About \$6.95 for 30-35 min., \$7.95 for 40-48 min. Nine companies are now recording tapes in this new format. The other 5 firms in the field have made no commitment. Eleven companies make recorders that will play the new tapes.

Magnetic Recording Institute of America, whose membership includes 44 recorder & tape makers (but not RCA or Columbia), came out at its annual meeting last week in Chicago for 4-track 7½-inch-per-sec. reel-to-reel approach and big public relations campaign to stress quality of pre-recorded tape music—despite fact that both its new & retiring presidents head companies which had previously embraced RCA tape-cartridge concept.

"Cartridges may come some day," said Ampex's Herbert L. Brown, new MRIA pres., "but we're sticking to the proven reel-to-reel system & the 7½-in. speed. We've got to eat for the next year or 2." With new tapes & machines to play them (old-type machines may be converted with \$25-\$30 kit) going on market, Brown saw signs of pick-up, predicted sales of 650-750,000 recorders this year at \$140 million retail.

TV-RADIO PRODUCTION: EIA statistics for the week ended May 15 (19th week of 1959):

	May 9-15	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	98,343	106,359	67,949	1,986,608	1,657,350
Total radio	269,812	244,083	104,077	5,155,271	3,566,288
auto radio	119,725	111,747	45,582	2,018,167	1,136,278

EIA's OPTIMISM: The electronics industry's trade association met last week in Chicago in a spirit of optimism. Most branches of the business are showing healthy increases as opposed to last year, and—except for the pall cast by growing Japanese imports (see p. 15)—things were looking up in virtually all of EIA's divisions.

Pres. D. R. Hull, in his annual report, predicted that total 1959 factory electronics sales would reach a record \$9 billion, compared with the \$7.9 billion of 1958. He said military purchases, which hit \$4.1 billion last year, will rise to \$5 billion this year. The electronic portion of missiles should rise from \$1.5 billion to \$2 billion. He added that some \$100 billion will be available for military electronics procurement through 1970, and civilian space agencies should spend about \$4.8 billion—or 33% of their total anticipated requirements for equipment—on electronics in the same period.

* * *

These other figures were cited in the various EIA division meetings:

For the 12 months from May 1958 to May 1959, TV sales declined to 5.2 million units from 5.9 million in the preceding 12 months, chairman Robert S. Bcll told the consumer products div.—but table, clock & portable radio sales increased 400,000 units to 8.6 million and phono sales rose 200,000 to 4.7 million, auto radio sales were up 17% to 4.8 million vs. 4.1 million. Breaking down the phono sales, he said stereo units rose to 2.2 million from a mere 50,000 in the preceding year, while monophonic units dropped to 2.5 million from 4.4 million. He held out hope for TV this year, too: "Consumer purchases during March & April were ahead of the same months last year. Factory production holds near the 100,000-a-week mark and is now 15% ahead on a year-to-date basis.

Business decline of 1958 was reflected in failures during the 1958-59 period, credit committee chairman D. B. Shaw said in his annual report. While 15% more companies experienced financial difficulties during the period than during the 1957-58 period, the level was still below 1955 or 1956. A total of 31 manufacturing concerns and 16 distributors had financial trouble during the 1958-59 period, as compared with 27 & 16 in 1957-58. Among the financially embarrassed firms during the latest period, component manufacturers increased 50%, while TV-radio producers declined to one.

New directors elected to board of Electronic Industry Show Corp. for the 1960 Electronic Parts Distributors Show: Hugh Moore, Lerco Electronics, representing Western Electronic Manufacturers Assn.; Robert E. Svoboda, Amphenol-Borg representing Assn. of Electronic Parts & Equipment Mfrs.; Robert Ferree, International Resistance, representing Producers of Associated Components for Electronics; Norm Triplett, Triplett Electrical Instrument Co., representing EIA; Sam Poncher, Newark Electric Co., Chicago; Joseph Forti, Electronic Wholesalers, Washington; William Green, Electronics Center, N.Y.; C. T. Kierulff, Kierulff Electronics—the latter 4 representing National Electronic Distributors Assn.

Admiral's 1960 TV-radio-line will be shown to some 3600 retailers across the U.S. at "dealer convention-holidays." Each of the meetings—in Chicago, Miami Beach, Atlantic City & Las Vegas (Vol. 15:19)—will provide 2 days & 3 nights of nightclub entertainment, meals and top-grade accommodations. All dealers who have met sales quotas assigned to them for the last 3 months are eligible to attend the conventions free. Sales v.p. Carl E. Lantz called the medium-sized dealer "the backbone of any manufacturer's sales organization—who, possibly for the first time in the industry, is being brought by a full-line manufacturer directly in contact with the advance year's designs."

Wanted by AEC & OCDM—a simple effective device to detect & measure radioactive fallout, designed as an attachment to battery radios in millions of homes, at a unit cost of \$5-10, thereby providing one-package Civil Defense survival services. Apply to AEC comr. Willard F. Libby & OCDM director Leo A. Hoegh, Washington 25, who already are considering combinations developed by several firms in an AEC-OCDM research program started in 1947.

Among foreign-made items shown at Chicago Parts Show: Japanese-made Zephyr 2-speed tape recorder with radio at \$79.95, battery-operated radio-phono at \$69.95, both by Eastern Associates Ltd., San Francisco. Italian Voxson 5-transistor auto radio, at \$99.95, which attaches to the rear-view mirror bracket, German Zikade AM-FM car radio at \$139.95, by Delmonico International, N.Y.

EIA has asked FCC for more time to study stereo standards, requesting that the deadline for comments be extended from June 10 to Dec. 11. It reports that the National Stereo Radio Committee needs the time to explore stereo systems.

BOOM IN CHEAP FM, TOO: If you think FM is strictly for the high-end hi-fi carriage trade, take a look at little Granco Products Inc., which has made a big thing of cheap FM sets. It's going into the carriage trade, too—the horseless-carriage trade, that is—via automobile FM tuners & sets and FM-AM car radios.

"Auto radio is the next big field for us," pres. Henry Fogel told us at last week's parts show in Chicago. "We plan to enter the market next year." He is undaunted by long record of failures and abandoned attempts in the FM auto radio field, just as his company brushed aside the past miserable history of flops in the cheap FM home set field.

"We're in FM, and we'll stay in FM," said Fogel, who claims his company is the biggest domestic producer of FM sets. He added that Granco radios constituted 40% of last year's domestic FM sales, and that at the moment his firm is turning out "over 1000 radios a day." Sales of all types of FM radios (including hi-fi combinations) are running about a million a year, he estimates, of which fully 50% are imports (mostly from Germany). He claims he's now supplying 45% of the remainder.

Granco is one of the few companies which have made a success in 2 fields which have been fraught with failures—uhf & FM. Its original product was a uhf TV converter using a new cavity-tuning system. While in itself this may have been a flop, the same tuning principle was adapted to FM tuning, and Granco went into the radio field, making its reputation with a \$29.95 FM set.

Granco still claims to be the sole American manufacturer of FM-only radios. It showed these new products at the Parts Show: An FM clock radio at \$39.95, with FM-AM version for \$49.95. A new FM tuner (3 tubes, rectifier, 2 diodes) for plugging into TV, radio or phono, at \$19.95. A "pair" of 2 matched radios—one FM, one AM—for AM-FM stereo listening, at \$59.95 for both. The company also has an assortment of high-priced AM-FM radios & stereo phono combinations, stressing elegant cabinetry—but cheap FM is its bread-&-butter.

Granco tuning units are being sold to a half-dozen other radio manufacturers, Fogel told us, "but we know this business won't last. If they really go into FM in quantity, they'll start building their own. We're still our own biggest customer."

"FM is a business," said Fogel. "More stations are coming on the air all the time. They're operated by hard-headed businessmen now—not enthusiasts or longhairs. We think," he added, "that within several years there won't be a home set built without FM."

Export privileges of Magna Mercantile Co., N.Y., have been suspended by the Commerce Dept. for 2 months effective June 1 for unlicensed 1957-58 shipments of electronic tubes & transistors to Italy. The suspension order said the firm failed to obtain then-required export permits and didn't declare the goods to customs.

General Transistor Corp. is acquiring Systematics Inc. for 14,600 shares of its common stock. The acquired company has headquarters in N.Y., with California facilities to make intercoulplers, devices for input & output of data to business machines.

Analab Instrument Corp. has been formed in Cedar Grove, N.J. to manufacture analytical laboratory instruments. It will be headed by Morton G. Scheraga, recently mgr. of the instrument & automotive equipment div. of Allen B. Du Mont Labs.

EIA Re-Elects Hull: David R. Hull, Raytheon, was re-elected pres. of Electronic Industries Assn. May 22 as it wound up its annual convention in Chicago. Also re-elected were exec. v.p.-secy. James D. Secrest, and treas. Leslie F. Muter, Muter Co. Dr. W. R. G. Baker, engineering director since 1934, was elected director emeritus of engineering.

Robert S. Bell, Packard-Bell, was re-named senior v.p., in charge of consumer products div. Other v.p.'s, all re-elected: Sidney R. Curtis, Stromberg-Carlson, military products; C. Russell Cox, Andrew Corp., industrial electronics (name of div. changed by convention vote from technical products div.); Russell E. Cramer Jr., Radio Condenser Co., parts; Arthur L. Chapman, CBS-Hytron, tube & semiconductor.

Newly elected division chairman are Marion E. Pettigrew, Sylvania, consumer products, and William J. Peltz, Philco, tube & semiconductor. The other division chairmen were re-elected.

New directors are J. B. Elliott, Tele-Dynamics, and William F. Ballhaus, Northrop Corp., military products; J. D. Hughes, Littelfuse Inc., parts; Dr. A. B. Credle, IBM, J. G. Flynn Jr., Collins Radio, and Carl A. Frische, Sperry Rand, industrial electronics.

Transmission of photograph from a manned or unmanned airborne vehicle within 2 minutes, is the goal of equipment being developed by Fairchild Camera & Instrument Co. under a Signal Corps. contract. The airborne equipment will include a 70mm camera, 2-stage film processor, scanning device and transmitter. On the ground, the received signals will produce a visual display to be photographed & developed. Also last week, the Air Force reported that on May 12 a Thor IRBM carried a camera 1400 miles, with an apogee of 300 miles. The camera was recovered from the ejected cone and exposed film was developed. The Air Force said the photos "provided the first graphic record of nose cone information from a ballistic missile in flight." The 16mm camera was made by ACR Electronics Corp.

Technicolor Corp. and Marquardt Corp. have announced an agreement whereby the latter will furnish technical & sales assistance for possible military applications of Technicolor's TV bandwidth-reduction system (Vol. 15:14). Using digital coding techniques, the system reduces to one-fourth the bandwidth required for point-to-point video.

Magnavox has established a new anti-submarine warfare dept. to meet demands on the company as a result of its years of research & development in this field. V.p. George F. Smith said the company received \$23 million in govt. contracts during the first quarter, bringing its backlog to a record total of more than \$50 million.

Armed Forces Communications & Electronics Assn. convention June 3-5 at Washington's Sheraton-Park Hotel will feature keynote address by Air Force vice chief of staff Gen. Curtis LeMay at luncheon June 3, OCDM director Leo A. Hoegh as the banquet speaker June 4, Vitro Corp. pres. J. Carlton Ward, speaker at industrial luncheon June 5.

Industrial Television Inc. of Clifton, N.J. has changed its name to ITI Electronics Inc. to reflect increased work in missile electronics & industrial automation.

Channel Master is marketing picture tubes on the west coast, in a test. The big antenna manufacturer is handling rebuilt tubes marked with the Channel Master brand.

Sign of the times: Aircraft Industries Assn. has changed its name to Aerospace Industries Assn.

Trade Personals: Harold S. Geneen, ex-Raytheon exec. v.p., named ITT pres., succeeding Edmond Leavey . . . William L. Reynolds, EIA gen. counsel, resigns to become Litton Industries gen. attorney June 1 . . . Robert T. Rinear, named exec. v.p., General Precision Equipment Corp.

James H. Brewster III promoted from customer relations dir. to mktg. v.p., Sylvania Electronic Systems. Samuel A. Ferguson promoted from Mountain View operations mgr. to v.p.-gen. mgr. (Mountain View, Cal.). Dr. Edwin G. Schneider promoted from chief engineer to research & engineering v.p.

Edward Wallerstein, former Columbia Records pres., lately consultant to Kapp Records, named Belock Instrument Corp. v.p., heading the Belock Recording Co., which manufactures Everest Records . . . Meyer Leifer named special tube operations gen. mgr., Sylvania Electronic Systems . . . R. E. Conley promoted from advertising & sales promotion mgr., RCA Victor Radio & "Victrola" div. to RCA mgr., publications adv. & promotion . . . Robert Casselberry named acting mgr., GE technical products dept.

Herman (Hy) Brodsky, former Du Mont public relations dir., has established own PR firm, specializing in electronics, at 505 Fifth Ave., N. Y. (Murray Hill 2-0326) . . . Leonard Salidor named national publicity and promotion dir., Decca, Coral & Brunswick records . . . Frank Guernsey named Magnavox regional mgr., Fresno, Cal., succeeding Howard Bredlow, resigned. Thomas Garvin named to new post of mkt. mgr., Los Angeles. Lou Bushnell named chief of northern California operation.

Herbert L. Brown, Ampex Audio, named pres., Magnetic Recording Industry Assoc., succeeding Irving Rossman, Pentron Corp. Ken Bishop, Bell Sound, elected v.p.; Charles Murphy, Michigan Magnetics, treas.; Herman Kornbrodt, Audio Devices, secy. . . Robert Wechsler, ex-American Geloso Electronics, named adv. & sales dir., Uropa International, European appliance, electronics and office products importer & distributor . . . David Alan Safer, ex-PR consultant for the Indian Embassy in Washington, appointed dir. of information services, CBS Labs div. of CBS . . . William J. Morlock, gen. mgr. of GE's technical products dept., is seriously ill in a Syracuse hospital. Communications may be addressed to him at his home, 745 Steinar Ave., Syracuse.

Obituary

Dr. Louis N. Ridenour, 47, v.p. & gen. mgr. of Lockheed's electronics & avionics div. and one of the country's top nuclear physicists, was found dead in his room at the Statler Hotel in Washington May 21. An autopsy showed that he died from natural causes—ruptured brain aneurism—while in town on company business. Prior to joining Lockheed in 1955, he had served as engineering v.p. of Paramount Pictures subsidiary International Telemeter Corp., and had led its pay-TV computer work. He had served as the Air Force's first chief scientist and was chairman of a board which produced the "Ridenour report"—which led to the establishment of the Air Research & Development Command and other important weapons development agencies. Surviving are widow & 2 daughters.

Dudley A. Buck, 32, asst. prof. of electrical engineering, MIT, died May 21 of virus pneumonia. Dr. Buck developed the cryoton, a tiny replacement for the transistor. He is survived by his wife, a daughter and son.

William R. Ballard, 79, general patent counsel for AT&T before his retirement in 1945, died May 15. Surviving are his widow, 3 daughters, a sister, a brother and 11 grandchildren.

Finance

Cominol Industries Inc., new Washington electronics firm organized last Dec. in a change of name from Continental Mining & Oil, has acquired all outstanding stock of Granite State Machine Co., Manchester, N.H. manufacturer of shipboard antennas for the Defense Dept. It was Cominol's second acquisition this year—Shielding Inc., Riverton, N.J. maker of radio interference-free enclosures for missiles & electronics industries, having been bought in Jan. At the same time Cominol-promoted Technology Inc., organized in March, asked SEC to register 325,000 common stock shares for public offering at \$4 per share by E. L. Wolf Assoc. Inc., Washington. The SEC statement said Technology has contracted to buy 51% of the common stock and all preferred stock of Microwave Electronic Tube Co. Inc., organized in April to make microwave electronic tubes & devices in a Salem, Mass. factory which Technology would lease to it. Consulting engineer David J. Shamp, ex-Navy Bureau of Ships, was listed as chairman & pres. of both Cominol & Technology.

Compudyne Corp., Hatboro, Pa. designer & maker of electronic control devices, seeks SEC registration of 225,286 common stock shares for public sale at \$3 per share, underwritten by Milton D. Blauner & Co. and Hallowell, Sulzberger, Jenks, Kirkland & Co. Part of the proceeds would be used to redeem \$100,000 of debentures.

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Alexander L. Guterma was denied a motion in Brooklyn Federal Court May 19 for transfer of his impending trial to Buffalo, N.Y. Chief Judge Mortimer W. Byers held that newspaper clippings offered by Guterma's attorney, Richard H. Wels, did not prove an atmosphere prejudicial to Guterma in Brooklyn, calculated to influence adversely the opinions of prospective jurors. Trial date will be fixed June 1. Guterma, ex-pres. of the Mutual Bestg. System (Vol. 15:7-9, 11) is charged with defrauding the Bon-Ami Corp. while it was controlled by him.

Advanced Research Assoc. Inc., Kensington, Md. electronics firm, has been challenged by SEC to prove "accuracy & adequacy" of information in a Dec. 1958 application for registration of 400,000 common stock shares for public sale at \$6 per share. The SEC scheduled a May 29 "stop order" hearing for the firm, whose principal promoters & stockholders were listed as pres. Norman K. Walker and Williams, Widmayer & Co., controlled by Don F. Widmayer & Richard N. Williams.

Ling Electronics Inc. has bought University Loudspeakers for \$2,300,000, paying \$1,650,000 in cash. The announcement was made by James J. Ling, chairman of the acquiring company, headquartered in Los Angeles, and by Sidney J. Levey, pres. of the White Plains, N.Y., loudspeaker manufacturer. As a wholly-owned subsidiary, University's estimated 1959 sales of \$5,000,000 will swell Ling's total sales to about \$28,000,000 a year.

Jerrold Electronics is finding diversification a healthy spur to earnings, said pres. Milton J. Shapp in announcing record profit for the fiscal year ended Feb. 28—up 230% over the previous year. Expansion of established markets also had aided earnings, Shapp said. Jerrold's own community antenna systems were serving 33,000 subscribers in February, compared with 28,000 a year ago. Diversification includes new products & closed-circuit TV installations. A 10-mile distribution cable was installed at Ft. Monmouth, with outlets in 487 troop-training areas, and another system was installed at the Veterans' Hospital in Pittsburgh. Earnings-per-share were calculated after providing 41¢ per share for depreciation in 1959, and 35¢ per share in 1958. For the fiscal year ended Feb. 28:

	1959	1958
Sales	\$7,658,371	\$6,055,647
Net earnings	397,656	105,281
Earned per share	36¢	10¢

Harman-Kardon Inc., maker of component hi-fi equipment systems, has been given the American Stock Exchange ticker symbol HK. It reports increased earnings for the quarter and 9 months ended March 31:

	1959	1958
Sales	\$3,042,106	\$2,703,984
Net earnings	118,527	67,962
Earned per share	26¢	15¢
For quarter to March 31:		
Sales	861,916	678,390
Net earnings	32,907	2,054
Earned per share	7¢	1¢

Wells-Gardner & Co. reports first-quarter improvement in sales & earnings, contrasted to a loss during the first quarter of 1958. For 3 months to March 31:

	1959	1958
Sales	\$4,804,264	\$3,145,267
Net earnings (loss in 1958)	70,097	(58,455)
Earned per share	17¢	—

British Industries Corp. reports quarterly income & sales higher than 12 months ago. For the quarter to March 31:

	1959	1958
Sales	\$2,260,786	\$2,172,997
Net earnings	167,420	140,259
Earned per share	55¢	46¢

Airpax Electronics Inc. reports a profitable first quarter, contrasted with a loss in the like 1958 period. For 3 mos. to March 31:

	1959	1958
Sales	\$921,127	\$580,875
Net earnings (loss in '58)	59,777	(4,169)
Earned per share	16¢	—

A. C. Nielsen net earnings were below the year-ago period, according to chairman A. C. Nielsen, because of losses on some foreign subsidiaries. For 6 mos. to Feb. 28:

	1959	1958
Revenue	\$12,782,389	\$11,461,852
Net earnings	491,305	547,643
Earned per share	86¢	96¢

Herold Radio seeks SEC registration (File 2-15123) of \$1.5 million of 6% convertible subordinated debentures due June 15, 1974 for public sale through Ira Haupt & Co., Hirsch & Co. and Amos Treat & Co. The Mt. Vernon N.Y. company said net proceeds would be used to reduce current liabilities.

Corporation	Common Stock Dividends			Stk. of record
	Period	Amt.	Payable	
AT&T (new)	Init.	\$0.82½	Jul. 10	Jun. 10
Globe Union	Q	.25	Jun. 10	Jun. 2
Granco Products ...	—	5% stk.	Jun. 11	May 26
Time Inc.	—	.75	Jun. 10	May 26

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VOL. 15: No. 22

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

SUMMARY-INDEX OF WEEK'S NEWS

Congress

TALK—NOT ACTION—on TV-radio bills is the situation as 86th congress nears end of first session with many TV-radio laws proposed, none passed (p. 1).

FCC IN LINE OF FIRE of political fight as House subcommittee Democrats challenge Justice Dept. roles in equal-time case and AT&T anti-trust decree (p. 4).

Networks

TOP LEVEL RESIGNATIONS at CBS stir rumors of more to follow (pp. 2 & 6).

FCC

WHEN CAN YOU TALK TO A COMMISSIONER? FCC Chairman Doerfer outlines his philosophy (p. 2).

HYDE NOMINATION—quick & easy—with only brief questioning on equal time, and other subjects (p. 3).

BIG-CITY UHF VS. VHF compared by FCC chief engineer, leading FCC uhf proponents to claim that uhf is just as good as vhf for N.Y., Chicago, etc. (p. 5).

Stations

RATINGS NEED A BETTER "IMAGE." are being lambasted by consumer press that finds research firms docile whipping boys, uncertain as to PR moves (pp. 3, 8, 12 & 13).

Educational TV

NEW GOVT. ETV GRANTS for research go to 28 institutions in Defense Education Act program. Total cost of project awards reaches \$3 million (p. 11).

Manufacturing & Distribution

EXCITEMENT IN NEW TV LINES: Philco shows cordless portable; Admiral plans full line of color sets, 23-in. b&w models; RCA promises historic "innovations" (p. 20).

1959 TV SALES AT 5.5-MILLION pace, based on past years' performance, indicating 7% greater sales this year than last. Acceptance of new models could push sales up (p. 20).

\$9.35-BILLION YEAR predicted in Navy survey of 578 electronics firms. Although figure is well above 1958, it's below total industry capacity of \$12.6 billion (p. 21).

EVERYONE WANTS SPECTRUM SPACE in FCC's 25-890-mc hearing, but commission is making claimants offer full justification for demands (p. 21).

Auxiliary Services

EIDOPHOR LARGE-SCREEN TV for closed-circuit use now ready. New TV subsidiary of Ciba chemical combine has 40 Swiss projector units on order (p. 14).

Programming

PREPARING FOR 1960, Hollywood producers are off to an early start in planning to meet the market (p. 15).

Film & Tape

TV STANDARDS CONVERTER developed by Britain's Granada TV Network offered to all TV programmers; converts British or European pictures to U.S. tapes (p. 17).

Other Departments

ADVERTISING (p. 17). **FINANCE** (p. 23).

TALK—NOT ACTION—ON TV-RADIO BILLS: Many TV-radio bills, much talk, no legislation. That's record of 5 months of 86th Congress. And as first session heads toward its final-quarter stretch & late summer recess, chances grow that its tally of broadcasting industry laws enacted will be nearly nil.

You name it, Congress has a bill on it—none passed. For broadcasters & FCC: Equal time, pay TV, FCC ethics, baseball TV blackouts, federal aid to educational TV, FCC control of networks, boosters, CATV systems, protection of newscasters' sources. For admen: Bans on liquor commercials & subliminal techniques. For manufacturers: Fair trade, exemption of uhf sets & co-op ads from excise taxes.

Only signs of real legislative life so far have come from ETV proposals, approved by Senate & passed along to uncertain House fate. House Commerce Committee, whose legislative oversight sensations set Capitol Hill fires last year, has fanned no new ones. It will barely get under way again this month with renewed FCC hearings (Vol. 15:20) and spectrum study (see p. 4). Usually counted on for exhaustive work in TV-radio fields, Senate Commerce Committee also is late starter with mid-June equal-time hearings (see p. 4) and June-July look-see at boosters, CATV, FCC housekeeping, etc. (Vol. 15:21).

Promised—or threatened—investigations in other TV-radio areas to see if more new legislation ought to be drawn up have been equally unproductive. They range all the way from exposes of rating systems by Sen. Moroney (D-Okla.) and probes of time-selling practices by Rep. Brown (D-Mo.) to sweeping overhaul of all regulatory agencies by Sen. Carroll (D-Colo.). None has got off ground.

In fact, biggest broadcasting-area achievements of 86th Congress may turn out to be those accomplished by threat instead of law. House Commerce Committee Chairman Harris (D-Ark.) brought FCC around to his rigidly-restricted pay-TV test plan (Vol. 15:16) by proposing to prohibit all toll TV. House brought FCC capitulation on home-district issue of legitimizing boosters by staging floor revolts (Vol. 15:16).

There may be some law-making action on equal time yet. But time at this session is running out. And unless there's some unexpected stirring on Capitol Hill soon, it's likely that 86th Congress otherwise will give no more priority to TV-radio legislation than did 85th, which passed none of more than 150 bills. Few issues are more public—or more popular with legislators—than broadcasting issues. But they seldom seem to be more than talking issues.

TOP-LEVEL RESIGNATIONS AT CBS: Sudden rift within CBS had resulted at week's end in resignation of 2 top officials and a flurry of reports and rumors that more would soon follow. These were last week's developments at the network heretofore noted for its stability of personnel:

Young, dynamic James Aubrey, ex-ABC, was promoted to high-ranking post of exec v.p. after a year with the network. Then programming exec. v.p. Hubbell Robinson Jr. quit to assume new post as head of own production firm in charge of Ford TV specials (for NBC). This was followed by resignation of CBS program v.p. Harry Ommerle, who will join J. Walter Thompson as program coordinator for the Ford specials, working with Robinson. Thus top CBS program team takes over an NBC series.

Still unsubstantiated but persistent reports indicate possibility that at least 3 more of CBS's top executives are about to resign.

Solid CBS, strong in billings, programs & ratings, thus faces operation under a new team—but exactly who will be on team (besides Aubrey) won't be known until dust settles. (See p. 6.)

WHEN CAN YOU TALK TO A COMMISSIONER? Congress intended FCC to have freedom to acquire "experience & expertise" in many matters, rejecting proposals that would limit all the Commission's deliberations strictly to a formal record. That's the essence of FCC Chairman Doerfer's views on "ex parte" (off-the-record) discussions, as outlined in speech before FCC Bar Assn. last week.

Everyone agrees, he said, that statutes limit FCC to the record in "adjudicatory" matters, such as competitive hearings. "The trouble comes in rule-making," he went on, obviously thinking about such situations as St. Louis Ch. 2 case—the channel-shift rule-making which was overturned by Court of Appeals because of "ex parte" conversations (Vol. 15:19-20). Here's how he'd handle such cases: "When you change rules and affect 2 people competing for a valuable right, then FCC should question whether it's properly rule-making. The Commission should be allowed to declare it adjudicatory. I don't believe that the deintermixture proceeding was rule-making. Rule-making is nothing more nor less than a declaration of what the future policy will be—a guide to the industry."

Elaborating on congressional intent, Doerfer said: "When I was appointed to the FCC, I wasn't an expert. Congress doesn't even require us to be lawyers [he is one]. I had no doubts about discussing anything except adjudicatory matters with anybody, anywhere, anytime. These complex problems require the freedom to explore, freedom to discuss, freedom to go to the Library of Congress, etc. . . . If we regress to what was once claimed by lawyers—that it was unconstitutional to delegate certain powers to administrative agencies—you may as well abolish the Commission and its staff. You don't need 1200 people.

"But if you give it to the courts, you'll be hobbled with long delays & heavy expenses. The courts found that out when they tried to regulate the railroads, gas lines & turnpikes."

Doerfer gave as an example of what he wanted to be free to do: "I've heard assertions about the performance of uhf—some of it perfectly ridiculous. I've gone out & seen for myself."

In question period after the talk, he was asked: "Why not use the expertise of your staff?" Said he: "If Congress had intended that, it would have said that the staff is your sole adviser. I don't always agree with the staff, and I can't carry it with me wherever I go."

At end of his talk, Doerfer added with a grin: "I'm speaking for myself." Fact is, he's probably the most liberal of all FCC members in his measurement of latitude given them by the statutes. This is in keeping with his personality—open, informal.

HYDE NOMINATION HEARING—QUICK & EASY: There was no strain at all in FCC Comr. Rosel H. Hyde's hearing before Senate Commerce Committee last week, on his nomination to a new 7-year term starting July 1, and committee is expected to favor him unanimously when it votes June 2. Chairman Magnuson (D-Wash.) set the stage by noting that whole Commission will meet with Committee within next 2 weeks for big annual policy pow-wow, and then said there was no need to question Hyde about big pending problems. The brief (20-min.) session did touch on following, with most questions from Sen. Hartke (D-Ind.):

(1) Political equal time. Hyde said that Commission hopes to have decision on reconsideration of Lar Daly case by June 12, when Pastore subcommittee has hearings scheduled on bills to amend Sec. 315 of Communications Act.

(2) Multiple ownership. Hartke asked about recommendation of FCC's network study staff—that Commission should aim toward one-station-to-a-customer policy. Hyde opined that this view is "extreme" but that he's a firm believer in FCC's 5-vhf-to-a-customer policy. "I'm in favor of a competitive system, so that need for detailed regulation is minimized. "We should make competition the regulating force."

(3) Local ownership. An important, but not decisive, factor in competitive hearings, said Hyde.

(4) Grants to "speculative" applicants—trafficking in licenses. Said Hyde: "We try to avoid grants to speculative interests. But we also keep in mind that a grantee may run into financial or other difficulties that force him to sell."

(5) TV allocations. Asked Magnuson: "Are you hopeful that the FCC will take action in individual cases, in markets with one or 2 stations?" Hyde: "I am. It would improve the competitive situation."

Session closed with compliments. Magnuson: "I don't know of anyone with better background than Mr. Hyde." Thurmond (D-S.C.): "I've heard fine reports about his work."

RATINGS NEED A GOOD P.R. JOB: NAB-sponsored "image campaign" need look no further than current controversies over TV ratings, if it wants a class-A problem to tackle. Public relations for the multi-million-dollar ratings industry are at what may well be the all-time low. Those most concerned run for cover at the prospect of facing the situation. Everybody wants everybody else to do it.

Research executives prefer ivory towers. Those we queried (at all leading firms) told us "it's a job for networks & agencies." But network publicity brass feels the problem should be faced by the rating firms, singly or in a group campaign. Agencies, generally, claim "we don't want to get into media fights," although as many as two-thirds of all major agency TV decisions are based directly on TV research data.

Turn-the-other-cheek philosophy, long popular with professional research men when lambasted by consumer press, is a major contribution to the poor "image" of ratings. Researchers have a good excuse—in theory. Most rating firms have tried to educate the press about ratings, only to be slapped down when the story breaks in print. "Having no TV research training or background, columnists just look for the sensational angle" is how ARB's N.Y. mgr. Jack Gross puts it.

Even advertising agencies are in the act. Early this month, John B. Cunningham, C&W agency chairman, spoke to an Ohio State U. audience of hoping to be "emancipated from the slavery of ratings," as a step toward using "programs of different audience appeal" in ad campaigns. Not the least among offenders are TV's energetic press agents, who enjoy playing the numbers game with ratings. Coupled with editors in search of a story, they make a team which provides confusion on top of confusion.

Ratings are thus blamed for many TV ills, even though researchers rarely make recommendations on specific programs except at client request. Popular concept persists, however, that poor ratings automatically kill a TV show, ignoring fact that sponsors have dropped out of high-rated packages such as Wells Fargo & The Texan, while retaining lower-rated vehicles like Lawrence Welk or You Bet Your Life because of attractive cost-per-1,000, merchandising factors, or audience composition.

All industry professionals—telecasters, salesmen, producers and admen alike—know the rating story; but probably few professionals know all of it on an updated basis. The reason, of course: constant changes & additions in the services. For that reason, we are presenting Background No. 2 this week (see p. 12) to get your files up to date on the who-what-when-where-and-why of ratings.

If the rating business is ever successful in launching a PR counterattack to the unceasing stream of brickbats tossed at it by press, public and politicians, it might do well to concentrate first on trying to prove to these critics the statistical validity of the small cross-section sample. Of this more on page 6.

Congress

FCC IN LINE OF FIRE: FCC was in the middle of political infighting in which the Justice Dept. got the old one-two last week from Democrats on 2 House subcommittees in unrelated communications cases.

By a 4-3 party-line vote at a closed meeting, the Commerce legislative oversight subcommittee headed by Rep. Harris (D-Ark.) demanded to know by what right Atty. Gen. William P. Rogers urged FCC to reverse its Lar Daly equal-time ruling (Vol. 15:19).

At the same time the Judiciary anti-trust subcommittee headed by Rep. Celler (D-N.Y.) battered the Justice Dept.—and took some swinging swipes at FCC—in a 357-page report on its 1957-58 investigation of a 1956 AT&T anti-trust consent decree (Vol. 14:9). Parts of the indictment, signed by 4 of 6 Democratic subcommittees but repudiated by 3 Republican members, were previewed by ex-oversight counsel Dr. Bernard Schwartz in his *The Professor & The Commissions* (Vol. 15:7).

Following the Commerce subcommittee's action, ranking minority member Bennett (R-Mich.) called a press conference, protested that letters sent by Harris to Rogers & FCC Chairman Doerfer constituted a Democratic charge that the Justice Dept. was "exerting improper influence on the FCC" in the hotly-controversial equal-time case (Vol. 15:8-16, 18-21). In his view, said Bennett, "the committee itself is exerting improper influence."

Bennett cited "15 or 20 cases" in the past in which Justice had intervened—unchallenged—in proceedings of federal regulatory agencies. But Harris wrote Rogers that the subcommittee "would appreciate learning from you the statutory or other basis" for the Attorney General's Lar Daly brief. Harris told Doerfer he'd "like to be advised as to what is the role of the Attorney General" in such cases. There was no immediate response from either Rogers or Doerfer.

Meanwhile the Senate Commerce communications subcommittee, headed by Sen. Pastore (D-R.I.), took the first real legislative steps to explore freedom-of-newscast issues raised by FCC's interpretation of the Federal Communications Act's Sec. 315. He scheduled hearings starting June 12 on 4 bills to remove newscasts from equal-time requirements. Authors of the amendments (S-1858, S-1585, S-1604, S-1929) are Sens. Hartke (D-Ind.), Thurmond (D-S.C.), Allott (R-Colo.) & Holland (D-Fla.).

The House Judiciary subcommittee report, dubbed "a partisan political document" by the Republican objectors, charged that: (1) Ex-Atty. Gen. Herbert Brownell Jr. displayed partiality "incompatible with the duties of his public office" in settling anti-trust complaints against AT&T and its equipment supplier Western Electric. (2) FCC under ex-chairman George McConaughy "converted its contribution to the anti-trust settlement into a distorted & inadequate set of half-truths" about the Commission's "machinery to supervise Western's prices to the operating companies." (3) FCC "has neglected in the 24 years of its existence to establish fundamental principles or standards by which to judge the reasonableness of Bell System's interstate telephone rates."

The Celler subcommittee called on the Justice Dept. to "re-evaluate" the 1956 AT&T settlement and seek court "relief from the decree's inadequacies." And it called on FCC—"in the public interest"—to move "promptly" for "a comprehensive, formal rate investigation to determine on a public record a fair rate of return" for Bell toll services.

When investigations of FCC and other federal regulatory agencies are reopened June 15 (Vol. 15:21), minority counsel representing Republicans on the House Commerce legislative oversight subcommittee will be on hand for the first time. Appointed by Chairman Harris (D-Ark.) at the insistence of the group's GOP members to serve with chief counsel Robert Lishman, he is Jack Marshall Stark, 31, a Yale & Harvard man who since 1957 has been an asst. U.S. attorney in Washington. Earlier he was a trial attorney in the Justice Dept. The subcommittee staff now totals 16, including clerical help.

Spectrum Study Lineup: Three categories of witnesses for June 8-9 panel hearings in the House Commerce communications & power subcommittee's spectrum investigation (Vol. 15:19-20) were listed last week by chairman Harris (D-Ark.). The lineup:

Govt.—Leo A. Hoegh, OCDM director; Paul Goldsborough, Defense Dept.; E. R. Quesada, FAA Administrator; FCC Chairman Doerfer & Comr. Bartley.

Private organizations—NAB pres. Harold E. Fellows & engineering dept. mgr. A. Prose Walker; EIA pres. D. R. Hull, spectrum study chairman H. Leslie Hoffman, educational equipment chairman Paul Chamberlain; Howard Head, Assn. Maximum Service Telecasters engineering counsel; AT&T chief engineer Howard R. Huntley.

Individuals—chairman Victor E. Cooley and members Frank G. Kear & Irvin Stewart of last year's President's Special Advisory Committee on Telecommunications; U. of Ill. engineering dean Dr. William L. Everitt.

USIA has disapproved 82 Hollywood films for showing abroad under the international media guaranty program, because they would create false & misleading impressions of U.S. life. This was revealed during the agency's budget hearings before a House Appropriations subcommittee. The agency exerted control by barring the films from the govt. program, under which exhibition earnings in 12 blocked-currency countries are exchanged for dollars. Later, as expected (Vol. 15:21), USIA budget cuts totaling nearly \$7.5 million were voted by the House. This reduced USIA's overall funds to \$113 million for fiscal 1960. The action came, with little debate or discussion, in an omnibus \$650 million appropriations bill (HR-7343) for State & Justice Depts., and related agencies. Their total budget requests were slashed \$32.5 million. The big money bill now goes to the Senate.

"Dangerous trend" in Govt.—"to conduct the people's business behind closed doors"—was deplored by NAB's Howard H. Bell in a speech to the Ia. Bcstrs. Assn. in Des Moines. He urged broadcasters to help curb encroachments on press freedoms from Congress to municipal councils. The asst. to NAB pres. Harold E. Fellows cited the American Bar Assn.'s Canon 35 and the courts as "primary obstacles to this freedom by refusing radio & TV coverage of their proceedings." In another speech, to the Neb. Bcstrs. Assn. in Lincoln, Bell said broadcasters' prestige in public affairs can be increased by use of "sound" on-air editorials.

California's state legislature has sidetracked a bill to limit commercials to not longer than 2 min. nor more frequent than every 10 min. The Senate business & professions committee asked for a 2-year study, when members agreed with legislative counsel that the bill is probably unconstitutional, because stations are under FCC regulation.

The FCC

BIG-CITY UHF VS. VHF: FCC's uhf proponents are taking heart from an intra-Commission memo from chief engineer Edward Allen's staff, comparing estimated uhf & vhf coverage in major metropolitan areas such as N.Y., Chicago, etc. They conclude that the report indicates uhf can do just as good a job as vhf.

The report compares Ch. 2-13 (with a center frequency of 69 mc), a 25-channel system with a 195-mc center, a 50-channel system with 300-mc center, and the uhf with 650-mc center. The 3 vhf proposals are based on an assumption of 750-ft. antennas.

The memo concludes that a "passable" or fringe-type signal would be obtained out to the following distances in big-city non-downtown areas: Ch. 2-13 (100 kw), 11 miles with indoor antenna, 29 miles with outdoor; 25-channel system (316 kw), 16 miles (indoor), 33 miles (outdoor); 50-channel system (500 kw), 16 miles (indoor), 30 miles (outdoor); uhf (1000 kw), 14 miles (indoor), 25 miles (outdoor).

In downtown areas, the report states, these are the distances for a passable signal: Ch. 2-13, 3 miles (indoor antenna), 18 (outdoor antenna); 25-channel system, 3½ miles (indoor), 19 miles (outdoor); 50-channel system, 4 miles (indoor), 19 miles (outdoor); uhf, 3½ miles (indoor), 17 miles (outdoor).

The memo also states that uhf is better able to take advantage of the following methods of improving big-city coverage: Multicasting (several transmitters for each station, each on a different channel), circular polarization, receiving antenna directivity.

Meanwhile, FCC has scheduled a special session June 1 to consider its "interim" vhf drop-in proposal (Vol. 15:17-20). The proposal has disturbed at least one Congressman, Rep. Boland (D-Mass.), who represents Springfield. He noted the possibility that FCC may add a vhf channel to Hartford and said this "will absolutely drive 2 uhf stations in my congressional district . . . right out of business"—referring to WWLP (Ch. 22) & WHYN-TV (Ch. 40). He went on: "Ch. 3 in Hartford is a CBS affiliate and it provides more than fringe vhf service to western Massachusetts, as the FCC would imply. As a matter of fact, it is so effective in blanketing my area that uhf Ch. 40 is about ready to lose its CBS affiliation.

"Ch. 8, vhf, which is affiliated with ABC, is also providing good coverage to the same area because of its increase in power output. The reports that another vhf channel will go into the Hartford area, naturally will lead me to believe that NBC wants a Western New England outlet. If so, uhf Ch. 22 at Springfield might just as well fold up."

Type-approved TV monitors—frequency & modulation—aren't mandatory until June 1, 1960, FCC extending the deadline last week. Said the Commission: "In view of the continued development of more stable frequency control circuits in AM, FM, & TV transmitters, the Commission is considering a review of its requirements regarding continuously operating frequency monitors to ascertain whether such apparatus is still needed or is adequate to ensure that the operating frequencies of broadcast stations are maintained within the prescribed frequency tolerances. If it appears that the rules relating to such monitors should be amended, a rule-making proceeding will be initiated."

Oversight Echoes: Over last-ditch objections of defense counsel, testimony by Miami lawyer Thurman A. Whiteside at last year's house FCC hearings was ordered read into the record last week at his Miami Ch. 10 conspiracy trial in Washington (Vol. 15:15-21). U.S. District Court Judge Burnita S. Matthews ruled that what Whiteside said at oversight subcommittee hearings—which led to co-defendant Richard A. Mack's resignation from FCC—was pertinent. The ruling in favor of govt. prosecutors paved the way for admission of Mack's own House testimony, which was expected to wind up the Govt.'s case early this week—nearly 2 months after the trial's start. Then Whiteside & Mack will open their defense against charges that they plotted to throw the Ch. 10 grant to National Airlines' WPST-TV. One of the first defense witnesses was scheduled to be Sen. Kefauver (D-Tenn.), who interceded in the Miami case for his friend, A. Frank Katzentine of loser WKAT.

Grant of Ch. 7, Buffalo, to WKBW-TV was affirmed by the Court of Appeals last week as judges Washington, Danaher & Bastian turned down the appeal of WWOL. The latter had asserted that FCC erred in reopening the record to permit WKBW-TV to "demonstrate its continued financial capacity" and "modify its engineering proposal." WKBW-TV had shown that a bank was to lend it \$200,000, contingent upon its obtaining a network affiliation by Sept. 29, 1956. FCC hadn't rendered a final decision by then, so it reopened the record to determine the status of the loan. Testimony then showed that WKBW-TV could get the loan without an affiliation. Regarding the engineering matter, the Commission originally had said that coverage was no issue in the hearing. But a subsequent Court of Appeals decision (Hall vs. FCC) held that the Commission "is required to consider proffered evidence of coverage based on the Commission's propagation curves." FCC then permitted all 3 applicants (including Great Lakes TV) to amend—but only WKBW-TV did. The court summarized: "We think the Commission properly found that the further hearings in these 2 challenged respects were necessitated, and that the amendments were correctly allowed. In no other way could there have been adequate record before the Commission on the points mentioned."

Amendment of Communications Act, Sec. 318—to permit FCC to waive the requirement that an operator be on hand at vhf boosters—requested by the Commission in connection with its proposal to license the boosters (Vol. 15: 16), is meant to apply to all broadcast stations. Answering a query from Rep. Don Magnuson (D-Wash.), acting FCC Chairman Hyde stated: "The Commission felt that it could appropriately authorize translator stations & probably also the booster stations without having an operator on duty, but that it would be advisable to remove any possible doubt on this point by appropriately amending Sec. 318. Present Sec. 318 was enacted in 1934 and has not been amended since. However, in the meantime there have been wide technological improvements in broadcast operations. In the Commission's judgment it is appropriate to amend Sec. 318 to dispense with the statutory requirement of an operator in the broadcast services, letting rules & regulations provide for the varying requirements necessary to protect the public interest. Specifically we would prefer to have the amendment to Sec. 318 broad and not confined solely to the operation of vhf translator stations, although we initiated it primarily for them." Magnuson had said that he thought the amendment was unnecessary—or should be applicable only to boosters.

Networks

More about

CHANGES AT CBS: Major executive changes at CBS-TV last week (see p. 2) presaged perhaps a series of others to come. Not, said the rumors, that CBS is "in trouble." The network is in a strong (possibly, the strongest) position in almost any direction you look—sales, fall lineup, ratings, over-all billings, diversifications, program properties. It's a case of quietly reshuffling the 20th-floor echelon to fit in with long-range network plans & personal preferences of present executives—or so the stories go. The reports were strengthened by several public moves:

1. The promotion of ex-ABC executive Jim Aubrey to the high-ranking post of exec. v.p., with other department heads reporting to him, after just a year with the network. It's known that Aubrey is being groomed for important things to come by CBS Inc. pres. Dr. Frank Stanton & chairman William S. Paley.

2. The resignation of Hubbell Robinson Jr. (see story in next column), with Robinson assuming a new post in charge of Ford's NBC-TV specials and as head of his own production firm. Robinson, it's said, was not particularly delighted at the Aubrey promotion as it related to his own program bailiwick—particularly since Robinson had been with CBS in high program posts since 1947.

3. The resignation on May 28 of Harry G. Ommerle, v.p. in charge of network programs, to join J. Walter Thompson as program coordinator for the Ford series. He was picked for the post by Robinson, who reportedly was given his choice between Ommerle and NBC's Bob Lewine.

There are several contenders for the topmost program job, notably program v.p.'s Bill Dozier in Hollywood (who denied to our bureau there the rumor that he would resign to join Robinson), Mike Dann (N.Y.), Robert Weitman (new program development) and Oscar Katz (day-time programs). Where would the laurels descend? Probably, said the rumorists, on Mike Dann. Dann, like Aubrey, is something of a jet-propelled boy wonder.

In any case, some of the tightest security this side of the Kremlin was being clamped on CBS-TV headquarters late last week while the TV world wondered what the next move would be in the game of musical chairs.

Recent NABET-NBC hassle by-product: G. Tyler Byrne has been "relieved of his duties" as NABET's dir. of network affairs, and has been replaced by Clifford Gorsuch, dir. of NABET region 3 in the South. Move was made May 25, and will be decided officially when NABET's policy-making board meets in Hollywood June 8. Byrne's future position with the union is undecided, but there is a possibility that he may be reinstated in his pre-strike post.

Johnny Bradford has resigned as head writer on the *Dinah Shore Show* on NBC to form his own TV production company . . . William Asher has been signed to produce the *Fibber McGee & Molly* series for NBC.

NBC has signed writer Richard Berg to a 3-year producer-writer-consultant contract to develop new TV series for the network, also to act as programming consultant. Berg is the creator of 2 new series to be on NBC next season (*Johnny Staccato* & *5 Fingers*). He will form his own TV production company, with NBC to finance.

Hubbell Robinson, Producer: "My own firm will submit as many good ideas for Ford specials as we can create, and I'll be working on at least 3 or 4 series ideas apart from that. It's a wonderful opportunity both to create shows, and to figure in them financially, as I will have residual rights on my own packages for Ford." That's what Hubbell Robinson Jr. told us last week in discussing his resignation (rumored for months) from the post of exec. v.p. in charge of programming at CBS-TV and the formation of his own creative package firm, Hubbell Robinson Jr. Associates Inc.

In his new setup, the soon-to-depart (a week or 2) CBS executive will supervise production, in association with MCA, of the 39-program lineup of network specials for Ford slated for a Tues.-night spot this fall on NBC-TV (budget \$12 million). And, with MCA as sales agent, he'll open shop in Los Angeles with a creative programming staff of producers, writers & directors now being gathered.

Robinson has been a well-known figure on the network programming scene since he joined CBS as a program v.p. in 1947. Credited with the creation of *Playhouse 90*, he has been active in many of CBS-TV's top program projects. He was offered the Ford post 6-8 weeks ago.

In discussing his new plans with us, Robinson answered another question with characteristic candor: "As far as I know, the lineup of specials for Ford does not include any shows with the Bolshoi Ballet produced by Matty Fox—but it's an interesting idea!"

Add Another Image: NBC-TV hopes to "out-image all the other image makers in [the] business" chairman Robert W. Sarnoff told TV-radio editors in the latest of his periodic letters last week. Highlighting the letter was his announcement of a new live-on-tape drama series *The Sunday Showcase*, in the 8-9 p.m. slot.

Sarnoff noted that public image campaigns are "spreading like brush fire" and NBC apparently is not side-stepping the flames. The return of N.Y.-originated live drama, added to 150 prime-time specials & informational programs, and a 60% new nighttime schedule, is the basis of NBC's new image, Sarnoff said.

Government-level NTA plans are in the works with the BBC-TV and with the French Government, involving areas of "co-production, facilities exchange and distribution of each other's shows" says Harold Goldman, pres. of NTA International, now back from a visit to the Cannes Film Festival. Goldman, who talked to film buyers from "all European countries including the Iron Curtain ones," forecasts that West Germany will be on a par with Great Britain as an overseas market for U.S. telefilms within a year, although German viewers "don't like U.S. crime or violence shows."

Gomalco Enterprises, George Gobel's production company, has filed a \$1 million damage suit against NBC in Los Angeles over the use of kinescopes of 2 of his shows on BBC without his knowledge or consent. The Gomalco complaint said that while its contract permits use of Gobel shows in Canada, Cuba, Bermuda and Mexico, use in the United Kingdom is not authorized. Late last week, NBC declined comment to us on the suit, "pending study by our attorneys of the situation."

The NBC Opera Company will step up its 2-opera season to 4 for its 10th season, which gets under way with a 2-hour color production of Beethoven's "Fidelio" in November. All the operas will be in color & English.

NETWORK ACTIVITY

Prime interest in the week's activity was not in business registered but in business hoped for. And the big money in question is Armour & Co.'s available budget, reportedly around \$7.5 million, which seems likely to move in the direction of ABC-TV's hour-long series, according to agency sources. Those series with segments still unsold include *Sugarfoot*, *Bronco*, *Alaskans*, and *Adventures in Paradise*.

ABC-TV

Bourbon Street Beat (Mon., 8:30-9:30 p.m.) next season. One-third sponsorship. Van Heusen Shirts (Grey). Other two-thirds previously purchased by P. Lorillard & Libby-Owens-Ford.

CBS-TV

Twilight Zone, new series based on fantasy, which debuts Oct. 2 (Fri., 10-10:30 p.m.). Co-sponsorship.

Kimberly-Clark (Foote, Cone & Belding) & General Foods Corp. (Young & Rubicam).

Space, new half-hour series, which debuts Sept. 2 (Wed., 8:30-9 p.m.).

American Tobacco Co. (BBDO).

GE College Bowl, renewal of Sun. afternoon show, eff. in fall.

General Electric (Maxon Inc.).

Hotel de Parec, new Western series set to replace *Yancy Derringer* next fall.

P. Lorillard (Lennen & Newell) & Johnson's Wax

(Foote, Cone & Belding).

NBC-TV

The Price Is Right (Mon.-Fri., 11-11:30 a.m.), 52-week renewal of 4 quarter-hour segments weekly on daytime—plus order for additional segments on *Price*. Also *County Fair*, (Mon.-Fri., 4:30-5 p.m.).

Lever Bros. (Needham, Louis & Brorby).

The Price Is Right, renewal of segments for 1 year and additional quarter-hour participations in *Treasure Hunt*, *Tic Tac Dough*, *It Could Be You* and *County Fair*.

Miles Labs (Geoffrey Wade).

M Squad (Fri., 9-9:30 p.m.), renewal of alternate sponsorship during 1959-60 season, eff. Sept. 11.

American Tobacco Co. (Sullivan, Stauffer, Colwell & Bayles).

St. Lawrence Seaway, sponsorship of a telecast based on the official dedication, June 26.

American Safety Razor Co. (Kenyon & Eckhardt).

It Could Be You (Sat., 10:30-11 p.m.), weekly sponsorship—also 13-week alternate sponsorship of Arthur Murray Party (Mon., 10-10:30 p.m.) and *You Bet Your Life* (Thurs., 10-10:30 p.m.).

Pharmaceuticals Inc. (Parkson Adv.).

Huntley-Brinkley Report (Mon.-Fri., 6:45-7 p.m.), sponsorship for 6 months, eff. June 29.

Texaco (Cunningham & Walsh).

NCAA Football Games, one-fourth sponsorship of 10 games in next season's Sat. afternoon games.

Bayuk Cigars (Werman & Schorr).

Daytime's increase represented the biggest part of network-time billings' gain for the first quarter. According to TvB, Jan. through March 1959 was up \$12.7 million over the corresponding period of 1958 (Vol. 15:19), but of this amount, daytime's increase was the lion's share of \$11.1 million. Daytime's jump represented a 26.4% improvement from first-quarter 1958's \$42,184,408 to first-quarter 1959's \$53,325,550. Nighttime billings for the same period rose 1.6% from \$101,548,445 to \$103,154,868.

"The image of radio is on the upswing again. Agency men have noted an increasing change of face. More & more stations are trying to develop distinctive program formats that will attract new advertisers on a 52-week basis. One important step in particular to improve the individual station image is the trend to editorializing. The networks have encouraged their o-&o stations to voice their views on important local issues—a practice that demands extensive research, but also lifts the stature of the station image."—*Printers' Ink*.

ABC-TV has acquired the rights to the 1960 Olympic winter games and will cover the 11-day event with live & tape telecasts. Games are scheduled for Squaw Valley, Cal., Feb. 18-28. Opening, closing and victory ceremonies, to be staged by Walt Disney, will highlight telecast.

NBC Tools Up for Detroit: NBC-TV's latest study of the cause-&-effect relationship between TV auto advertising & showroom sales is due for presentation to top-level Detroit management at the end of June. Last season's study by NBC-TV of the same subject (Vol. 15:7) is considered by NBC officials to have been a whopping success, since it presented research facts & figures showing that viewers of shows sponsored by auto makers definitely bought more cars of the advertised make than non-viewers; and the payoff can be seen in NBC's TV auto billings.

With sizeable budgets already committed by Ford, Plymouth and Chevrolet, NBC-TV now claims to have "about 50%" of all of the auto billings on all 3 networks. And, NBC officials tell us their previous research study was "very helpful" in building their auto business.

The newest study, field work for which was done this spring, was previewed at an executive session May 25 attended by chairman Robert Sarnoff, pres. Robert Kintner, exec. v.p. Walter Scott, and research v.p. Hugh Beville. Reportedly, all agreed it would merit a VIP treatment, including personal presentations by NBC-TV executives to individual auto manufacturers.

One factor likely to draw immediate Detroit interest, according to NBC insiders: the new study contains TV-slanted facts concerning the "small car market"—a hot topic, of course, in auto circles. To provide sales ammunition for its TV affiliates, NBC-TV also will distribute much of the study to stations for their use at local levels.

Firestone's Farewell: Firestone Tire & Rubber Co. pres. Raymond C. Firestone will bid a not-so-fond adieu to viewers of *The Voice of Firestone* when the long-standing musical series gets bumped from ABC-TV this week (June 1), ending a 31-year era in broadcasting. "ABC advised us that our present time period would not be available for . . . next fall, and they have offered only a late evening half hour for our program. The other networks did not offer a satisfactory time," he will say.

Firestone's father, Harvey S. Firestone appeared on the first "Voice" broadcast in December 1928, saying "If we make your half hour with us each Monday evening a wholesome feature in your household, we will have achieved our purpose." ABC-TV and Firestone had an agreement whereby, as long as the advertiser underwrote the series on a 52-week basis, the time period would be guaranteed. Firestone cut back to 39 weeks a few years ago.

Unusual ABC-TV diversification finds the network entering the restaurant business as one-third owner of New Orleans' famed Absinthe House. Warner Bros. owns another third. The move was made to protect the use of the bistro's name in *Bourbon Street Beat*, new private-eye series starring Richard Long that debuts this fall on ABC. Some location shooting will be done at Absinthe House. Nature, however, will imitate art in this case, as the restaurant is to be remodeled to resemble the permanent Absinthe House set on the Warner Bros. lot.

CBS o-&o stations program & publicity dirs. will meet in N.Y. June 8 & 9 to discuss audience & sales promotion, and public relations. On the agenda: public affairs projects, demonstrations of new live & film production techniques and general programming matters. Craig Lawrence, v.p. in charge of CBS o-&o's, will preside, with the promotion & publicity sessions to be coordinated by adv. & sales prom. v.p. John Cowden & information dir. Charles Oppenheim. Program sessions will be run by CBS stations' program dir. Hal Hough.

Stations

More about

RATINGS' P.R. PROBLEM: For an advertising medium that prides itself on its sales ability & research sophistication, TV is falling flat on its publicity face in getting a basic mathematical concept—that a large “universe” can be measured with a small sample—across to a few hard-headed members of the press.

“Most TV editors are rigidly convinced that the more homes questioned, the better the answer,” an executive of A.C. Nielsen’s N. Y. office complained bitterly to us last week. Added Gene Reilly, Trendex’s sales dir.: “I usually tell editors ‘If you don’t believe in statistical sampling, next time you go to the doctor for a blood test, tell him to test it all’—but it doesn’t seem to get across.”

Blood-sampling the nation’s TV pulse produces an error much smaller than most people believe. Nielsen, whose 1050-home sampling technique has been approved by U.S. Census officials & Advertising Research Foundation, is quite candid about this “standard error” in its regular NTI “Pocket Piece” reports.

For a 30 rating, it’s 1.3. In simple terms, this means (according to Nielsen) that in 68 out of 100 cases the difference between what Nielsen figures a rating to be, and what you’d get if you actually raced around and counted all the TV homes watching a network show, is less than the 1.3 standard error.

It’s possibly one of the toughest concepts for the general public & press to buy outside of nuclear theory—particularly since there’s no loud bang to show that fission can be achieved.

Tucked away in Nielsen’s files, for instance, is a cross-check made a few seasons ago between the Nielsen sample & a U.S. Census of a total of over 45 million households. On a factor like “ownership of a mechanical refrigerator,” the big complete census showed an ownership of 73.3. A checkup in the Nielsen sample—tiny in numbers by comparison—showed an ownership figure that was only 1.7 points off. Other factors checked out as closely, seldom going more than 2 points one way or the other, and usually much less on types of dwelling, family size, ownership of appliances, etc.

Videodex is another research firm that uses a cross-section sample of U.S. homes (9200) in TV audience measurement. Managing dir. Allan Jay said last week that Videodex has experimentally doubled & tripled the sample size—just to see what would happen. “We cut down the margin of error a little bit, but found our results to be the same, and therefore did away with the idea,” he said.

The situation is similar at other research firms. Most can make out a good case for small-sample measurement—but few have managed to make it clear to non-professionals, who generally stick to the samples-should-be-larger-for-accuracy theory.

Enlarging the sample *can* decrease the “standard error” of research in a mathematical formula well-known to research men. To do so, you must multiply your sample 4 times to decrease the margin of error 50%. But, this will also increase 3- or 4-fold the costs of the research (most agencies & clients generally feel they are spending up to the limit of their research budgets right now) without making any drastic change in the over-all findings, provided the margin of error is already small.

How can the small sample measure the large universe?

Research firms, whose rating figures may not be similar for a given show, were in complete agreement when we asked them this poser. All said, in effect, that a cross-section sample works—provided “all the homes in whatever area you’re trying to measure have an equal chance of falling into your sample.”

ARB’s pres. Jim Seiler has a theatrically effective stunt he occasionally stages to get this point across, using a large bag of multi-colored buttons, and a “random sample” (selected by the audience with a cup.) Seiler invariably draws applause when the sample of button checks within a point or two of the totals—and it always works.

Another research executive puts it this way:

“Let’s say you want a cross-section sample of 1000 homes in a city of slightly more than a million homes. If you count off the first 1000 homes you come to, it won’t work. But, if you start at some arbitrary point—like the 13th home—and walk up & down every block in town, and put every thousandth home in your sample, you’ll wind up with a mathematical cross-section. What’s true of your sample is then true of the whole.”

It is on the basis of such national sampling methods that most of the rating services using fixed samples work, adjusting their sample periodically to conform to national characteristics shown by the U.S. Census. Trendex, however, comes up with a sample that has special limitations (only telephone homes, and only in cities that have 3-network rivalry) that prohibit “national” projections of ratings, although the ratings can be stretched to include all the homes falling inside the specialized limits.

Nielsen’s sample is organized, serviced and controlled by field researchers. ARB and Videodex operate primarily through the mails, with service controls. Pulse and Trendex samples are more hit-or-miss (interviewers pick the homes at random, within limitations of metropolitan areas or telephone books).

Advertising agency & client research experts usually have little trouble in knowing the difference between rating services, and understanding what’s being measured & how (“We talk the same language,” said an ARB executive). But, witnessing the growing public furor over ratings, most observers agreed last week that it was high time a better public translation of the language was made.

Eight new metropolitan areas are anticipated by *Sales Management* in its new 784-page “Survey of Buying Power,” in advance of decision by the Bureau of Budget’s Technical Committee on Area Definitions. The directory, issued last week, lists the areas as: Anderson, Ind.; Ann Arbor, Mich.; Bakersfield, Cal.; Champaign-Urbana, Ill.; Lewistown-Auburn, Me; Lynchburg, Va.; Muskegon-Muskegon Heights, Mich., and Pensacola, Fla. In the new manual, the publishers note with regret the elimination of county-by-county TV-home counts, because set-saturation has effectively lessened differences in major-market penetration.

Reports about KCOP in Los Angeles last week that the independent station was up for sale, brought quick denials from Al Flanagan, station v.p.-mgr., and Bing Crosby, one of the partners in the syndicate which owns WSM-TV (Ch. 4) Nashville received program test authorization May 19 to resume with 100-kw, following series of gradual moves whereby station changed from 575-ft. tower at 14th & Compton Aves. to new 1360-ft. structure on Watts Lane.

Sale of WDAU-TV (Ch. 22) Scranton to WGBI Radio Inc., for \$700,000 has been approved by FCC.

NEW & UPCOMING STATIONS: Two stations won authorization to go on the air this week—but neither planned to begin programming for about 3-4 weeks. Program test authorization went May 27 to WENH (Ch. 11, educational) Durham, N.H., but it doesn't plan to begin until June 22 with a regular program schedule. Special temporary authorization was given the same day to WXIX (Ch. 18) Milwaukee, which is being revived as an independent outlet by Gene Posner, operator of Milwaukee radio WMIL, who acquired the facility from CBS for \$50,000 (Vol. 15:13, 16, 19). STA allows WXIX to operate temporarily up to June 30, but the station won't begin programming until July 1, although it plans to start on a test pattern basis June 1-10. Base hourly rate is \$395. Rep is Gill-Perna.

Week's on-air totals change to 553 (83 uhf) as educational WNED-TV (Ch. 17) Buffalo left air May 29 after operating from temporary site, with STA, since March 30 (Vol. 15:13). It plans to resume next fall after move of transmitter to Lafayette Hotel quarters being vacated by WGR-TV (Ch. 2).

* * *

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

KVOG-TV (Ch. 9) Ogden, Utah, with 5-kw Gates transmitter scheduled for July delivery, has changed programming target to approximately Oct. 1, reports David B. Affleck, asst. mgr of radio KVOG. Network affiliation hasn't been signed and studio-transmitter construction remains at half-way mark (Vol. 15:17). It will use 400-ft. Gates tower with 6-bay RCA antenna. Base hourly rate not set. Rep will be Grant Webb.

WKBM-TV (Ch. 11) Caguas, P.R. has again rescheduled programming target—this time to Aug. 1, writes owner Ralph Perez Perry, also operator of WSUR-TV (Ch. 9) Ponce & radio WKVM San Juan. New studios at 657 Condado St., San Juan have just been finished. Du Mont 5-kw transmitter and 200-ft. Lehigh tower with 6-bay RCA antenna have been ready for some time. Base hour will be \$265. Rep not chosen.

A "spectacular" for 7 local Midwest stations will preempt 2½ hours of prime time each evening, June 14-20. The show: United Artists' 1942 movie, "Yankee Doodle Dandy," starring James Cagney as George M. Cohan. The program will be telecast during the 7:30-10 p.m. and 8:30-11 p.m. time spots—normally network time. During the following week, it will be shown at 10:30 p.m. The sponsor for what is said to be the first such local special during prime time in the Midwest, is Oklahoma Tire & Supply Co. Participating stations: KVOO-TV Tulsa, WKY-TV Oklahoma City, KTEN Ada, KSWO-TV Lawton, Okla.; KAKE-TV Wichita, Kan.; KNAC-TV Fort Smith, KARK-TV Little Rock, Ark.

Spot TV billing increases in overall shares of major advertiser's budgets has been pointed up in a report on the generally accelerated trend of spot spending by the TV division of Edward Petry & Co. Procter & Gamble, top spot spender, showed a 31% increase last year, whereas General Mills, number 10 spot user, showed a 231% increase over 1957.

KTVE (Ch. 10) El Dorado, Ark. has been granted a waiver of rules by the FCC to identify itself with Monroe, La. as well as El Dorado.

Half Hour of Commercials: KTTV Los Angeles is selecting commercials to present in a 13-week all-commercial half-hour series to begin in June. KTTV pres. Richard Moore tells us no one will be paying for the half-hour each week, but that he is doing it because "we're going to prove that people like advertising." Moore believes that advertising & TV have produced commercials which are entertaining & informative. "All these people have been knocking commercials. Now we're going to do this to show American business that commercials interest people, and we're going to show people in the West commercials they haven't seen before—commercials from the East or from around the world."

KTTV is presently collecting prize-winning commercials, domestic & foreign, and will have more than enough material for the 13-week series. The commercial half-hour will be slotted in the early evening at 6 or 6:30 p.m. Rep. Blair is soliciting agencies to run the commercials free.



Mary Pickford & her husband Charles (Buddy) Rogers should be paid \$133,243 for their one-third interest in WSJS-TV (Ch. 12) Winston-Salem, N.C., it was ruled in a Los Angeles court last week, in a suit brought by Piedmont Publishing Co. to enforce an alleged option agreement for sale of the couple's stock equity (Vol. 14:19). Pickford & Rogers, who were applicants for Ch. 12, acquired WSJS-TV stock for \$50,000 in 1953 (after withdrawing application) under merger agreement with Piedmont. They claim their stock is now worth \$500,000, and that Piedmont was trying to buy their interest at a low price. Piedmont has been offering \$126,816 for the stock. Judge John J. Ford also dismissed the Pickford-Rogers damage claims against Piedmont in the case.

Rule-making petitions denied by FCC last week: (1) Assignment of Ch. 5 to Pendleton, Ore. (2) Shift of Ch. 18 from Hartford to Waterbury, Conn. (3) Conflicting proposals to change Ch. 12 Wilmington, Del. from commercial to educational and to delete Ch. 12 from Wilmington and assign it to either Atlantic City or Atlantic City-Wilmington. (4) Plea to reconsider an order rejecting proposals to shift educational Ch. 2 from Denton, Tex. to Longview, Denton, Brownwood or Cooper, Tex. for commercial use by replacing it with a uhf assignment.

Allocations changes authorized by FCC: (1) Ch. 10 assigned to Appleton, Minn. for educational use. (2) Ch. 33 substituted for Ch. 61 in Moses Lake, Wash., Ch. 27 added to Wenatchee, Wash. in place of Ch. 67, and Ch. 36 allocated to Kellogg, Ida. in place of Ch. 33. (3) Ch. 7 traded for Ch. 8 in Wailuku, Hawaii, by deleting Ch. 7 from Hilo and changing Ch. 11 Honolulu from commercial to educational, replacing Ch. 7 there. (4) Ch. 14 allocated to Mount Pleasant, Mich. for educational use with Ch. 27 swapped for Ch. 21 in West Branch, Mich.

Canadian Board of Broadcast Governors May 20 recommended denial of TV application for Antigonish, N.S. (Ch. 9) by Atlantic TV Co. Ltd. (A. D. MacInnis, pres.). It deferred decision on satellite application for Baldy Mountain, Man. (Ch. 8) by CKOS-TV (Ch. 3) Yorkton, Sask. (Vol. 15:18).

Two applications for new TV stations were filed with FCC last week: For Ch. 10, Medford, Ore.; for Ch. 51, Louisville, Ky. Total outstanding is now 93 (16 uhf).

Shift from Deadwood to Lead, S.D. has been granted to CP holder KDSJ-TV (Ch. 5).

'Double Exposure' Pays Off: Two-station exposure can almost equal one deluxe time slot in syndication, Bristol-Myers & Sunoco have learned. *Sea Hunt*, co-sponsored by the two firms, was ousted recently from its choice Saturday 10:30 p.m. period on WCBS-TV N.Y. to make way for the network-aired *Markham* series. To salvage the situation, the clients moved it into a "double exposure" pattern on 2 N.Y. outlets, WABC-TV & WPIX, with the stations tossing in large (\$40,000 for WABC-TV) promotion budgets to publicize it.

In its last (April 22) exposure on WCBS-TV, the Ziv-produced show drew a 27.2 Arbitron in N.Y. Moving into the same time slot on WABC-TV, the underwater adventure series raised the time period's rating from a 3.3 to a May 24 level of 12.9. The WPIX airings (same episode, same week) in a Wednesday 10:30 period showed a similar boost, with the previous Arbitron level of 3.0 going to 9.9.

Combined rating (ARB feels there's little audience duplication between the double-exposed showings) is thus a 22.8—or about 84% of the original WCBS-TV level. In addition to providing Bristol-Myers & Sunoco with a sizeable audience, it's also a financial bargain. Rate comparison shows the combined basic price of the 2 time periods to be only 74.5% of the costs of the single WCBS-TV slot, with program charges remaining approximately the same.

Ironic twist to the story is that the current Arbitron of *Markham* is a 14.4—more than 8 rating points less than what *Sea Hunt* is drawing in the twin exposure.

Both WABC-TV & WPIX have utilized extensive audience promotion to backstop their program acquisition, including newspaper & magazine tune-in ads, transit cards, on-the-air plugs and mailings to dealers & jobbers.

Negro Market Growing: The economic status of the Negro has improved, stronger advertising media are serving him, & he is moving into more accessible urban groupings, May *Media/scope* reports. Census figures show that a 13-million Negro population in 1940 had grown to an estimated 18 million by 1958. Between 1950 & 1956, Negro households increased 26.2% compared with the 10.7% for white. Negro purchasing power is greatest in cities of 50,000 or more (in 1955, \$11.6 billion or 67% of disposable Negro income). Higher proportions of income are spent by Negroes for certain types of goods, e.g., furniture, clothing, house furnishings, recreation, alcoholic beverages, personal care products.

A Negro student has charged bias during May 23 *Dance Party* telecast by WGR-TV Buffalo. Clayton Johnson, 15, one of 40 Toronto students, was seen on camera dancing with Patty Banks, a white schoolmate. When protesting phone calls were received during the show, m.c. Pat Fagan is said to have asked one of the chaperones to do something "to alleviate the situation," and Johnson was asked to stop dancing. The Ontario Labor Dept. has been requested to investigate the incident.

N.Y. radio WOV, English & Italian language outlet, has been sold for approximately \$1.5 million to Bartell group (Melvin Bartell, pres.) by joint owners Morris Novik, Ralph N. Weil & Harold Hartley. The new owners operate AMs in Milwaukee, Atlanta, San Diego, Boston, Birmingham & San Francisco as the Bartell Family Radio Group. After FCC approves transfer, Melvin Bartell will move to N.Y. to take over as gen. mgr. of WOV, with Hartley remaining as v.p. for programming and Weil, present WOV gen. mgr., becoming v.p. of Bartell Sales Co., headquartering in N.Y.

TV No Threat to Press: Newspapers face a big challenge from TV, but aren't endangered by the rival medium, publishers & editors from 26 countries agreed last week. Up for discussion at the 8th gen. assembly of the Internatl. Press Institute (IPI) in W. Berlin was this question: "What has been the impact of TV on the financial & editorial position of daily newspapers?" There was general concurrence with answers by editors Barry Bingham & Shinichiro Kudo of such widely-separated dailies as the *Louisville Courier-Journal & Times* (WHAS-TV) and *Mainichi* of Tokyo. Said Bingham: "TV is more & more drawing the attention of the people. But at the same time its pattern is highly monotonous. Nevertheless, the press has lost its fresh impact of spot news to TV . . . If we fail . . . it will be our own failure & not the triumph earned by a competing medium." Said Kudo: "TV as a news medium is merely supporting the press in Japan and not undermining it."

Catholic Broadcasters to Meet: A 3-day meeting June 17-19 will be held in Detroit by the Catholic Broadcasters Assn. The theme of the gathering will be "Miranda Prorsus," title of an encyclical of Pope Pius XII on TV & radio. Among lay speakers: WBC pres. Donald McGannon, CBS Radio pres. Arthur Hull Hayes, Ed Sullivan, TV & radio chief Frank Dunham of the U. S. Office of Health, Education & Welfare.

Bishop John King Mussio will discuss "Miranda Prorsus in the American Context," and Bishop Fulton J. Sheen will talk on "Making Religious Broadcasting Religious." Stations & others who produce educational or Catholic-theme programs may compete for the assn.'s Gold Bell awards, to be presented at the meeting. Forms are obtainable from the Assn. at 111 Briggs Bldg., U. of Detroit, Detroit 21.

Disc Jockey Convention in Miami was warned that a "somewhat terrifying" responsibility rests on the men who spin platters & make patter, by NAB pres. Harold E. Fellows. He told the jockeys' Second Annual Programming Seminar: "There are hours of the day, and important ones, too, when you alone are in direct communion with most of the citizens of the United States, and upon you alone—in your comportment & judgment—depends the reputation of the entire American system of broadcasting." Fellows urged jockeys to "be aware of this great challenge to your integrity & decency & good judgment."

WRCA-TV's prime 10- and 20-sec. spots will be sold on a revolving basis to give sponsors a more varied audience—via a horizontal & a vertical "orbit plan." The horizontal orbit, which is at the 8 p.m. level, moves an advertiser's spots from 8 p.m. Monday, to 8 p.m. Tuesday the following week, and so on in a 6-week rotation. This plan excludes Thursday which is "vertical orbit" day. On a 6-week cycle involving Thursday, spots will be moved across prime hours (8-10:30 p.m.), a half-hour each week. According to station mgr. Max Buck, the plan "can increase an advertiser's cumulative ratings by as much as 25% per 6-time rotation."

Further home-built automation for KETV Omaha has been achieved by the TV station's engineers. An automatic tape programmer has been built to play pre-recorded commercials & station breaks, actuated by an audio tone on the tape. The new equipment works in conjunction with KETV's automatic pre-set switching system, which cues in the station's audio, video & projection equipment.

Educational Television

NEW GOVT. ETV GRANTS: Cost of govt.-financed research in audio-visual teaching techniques has reached \$3 million with awards by U.S. Education Comr. Lawrence G. Derthick of the second batch of 53 grants—most of them for TV projects—under Title VII of the National Defense Education Act.

Following up initial grants for 15 projects in March (Vol. 15:13)—and approval by Congress of a \$1 million supplemental appropriation for the program until June 30—Derthick last week announced recipients of 29 grants in educational broadcasting fields. In addition, 7 Title VII contracts for related dissemination-of-information studies have been signed.

Winners of the new research grants (specific amounts not finally determined) and their proposals included:

American Institute for Research, Pittsburgh. Use of quiz materials & practice machines in TV courses.

Santa Barbara, Cal. High School District. Foreign language instruction by electronic media.

U. of Ark., Fayetteville. Closed-circuit TV experiment in speech improvement.

U. of Ala., University. Effects of participation in lab work in conjunction with ETV lectures.

Michigan State U., E. Lansing. (1) Development of problem-solving ability through TV & films. (2) Uses of new media in languages, science, mathematics.

U. of Ind., Bloomington. Video tape uses to improve teacher performance.

Metropolitan Pittsburgh Educational TV Stations. ETV stimulants of suspense, anticipation, competition.

U. of N.C., Chapel Hill. Why some teachers resist use of audio-visual materials.

Ore. College of Education, Monmouth. Uses of motivational research principles in audio-visual techniques.

Mass. Council for Public Schools, Boston. In-service ETV language teacher training.

National Assn. of Educational Bestrs., Urbana, Ill. "Understanding media."

U. of Oklahoma, Norman, and Okla. Educational TV Authority, Oklahoma City. In-service TV & radio teacher training.

Compton College, Compton, Cal. ETV techniques for teaching English composition.

U. of Houston, Houston. Effectiveness of high school ETV physics courses.

Fontana Unified School District, Fontana, Cal. Closed-circuit TV tests of teacher effectiveness.

Ohio State U., Columbus. (1) ETV's contributions to teachers as well as students in elementary science courses. (2) Mobile media lab experiments.

Pa. State U., University Park. Teacher-parent experiment in reading instruction by TV.

N. Y. U. College of Dentistry, N.Y. Closed-circuit TV instruction in dental techniques.

Boston U., Boston. Elementary science teaching by TV.

U. of Ore., Eugene. Why ETV encounters "resistance."

M. I. T., Cambridge, and WGBH-TV, Boston. Out-of-classroom audience surveys.

Baylor Medical College, Houston. Physiology instruction via data broadcast system.

U. of Cal. Medical Center, San Francisco. Use of video tapes in health sciences.

U. of Ga., Athens. Mass media in teacher training.

Ore. State System of Higher Education, Corvallis. ETV uses in junior colleges.

U. of Tex., Austin. Closed-circuit microwave experiments.

Syracuse U., Syracuse. Superior teachers' influence in ETV courses.

Special contracts for ETV-related studies have been signed with:

N. Central Assn. of Colleges & Secondary Schools (TV subcommittee). ETV seminar.

Stanford U., Stanford, Cal. Annual new-media conferences.

Washington County Public Schools, Hagerstown, Md. Technical ETV evaluations.

National Educational TV & Radio Center, Ann Arbor. Filmed case reports.

National Assn. of Educational Bestrs., Urbana. ETV network plans.

National Education Assn., Washington. Workshop pilot project.

Columbia U., N.Y. Educational media research information service proposal.

Note: Next deadline for audio-visual research applications in Derthick's office in the Health, Education & Welfare Dept., Washington, is Sept. 1. His advisory committee will meet Oct. 21-22 to examine new proposals.

TV Teaching—How, Not If: With more than a half million students receiving part of their education via TV classroom instruction, it is "no longer a question as to *whether* TV can play an important role in education, but *what kind* of role it can play most effectively." So said a joint report last week by the Ford Foundation and the Fund for the Advancement of Education.

The report pointed out these pertinent ETV facts: As of Feb. 1, 117 colleges & universities offered credit courses on TV; 569 school districts made regular use of televised instruction; and 241 colleges & universities offered credit for *Continental Classroom*, NBC's TV physics course.

According to experiments supported by both the Foundation & the Fund, students learn as much "and in some cases more" from televised instruction. Most experiments, the report said, show no significant difference in achievement between students in TV courses & in regular classes.

"This finding in itself is remarkable in view of the newness of TV, the relative inexperience of those who have been using it and the fact that existing school & college classrooms and TV equipment are not designed for TV instruction," the report points out.

Further observations: Virtually every course in the school & college curriculum is being taught somewhere on TV. Superior teaching over TV stimulates better learning. Students accept more responsibility for their learning. Elementary & secondary school students make more extensive use of their libraries as a result of TV instruction. The use of superior teachers has raised the quality of other teachers, particularly those just starting.

NBC's "Continental Classroom" will be expanded to a full hour in the fall with the addition of a 2-semester course in modern chemistry to be presented in color at 6:30-7 a.m. Dr. John W. Baxter, prof. of Chemistry, U. of Fla., will instruct. The current course in atomic age physics will be repeated via tape recordings & kinescopes at 6-6:30 a.m. An estimated 300 colleges & universities are expected to carry the chemistry course for academic credit. This year 241 such institutions are carrying the physics course.

Army honors ETV: A full-dress infantry post parade honoring the Greater Washington Educational TV Assn. was scheduled for May 31 at Ft. Myer, where the Capital's ceremonial troops are quartered. A citation for community service was drawn up by Army Secy. Wilber M. Brucker for Mrs. Edmund D. Campbell, pres. of the ETV group, which produces *Time for Science* daily on WTTG for 5th & 6th grade students.

NYU's first TV Master of Arts degree will be presented this month to Ronald Richards, who recently produced & directed his own TV drama as his graduate studies project. The production originated in NYU's own studios and was viewed by guests in one of the university's auditoriums, via a large-screen projection system. Richards is NYU's sole candidate for an MA in TV this June.

BACKGROUND

No. 2

THE RATING SERVICES—June, 1959

Who they are, what they do, when, where and how they do it

COMPANY	TV SERVICES	FORM	NO. OF EMPLOYEES	METHOD	BASIC CHARGES
American Research Bureau Inc. Founded 1949 Amundale Rd., Beltsville, Md. (Webster, 5-2600) James Selzer, pres. 400 Park Ave., New York 22, (PLaza 1-5577) Jack Gross, dir. 2105 Tribune Tower, Chicago 11 (SUPERior 7-8338) 6223 Selma Ave., Hollywood 28 (HOLlywood 9-1683) Subsidiary: ARB Surveys Inc., Don Cahalan, pres.	ARB TV NATIONAL ARB METROPOLITAN AREA REPORTS (1-week & 1-week 4-week reports) ARBITRON (N.Y. & multi-city)	Monthly survey of U.S. TV homes published 2-4 weeks after last survey date. <i>Measures:</i> % of coverage, % of TV audience that can receive show, ratings, homes and viewers reached (actually receiving show), audience composition. Monthly to biennial report, depending on market size, and published 3-4 weeks after last survey date. <i>Measures:</i> ratings, sets-in-use, audience composition and in 1-week/4-week reports, 4-week average ratings. A continuous survey with report supplied the following day. <i>Measures:</i> N.Y. sets-in-use, ratings, audience composition (from 251 diaries placed in homes). Multi-city report covers Baltimore, Chicago, Cleveland, Detroit, N.Y., Philadelphia and Washington. Sets-in-use, ratings, number of cities program is telecast in. <i>Features:</i> special calculations of audience flow by means of 90-sec. meter ratings.	200 full-time employees, 4000 part-time interviewers.	Diary (with entries made by viewers after watching set) <i>Sample:</i> 2000-2200 different homes each month in major cities, diaries placed in homes after phone conversation or by mail. <i>Period:</i> First 7 days of month, alt. wk. Programs following 7 days. <i>Projectable:</i> U.S. TV homes. Diary. <i>Sample:</i> 200-500 different phone homes each month, different homes each week in 1-week/4-week reports. <i>Period:</i> First 7 days of month, 1-week/4-week reports 4 consecutive weeks. <i>Projectable:</i> to TV homes with phones in survey area. Electronic instantaneous meters wired to sets in sample homes. <i>Sample:</i> 251 homes in N.Y.; 454 homes in multi-city report with number of N.Y. homes reduced to 160. <i>Period:</i> Continuous. <i>Projectable:</i> TV homes in survey area.	\$255-\$1400 monthly for agencies and advertisers, depending on billings; \$300-\$6000 monthly for stations, depending on size of market & station rate card; \$1,500 monthly for networks
A. C. Nielsen Co. Founded 1923 2101 Howard St., Chicago 45 (HOLlycourt 5-4400) 575 Lexington Ave., New York 22, N.Y. (MURray Hill 8-1020) A. C. Nielsen Sr., chairman A. C. Nielsen Jr., pres.	NIELSEN TELEVISION INDEX 24-CITY REPORT (Multi-network areas) NATIONAL AUDIENCE COMPOSITION REPORTS NIELSEN STATION INDEX	Semi-monthly "pocket pieces" report to subscribers. <i>Measures:</i> Sets-in-use, ratings, share of audience (% of audience watching each show at a given time), homes reached, % of coverage, hourly & seasonal trends in set usage, and ratings by program types in total U.S. (i.e. rating of all Westerns as opposed to all comedies). Also bi-monthly Complete Reports, showing min.-by-min. audience flow, duplication (different shows viewed by the same audience), cumulative ratings & audience by breakdowns. Supplement to the national ratings, although sometimes in advance. <i>Measures:</i> Similar to NTI in many respects, but covering 24 cities where there is simultaneous live network competition on at least 3 channels. Supplement to national ratings. <i>Measures:</i> Audience composition of network sponsored TV shows, 3 times a year, from sample matched to NTI equipped with Audilogs (diary). Local reports, 3-12 annually, depending on size of mkt. <i>Measures:</i> Similar to NTI, but on a local level. Also contains qualitative audience data.	Approx. 3500 (including market researchers) on full-time basis	Set attachments: Audimeter (electronic recording device), plus Recorder (simplified recorder). Also Audilog (diaries maintained by viewers). Recorded data is sent to Chi. office for processing. <i>Sample:</i> National fixed sample (U.S. cross-section) of 1050 homes in U.S. Local samples vary from 300 to 700 homes; not less than 150 homes reporting a minimum of 1 week each per report month for individual areas. <i>Period:</i> Continuous for national TV measurement. For local ratings, monthly reports in 4-week cycles; bi-monthly reports cover 8 weeks of telecasting. <i>Projectable:</i> National measurements are projectable to U.S. Local area. The 24-city report is projectable to homes in areas covered (about 41% of U.S. TV).	Varies widely, running per year for Nielsen Station Index for stations in small markets to over \$1 million annually for large agencies, clients & networks.

NIELSEN COVERAGE SERVICE

Various special TV research studies

County-by-county report, issued periodically but not on fixed schedule. *Measures:* Coverage of U.S. TV stations. (Special network coverage data available.)

Special reports done on order, on program audiences, duplications, relationships to retail sales, etc. for subscribers.

The Pulse Inc.

Founded 1941
730 Fifth Ave.
New York 19, N.Y.
(JUdson 6-3316)
Dr. Sydney Roslow, dir.

6399 Wilshire Blvd.,
Los Angeles 48
(OLive 3-7733)
Edwin Cahn, dir.

435 N. Michigan Ave.,
Chicago 11
(SUperior 7-7140)
George Herro, dir.

U.S. PULSE TV

TELEPULSE REPORTS

Monthly report, published 15th of each month. *Measures:* ratings & audience composition in 22 individual markets, and "weighted average" ratings for network programs and spot film programs (sum of local ratings corrected to avoid overlapping of markets).

Monthly, except as noted, published 5 weeks from time report is started. *Measures:* programs at local level, sets-in-use, map of area, share of audience. *Features:* Audience composition revised twice a year.

120 full-time admin. staff, 3000 part-time interviewers.

Roster recall (personal interview with 6000 er. using program roster). *Sample:* minimum for national ratings, 400 minimum for local reports. *Period:* Usually first 7-days of each month. *Projectable:* 10 TV homes in survey area (total U.S. if weighted).

Full service subscribers \$8500.

TV PROGRAM POPULARITY

Monthly report to subscribers, published approx. 15th of each month. *Measures:* Sets-in-use, share of audience, program ratings in 25 cities where there is simultaneous live network competition on at least 3 channels. *Special features:* A Sponsor identification report, published 3 times a year, drawn from data used in Program Popularity report.

50 admin. & exec., 50 supervisory, 3500 part-time interviewers

For TV Program Popularity: Minimum of \$30 for 1 program measurement in 1 city. Overnight natl. index: \$200 for subscribers, \$300 for non-subscribers. Annual charges to large agencies & networks is in \$100,000 class, covering several TV services.

Trendex Inc.

Founded 1950
535 Fifth Ave.,
New York 17, N.Y.
(MURray Hill 2-1182)
Edward G. Hynes Jr., pres.

Subsidiary:
Qualitative Research Inc.;
Jack Boyle, pres.

TV ADVERTISERS' REPORT

Various special market research studies

Special reports. *Measures:* New product testing, brand switching, media efficiency, coupon redemption, logo recognition, "product image," newspaper & magazine readership, etc. on special request.

Bi-monthly report to subscribers, supplying "depth" information on program audiences. *Measures:* Audience composition, sponsor identification, program selection by family member.

Videodex Inc.

Founded 1949
342 Madison Ave.,
New York 17, N.Y.
(MURray Hill 7-8887)
Allan Jay, managing dir.

NETWORK TV RATINGS

36 full-time admin. & exec., 3000 part-time interviewers, 36-member full-time IBM crew, working 10 days each month.

Monthly report to subscribers, published during the 4th week of the report month. *Measures:* sets-in-use, number of homes reached, number of cities carrying telecast (all network shows) and multi-market syndicated film program ratings. *Features:* Viewer opinions of program & commercials.

\$350-\$650 per month for local report to advertisers & agencies.

INDIVIDUAL CITY VIDEODEX REPORTS.

A monthly, quarterly or 3-times annually report, published 2-3 weeks following last day of survey period. *Measures:* Share of audience, by quarter-hour rating, % of audience, share, viewers per set, audience composition. *Features:* Cost-per-1000 breakdown, giving cumulative total, broken down by men, women, product user.

Diary. *Sample:* Varies from 250 minimum in a single channel market to 600 minimum in N.Y. & L.A. Sample size varies with no. of sets & stations in market.

Diary is maintained by viewers. *Sample:* 9200 homes, permanent cross-section. *Period:* 7-day period early in the month. *Projectable:* To all TV sets available to program being telecast.

Auxiliary Services

EIDOPHOR'S HAT IN RING: The latest entry into the ranks of closed-circuit telecasters is the huge Swiss chemical combine of Ciba. On May 27, Ciba announced the organization of subsidiary Eidophor Inc., and staged a demonstration, in color and b&w, of a pair of \$30,000 Eidophor projectors that are part of Ciba's \$1 million investment in new closed-circuit gear.

Former Asst. Secretary of State Roderic L. O'Connor is pres. of the new Ciba subsidiary. Since the first of the year, he's also been pres. & chief counsel for Ciba States Ltd., the American parent of the new closed-circuit firm.

Although the Eidophor name has long been linked with Hollywood's 20th Century-Fox in the film & TV press, the movie firm will play no role in Ciba's invasion of the U.S. closed-circuit field.

By means of a pre-filmed speech projected on a 17-by-13 ft. screen, Eidophor Inc. pres. O'Connor (who was actually in Washington attending the funeral of John Foster Dulles) outlined Eidophor's background & plans. Patent rights to the Eidophor projector (which uses an external light source passed through a TV picture captured in a thin layer of oil on a concave mirror) are "now owned by Ciba, and the only company presently manufacturing the machine is a wholly-owned subsidiary of Ciba," O'Connor stated. Projection of a b&w picture 40 x 30 ft., or a color picture (via a field sequential system) 20 x 15 ft., is possible with the Swiss-developed projectors, of which a total of 40 have been ordered for the U.S. operation.

O'Connor also stated that the 2 projectors shown had just completed a 6-month tour of U.S. cities (Vol. 14:40, 48, 51). Additional equipment is expected before April 1960, and Eidophor plans to provide "the best color TV in the industry at as many as 6 locations" in closed-circuitcasts this fall, and b&w coverage in 42 cities by spring.

To illustrate the various uses of Eidophor's large-screen system in the realm of business TV, Teletalent Inc.—a package firm headed by Louis Tyrrell & Jay Raeben, under contract to Eidophor to produce business, medical, scientific & educational closed-circuit shows—took over the demonstration.

Effective use was made of closeups of the working insides of the new Hamilton line of electric wristwatches during a demonstration of how new merchandise could be previewed to a far-flung sales force.

Not as effective were the use of film clips of ski trials for the Winter Olympics, which took on a blurred, grainy effect as compared to live. Color projection during the N.Y. test of fashion & food segments was just so-so, with the tints coming through primarily as pastels, and with the whole effect not unlike that of early bi-color film processes like "Trucolor."

At present, Ciba is maintaining a completely mobile color TV unit housed in a 35-foot motor trailer. The unit includes 4 TV cameras, 2 Eidophor projectors, a P.A. system, and 2 screens.

Manufacturing of the Eidophor projectors will probably be confined primarily to the Swiss electronics subsidiary of Ciba. GE is licensed to manufacture the equipment but "has given no indication of doing so," N.Y. preview audience was told. Cost of the projectors is \$20,000 for b&w models, and \$30,000 for color.

Named as v.p. & gen. mgr. of Eidophor Inc. is Felton Davis Jr., who headed the medical TV unit of Ciba Pharmaceutical Products Inc.

Fight promoters of future will be closed-circuit telecasters, rather than old-line sports promoters, said Irving Kahn, pres. of TelePrompTer, to *Variety's* Hy Hollinger in a page-one interview last week. "Just as a major film company assembles a package and assigns a producer to execute it, or finances a package that is put together by an independent producer, so would an electronics firm arrange a boxing match," said Kahn, who helped promote the recent Patterson-Harris bout and who offered a \$250,000 guarantee to Basilio to meet Sugar Ray Robinson for the middleweight crown.

Those small-city telecasters who have been boosting vhf boosters of the type that FCC proposes to license are keeping a close watch on activities of the new National TV Repeater Assn., which had as a "prime" topic on its May 29 agenda in Denver the concept of using microwaves to bring big-city signals long distances—just as community antenna systems are doing. This potential source of additional competition to small-city operators is particularly vexing in light of FCC's assertions that it doesn't intend to block competition from boosters, CATV, etc.

Annual pole rental increase from \$3 to \$5, charged to community antenna operator Ceracche TV Co. Ithaca, N.Y. by N.Y. Bell, has been upheld by the Public Service Commission of N.Y., which dismissed Ceracche's complaint on the ground that it doesn't have jurisdiction over CATV.

Four translator CPS granted by FCC last week: Ch. 73, Clarks Summit, Pa., to WNEP-TV Scranton; Ch. 79, Clarks Summit, Dalton & Waverley, Pa., to WBRE-TV Wilkes-Barre; Ch. 71 & 76, Burns, Ore., to Countrywide TV.

Foreign

International commercial TV directory, *The Intam Data Book*, has just been published by Intam Ltd., Romano House, 399 Strand, London, W.C. 2, England, the international div. of the London Press Exchange, at 10 guineas (about \$30). The book gives details on commercial TV in 18 countries, including rates, numbers of sets & viewers, transmitter locations & coverage areas, production facilities & requirements and regulations covering TV advertising. In book's introduction, editors state that more than 240 million people in 32 countries are now reached by commercial TV, and "it is reasonable to assume that within the next 5 years, the total world audience for TV advertising may well be upwards of 360 million, or about 20% of the anticipated population of the non-communist world." It points out, too, the wide variations in rates—for example, in different countries, a 30-sec. spot at peak time reaching 300,000 sets varies from \$56 to \$1540.

New Brazilian TV station at Recife, Pernambuco, is now under construction and is due to begin programming early next year. The modern station will be housed in a "luxuriously styled contemporary building," reports British Marconi, which is supplying complete equipment. It will have 3 studios with seven 4½-in. image orthicon cameras, 2 vidicon film chains, a 3-camera remote van and an 18-kw transmitter. The ERP will be 110-kw. Marconi adds: "It will be capable of handling a compatible color service when required to do so."

St. James' Palace guardroom in London, reports UPI, lists these emergency telephone numbers: Buckingham Palace, Scotland Yard, the War Office and a firm of TV repairmen.

Transmitters for 5 Swedish TV stations have been ordered from Marconi of England.

Programming

PREPARING FOR '60: Now that the selling season is about finished for next season, Hollywood producers & executives are planning their TV film projects for the 1960-61 season. It's one of the earliest starts on record for the telefilmmers, probably an indication they expect there may be some cancellations in Dec. or Jan.

Our check of top executives in Hollywood found a few who were specific about their projects, but others cagily ducked answers with the explanation: "If we tell what our plans are now, they'll be stolen."

Not surprisingly, there is a division of opinion as to what should be planned for the 1960 season. Revue and CBS are planning Westerns, but 20th-Fox feels TV has enough of them. CBS and Four Star are plotting private-eye series, expecting a boom in that category.

While it's early in the planning game, there appears to be a feeling that comedy shows will be in demand.

Revue Productions, the No. 1 production company in Hollywood, is planning a half-dozen projects for 1960, of both hour & half-hour formats.

Revue pres. Taft Schreiber tells us his projects include "comedy, adventure shows, Western, period, mystery & suspense." Not one to concern himself about trends, Schreiber comments, "A great show in any of these categories will get an audience. But it's a difficult business," he adds, in what may be the understatement of the year.

Martin Manulis, production chief at 20th-Fox TV, tells us "We're planning a few things for 1960. The TV market is glutted with Westerns & private eyes, and we don't plan any such series. I want to do comedy shows, and a drama with a music background. We are also contemplating pilots on 3 half-hour shows, *Formula for Adventure*, a science-adventure series; *The Peggy Lee Show*; *Mr. Belvedere*; and *The Frog Men*, exploits of U.S. Navy undersea fighters." The last-named is based on the studio's movie of the same title.

CBS coast program v.p. Bill Dozier is in N.Y. conferring with network executives on programming concepts for 1960, but it's known the net is planning an hour-long modern Western series called *Empire*, set in New Mexico; also 2 private-eye series, *Johnny Dollar* and *Cool & Lamb*. Upon Dozier's return from the East, work will get under way on additional 1960 projects.

Four Star is hewing closely to the private eye & Westerns for 1960, planning an hour-long private-eye series, *Michael Shane*, and an hour pilot of *Stagecoach West*, which was originally produced as a half-hour pilot but didn't sell. In addition, Four Star pilots aimed at the January selling season include 2 Westerns, *The Man From Denver* & *Secret Orders*. The company also has *District 7*, a series about a newspaperman.

Screen Gems v.p. Irving Briskin, and his son, Fred, exec. producer for Briskin Productions, are in N.Y. discussing policy & programming matters.

While it's much too early to know which way the TV wind will blow in 1960, particularly regarding the Westerns, it's significant that 20th-Fox's Manulis has dropped from his production schedule 2 Western projects, *Arsenal Stone* & *The Gunfighter*. Also, NTA, which owns rights to a TV series, *High Noon*, has no immediate plans for its production. Some TV companies seem to be taking a wait-and-see-if-the-public-has-had-it attitude on Westerns.

A special *Father Knows Best* film entitled "24 Hours in Tyrantland" is being used by the U.S. Treasury Dept. to spearhead the 1959 Savings Bond Drive. The 30-min. film will be shown in schools, factories, etc., not on TV.

Canon 35 Caucus: Agreement to disagree on the need for the American Bar Assn.'s Canon 35 ban on courtroom camera & microphone coverage was reached at a Washington conference of lawyers & representatives of all news media. But the ABA's special committee on Canon 35 & the media group (including NAB) did come to terms on a 3-step plan to see if the court coverage issue can be resolved: (1) Foundation funds will be sought to finance a preliminary "objective survey" of the problem by "some established organization." (2) If financing is obtained, joint consultations will decide "whether & how" such a study can be made. (3) If a study is conducted, it "undoubtedly would provide reliable information of value to all concerned." If it isn't, "that would end this specific joint effort." NAB spokesmen at the conference were Robert D. Swezey and Howard H. Bell. Also represented: Radio-TV News Directors Assn., Radio-TV Correspondents Assn., Radio-Newsreel-TV Working Press Assn., ANPA, ASNE, Natl. Editorial Assn., Natl. Press Photographers Assn. ABA participants included Canon 35 committee chairman Whitney Seymour and 7 members of his group.

TV & The Pentagon: Hollywood TV producers are becoming wary of fictional series made in conjunction with the armed services, because (1) a series of this type has yet to be a hit in TV, and (2) multiple censorship. The latest made in cooperation with the Pentagon is *Steve Canyon*, which has just been canceled after a year on NBC.

While the producers' original deal was with the Air Force, and called for censorship of technical matters only, producers David Haft & Mike Meshekoff found that the Dept. of Defense and the State Dept. also took a hand in approval of their projects. This caused some knotty problems when combined with the already existing multiplicity of censors—the network, agency and sponsor—who have a voice in program content. The need for 6 outside okays meant production slowdowns & numerous policy conflicts.

The only telefilm series scheduled to be made with service cooperation next season is Ziv TV's *Space*, which will deal with man's newest frontier. Series previously made with the okay-from-Washington stamp include *Navy Log*, *Silent Service* and *West Point*—now out of production but still being syndicated.

Jerry Lewis & his TV producer, Ernest Glucksman, tell us they will abandon the variety format for the comedian's 5 NBC shows next season. The programs, each representing a change in pace, will include an original comedy story with dramatic interpolation, a tabloid musical comedy, a musicalization of a play, a potpourri comedy show (to have a week's break-in at a theater or night club), and another property to be selected from 3 others available. There will be no one-man shows; each will have guests with tailor-made material. Lewis' production company at Paramount studios is also planning 5 telefilm series, 2 of which are *Gunlaw* & *My Dear Friends*.

Preliminary injunction against RKO, to prevent TV distribution of movies produced by Ben Bogeaus was issued in Los Angeles last week. Plaintiffs in the action were Pinecrest, Alpine & Filmcrest Productions of which Bogeaus is pres. & principal stockholder. Two other Bogeaus-produced movies involved were excluded from the order, as proceeds from them were assigned to Pacific Thrift & Loan Co. Bogeaus charges RKO with breach of its distribution agreement & refusal to deal with talent guilds on residuals for TV showings.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.
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Associate Publisher

WEEKLY NEWSLETTER TV & AM-FM ADDENDA AM-FM DIRECTORY
Published Mondays Published Saturdays Published in January
TELEVISION FACTBOOK Published in March & September

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Personals: Edward DeGray to be promoted from ABC radio v.p. to pres. of radio div. at next AB-PT board meeting.

Lawrence E. Spivak of *Meet the Press* (NBC-TV & radio) has received an honorary doctor of laws degree from Wilberforce U., Wilberforce, O. . . . James S. McMurry, ex-station mgr. of off-air WVUE Wilmington, Del., appointed national sales mgr., WSIX-TV Nashville . . . Si Palmer promoted from production supervisor to program dir., KOA-TV Denver, succeeding Heyward Siddons, transferred to sales dept. as an account exec. Dick True becomes asst. program dir. & chief director . . . Charles T. Donley, WSTV-TV Steubenville sports dir., promoted to PR & special events v.p.

Dean Borba appointed program mgr. of Corinthian's KXTV Sacramento . . . Hugh Hole, ex-Maxon Inc. named coordinator of ABC Western div. . . . John R. Allen named United Artists TV central div. mgr. . . . Jacob H. Karp, recently named administrative head of Paramount Pictures Hollywood studio, elected a v.p.

Clifford J. Barborka Jr., v.p. & Midwest (Chicago) office mgr., to head new creative & mktg. services div., John Blair & Co. Robert E. Galen, ex-Daren F. McGavren, named John Blair & Co. research dir. Charles C. Allen, ex-BBDO, named to head research & merchandising, Blair-TV and Blair Television Associates . . . Stephen J. Rooney named gen. mgr. of NBC's radio WAMP Pittsburgh.

Herb Pearson, ex-Guild Films, appointed asst. sales dir., Official Films . . . Jack Lynn, ex-program dir., WNTA-TV Newark-New York, named program mgr. of WNEW-TV New York, succeeding David Yarnell . . . Walter Liebler, ex-secy. of Allied Artists International Corp., has joined Samuel Hacker & Co., CPAs representing motion picture & TV producers . . . Paul A. Wagner, former pres., Video Pictures, named public information dir. of National Foundation (March of Dimes) . . . Jerry Bower, ex-WGN-TV Chicago named chief engineer of WPTA Ft. Wayne. Bob Carter promoted to production mgr.

Clark B. George, gen. mgr. of CBS's KNXT Los Angeles and the CBS-TV Pacific Network, was presented May 21 with NAFBRAT's Lee De Forest Award—3rd time the award has been made since its establishment in 1953. George was cited for "KNXT's program series which have so consistently . . . served the cultural & social interests of the Los Angeles area."

Hill & Knowlton Inc. has moved its Washington office to the Solar Bldg., 1000 16th St. NW (Sterling 3-0270).

Mementos of broadcasting will be collected by Broadcast Pioneers in a "visual history" project to be headed by W. D. (Dub) Rogers, pres. of KDUB-TV Lubbock, Texas. He'll recruit a committee with members in every state, to gather manuscripts, photos, early equipment, & significant film, tape or recorded firsts. John F. Patt, pres. of WJRT Flint & WJR Detroit, heads the committee to explore the construction (Vol. 14:20) of a permanent Archives-Museum building to house the relics.

Edward R. Murrow & Eric Sevareid, CBS news commentators, have been honored by the Belgian government for their "contributions in the field of understanding of foreign affairs." Murrow was named an officer of the Order of Leopold, and Sevareid an officer of the Order of the Crown.

Videotape recorder, contributed by the Ampex Foundation, was put into use May 25 on a special "5th Anniversary Show" by educational KQED San Francisco. Ampex Foundation chairman T. Kevin Mallen made the formal presentation during the show, explaining that the recorder had been donated "for use in experimental programs."

Kern Tips, McCann Erickson Houston v.p. & former football announcer, has been honored by the Assn. of Bestg. Execs. of Texas (ABET) for his contributions to the broadcasting industry. This will be the first of ABET's "Betty" awards, to be presented annually.

Some kind of TV milestone was passed when 4 Providence (R.I.) movie-theater exhibitors—members of a business group which, of all groups, has probably harbored the harshest feelings toward TV (because it was hurt most)—went before the cameras of WJAR-TV's panel show, *The World Around Us*.

Total of 17 station reps are now members of TvB, says pres. Norman E. Cash. Latest to join is NBC Spot Sales. Two recently-added Canadian stations have brought the total of Canadian members to 3. In addition, Associated TV Ltd. of London, and TV Corp. Ltd. and Amalgamated TV Services, both of Sydney, Australia, have become international TvB members.

John Lewis chair in Jazz Composition will be established by the School of Jazz Inc. through a \$1000 grant by BMI. The school holds 3-week sessions each summer.

Obituary

Edward T. Cheyfitz, 49, Washington labor-management consultant and onetime admin. asst. to Motion Picture Assn. of America pres. Eric Johnston, died in Washington May 24, after suffering a massive coronary thrombosis. He is survived by his wife, 2 sons, his mother, his father and 2 sisters.

Ethel Blume, wife of Washington TV-radio attorney Jack Blume, and sister of Joseph Nelson, chief of FCC's renewal & transfer div., died of cancer May 27. Also surviving are a son & a daughter.

Dr. John Wesley Holland, 82, who had retired in 1958 after 26 years as radio pastor of *Little Brown Church of the Air* (WLS Chicago), died May 15.

Joe Kelly, 60, quizmaster on the venerable radio *Quiz Kids*, died May 26 of a heart disease. He is survived by his widow and a son.

Harry A. Treyz, 69, father of Oliver Treyz, ABC-TV pres., died May 26 in Livingston Manor, N.Y., following a heart attack.

Advertising

A new agency job—"executive producer"—has been set up by Hicks & Greist. Its function: to work with local station personalities throughout the country for best integration of spots into their program formats. *Printers' Ink* reports that Milton E. Stanson, first of 4 H. & G. executive producers, promoted Cocoa-Marsh, a chocolate milk amplifier, by buying spots on WOR-TV's (N.Y.) *Terrytoon Circus*, and using them as appropriately as possible to blend with the personalities & content of the show. The success of the campaign made it possible to move on to the next market, Philadelphia, and so on, from there.

TV commercials cost 20% more than 5 years ago, *Sponsor* finds. The big jump is in talent costs—estimated to be 85% more than in 1954. Processing is up 50%, & animation 5% to 10%. The smallest increases are in producer profits, ranging from zero to 2%, & ad-agency commissions, now 2% to 3% more. However, there's a bright note: the increases are ascribed to better commercials, more creativity.

Best TV approach to teen-agers is to treat them "as young adults" who have "about \$9 billion in spending money," TV disc jockey Dick Clark advised the 6th annual Student Marketing Institute Clinic in N.Y. last week. Clark, who received a special "key of achievement" award for his two ABC-TV shows, stated that the principal money problems of teen-age viewers are "where they can go to spend it on themselves." Added Clark: "Adult ignorance of teen-agers' way of life is frightening."

TV saturation of Canadian homes is now up to 79%, reports the Canadian Bureau of Broadcast Measurement, Toronto. It estimates that TV households have increased to 3,328,400 from the 3,074,000 reported a year ago (Vol. 14:24). Estimates for individual provinces are: Quebec, 937,600 (88%); Ontario, 1,295,900 (86%); Nova Scotia, 134,600 (80%); British Columbia, 309,000 (71%); Manitoba, 157,800 (70%); New Brunswick, 86,800 (69%); Prince Edward Island, 15,600 (68%); Alberta, 216,100 (68%); Saskatchewan, 147,000 (62%); Newfoundland, 28,000 (33%).

Advertising People: William F. James, Gardner Adv. v.p., elected exec. committee chairman . . . Lawrence Berger, John F. Bergin, Martin F. Conroy, Bernard Haber, John R. Kelly, Allen R. McGinnis, Ralph C. Rewcastle, George Sanders, elected v.p.'s at BBDO . . . William D. Gargan Jr. promoted from commercial producer to TV production supervisor, Kenyon & Eckhardt.

Glenhall Taylor resigns as N. W. Ayer's Hollywood mgr. to return to TV production, effective Aug. 1 . . . Theodore Braude, ex-Hazel Bishop adv. & sales promotion mgr., named adv. mgr., Lanolin Plus . . . James English, ex-Y&R, named assoc. media dir., Kenyon & Eckhardt.

Edward T. Baczewski, associate media dir., elected v.p., Cunningham & Walsh . . . Russel A. MacDonnell, ex-Warwick & Legler, named v.p. & management supervisor, Benton & Bowles . . . Charles K. Ramond, ex-Du Pont mgr. of adv. research, appointed technical dir., Advertising Research Foundation, succeeding Prof. Darrell B. Lucas, who will remain for a short period as consultant . . . Richard M. Prentice named adv. mgr., Ward Baking Co.

Obituary

Llewellyn Brooke White, 59, author of *The American Radio*, which declared that advertising men were running radio broadcasting, died May 15 of a coronary thrombosis.

Film & Tape

TV STANDARDS CONVERTER: Want to convert a U.S.-made TV tape to British or European standards? Or a European or British tape to U.S. standards? Or even put a live British TV picture on tape which can be played directly on U.S. video-tape recorders? You can do it now through a privately-operated service available to all networks, station groups, ad agencies, etc.

The "translation" service is offered by Britain's Granada TV Network, with headquarters in Manchester—and is made possible by the "Granada Converter," an optical standards converter associated with an Ampex Videotape recorder. Developed by Granada engineering dir. R. H. Hammans, the converter had its first workout for U.S. audiences last Nov., when it put on U.S. 525-line tape a British 405-line picture which had already been converted from a European 625-line standard. The occasion was the coronation of Pope Pius XXIII (Vol. 14:45-46).

According to Hammans, "overall picture quality obtained is quite definitely better than a good film telerecording and the whole process (even including 'stock' in the form of tape) is much cheaper." Elaborating on the quality, he states that, in converting a British to an American-standard picture, "the chief limitation is the definition and signal-to-noise ratio of the tape recording system. A 405-line test chart showing 3 mc is easily resolved on the output of the converted picture channel . . . This is [near] the top limits of the [recording] system, but is, in any case, no worse than straight video tape recording on U.S.A. TV." Possibly the most severe limitation is a tendency to smearing caused by rapidly moving objects—but the effect is not bothersome for such events as football games, Hammans tells us.

The Granada Converter uses a system basically similar to BBC's technique, which has been used for several years to change 625-line Eurovision pictures to 405-line British standards when they cross the English Channel. That is, a camera of one standard is aimed at a monitor of the other.

Granada's system uses a high-quality display monitor modified to accept a 14-in. Ferranti willemite-phosphor CR tube with a 6-millisecond decay time. For conversion of British pictures to U.S. tape, a 4½-in. Marconi camera system running at the U.S.-standard 525 lines & 60 frames is used. A special lens with flat field is fitted to the camera which is equipped with a special Marconi low-noise head amplifier and a low-noise 4½-in. image orthicon pickup tube (English Electric type P. 812). The 60-cycle equipment (TV recorder, sync pulse generator, camera units & viewing monitors) is powered from a 60-cycle AC generator driven from the regular British 50-cycle line power.

Spot wobble is used to eliminate conflicts between the lines of the 2 different standards ("line strobing"). Electronic corrections enhance contrast & prevent flicker.

The advent of TV tape, says Hammans, now permits the international interchange of programs "which would otherwise have had to be committed to cinema film and inevitably suffer the pictorial degradation which has long been associated with that form of what might be called 'standards conversion.'

"Furthermore," he adds, "the video-tape recording process is most valuable in spanning barriers which have hitherto been insurmountable, such as the Atlantic. It was with this obstacle in view that we developed the Granada Converter, which first of all aimed at interchangeability between British & American video-taped programs.

The plan, however, from the start has always been to bring about complete interchangeability among the 3 best-known systems, namely the American, the European (and Australian) and the British."

The advantages to Granada TV Network are obvious. It opens the way to widespread use of "live" U.S. programs on British stations. But by the same token, it also makes it possible for U.S. audiences to see the best of British "live" programming, and opens for international advertisers a means of using originally live or taped commercials overseas at little extra production expense.

Have Tape, Will Travel: With the question of network union jurisdiction on overseas tape shows largely resolved by the NABET-NBC dispute (Vol. 15:18-21), Intercontinental TV—the Paris-based independent that taped the *Garroway Today* segments on location—is now enjoying a business spurt. Hugo Seiler, exec. sales v.p., reports their latest firm order is for location-taping of the "Festival of Two Worlds" in Spoleto, Italy, from June 22 to 28. Highlights of the annual Gian Carlo Menotti music festival to be held there are due for airing on the *Ed Sullivan Show* this fall. Another order is for a Victor Borge special to be taped for Pontiac in Copenhagen that had been temporarily in abeyance (until the NABET situation cleared). Tentative shooting date is in mid-August.

Intercontinental is also discussing co-production deals on 3 specials starring Ingrid Bergman, and produced by her husband Lars Schmidt. No sponsor for the Bergman vehicles ("Anna Karenina," "Camille" and "St. Joan") has been set, but they may be offered to Ford & MCA for the auto firm's 39-show package.

U.S. Steel is interested in a pair of Paris-taped specials being blueprinted by Intercontinental. One would be a Maurice Chevalier-hosted tribute to Mistinguette in the form of a musical tour of the Folies Bergere. The other would be a low-pressure comedy revue, somewhat like "La Plume de Ma Tante," featuring comedian Jacques Tati.

Also in the planning stage at Intercontinental is a taped tour of Monte Carlo to be hosted by her Serene Highness, former actress Grace Kelly. Sponsor interested in this project is high, Seiler says, although no sale has been made pending clearances from Monacan officials.

Formula for Tape Progress: Syndicated tape shows will become widely successful when program producers offer low-priced dramatic shows that can be aired as program strips, and when stations agree among themselves on uniform tape service-charges, shipping & storage facilities.

That's the opinion of Dick Pack, Westinghouse Bestg. v.p. in chg. of programming, who's in the unusual position of being both a syndication tape producer (*American Forum & Youth Wants to Know* on a total of 15 stations) and one of the key program buyers in the TV station field.

"Tape shows offered to us fall into 2 categories. Either they are talky, low-budget jobs that resemble the early TV days of Faye Emerson or Maggi McNellis, or they are the poor man's *Commedia Dell' Arte*, with cameras hauled into every legal location except the Supreme Court," says Pack. What he'd like to see developed is "a half-hour drama series that can be stripped in either a daytime or nighttime period, and delivered at a price competitive with what we're offered in film syndication."

Another tape idea in Pack's crystal ball is that of taped "featurettes"—low-budget dramatic shows geared to the same themes as feature films.

Movie-into-TV: The movie studios believe that one easy way to get a hit TV series is to transform an established movie property. Although the history of such attempts is generally failure, the studios keep trying. (The latest such project is from Paramount, which is blueprinting an hour-long TV series based on its hit Western *Shane*.) Apparently the flaw in the process is that the TV version doesn't have a movie-sized budget to afford sufficient time & stars.

Here's the record for movie-to-TV projects: MGM-TV: *Northwest Passage & The Thin Man*, cancelled after one & 2 years respectively; *Father of the Bride*, pilot rejected by General Foods; *Maisie, You're Only Young Once*, and *Johnny Eager*, pilots not sold.

Paramount: *Destination Space*, pilot not sold. Warner Bros.: *King's Row & Casablanca*, part of trilogy series, cancelled after one year; *Cheyenne*, part of same trilogy, still on TV; *Public Enemy*, pilot not sold. Twentieth-Fox: *How to Marry a Millionaire*, syndicated series still on TV and going into 2nd year of production; *Mr. Belvedere*, pilot not sold; *The Gunfighter*, pilot project just dropped.

Other movie-to-TV pilot projects include Hecht-Hill-Lancaster's *Bachelor Party*, pilot just produced, and *Vera Cruz & His Majesty O'Keefe*, in preparation; Bryna Productions' *The Indian Fighter*, in preparation; independent producer Michel Kraike's *Trader Horn*, project recently collapsed & shelved; Sindee Productions' *Pancho Villa*, pilot recently completed.

There was also the Gross-Krasne series based on *The Lone Wolf*, starring Louis Hayward, but this went out of production after a year in syndication. NTA has in production a TV series based on *The Third Man*, and in preparation, *High Noon*.

Three high rated Westerns—*Wells Fargo*, *The Texan* and *The Restless Gun* have lost their sponsors. The first 2, however, will be back next season with new sponsors.

A total of 9 Westerns have been cancelled, and the figure likely will be higher when the buying season is over. The other 6: *Cimarron City*, *Jefferson Drum*, *Buckskin*, *The Californians*, *Trackdown*, and *Yaney Derringer*.

The Silent Six: Barring any last-minute sales, not now anticipated, 6 Hollywood telefilm companies will have no series production going into next season—for the first time since they were formed: Hal Roach Jr., Jack Webb's Mark VII Ltd., George Burns' McCadden, MGM-TV, John Payne's Window Glen, and Pegasus. (This, of course, does not refer to reruns.)

Roach, one of Hollywood's first TV producers, isn't so much a victim of the TV casualty rate as of financial difficulties stemming from his sale of the Roach studio to Scranton Corp (Vol. 15:15). His only TV series, the *Gale Storm Show*, has been taken over by Jack Wrather.

McCadden had 2 series last season, the *George Burns Show* and the *Bob Cummings Show*. Both were canceled. Pegasus' *Steve Canyon*, Window Glen's *The Restless Gun* and MGM-TV's *Northwest Passage & The Thin Man* are all casualties. As for Mark VII, its *Pete Kelly's Blues* is virtually through, and little hope is held for a renewal for next season of Webb's *The D.A.'s Man*.

Bing Crosby tells us a deal is in negotiation for ABC to telecast the Ryder Cup matches from Palm Springs in October. If the deal goes through, Crosby will act as narrator of the telecast, he states. Crosby will also star in 2 ABC specials and his Pebble Beach golf tournament will be telecast on ABC.

Hollywood Roundup: Shaeffer Pen is shopping around for an hour-long musical variety special which it wants to telecast early in Sept. BBDO represents the sponsor . . . Rocket scientist Willy Ley & columnist Eve Starr have formed Monastra Productions Inc. to prepare a TV anthology series based on science fact. Ley will host.

Du Pont has awarded its TV film commercial account to Warner Bros. and Screen Gems. They will turn out institutional commercials for the *Show of the Month* and the June Allyson anthology series. BBDO negotiated the deal for Du Pont. Du Pont commercials were formerly produced by U-I, but that company ended its film commercial operation when it sold its studio to MCA (Vol. 15:20).

Producer Sandy Howard is planning 3 TV film series, *Emergency Squad & Police Station*, to be distributed by Official Films, and *The Fantastic*, which Teleworld will syndicate . . . Out-of-court settlement was reached in Robert Cummings' suit for \$40,450 damages against Official Films and Don Sharpe, in which he charged breach of contract on Cummings' TV series, *My Hero*.

Ilka Inc. has been formed by producer Felix Jackson for production of TV, radio and movies. The company is named after his wife . . . William Castle Productions has been formed by movie producer-director Castle, Vincent Price and writer Robb White for TV film production. Donna Holloway is an associate. An adventure series starring Price is planned as the initial project.

Producer Jack Gross (of Gross-Krasne Productions) will supervise production in England of 2 telefilm series for NTA, *Rogue for Hire*, starring Jerome Thor, and *Fate* . . . Producer Julian Lesser is preparing a new TV film series, *The Unexplained*.

Television Producers Guild last week elected Ben Brady pres. He was unopposed . . . CBS's Rod Serling series, *Twilight Zone*, will be telefilmed at Metro . . . Goodson-Todman have signed David Victor as associate producer & story editor of its new ABC series, *The Rebel* . . . Blake Edwards' Spartan Productions has moved from Revue studios to Metro, where it resumes filming *Peter Gunn* July 13. . . . Producer Larry Harmon planed to Paris last week for discussions of several TV series to be made abroad . . . Screen Directors Guild has set up a retirement plan to provide members 65 or over with a guaranteed income of \$350 monthly. It goes into effect July 1.

United Artist TV plans to buy from 39 to 52 of the 200 unsold pilots in Hollywood, to package them as an anthology series for network or syndication sale, according to UA-TV exec. v.p. Bruce Eells. He says 3 to 5 of the pilots may be placed in regular series production for his company's 1960 production slate, adding that UAT would pay a top price of \$35,000 for pilots, with escalator clauses in event of a network sale.

Gene Barry, star of Ziv's *Bat Masterson* series, is the latest telefilm actor to hit the road on an extensive p.a. tour. Currently, he's in the East doing charity appearances & guest shots as part of a 9-week, 30,000-mile circuit.

Desilu Productions, which made pilot of *Grand Jury* some time ago, has received NTA approval to proceed with the series, for the syndication field. NTA hasn't yet decided on 2 more Desilu pilots, *You're Only Young Twice* & *The Man Nobody Knows*.

California National Productions has a \$5.5 million schedule this year, says pres. Earl Rettig. In addition to *The Lawless Years* and *Philip Marlowe*, the latter a co-production with Goodson-Todman, and both set for networks this fall, Rettig is launching production in Honolulu of *Not for Hire*, starring Ralph Meeker, and *Pony Express* on location in Arizona.

New York Roundup: Film syndication's own TvB is the recommendation of Leslie Dunier, TV-radio v.p. of the Mogul, Lewin, Williams & Saylor agency, who last week wrote letters to 15 leading film syndicators & producers urging the formation of a film-supported research organization because "your research, if it exists at all, is primitive and archaic." Dunier's chief complaint: "There's just not enough research material available that could counter the abundant audience data compiled by spot TV interests (on behalf of) a saturation schedule."

Full-sponsorship experiment on WCBS-TV N.Y.'s *Late Show* May 23, in which Schaefer Brewing bought all the commercials in the 105-min. "It Happened One Night," appears to have been a success. Fast ratings made by Trendex and Arbitron in N.Y. gave Schaefer a Trendex average of 22.7 against another feature (also starring Clark Gable) which pulled a 6.4 on WRCA-TV, and an Arbitron score of 21.3 against 6.3. In both ratings, the share of audience was over 70% for Schaefer, and the homes-reached estimate was 1,032,260. Brewing firm's policy of only 4 commercial breaks drew applause from the public, Schaefer dealers report, and from the press. Now, Schaefer adv. mgr. John Nemes says "plans are under consideration" for further one-shot movie sponsorships.

Moscow exposure for Trans-Lux's *Felix the Cat* series has been arranged, starting July 25, although it's not strictly a program sale. The color TV cartoon series will be screened in the RCA-NBC section of the American National exhibit in the Russian capital on closed-circuit.

Trans-Lux, meanwhile, is continuing its domestic sales policy of aiming its small (4-man) sales force's tactics primarily at multi-market station group sales. Newest sale is to the 4-station Transcontinent TV Corp. (WROC-TV Rochester, WGR-TV Buffalo, part-ownership of 2 others). Other sales have been scored with Triangle, Westinghouse and Metropolitan groups. Total gross on "Felix" in 60 days of U.S. selling: \$1.5 million in close to 50 markets.

Chic Western: to get away from the look-alike cowtown sets that contribute much to the feeling of "sameness" in Westerns, Ziv-TV has hired Frank Hotaling, a veteran Hollywood art director, to work on the second-year production of *Bat Masterson*. Hotaling's specialty is settings for the big-budget outdoor saga, having just completed art direction of *The Horse Soldiers* for Mirisch Co. and UA (see story on fight sponsorship, this issue, p. 24), and with such credits as "Rio Grande," "The Big Country," and "The Searchers."

MGM-TV may be due for an executive shakeup, sources in N.Y. reveal. Metro is currently not represented (alone among major movie firms involved in TV) in network fall film lineups, and is on the hook for some \$750,000 in unsold pilots and in non-productive personnel. A series of closed-door meetings was held in N.Y. last week between MGM-TV production boss Richard Maibaum, sales v.p. George Shupert, and Loew's pres. Joe Vogel. Metro officials declined comment as to the nature of the talks.

ABC Films Inc. will distribute a new 39-episode half-hour film series titled "Congressional Investigator" being produced by Howard-Wolper Productions Inc. H-W is hopeful series will be sufficiently advanced in production to be available for fall starts.

CBS Films Inc. branch office managers, numbering 9, met in a closed three-day sales conference at the St. Regis Hotel, N.Y., last week to hash over new sales strategies and methods. Key speakers included Sam Cook Digges, administrative v.p., and Merle S. Jones, pres. of CBS-TV stations div.

PLENTY OF EXCITEMENT IN NEW LINES: Curtain began to rise at week's end on "TV 1960"—and first glimpses indicate it will be an exciting performance, with nearly every major set maker going all-out with something new in attempt to excite customers to buying pitch.

Philco chalked itself up a "first" last week with an ingenious all-transistor cordless portable at \$250, slated to go on market right away in time for this summer's sale.

Admiral will take wholehearted plunge into color, when it reveals full line of color sets this week at distributor convention in Chicago. Its new b&w line will heavily feature new 23-in. square-cornered twin-panel picture tubes, entire line being extensively redesigned.

RCA's new TV-hi-fi line, also being unveiled in Chicago this week, will have "more innovations than any line in RCA's history." You can expect some styling surprises.

Zenith will use completely new TV chassis and add "a lot of exciting new merchandise." Its premiere showing in Chicago won't include any 23-in. picture tubes, but there's strong possibility of 23-in. drop-ins before year's end. Same is true of color—none at this week's showing, but Zenith's own highly touted approach to color reception conceivably could be offered to public by Christmas.

Philco's 15-lb. transistor portable, shown at distributor convention in Acapulco at week's end, is neat gimmick, should keep store traffic moving—whether it sells or not. As reported here early in April (Vol. 15:14), it uses vertical 2-in. picture tube with projection system to throw picture on mirror at rear of hooded shadow-box at top of leather-clad camera-type cabinet.

Called the "Safari," little set is 8 $\frac{3}{8}$ -in. wide, 16 $\frac{5}{8}$ -in. high, 5 $\frac{1}{2}$ -in. deep. Visored viewing box gives what Philco describes as "80 sq. in. of viewing area, approximately the same size as a 14-in. picture tube"—depending on how close you sit. Actual mirror screen measures closer to 10 in. diagonally. Set has 21 transistors, uses printed circuits, has \$5.25 Eveready rechargeable dry cell which will run for 4 hours on a charge. It may be recharged overnight on house current. Transistor set will also run from electric outlet.

Other features of the portable: Built-in telescoping antenna, 3-position "range" switch and manual dial to keep track of hours in use. Production begins June 6, national distribution end of month.

Much of remainder of Philco TV line is built around redesigns of this year's separate-screen "Predicta" models, with 17-in. versions added. One is designed as room-divider, in which picture screen will swivel 180 degrees for viewing from either side. Another model, at \$229, is equipped with timer-clock. Cheapest 17-in. Predicta carries suggested list of \$199. Also new this year is wireless "Directa" remote control system for changing channel & volume. New "Mastercraft" high-end line places emphasis on fine furniture. As to prices—initial indications were that, although new higher-priced models have been added, most others are about comparable with their predecessor models.

'59 TV SALES AT 5.5-MILLION PACE: We're deep enough into 1959 now to do a little statistical handicapping in the TV sales race—and if this year follows past patterns, historical indicators all point to retail sales of about 5.5 million units this year, 7% better than last year's 5.1 million.

Not a large increase—considerably smaller than most industry predictions at first of year (Vol. 15:1)—but nevertheless a recovery from bad 1958, considering that average price per set is believed to be rising. Of course, final figure may be considerably higher than 5.5 million if new models entice public to increase buying over & beyond normal seasonal patterns. But from today's vantage point, here's how full-year 1959 looks on basis of market data on seasonal TV sales patterns for last 7 years:

Historically, first 3 months account for about one quarter of full year's retail sales. On basis of 1959's first-quarter sales of 1,375,626 (Vol. 15:19), full-year sales would project to about 5.5 million.

April is traditionally TV's poorest sales month (exception: recession-ridden 1958, when May was lower)—and that month's retail sales have constituted an exceptionally stable barometer of annual production in the past. In the 7 years for which sales have been tabulated by EIA (1952-1958), April sales have constituted exactly 5.1% of year's totals in 4 separate years, 4.7% twice (including last year) and 5.5% once. In no year has there been deviation of more than 0.4% from 5.1% norm.

Retail sales in April 1959 are estimated at about 275,000—although official EIA figures aren't due until this week. This compares with 425,000 the preceding month and is up from 243,000 in April 1958. If we assume that April will run true to form and constitute 5.1% of year's total sales, we again project to about 5.5 million set sales in 1959.

First 4 months' sales historically average to about 30% of year's total. With Jan.-April 1959 sales totaling some 1.65 million, we come up with same statistical estimate of 5.5 million sets for year.

Feb. was 1959's strongest TV sales months to date, on seasonally adjusted basis. Sales in Jan. ran at rate of 5.64 million a year, in Feb. 5.74 million, dropping in March to 5.25-million rate—and up again in April to about 5.5-million level. Statistically, 8.9% of year's sales are made in Jan., 7.8% in Feb., 8.1% in March. If 5.5-million pattern continues, May sales should total around 313,500.

But past performance isn't always followed to the letter—as 1958 showed so dramatically—and we don't quarrel with those set makers who still predict 1959 sales of more than 6 million. Steadily improving economic conditions & complete restyling of new TV lines hold real key to whether TV sales follow statistics this year or blaze new trail.

Note: Because of early printing schedule due to Memorial Day holiday, we are unable to include EIA's regular weekly TV-radio production figures in this issue. Next week's Digest will recap production statistics for 2 weeks.

EVERYONE WANTS SPECTRUM SPACE: FCC and its staff, faced with incessant demands for more radio *lebensraum*, questioned witnesses closely as the oral testimony began last week in the long-range 25-890-mc hearing (Vol. 15:14).

For example, RCA Communications pres. Thompson H. Mitchell was asked why he's seeking bands in the 35-38-mc region for scatter communications but still hasn't used those allocated in the 47-mc area. Mitchell's answer: Such circuits are too costly now but there will be need for them in the future. He also urged that frequencies be set aside now for satellite relay systems.

Four AT&T witnesses—J. J. Hanselman, Robert Bright, Paul W. Blye & H. R. Huntley—insisted that 765-890-mc should be taken from uhf TV, where it's now little used, and allocated for a nationwide public mobile telephone service. They also insisted that Bell System should provide the service exclusively. Vigorous opposition is expected from other mobile services, which would like to get into such an act—as well as from the TV industry, whose witnesses are due later in the hearings, which resume June 3 when EIA is due to testify. On June 17, there will be witnesses from National Assn. of Educational Bcstrs., Joint Council on Educational TV and FM Bcstrs. On June 18: WQXR N.Y., NAB and Assn. of Maximum Service Telecasters.

Also pitching for vastly expanded mobile phone system was Joseph A. Anderson, gen. mgr. of General Motor's AC Spark Plug div., Lenkurt Electric's Alan F. Culbertson and U.S. Independent Telephone Assn.'s Thomas R. Warner & R. H. Herrick.

Major mobile communications manufacturer Motorola, through witnesses Robert W. Galvin, Daniel E. Nobel, Lowell White & William J. Weisz, proposed a complete overhaul of entire 25-890-mc band, including moving TV into 30 channels in 174-354 mc. The TV allocation is similar to one being explored by the FCC and military services; it would mean dropping Ch. 2-6 and acquiring space in the 216-354-mc area from govt. services.

Chief FCC counsel in the case is Dee W. Pincock, chief of the Rules & Enforcement div., Office of General Counsel. Cross-examination of common carrier witnesses was conducted by Arthur A. Gladstone, chief of the Domestic Radio Facilities div.

INDUSTRY SEES \$9.35-BILLION YEAR: EIA pres. D. R. Hull's prediction of a \$9-billion sales year (Vol. 15:21) has been confirmed by the electronics industry itself. In an industry-wide survey conducted by the Office of Naval Material, 578 firms said they plan to produce a total of \$9.359 billion in electronic equipment this year. Accuracy of the statistics should be quite high. Last year the 561 firms surveyed estimated their total 1958 output would be \$8.278 billion; this year they said it actually turned out to be \$8.261 billion.

The survey showed the industry plans \$5.14 billion in military production in 1959. The military production backlog on Jan. 1, 1959 was \$5.534 billion vs. \$4.923 billion a year earlier. Among other industry facts shown:

The electronics industry is capable of producing \$12.635 billion worth of equipment on a single-shift basis, operating at capacity—up from \$11.519 last year. In 1958, a total of 513,636 employes worked in electronics plants, compared with 492,391 in 1957. The industry averaged \$15,654 sales per employe last year, an increase of \$429 over 1957. Of the 578 companies, 111 (19%) planned to be occupied 100% with military production in 1959, while 94 (14%) said they would be devoted exclusively to civilian production.

A breakdown by number of electronics employes gives this size-up of the industry: 1-50 employes, 174 firms; 51-100, 79; 101-200, 98; 201-500, 96; 501-1000, 54; 1001-2000, 29; 2001-5000, 29; over 5000, 19.

The complete survey is part of the Office of Naval Material's publication, *Manufacturers of Electronic Equipment, Facilities Data, Ratings & Production Capabilities.*

* * *

Most complete census of electronics production ever projected is now being conducted among end-equipment manufacturers by the U.S. Census Dept. for the Electronics div. of Commerce Dept.'s Business & Defense Services Admin. Questionnaire sent to all electronics firms asks company-wide number of employes & dollar value of shipments. The 1958 civilian & military unit and dollar shipments are requested in a wide variety of categories (all of them broken down) including navigation aids, radar, sonar, communication gear (not including broadcast equipment, but including closed-circuit TV), missile electronics, test gear. BDSA plans to make general statistical totals public.

ELECTRONICS IN SPACE: Men will have to learn to walk & talk first before they can run in the coming space age, but electronics techniques are being unfolded to show the way, 4 experts agreed last week in a matter-of-fact panel discussion at the second National Missile Industry Conference in Washington.

Arranged by the EIA in cooperation with the National Rocket Club, the conference heard these descriptions of electronic developments on the way—and already on hand:

Elmer W. Engstrom, RCA senior exec. v.p.: The ultimate destiny of electronics takes in “environmental control for man in space, the programming of trajectories and the guidance of vehicles, new methods of propulsion, and all manner of communications. [But] our immediate capabilities and our greatest present opportunities are to be found in the development of communications to, from and through earth satellite systems.” Engstrom said the simplest approach now is through a passive satellite chain of several dozen aluminized balloons in a polar orbit at 3000 miles.

David B. Smith, Philco v.p.: “Propulsion is adequate now to place communications satellites in orbit because of the relatively modest weights involved. However, a payload of some 50,000 lb. by 1968 will be necessary to make such satellites economically feasible. There are economics involved but these problems will be resolved by engineering advances.”

Sir Robert Watson-Watt, chairman of Sir Robert Watson-Watt & Partners Ltd.: “Politics is bound to creep in, but the proper function of communications satellites can be carried out by: (1) Technological regimentation and the proper allotment of channel space. (2) Constant watch over program content and channel utilization. (3) Exercise of vigilance over clandestine operations.”

William F. E. Long, EIA marketing data mgr.: “The electronics industry can be expected to make contributions in 3 areas: (1) Design & fabrication of the payload. (2) Data acquisition, reduction & transmission. (3) Guidance & control.” Long said, however, that it’s “doubtful whether the assembly-line technique associated with mass production will be applicable during the space age.” He said early output of space vehicles “will be measured in dozens rather than in the hundreds.”

* * *

“Earth Net Dialing System,” capable of reflecting TV signals to distant parts of the globe, is being developed by ITT, chairman Edmond D. Leavey said at the annual meeting May 27. The system would use 3 unmanned satellites, 22,300 miles in space, holding fixed positions relative to the earth, rather than circling it. Leavey said he thought the system might be ready in a few years, capable of reflecting 15,000 two-way voice circuits & several TV channels, or facsimile, high-speed code & teletype. Reviewing earnings prospects, he said he expected 1959 to be the best in the company’s history.

— ■ —

Sharp increase in Japanese tube & transistor exports to U.S. in first-quarter 1959 over the same 1958 period is noted in a May 25 Tokyo dispatch in *Electronic News*, reported as compiled from Finance Ministry records. According to the report, 728,000 vacuum tubes were sent to the U.S. during the first quarter of this year (vs. 32,000 in the same 1958 period), 42,000 transistors (vs. 2000), 46,000 speakers (vs. 24,000), 24,000 microphones (vs. 16,000), 44,000 variable capacitors (vs. 10,000), 1.6 million fixed capacitors (vs. 1 million).

Trade Personals: Frank X. Banko named adv. & sales promotion coordination mgr., RCA electron tube div. James P. Jannuzzo appointed adv. & sales promotion mgr., industrial market, same div.; Gerald E. Ryan appointed shows & exhibits administrator . . . William R. Wilson, Philco treas., named to new post of financial v.p. & treas.

Robert E. Lewis, Sylvania president, elected to the board of Harris-Intertype Corp. . . . Dudley J. Scholten named mktg. v.p., Sylvania International.

Donald C. Power, chairman & chief exec. officer of Gen. Telephone & Electronics Corp., named “business executive of the year” by National Sales Executives-International at its 24th annual International Distribution Congress in New Orleans last week . . . Conrad Young, former govt. contracts mgr., named industrial products mktg. mgr., Philco govt. & industrial div.

Richard M. Osgood named gen. mgr., Sylvania Electronic Systems Lab at Waltham, Mass. H. C. Tittle appointed Buffalo, N.Y., operations gen. mgr.; E. J. Vigneron data systems operations gen. mgr., headquartering at Needham, Mass.

James Vrungos, former mktg. mgr. of “digimatic” products, Stromberg-Carlson electronic control systems, named industrial mktg. mgr., electronics div. . . . Martin Sheridan has rejoined Admiral as PR director after 1½ years as director of information & PR, New England Council, Boston.

Charles M. Volkland, West Coast asst. regional sales mgr., Philco’s Govt. & industrial div., promoted to sales mgr. of subsidiary Sierra Electronics Corp., Menlo Park, Cal. . . . Jerome G. Friedman, ex-Design Service Co., RCA and Westinghouse, appointed customer relations dir., Adler Electronics . . . Frank M. Hickey promoted from Northeast regional sales mgr. for distributor sales, CBS-Hytron, to new post of industrial products sales merchandising mgr. . . . Willard H. Sahloff, v.p.-gen. mgr. of GE housewares & radio receiver div., elected to Rutgers U. board of governors . . . Samuel M. King named RCA West Coast missile & surface radar dept. mktg. mgr. . . . George Howitt promoted from senior research engineer to asst. mgr. of Du Mont Labs’ military electronic operations communications & radar lab . . . Charles F. Cheney appointed mktg. research mgr., telecommunication div., Stromberg-Carlson.

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Distributor Notes: Admiral has consolidated its Washington, D.C. branch with the Metropolitan div., headquarters of which are in Newark, N.J. New building for Admiral distribution in Washington is at 2911 V St., NE. Samuel Schwartzstein is Newark gen. mgr.; William Oppenheim, ex-Baltimore mgr., is Washington mgr. . . . Elmer J. Young named dealer sales mgr., GE sales & distribution dept., N.Y. branch, succeeding Francis Hanlon, resigned. George Ligelis named TV receiver sales mgr., metropolitan N.Y. dist. . . . T. D. Stephens named distributor sales mgr., Atlanta, Ga. office of Tung-Sol . . . Samuel Jacobs Distributors, Philadelphia, named regional wholesaler for phonograph, tape recorder, stereo console & record changer lines, V-M Corp., Benton Harbor, Mich. . . . Hoffman appoints Godwin Electronic Supply, Birmingham, Ala. for TV, stereo hi fi & radio in North Central Alabama.

Dan Jacobs, ex-Norge products sales mgr. at Apollo Distributing Corp., named Motorola div. sales mgr., Cooper Distributing Co., Newark, N.J., succeeding William Goldberg, who becomes sales mgr., Philadelphia branch, Admiral Corp., metropolitan div., succeeding William Geiger, resigned . . . Sylvania appoints J. S. George Supply Co., Burlington, Vt. for TV, radio & phono in northern Vermont.

Electronics Personals: George T. Scharffenberger resigns as pres. of ITT's Kellogg Switchboard & Supply Co. to become eastern regional v.p. of Litton Industries & pres. of subsidiary Westrex Corp. . . . Brig. Gen. Charles M. Baer, ex-SHAPE, named commandant of Army Signal Corps School, Ft. Monmouth, N.J.

Thomas V. Jones, former senior v.p., elected president of Northrop Corp., succeeding late Whitley C. Collins. James Allen promoted from v.p. & asst. to the pres. to corporate v.p. & asst. to the chairman . . . Walter R. Williams, ex-chief of staff communications for AEC, has been named a consultant to the National Aeronautics & Space Administration . . . Robert H. Dreisbach promoted from chief engineer of radio communications, Magnavox, to mgr. of newly formed anti-submarine warfare div.

George B. Kistiakowsky, Harvard U. chemistry professor, named President Eisenhower's special asst. for science & technology, succeeding Dr. James R. Killian Jr., resigned . . . Jacob M. Roey, ex-procurement chief, Watertown, Mass. arsenal named small business adviser of National Aeronautics & Space Administration.

Brig. Gen. David Sarnoff, RCA chairman, left for England last week aboard the Queen Mary to attend the London conference of the Atlantic Congress, sponsored by NATO.

EIA's consumer products div. voted at the May 20-22 convention (Vol. 15:21) to form separate sections for TV, radio & phono manufacturers and later to establish tape recorder & hi-fi equipment sections. Among other actions, industrial electronics div. chairman Ben Adler named these section & committee chairmen: A. K. Ward, RCA, amplifier & sound equipment section; E. C. Tracy, RCA, broadcast & closed-circuit TV equipment; W. W. Simmons, IBM, computer & data-processing systems; H. Van Aken, GE, land mobile communications; L. G. Walker, Motorola, microwave; G. E. Wright, Bliley, piezoelectric quartz crystal; N. Anton, Anton Electronics, nuclear instrumentation; Irving Koss, Motorola, special programs committee; C. R. Cox, Andrew Corp., membership & scope; H. Van Aken, GE, finance. These firms were admitted to EIA as active members: Pilotless Aircraft div., Boeing; Continental Electronics Corp. of America; Land-Air Inc.; Premier Metal Products Co.; Rheem Semiconductor Corp.; Servo Corp. of America; Sperry Rand Corp. Admitted as a special member was Windsor Electronics, Glen Ellyn, Ill.

Germanium diode so tiny that 650 will fit in a cubic inch and 350 weigh an ounce is being manufactured commercially by General Instruments' semiconductor div. The initial output of the paper-thin wafers is going to RCA as prime contractor in the Army's micro-module program, but eventually they'll be available to the industry for all types of micro-module systems.

Obituary

William J. Morlock, 50, special consultant to GE's industrial electronics div. and until recently gen. mgr. of its technical products dept., died May 24 at his home in Syracuse after an illness of several months. Since joining GE in 1947, he played major roles in development & design of broadcast equipment, microphones and photophone, sound & facsimile equipment. He had been with RCA 17 years. Surviving are his wife, a daughter & a sister.

Walter E. Husselrath, 57, gen. superintendent for all Du Mont Labs plants, died suddenly May 25. He had been associated with Du Mont since 1942. He is survived by 2 daughters, 8 grandchildren, 3 brothers and a sister.

Finance

Ampex's sales for the year ended April 30 totaled \$43,691,000, a 45% increase over the \$30,000,000 for fiscal 1958, pres. George I. Long reported. He stated that the net profit exceeded the \$2,500,000 previously estimated, as compared with \$1,540,000 reported for the preceding year. Total sales for the current fiscal year will exceed \$60,000, he predicted, with the outlook for each of the company's product divisions still "excellent."

Crosby-Teletronics Corp., formed in April by the merger of Crosby Labs Inc. and Teletronic Lab Inc. (Vol. 15:17), plans to offer the public 250,000 shares of common stock through Myron A. Lomasney. The company is active in research, development & production of electronic test equipment & radio communication gear, and owns the patent covering the Crosby compatible FM stereo multiplex system.

Packard-Bell has placed an offering of 120,000 common shares on the market at \$42.75 a share through White, Weld & Co. (Vol. 15:19). Of the total, 100,000 are offered for the account of the company, 20,000 for chairman H. A. Bell.

Varian Assoc. has filed an SEC registration statement (File 2-15125) listing \$2 million interests in its employe stock purchase plan and 70,244 capital stock shares which may be acquired in it.

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Capital Cities TV in Black: Capital Cities Television Corp. (WTEN & radio WROW Albany, with satellite WCDC Adams Mass.; WPRO-TV & WPRO Providence; WTVD Durham, N.C.) ended 1958—its first year of public stock ownership—with a net income of \$314,050, after operating in red during its 1957 organization period (Vol. 14:35). Broadcasting income after commissions totaled \$2,458,606, non-broadcast income increasing the figure to \$2,464,034.

The TV station group, largest stockholders of which are commentator Lowell Thomas and pres. Frank M. Smith, reported it now has 857 stockholders and that the question of a listing on the American Stock Exchange is "still pending."

Its balance sheet shows total current assets of \$800,375, fixed assets \$1,695,683, total assets \$4,061,108. Current liabilities total \$1,138,086. The acquisition of WPRO-TV & WPRO for \$6,505,808 (Vol. 14:51) plus the refinancing of \$686,948 of long-term indebtedness, the report notes, was accomplished through a 5-year loan from 2 banks for \$6 million on unsecured 5% promissory notes and the private placement of \$1.5 million in 5-year 6% subordinated debentures with warrants for the purchase of 214,286 shares of common stock at \$7.

National Co. directors have voted a 2-for-1 stock split Aug. 2 to stockholders of record July 20, subject to approval of stockholders at a special meeting July 10.

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Title Fight Rights Sold: TelePrompTer Corp. stepped into the network program packaging ring last week with a \$100,000 sale of radio rights for the June 25 closed-circuit Patterson-Johansson heavyweight match. The radio coverage (reportedly to be aired on ABC Radio) was bought by United Artists and a production firm whose product it distributes, the Mirisch Co.

The sell will be for "The Horse Soldiers," a \$4 million Western about to be released, and it's the first movie sponsorship of a title fight. Commercials for the film, in which stars John Wayne & William Holden are expected to be heard, will be slanted "to reach an audience particularly interested in a rugged action picture," say UA officials. The radio package is part of a \$1 million ad-promotion budget that's been scheduled by UA and Mirisch for the movie.

TelePrompTer pres. Irving Kahn, who tried unsuccessfully last summer to sell radio rights to Patterson-Roy Harris fight for a similar figure, stated he felt the price paid by UA was "a bargain computed on the usual cost-per-min. rates for prime commercial time."

Kahn, whose UA deal takes him a long step forward toward recouping his \$300,000 payment for broadcast rights, is involved in other non-closed-circuit deals for the fight. "We've sold radio rights in England, and we're discussing a sale to British TV of a filmed version of the fight—not kine, not tape, but film," he told us on May 25. He has also negotiated for Swedish-language and Spanish ringside radio coverage of the bout.

Although there's the usual 75-mile blackout on theater telecasting of the fight in the N.Y. area, Kahn said he felt the radio version would not hurt the live or theater TV gates because "the bout is such a tremendous attraction." UA adv. dir. Roger Lewis says ads will be taken for the radiocast on amusement and TV-radio newspaper pages.

Twentieth Century-Fox reported a decline in first-quarter earnings at its annual stockholders' meeting in New York City. After the meeting pres. Spyros P. Skouras said, "Earnings were adversely affected because several important films did not meet expectations." He cited "A Certain Smile," "The Barbarian & the Geisha," & "The Roots of Heaven." Discussing TV, he said rental of pre-'48 films for telecasting had been "a great mistake." (In the annual report, dated April 22, Skouras noted, "In each of the past 2 years, over \$6,000,000 of our gross income has come from the rental to TV of our pre-1948 library . . . This source can be expected to continue in 1959 & for many years to come.") Voicing the expectation that telefilm production might some day equal in importance the company's movie production, Skouras pointed out that 4 series had been sold for fall network showing: "Adventures in Paradise," "The Last Frontier," "5 Fingers" & "The Many Loves of Dobie Gillis." For quarter to March 31:

	1959	1958
Net earnings	\$929,976	\$2,147,711
Earned per share	41¢	84¢
Shares outstanding	2,293,186	2,564,686

Corporation	Common Stock Dividends			Stk. of Record
	Period	Amt.	Payable	
Amphenol-Borg	—	\$0.35	Jun. 30	Jun. 16
Arvin	—	.25	Jun. 30	Jun. 8
Bendix Aviation	—	.60	Jun. 30	Jun. 10
British Industries	Q	.12½	Jun. 30	Jun. 16
British Industries	—	2% stk.	Jun. 30	Jun. 16
GE	—	.50	July 25	Jun. 19
National Co.	—	2% stk.	Jun. 30	Jun. 19

WEEKLY **Television Digest**

JUN 8 1959

JUNE 8, 1959

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VOL. 15: No. 23

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

SUMMARY-INDEX OF WEEK'S NEWS

FCC

FCC STUDIES 130-MILE VHF DROP-INS for certain major markets—no decision yet. Baton Rouge gets Ch. 9, nothing final on Fresno & Columbus, Ga. (p. 1).

FCC TOUCHINESS ABOUT CONGRESS & 'pressure' shown in Commissioners' sharp questions about Motorola letters to Congress in mobile phone conflict (p. 3).

PASTORE WAITS FOR FCC to act on Lar Daly issue, postpones opening of Senate equal-time hearings from June 12 to 18. Other Sec. 315 developments (p. 4).

Networks

NBC STEPS UP COLOR with 30% increase in programming, conversion of 2 more Burbank studios and addition of second \$300,000 color mobile unit (p. 6).

NETWORK TV BILLINGS for April total \$52 million, maintaining pace of 9% ahead of 1958. All 3 networks share in seasonal dip in gross time sales from March (p. 6).

Educational TV

FEDERAL ETV AID SHELVED in House by Commerce subcommittee led by chairman Harris (D-Ark.), but it plans field trips to study need for govt. grants (p. 2). Other stories (p. 5).

Auxiliary Services

QUICKENING RATE OF CATV system sales expected by operators & brokers. National Theatres said to be buying big Williamsport, Pa. system (p. 2). Other stories (p. 11).

Advertising

BIGGER SYNDICATION DEALS are this year's trend as national advertisers move into multi-market film buys of 60 or more markets (p. 12).

HOLDING SUMMER VIEWERS is warm-weather trick best done with 52 weeks of fresh program material. Reruns hold their own, but replacement shows are often losers, says Nielson study (p. 12).

Manufacturing & Distribution

TV-STEREO INNOVATIONS are stressed as more new lines are shown. Admiral emphasizes 23-in. tube, RCA has hidden-screen set, built-ins, Zenith pushes high end (pp. 2, 17 & 18). **JAPANESE IMPORTS UP FOURFOLD** in first-quarter 1959 compared with 1958 period, totaling \$7.9 million in factory value. First Japanese TV sets to be shown here this month (p. 16).

EIA AND THE MOBILE SPECTRUM. Witnesses seek 41 mc for land services, foresee 5,000,000 transmitters by 1978. AT&T proposal attacked (p. 18).

Film & Tape

TAPE STANDARDIZATION is being explored from standpoint of producers by new FPA group in N.Y. which seeks "universal distribution" of tapes (p. 14).

TV TAPE'S MOST AMBITIOUS project to date, Bolshoi Ballet, creates unique problems in studios—and in executive offices (p. 14).

Other Departments

CONGRESS (p. 3). **STATIONS** (p. 7). **PROGRAMMING** (p. 9).

FCC STUDIES 130-MILE VHF DROP-INS: FCC continued gingerly palpating its TV allocations structure last week but didn't come up with a final prescription. However, it did tell its staff to examine drop-in of vhf channels into a number of major 1- & 2-vhf markets—with co-channel mileages reduced to as low as 130 miles in some instances. It's another "study," nothing final.

Meanwhile, Commission again tackled 3 markets wherein conventional vhf drop-ins have been proposed (requiring no change in existing rules governing spacing): Baton Rouge, Columbus, Ga., and Fresno. It finalized Baton Rouge situation by shifting Ch. 9 there from Hattiesburg, Miss., giving Baton Rouge 2 vhf's—including WBRZ's Ch. 2. Columbus & Fresno decisions still hang fire, although it's understood Commission still leans toward making them all-vhf.

WDAM-TV (Ch. 9) Hattiesburg, controlled by Edgar B. Stern Jr. who heads WDSU-TV (Ch. 6) New Orleans and uhf WAFB-TV (Ch. 28) Baton Rouge, had asked for the Ch. 9 shift in the first place. It had hoped to move with the channel to Baton Rouge, and asked FCC to permit it to make the shift immediately. However, FCC declined to give it Ch. 9 in Baton Rouge, even temporarily, because city's WIBR told Commission it also wants to have a crack at the channel. Thus, a competitive hearing is in prospect. It's possible that the competitors may get together and ask FCC to let them operate Ch. 9 temporarily, pending a final decision. Or WDAM-TV can continue to operate on Ch. 9 in Hattiesburg until the grant is made in Baton Rouge.

Uhf proponent Comr. Lee sees uhf doomed in Baton Rouge sooner or later, now that 2 vhf channels are assigned there instead of one. He issued a dissent stating: "Not only is this action a blow to uhf broadcasting & to the manufacture of uhf receiving sets, it constitutes a shortsighted disservice to the communities.

"In Baton Rouge it is obvious that the area is appropriate for uhf broadcasting, that uhf receiving set saturation is high. If channel 2 [occupied by WBRZ] were to be either deleted or reserved for educational broadcasting, there would be more than 2 commercial stations operating there in a short time as evidenced by a uhf authorization which has since been surrendered.

"Adding a second vhf channel with little prospect for adding a third—to say nothing of a fourth or fifth, which is entirely feasible in the uhf—denies the city & surrounding areas of TV service for generations."

Comr. Bartley also dissented. Although he issued no formal statement, he told us: "It's premature. We ought to know where we're going first—whether we're going to get more vhf from the military, etc."

ADMIRAL, RCA, ZENITH DISPLAY NEW LINES: "New" was key word in Chicago set showings. Each of three big set makers went off in its own direction with unique, eye-appealing innovations. Admiral stressed 23-in. square tube, complete color line. RCA announced it would have 23-in. sets next fall, and showed line with "10 innovations" including clever hidden-screen set, built-in wall color and b&w chassis, clock timer sets. Zenith pushed hard on high-end quality-furniture sets, new chassis, and used 110-degree tube for first time, in its 17-in. portables. In stereo, all manufacturers used ingenious new methods to project sound beyond confines of single cabinet. (For full details see pp. 17 and 18.)

FEDERAL ETV AID SHELVED IN HOUSE: There's no chance this year that Congress will vote \$51 million—or any part of it—to help states buy educational TV equipment. Legislative dead end for Senate & House proposals for govt. grants was reached last week in House Commerce communications & power subcommittee. It decided to "defer action" on all such plans at least until 2nd session of 86th Congress.

Doubts about need for federal aid to ETV—if not outright hostility to whole idea—were voiced by Republicans & Democrats at House hearings last month (Vol. 15:20). They followed Senate approval of \$1 million-per-state-&-D.C. bill (S-12) by Sen. Magnuson (D-Wash.), whose measure also got through Senate in 1958 before it died in House (Vol. 15:16). So House subcommittee's vote to shelve it—and 7 similar House bills—wasn't unexpected. It nevertheless was blow to ETV advocates who had counted on Senate momentum to carry project through both houses this session.

All is not lost to plan's advocates, however. Subcommittee headed by Commerce Chairman Harris (D-Ark.) also decided by 4-3 unrecorded voice vote at executive session to conduct "field study" of ETV operations across country after first session adjourns. No schedule was drawn up but presumably subcommittee members will make summer & fall trips to ETV stations to find out—at grassroots—just how they are making out and how urgent their chronic financing problems are.

Projected ETV tour was seen as ray of light in otherwise dark situation by exec. dir. Ralph Steetle of Joint Council on Educational TV (JCET), who for 2 years has marshalled witnesses & statistics in congressional campaign for help. "It's a big disappointment," he told us after subcommittee refused to make any recommendation on ETV bills. "But we'll be delighted to show subcommittee members the value, significance—and national needs—of educational TV on our home grounds."

When federal aid proposals are revived again—as they will be next year—Steele will bank on subcommittee being persuaded by its own grassroots findings to endorse ETV grants. If that happens, it's likely that what comes up for House floor action won't be Magnuson plan for outright \$1 million govt. outlays. All subcommittee members already have indicated that any federal aid in any event should be predicated on state legislatures putting up matching money for ETV—as provided in alternative bills (HR-2926 & HR-3043) by their Commerce colleagues Roberts (D-Ala.) & Moulder (D-Mo.). JCET won't object to such strings on federal help.

QUICKENING RATE OF CATV SYSTEM SALES: You can expect brisker trading in community antenna systems from here on out—principally because many CATV operators have used up their depreciation and are suffering heavy tax bites. There are many more would-be buyers than ready sellers, but CATV people look for accelerated sales.

Prices are handsome indeed. Just last week, for example, Charles B. Persons sold his Ely, Minn. system & radio WELY to V. P. Hallett—getting \$137,500 for system, \$37,500 for station—through broker Blackburn & Co.

We hear there's a huge transaction in the works—National Theatres buying Williamsport (Pa.) TV Cable Corp. which has 8-9000 subscribers. Pres. Clive Runnels and associates had bought the system in 1955, when it had some 6000 connections, for reported \$1 million-plus. Presumably, it's going for much more now.

Another growth index: Pioneer CATV operator Martin F. Malarkey, who started with a system in Pottsville, Pa. and now owns 4, bought Harrisonburg, Va. setup for \$65,000 three years ago when it had 400 subscribers. It now has 2000, and he has refused \$200,000 for it. He predicts there will be considerable system swapping—with operators avoiding big taxes on sales while acquiring new period of depreciation.

CATV broker Bill Daniels, Denver, stresses that the number of subscribers is by no means sole factor in price setting. "It's net profit that counts," he says. Other factors: Age & condition of equipment, number of channels carried, potential for more channels, degree of market's saturation. Taking all things into account, prices are running \$75-\$150 per subscriber—and are going up. Daniels reports that there have been 17 systems sold in last 12 months, 14 through his organization.

Prices are seldom revealed. Unlike broadcasters, CATV operators don't have to disclose figures. With NCTA holding its annual convention in Philadelphia's Sheraton Hotel June 23-25, dickering season should reach a peak.

FCC TOUCHY ABOUT CONGRESS & 'PRESSURE': Good example of FCC's irritation about & sensitivity to whole question of "influence" came last week during Commission's 25-890-mc allocations hearing—as members made it clear they resent appeals to congressmen made by parties to the hearing.

The exchange came when Motorola pres. Robert Galvin was on the stand, and FCC counsel Arthur Gladstone produced May 25 letter from Sen. Dirksen (D-Ill.), member of Judiciary Committee. Dirksen enclosed letter from Galvin, which charged that AT&T's request for 765-890-mc for mobile phone use (Vol. 15:22) "could lead to monopoly of all mobile radio by the telephone companies to the exclusion of many small & medium sized business enterprises." Gladstone also introduced letter to FCC from Walter B. Stults, staff director of Senate Small Business Committee, asking for Commission's comments on a similar "monopoly" letter from Galvin to Chairman Sparkman (D. Ala.).

Gladstone asked Galvin: "Are you looking to these committees for relief in this situation or are you expecting that the Commission will make a decision with respect to these matters?" Galvin: "We are not looking to these committees for relief at this time, or for any expression of influence." He explained that it's Motorola's policy to inform Congress "on matters having to do with our general business & the public welfare."

Chairman Doerfer: "You have no information or any grounds or any reason to believe that any Commissioner sitting in this case has been approached, privately, or any other way, with respect to the subject matter of this proceeding?" Galvin: "We have no such information, no such concern . . . and I think if we had, we probably would have withheld even sending these if it would have cast any suspicions or if it would have assumed casting suspicion. . . . This is a perfectly normal procedure that we are doing on tax matters & all kinds of matters with our congressmen."

Comr. Bartley: "Mr. Chairman, in light of your statement with respect to the discussion of this matter, off the record, so to speak, for the past 4 or 5 years, I have been talking about this to anybody I could talk to about it, and if anyone here has any notion that I would be prejudiced by any of my conversation about this, I would like to know it now." Galvin again assured Commissioners that he never had any doubt that FCC would give the case impartial consideration, that Motorola had no intention of bringing "any pressure to bear on anyone." (For other aspects of last week's hearing, see p. 18.)

Congress

No private talks between Federal Power Commission members and members of Congress or private citizens on the merits of pending cases would be permitted under strict new rules proposed by the agency. In advance of next week's panel hearings by the House Commerce legislative oversight subcommittee for a half-dozen regulatory commissions (Vol. 15:21), FPC said it also may open for public inspection all letters to individual commissioners on pending matters. Interested parties were invited to submit comments on the suggested rules by June 30.

Senate investigation of the use of foreign-made sound tracks in U.S. TV films, causing "serious unemployment among our own musicians," has been demanded again by Sen. Morse (D-Ore.). Renewing a campaign he started last year at the request of the American Federation of Musicians (Vol. 14:28), he introduced a resolution (S. Res. 126) calling on the Finance Committee to explore "runaway cut-rate film making abroad" by TV & movie industries. Morse said he'd "be especially interested in the explanation of the broadcast industry, which—unlike the average commercial entity—employs some of these questionable practices by virtue of a . . . free monopoly of the air waves."

The FCC

PASTORE WAITS FOR FCC: Delays by FCC in making up its mind what to do about its Lar Daly equal-time ruling (Vol. 15:8-16, 18-22) brought postponement last week of scheduled Senate hearings on the cause-celebre issue of whether newscast appearances by candidates are political appearances.

Chairman Pastore (D-R.I.) of the Senate Commerce communications subcommittee had scheduled sessions starting June 12 on 4 bills exempting newscasts from equal-time requirements and otherwise amending Sec. 315 of Federal Communications Act (Vol. 15:22).

But Pastore got word from FCC that its Sec. 315 legislative recommendations—if any—wouldn't be ready by then. So the hearings were put off until 10 a.m. June 18 in room 5110 of the new Senate Office Bldg. Meanwhile there was no sure indication of FCC's probable course in the Lar Daly case. Among the alternatives: (1) Stand pat. (2) Reverse itself. (3) Offer new Sec. 315 language to clarify the law. (4) Tell Congress to do its own Sec. 315 rewriting if the lawmakers think it should be changed.

First scheduled witnesses on Pastore's revised 5-day hearing agenda: (1) FCC chairman Doerfer, who was in the minority on the 4-3 equal-time ruling in Feb. and has suggested repeal of Sec. 315 (Vol. 15:12). (2) A spokesman—possibly Attorney General William P. Rogers—for the Justice Dept., which has urged FCC reconsideration & reversal of its newscast interpretation (Vol. 15:19, 22). (3) CBS Inc. pres. Frank Stanton, a leader in the industry's campaign to erase the ruling.

Other Senate witnesses in the June 18-19 & 23-25 sessions will include NAB pres. Harold E. Fellows, Westinghouse Bcstg. Co. pres. Donald H. McGannon, spokesmen for NBC & ABC—and Lar (America First) Daly, the one-man Chicago political party who started it all.

[Pastore also has scheduled a series of communications subcommittee hearings starting June 9 on a potpourri of other FCC legislation ranging from rules for ex-parte representations in cases—to legitimization of boosters (Vol. 15:21). The CATV-booster phase of these hearings had been set for June 23-25, but will be rescheduled to follow the NCTA June 23-25 convention in Philadelphia.]

In another development on the equal-time front last week, Attorney General Rogers sent a sharply-toned letter to chairman Harris (D-Ark.) of the House Commerce legislative oversight subcommittee expanding his intervention with the FCC in the Lar Daly issue.

Harris had demanded to know the "statutory or other basis" for the Justice Dept.'s move, which Harris implied was an attempt by the administration to influence an independent administrative agency (Vol. 15:22). In his reply, Rogers cited a score of legislative & court precedents for his "request of the United States for leave to file memorandum." He said that the Lar Daly ruling's "threat to news coverage of political events by TV & radio is a serious matter" affecting "the interest of the United States." Rogers wound up with these punchlines:

"I would hope that the committee's inquiry in this matter was not intended to reflect & will not be construed to be in opposition to the position of the United States in the matter. Certainly the best interests of the nation require a reversal of that [FCC] decision."

There was no rebuttal from Harris, who had been accused by Republicans on his oversight subcommittee of

playing politics with the "influence" issue. He has not yet moved to schedule hearings himself on a batch of House bills amending Sec. 315, but has expressed his personal opinion that something should be done to spell out broadcasters' equal-time obligations.

And in yet another FCC filing in the Sec. 315 case, CBS Inc. said Lar Daly was "attempting to make a mockery" of the equal-time requirement by insisting that as a Republican & Democratic candidate for the Chicago mayoralty nomination he was entitled to multiple free-time appearances on CBS' WBBM-TV.

CBS protested that Sec. 315 "was not designed as a gimmick to enable the ubiquitous Mr. Daly, or others, to obtain, ad infinitum, rights to air time by the device of cross-filing or announcing as a candidate in the several primaries for the same public office."

Meanwhile Dr. Paul Tillett, asst. director of Rutgers U.'s Political-Science Eagleton Foundation, announced that it would start a \$100,000 study project next fall to see how Sec. 315 works. The survey will cover "many areas of interest to broadcasters, ourselves as educators and politicians as candidates," he said.

FCC stepped aside last week and left the parties involved in the KXII (Ch. 12) Ardmore, Okla. sale hassle to fight it out among themselves in Okla. courts (Vol. 15:15, 17). FCC denied Texoma Land TV's request for an extension of time to effectuate the sale of the CP. The Commission ruled that Texoma failed to consummate the deal within the allotted 45 days after FCC approval. Also denied and set aside was the authorization to change transmitter site, decrease power and increase antenna height.

Procedure for appeals from rulings by FCC and other federal agencies would be relaxed by a bill (HR-7559) introduced by chairman Celler (D-N.Y.) of the House Judiciary Committee. Requested by the Administrative Office of U.S. Courts, the measure would permit appellants to give "reasonable"—instead of 5-day—notice to the agencies of applications to the court of appeals for relief from agency orders. The change would affect CAB, FAA, AEC, Federal Maritime Board & Agriculture Dept., in addition to FCC.

Vol. II of FCC Rules & Regulations in new loose-leaf form will be available later this month, the Commission reports. It combines Part 2 (Frequency Allocation & Radio Treaty Matters), Part 5 (non-broadcast Experimental Radio Services), Part 15 (Incidental & Restricted Radiation Devices) and Part 18 (Industrial, Scientific & Medical Service). Copies will be available from Supt. of Documents, Govt. Printing Office, Washington, at \$2 (\$2.75 foreign), including subsequent changes & amendments.

Swift confirmation of FCC Comr. Hyde for another 7-year term starting July 1 was voted by the Senate last week just 2 days after the Commerce Committee endorsed him unanimously following a hearing (Vol. 15:22). Also confirmed: FTC gen. counsel Earl W. Kintner to be an FTC member, filling out the unexpired term of retiring chairman John W. Gwynne to Sept. 1960 (Vol. 15:19).

Plea by Western Nebraska TV Inc. for dismissal of its application for Ch. 13 in Alliance, Neb. was granted by the FCC last week. The applicant was grantee for the Alliance channel, but the grant was set aside by the Court of Appeals last March (Vol. 15:11) and remanded to FCC for further hearing on financial issues & character qualifications. Deciding not to go to hearing, Western filed for dismissal of application.

Mack Defense Delayed: The turbulent but slow moving Miami Ch. 10 conspiracy trial of ex-FCC Comr. Richard A. Mack (Vol. 15:15-22) rolled through its 9th week with no end in sight last week. Attorneys for Mack and co-defendant Thurman A. Whiteside, charged with plotting to throw the Miami grant to National Airlines' WPST-TV, were due to open their defense June 1 in Washington's U.S. District Court. Instead, the Govt.'s case was stretched through the week by defense motions & objections against testimony by 2 final prosecution witnesses—Washington Lawyer A. Harry Becker, who represented loser North Dade Video Inc. in the Ch. 10 case, and FBI agent Milton Singman. Despite repeated protests by Mack-Whiteside counsel, Becker swore that Mack once said he was "committed" to the Miami award. FBI accountant Singman was called to the stand—but only after heated bench arguments—to identify financial transactions involving Miami's Stembler-Shelden insurance agency, which the Govt. claimed was used by Whiteside to funnel money to Mack in return for his FCC vote. At the week's end Judge Burnita S. Matthews had been unable to catch up with all the defense challenges of prosecution exhibits. She deferred rulings until later.

FCC celebrates its 25th anniversary June 19, marking the date that the Communications Act became law—combining the broadcast, telephone & telegraph regulatory functions exercised by the Federal Radio Commission, ICC, Post Office and State Dept. The first commissioners, who took office July 11, 1934, were Eugene O. Sykes, chairman, Hampson Gary, Irvin Stewart, Thad H. Brown, George H. Payne, Norman S. Case and Paul A. Walker. Stewart, Case and Walker survive. During its first year, the FCC had 108,000 radio authorizations (transmitters and operators); it now has more than 2,340,000. Its budget has increased from \$2 million to \$9 million, while staff enlarged from 500 to 1200. Special 7-page mimeographed release (No. 73762 dated June 1) recapitulating FCC's quarter century is available from the agency on request.

Three applications for new TV stations were filed last week: For Ch. 9, Flagstaff, Ariz., by Greentree Communications Enterprises, headed by Stanley N. Schultz (export-import firm); for Ch. 3, Escanaba, Mich., by WBAY-TV (Ch. 2) Green Bay, Wis.; for Ch. 8, Iron Mountain, Mich., by WFRV-TV (Ch. 5) Green Bay, Wis. Total pending: 95 (16 uhf).

Still sustaining FCC examiner H. Gifford Irion's initial decision (Vol. 15:13) which recommended denial of Ch. 70 translator application in San Jon, N.M., the Commission last week instructed staff to draft decision looking toward denial. Irion proposed denial on grounds that the applicant built facilities without an FCC permit.

Control of WDAU-TV (Ch. 22) Scranton reverts to Mrs. M. E. Megaree and members of her family (already holding 50%), now that FCC has approved sale of 50% interest by *Philadelphia Evening Bulletin* to the Megaree's Scranton radio WGBI for \$700,000 (Vol. 15:16).

Our "Tall Tower Tally" of stations using antennas higher than 1000 ft. (Vol. 15:21)—based on a compilation supplied by the FCC—should show that WISC-TV (Ch. 3) Madison, Wis. is now operating with a 1107-ft. structure, rather than having a 1104-ft. antenna under construction.

Deadline for comments on FM stereo broadcasting has been extended from June 10 to Dec. 11 at the request of EIA, Comr. Bartley dissenting.

Educational Television

ETV Cum Laude: Teaching by TV, as a N.Y. State educational project, passed its first year with honors, Dr. E. L. Nyquist, Deputy State Commissioner of Education, reported last week. More than 900 N.Y. schools within range of WPIX utilized the TV course provided by the State Board of Regents, and 304,920 students saw one or more programs a week in the classroom. Some 2096 TV sets were in operation in school buildings.

Commenting on the successful debut, Jack Gould, N.Y. *Times* columnist, pointed out that various groups are seeking clarification of the N.Y. educational TV pattern. He suggested that interested groups join for the common purpose and, "at the very least, clear away the organizational confusion that has prevailed too long. An educational station that could provide in-school teaching during the daytime hours and adult cultural & public service presentations in the evening could be one of N.Y.'s most exciting & important new assets."

The report by the Ford Foundation and the Fund for the Advancement of Education, *Teaching by Television*, has been issued. It describes the results to date of TV teaching projects in more than 25 colleges & universities and 100 school systems, adding: "The beginning of a new era in American education may well be marked by the experiments described in this report." Much of the results, which show that students seem to learn better by TV than by direct teaching, had already been released earlier (Vol. 15:7). Copies of the report are available from the Ford Foundation, Office of Reports, 477 Madison Ave., N.Y. 22.

NBC-TV's *Tactic*, the 6-week educational TV project cancer-control program series, is being carried by 90 NBC stations throughout the country, says Marilyn Kaemmerle, producer. The series, made with the American Cancer Society, was designed originally for the country's 33 ETV stations, all of which have already carried it. *Tactic* has featured as performers Alfred Hitchcock, Wally Cox, Steve Allen, Ilka Chase, Mata & Hari, as well as leading editors, publishers, cartoonists, choreographers and dancers.

Dr. C. C. Clark, reputed to be the first professor in the U.S. to teach on TV, retires this year after 33 years in N.Y.U.'s School of Commerce, Accounts and Finance. On May 19, 1938, Dr. Clark lectured over NBC's TV facilities, transmitting from the Empire State Bldg., predicting at the time great possibilities for ETV. He has also served as TV consultant for NBC and Du Mont.

KQED (Ch. 9) San Francisco held an auction on TV last week to raise funds to support the ETV station's operations. Viewers bid by telephone for French lessons, round-trip to Paris via Sabena Belgian Airlines, a lamb for the deep freeze and a live Guernsey calf. The merchandise was donated by manufacturers, merchants and distributors in the Bay Area.

U. of Texas has TV-taped a series of programs for commercial stations—believed to be the first such activity by a university. The 11-part series, *Science Close-up*, features faculty scientists. WOAI-TV San Antonio started showing the series June 7, with episodes being rotated on tape & kine to other Texas stations.

New filmed ETV series, *Twentieth Century Revolutions in World Affairs*, is being syndicated to educational stations by National Educational TV & Radio Center.

Networks

COLOR TV STEP-UP: NBC's 1959-60 colorcasting plans reflect an all-out effort with parent RCA to promote color-set marketing. A minimum of 250 hours of color programming will be telecast in the fourth quarter of this year, 30% more than on the same period of 1958, Don Durgin, v.p. NBC-TV sales, told the annual RCA distributors convention in Chicago June 5.

Highlights of the fall season's color schedule include prime-time color shows every night, 2 Saturday morning children's shows, 3 series of specials (Sun., Tues. & Fri.) plus additional specials spotted throughout the season, an increased sports schedule, and one hour of weekday color in addition to *Continental Classroom's* new chemistry course.

"The total number of color-equipped NBC affiliates has jumped from 22 in 1954 to 169 at present," Durgin pointed out. "CBS has 155 color affiliates, ABC 138. NBC's color programming hours have increased from 68 in 1954 to 668 in 1958 with 1959 expected to exceed this," Durgin told the distributors.

NBC-RCA color plans also include a \$1-million color conversion of the 2 remaining Burbank, Cal. studios, giving the network 4 West Coast & 5 East Coast color studios. RCA also will construct a 2nd color mobile unit costing \$300,000, to "handle the vastly expanded color sports schedule." This will include the World Series, 11 football games, including 4 bowl games and the Davis Cup Championship tennis matches.

Who Replaces Robinson? No Hubbell Robinson replacement had been announced by CBS-TV late last week, although there were plenty of rumors circulating concerning who would get the top program vice-presidency in the wake of Robinson's resignation to head his own package firm (Vol. 15:22). One strong contender is Benton & Bowles program chief, exec. v.p. Tom McDermott, who is still in the process of making up his mind about CBS-TV's offer of Robinson's job. McDermott left N.Y. Wed. on a routine trip to the Coast, but could not be reached there to confirm or deny.

Meanwhile, another executive resignation hit the CBS-TV program department in the wake of the Robinson-Harry Ommers departures. Thomas H. Ryan, whose title is that of gen. exec. in the TV program dept., quit to join Robinson as a v.p. in the latter's new firm.

Canada's interconnected TV system—longest in the world—will be increased to 4200 miles June 18 when Newfoundland is connected with the CBC-TV network. Canadian National Telegraphs is expected to complete construction of the microwave link between Sydney, Nova Scotia, and St. John's, Newfoundland, by June 15. The biggest hop in the new extension will be a 69-mile jump across Cabot Strait in the Atlantic, which separates Newfoundland from the mainland. CBC hopes to have its new TV station at Corner Brook, Nfld., on the air in time for the special 60-min. inaugural telecast which will be highlighted by live coverage of the arrival of Queen Elizabeth & Prince Philip at Torbay airport, near St. John's, the first stop of their visit to Canada. Also connected to the new link—which will extend Canada's TV network system from St. John's to Victoria, British Columbia—will be CFSN-TV, the U.S. Armed Forces station at Harmon Air Force Base, Nfld.

Network Television Billings

April 1959 and January-April 1959

(For March report, see TELEVISION DIGEST, Vol. 15:19)

Sales Gains Continue: Gross time billings of the 3 TV networks continued in April at a pace about 9% ahead of 1958—exactly 9% ahead for the year's first 4 months, and 9.2% for the month of April. Sales declined seasonally from March, all networks sharing in the drop. While March has been the best month this year, April billings were about equal with those of January. The report for April:

NETWORK TELEVISION						
	April 1959	April 1958	% change	Jan.-April 1959	Jan.-April 1958	% change
ABC	\$10,193,663	\$ 8,739,456	+16.6	\$ 42,430,232	\$ 35,752,460	+18.7
CBS	22,093,785	20,628,511	+ 7.1	88,255,638	83,844,337	+ 5.9
NBC	19,753,172	18,283,379	+ 8.0	77,835,168	72,287,402	+ 7.7
Total.....	\$52,040,620	\$47,651,346	+ 9.2	\$208,521,038	\$191,384,199	+ 9.0

1959 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	\$10,647,078	\$22,129,248	\$19,299,853	\$52,076,179
February	10,024,460	20,806,220	18,053,823	48,884,503
March	11,565,031	23,226,385	20,728,315	55,519,731
April	10,193,663	22,093,785	19,753,172	52,040,620

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

Net TV Gains Again: Network TV's 12% ad-volume gain for March 1959 over March 1958 is healthiest by far of all major media categories in *Printers' Ink's* latest compilation. Up 3% from February, TV closed out the quarter with a cumulative (for 1959 thus far) gain of 9%. Although network radio showed the deepest cumulative drop (minus 19%) and is minus 7% on the March-vs.-March reckoning, it scored a February-to-March increase of 17%. Newspapers & magazines improved 9% & 6% respectively on March-to-March basis, although magazines were down 5% from February.

Medium	Index		% Change from		% Cumulative Change
	March 1959	March 1958	1 month ago	1 year ago	
General Index	219	210	0	+ 4	+ 2
Total Magazines	157	148	- 5	+ 6	+ 4
Weekly	161	159	- 5	+ 1	+ 1
Women's	126	114	- 9	+10	+ 7
General Monthly..	209	183	- 5	+14	+10
Farm	104	104	+ 9	0	0
Newspapers	199	182	+ 2	+ 9	+ 5
Network TV	474	423	+ 3	+12	+ 9
Network Radio	28	30	+17	- 7	-19
Business Papers	232	237	+ 3	- 2	0
Outdoor	127	157	-18	-19	-12

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which cover the years 1950-52. "Cumulative change" in the last column refers to the change, from the same period last year, of the index average from January through March, 1959.

Rotating sponsorship of 3 hour-long film shows to provide more audience for advertisers is an NBC-TV package deal being offered for next season. The programs are *Riverboat* (Sun., 7-8 p.m.); *Laramie*, (Tues., 7:30-8:30 p.m.), and *Bonanza* (Sat., 7-8 p.m.). An advertiser may make a minimum purchase of 6 half-hours, all to be scheduled in 1959, on a weekly or alternate weekly basis, in any combination of programs. The rotation allows the advertiser's half-hour to move from program to program over the weeks. The network's theory is that by being in 3 different shows on 3 different nights against varying competition, the unduplicated audience growth will be greater than the one-show accumulation.

NETWORK ACTIVITY

Colgate-Palmolive's \$12-million buy on CBS involving alternate-week full hours on both Sat. & Sun., headlines the week's activity (see below). Colgate has been out of Sun.-night TV since NBC's *Colgate Comedy hour*, which, after competing with Sullivan for 5 years, gave way Dec. 25, 1955. Colgate's heavy network activity now centers in CBS. Other Colgate shows on CBS-TV include *The Millionaire*, *The Big Payoff*, *Top Dollar*, and participations in *Robin Hood* and *Mighty Mouse*.

ABC-TV

The Record Years, pop-music special with Dick Clark, June 28 (9:30-10:30 p.m.).

AMF Pinspotters Inc. (Cunningham & Walsh).

Lone Ranger (Sun., 5:30-6 p.m.), 26 alt. half-hours over 53 wk. period starting in Sept.

General Mills (Dancer-Fitzgerald-Sample).

Cheyenne (Mon., 7:30-8:30 p.m.) and *Sugarfoot, Bronco* (Tues., 7:30-8:30), 1/6 alt.-wk. sponsorship starting Sept. 21.

American Chicle (Bates).

Cheyenne (Mon., 7:30-8:30 p.m.), weekly segments, eff. next Sept.

Procter & Gamble (Benton & Bowles).

CBS-TV

The Ed Sullivan Show (Sun., 8-9 p.m.) and *Perry Mason* (Sat., 7:30-8:30 p.m.), full-hr. alt. sponsorship.

Colgate-Palmolive (Ted Bates).

Dennis the Menace (Fri., 8:30-9 p.m.), debut Oct. 2.

Kellogg Co. (Leo Burnett).

Johnny Ringo (Thurs., 8:30-9 p.m.), next season.

Johnson's Wax (Needham, Louis & Brorby) and P. Lorillard (Lennen & Newell).

NBC-TV

The Deputy (Sat., 9-9:30 p.m.), alt.-wk. sponsorship eff. next fall.

Kellogg Co. (Leo Burnett Co.).

Groucho Marx—You Bet Your Life (Thurs., 10-10:30 p.m.), alt.-wk. sponsorship next season; *The Arthur Murray Party* (Mon., 10-10:30 p.m.), renewal of sponsorship for summer months, eff. June 29.

Pharmaceuticals Inc. (Parkson Adv.).

The Loretta Young Show (Sun., 10-10:30 p.m.), co-sponsorship next season.

Toni Co. (North) and Philip Morris (Leo Burnett).

Johnny Staccato (Thurs., 8:30-9 p.m.), alt.-wk. sponsorship eff. next fall.

Bristol-Myers (Young & Rubicam).

12 *Bell-System specials*, 11 of which set for Fri. 8:30-9:30 p.m. "specials" slot on alt. wks., beginning Oct. 9. 12th tentatively set for Easter Sun. Eve.

Bell-Telephone (N. W. Ayer).

"We are still in the novice & virgin stage in terms of the effective use & evaluation of TV's impact in the furtherance of information, political viewpoint, philosophic ideas, education & the humanities, the moralities, the furtherance of religious growth & experience." So said Selig J. Seligman, ABC v.p. & KABC-TV Los Angeles gen. mgr. to the San Francisco ad club last week.

Mutual Bestg., virtually counted out a year ago, is celebrating the 2nd anniversary of its *Operation Newsbeat* programming concept with a bright outlook. In a special message to affiliates, the following comparisons were noted: Mutual today schedules 27 hrs. 55 mins. of news & news features as compared with 12½ hours two years ago. There is a 31% increase in newscast sponsorship this year. Affiliates have increased from 351 in 1957 to 450 today.

Stations

Less TV for Lestoil: In Buffalo last week, Lestoil switched from TV to newspaper advertising exclusively, reports *Editor & Publisher*. Buffalo will be an interesting test case for Adell Chemical Co., since it marks the first time that 1958's top brand TV advertiser (Vol. 15:17) will be TV-less there. Asserting that the city's 3 TV stations "priced themselves right out of my business," pres. Jacob L. Barowsky opined that "this may happen elsewhere in the country. It would seem to me that now is the time for newspapers to take real steps forward in their much discussed plans to provide incentives for volume advertisers."

Buffalo's WBEN-TV and WGR-TV told us that their rates were increased in Dec. and that when Lestoil's rate protection expired last week, the company did not choose to renew at the new rates. Nor did the stations choose to make concessions. WKBW-TV has never carried the account. The *Buffalo Evening News*, affiliated with WBEN-TV, said the Lestoil ads are at the regular rates.

Meanwhile back in Adell's home area, in nearby Springfield, Mass., the detergent market's relatively new Formula 409 was making headway—on TV. Using part of his \$15,000 investment for a saturation schedule of spots on WWLP (Ch. 22), 409's Fred Spinney has pushed sales to a new level and started to cast around for new markets to cleanse.

No station swap between Westinghouse and NBC involving WBC's KPIX San Francisco and RCA's WRCV Philadelphia is planned. "Absolutely without foundation" is the way executives of both NBC and Westinghouse characterized the published trade report. NBC is preparing for trial in Philadelphia before Federal Judge Kirkpatrick, probably this fall, to defend itself against charges by the Justice Dept. that it pressured Westinghouse into exchanging its Philadelphia TV-radio stations for NBC's Cleveland outlets. Court of Appeals & U.S. Supreme Court had held that NBC wasn't immunized from anti-trust prosecution by FCC's approval of the station exchange (Vol. 15:9). Executives of NBC & Westinghouse asserted that they hadn't discussed any Philadelphia-San Francisco swap with each other or with Justice Dept. The Justice suit against NBC seeks to divest the network of its Philadelphia outlets & to prevent it from acquiring stations in other major cities without court approval. Meanwhile, Philco has asked FCC to hurry up & conduct a hearing on its protest against the renewal of NBC's Philadelphia licenses, noting that 4 months have elapsed since the Court of Appeals sent the case back to the FCC for a hearing. Philco had asserted that NBC lacks the qualifications to be a licensee because of its "consistent course toward monopoly."

Seven Montana newspapers owned by the Anaconda Co. were sold last week for an undisclosed price (reportedly \$4 to \$10 million) to Lee newspapers, a Midwestern group with papers in Ill., Ia., Mo., Neb. and Wis. and interlocking ownership in KGLO-TV (Ch. 3) & KGLO Mason City, Ia., KHQA-TV (Ch. 7) Hannibal, Mo.-Quincy, Ill., WMTV (Ch. 33) Madison, Wis. and radio WFAM Quincy, Ill. Sold by the mining firm, which entered the newspaper field during the famed "war of the copper kings" at the turn of the century, were *Billings Gazette*, *Butte-Anaconda Standard & Post*, *Helena Independent-Record*, *Livingston Enterprise* and the *Missoula Missoulian* and *Sentinel*. For Lee papers and other interests, see page 379, *TV Factbook* No. 28.

NAB's Image Makers: The forthcoming improve-TV's-image campaign of NAB took another step toward reality last week with the June 2 meeting in N.Y. of the special 5-man study group appointed by NAB pres. Harold E. Fellows. Unit examined the proposals of the earlier "image committee" headed by Corinthian stations pres. C. Wrede Petersmeyer.

In addition to looking at the basic proposal, the 5-man group also began plowing through what chairman Clair R. McCollough (Steinman Stations pres.) told us was "a maze of data & suggestions" submitted by outsiders—network executives, station reps, broadcasters, agency men, program producers—at NAB's request.

McCollough said he was "delighted" by the additional suggestions, and indicated he felt they would be "very helpful" in drafting the final, master plan that's due to be submitted to the NAB's TV board next week (June 17).

What the final shape of this plan will be (it's due to cover a 3-year effort at an estimated cost now reportedly scaled down to \$600,000 per year), McCollough declined to guess, saying "it's too early, and we still have many recommendations to consider." However, he felt that "the campaign will be in line with the original proposal." Next meeting of the group will be in Washington on June 10.

Sale of KPTV (Ch. 12) Portland, Ore. for \$1,026,000 plus approx. \$2,775,000 in obligations to NAFI Corp. (National Automotive Fibres Inc., maker of auto interiors, which has recently branched out into oil production) by Detroit lawyer & industrialist George Haggarty was announced last week. Bing Crosby and Kenyon Brown, who are stockholders of KCOP (Ch. 13) Los Angeles, will be chairman & pres., respectively, of KPTV. NAFI Corp., which is buying all of the stock of Oregon TV Inc. (licensee of KPTV), is traded on the N.Y. stock exchange and is headed by J. G. Bannister of Detroit. Interest in NAFI Corp. held by Crosby & Brown was not revealed, but is reported to be "substantial." Also involved in purchase of KPTV by NAFI, which has some 5000 stockholders, are George Coleman & Joseph Thomas, partners with Crosby & Brown in KCOP.

Cal. State Assembly committee last week killed 2 bills aimed at outlawing pay TV, by sending measures to interim study. Skiatron v.p. Jerome Doff of Los Angeles has argued against the bills, contending "free TV isn't free. You pay for it in the advertisers' ad budgets." Hollywood unions, hopefully seeing pay TV as a job-supplier, had also opposed the measures.

Jack R. Poppele, ex-v.p. of MBS & WOR N.Y. and one-time dir. of the Voice of America, is building radio station WAUB in Auburn, N.Y., having acquired the CP for \$5400 from Herbert P. Michels in an FCC action last week. Station will operate on 1590 kc with 500 watts, daytime only.

Joining the list of editorializing stations, WTOP-TV Washington, D.C., this week starts a prime-time, across-the-board, 2-min. editorial each night—on local, national or international issues. It's the first capitol city station to institute regular TV editorials.

RAB plans committee has placed the following research, promotion and sales projects on its operational agenda for the coming 6 months: listening habit studies, print media studies, more tape commercials, radio co-op drive, new basic presentation for retailers and local advertiser clinics.

New Look At TV Audience: Daytime TV is doing an impressive job of reaching women viewers, a soon-to-be released study for TvB by Nielsen and Pulse will show. Preliminary figure, released last week by TvB: half of all the women in U.S.—49.9%—have watched TV by 6:00 p.m. on the average weekday. The combined Nielsen-Pulse research team turned up these other eye-opening findings on TV's audience:

Two-thirds of all U.S. population over 4 yrs. old (66.9%) watch TV during the prime evening hours between 7:30 & 10:30 P.M. on the average day.

The big viewing peak occurs between 8:00 & 8:30 p.m., when nearly half—49.8%—of the country's population over 4 is watching TV. TV advertisers are thus getting a total "circulation" figure of about 77.4 million men, women and children.

On an all-day basis, better than 8 out of 10 people watch TV at some time during the day. Exact figure: 82.7% of U.S. population over 4 years—about 128.6 million people—have watched TV between 6:00 a.m. & midnight.

Full details of the survey, from which the above advance figures are drawn, will be released by TvB to members & the press in July.

There is no crisis in TV for children, declares Mrs. Harry Christopher, natl. communications chairman for the Gen. Federation of Women's Clubs. GFWC, meeting in Los Angeles last week, didn't share the opinion of Parent-Teacher Assn. leaders, who had earlier demanded reforms in children's TV. A survey of GFWC membership, taken by National Audience Board education dir. Mrs. Mary Coogan, revealed 89% of the 11,000,000 members approved present TV programming for children, while the rest objected to violence in movies on TV.

"Triple-A orbit plan," newly-inaugurated at WRCA-TV (Vol. 15:22), should insure the station its "most successful first half-year" to date, mgr. Max Buck said last week. Buck also announced that WRCA-TV posted its highest May, with billings up 16% over May 1958.

World-wide TV and how it will be achieved is the subject of an article by ITT Labs pres. Henri G. Busignies in spring issue of *Industrial Research* magazine. The methods described are over-horizon relays, man-made gas or metallic "mirrors" high above the earth, and ITT's "Earth Net Dialing" system (Vol. 15:22), using 3 unmanned satellites orbiting in fixed positions relative to the earth.

Procter & Gamble, the leading TV advertiser, displaced General Motors as the No. 1 advertiser in America in 1958, TvB reports. P&G, which allots 85% of its ad budget to TV, spent \$98,154,000 in 7 major media categories last year, GM dropping to 2nd with \$91,755,000. P&G's total TV expenditures in 1958 were \$84,471,710, of which \$50,638,650 was spent on network, \$33,833,060 on spot.

Special NAB plaque symbolizing broadcasters' "Learn—and Live" public service campaign for Space Age education has been awarded to Reino M. Takala. He is the Clarendon Hills, Ill. high school mathematics instructor who was designated "teacher of the year" by the General Federation of Women's Clubs.

Dedication ceremonies of WXYZ Detroit's new broadcast house, were simulcast June 4 in a half-hour featuring AB-PT pres. Leonard H. Goldenson; ABC Western div. v.p. James G. Riddell, and Mich. Gov. G. Mennen Williams.

Block-Booking Film Suit: KTVR Denver is seeking \$375,000 in damages in an anti-trust suit filed against Loew's div. MGM-TV, charging "block booking." The suit was filed in N.Y.'s Federal District Court May 29. According to MGM-TV's legal dept., KTVR's action is a counter-suit, prompted by Loew's pending suit in N.Y. Supreme Court against Gotham Bestg. and Founders Corp.

Gotham & Founders are guarantors of Loew's 1956 deal with the station for MGM-TV's pre-'48 library of features. MGM-TV claims the guarantors haven't paid the film rental according to the 1956 contract (\$900,000 over a 60-month period) and is suing for \$813,570, which covers the remainder of the contract plus court costs & attorneys' fees. Phillips, Nizer, Benjamin & Krim is handling the litigation for Loew's and offered no comment regarding the KTVR suit, when queried by us Thursday, June 4.

KTVR, meanwhile, is continuing its film-purchasing activity. Last week (June 4) the station bought features & 2-reelers from Screen Gems for a reported \$100,000 to be paid over a 4-year period.

Editorial Brings Results: An on-air editorial by Westinghouse's KYW-TV & KYW—urging that Cleveland authorities recognize TV-radio as news media with standing equal to the press—has been effective, station officials say. The editorial blast at municipal officials was cued by the City Planning Commission's release of a long-awaited report to the press, bypassing TV-radio (Vol. 15:21).

Following the stations' editorializing, KYW-TV gen. mgr. George Mathiesen & KYW gen. mgr. Gordon Davis were contacted by both the majority & minority leaders of the city council, who pledged to work for equal access to city news for broadcast stations. While the mayor and other top city authorities remained officially silent, station sources said unofficial assurances from municipal figures and comments of viewers & listeners indicate that there's now "far better understanding" of broadcasting's place as a news medium—as a direct result of the editorial.

New type of talk show featuring author-critic Marya Mannes (named by Fund for the Republic's Patrick M. McGrady Jr. [Vol. 15:5] as one of the 10 best TV critics) was set to premiere on WNEW-TV yesterday (June 7) in 9-9:30 p.m. spot. *I Speak for Myself* will aim away from the usual interview or exposé type of program but will follow an informal discussion format with "men & women of intelligence, wisdom and wit who enjoy playing with ideas," says Miss Mannes.

Note to commercial managers: Don't fret if your best time salesman leaves you, just when you feel he has been trained to tip-top skills. Chicago employment specialist Tom McCall holds that salesmen should change jobs every 5 years. Mobility, he says, improves a salesman's ability.

KHJ-TV Los Angeles is preparing *Raw Deal* as a series for taped syndication, with Ralph Andrews as producer. Also projected for tape syndication by this station: *Sherwood Affair* and *The Oscar Levant Show*.

CP for KAKJ (Ch. 4) Reno, Nev. was revoked by FCC last week, concluding proceedings which started 3 years ago (Vol. 12:24)—on the grounds that some of the principals had deceived the Commission about ownership.

General catalog of broadcast, microwave, amateur and aviation equipment, etc., has just been published by Collins Radio Co., Cedar Rapids, Ia.

Programming

Watch the Fords Go Buy: TV's most ambitious single project for next season—the Tues.-night Ford specials on NBC—will feature the TV drama debuts of Ingrid Bergman and Alec Guinness. MCA, packaging, will go all out to provide exec. producer Hubbell Robinson with established properties and names new to TV. It is likely that such personalities as Gregory Peck, Marlon Brando and Marilyn Monroe will also appear—if the right properties can be found for them. "We don't want to use names indiscriminately, but only when we have a property appropriate for the talent" our MCA source said.

From 8 to 12 of the 39 will be filmed shows, the rest live. The filmed segments will be dramatic properties, which can best be done on film. The series will consist of both dramatic & variety shows, with the variety portions using names like Dean Martin (set for 2) and Jerry Lewis (who will star in 2 book shows).

Production budget for the Ford series is \$7.8 million. While MCA & Robinson haven't yet signed producers for the series, some stars—Lewis, Martin and Gregory Peck—would produce their own contributions, working closely with Robinson.

A report that the tapes being made by Matty Fox of the Bolshoi Ballet would be seen on this series was promptly denied by MCA.

"The total answer to TV's future seems to me to lie in the matter of balance. If it tips unmistakably toward pattern programming, toward every producer industriously seeking to duplicate precisely the hits of the season before, it will surely deteriorate. 'What trend do you see—more Westerns, more private eyes, etc?' is the favorite and usually the foremost question of every interviewer seeking copy from us hapless creatures who are supposed to foresee these things. The question itself is disturbing. It presupposes an inevitable and compulsive tendency to copy the current successes. It assumes the industry is inexorably dedicated to slavish imitation of whatever has worked before."—Hubbell Robinson, in a guest column for John Crosby.

TV comic Carl Reiner took a poke last week at the timidity of agency men in selecting comedy film series. "If they don't laugh while viewing a situation-comedy pilot, they say 'Well it didn't make me laugh.' If they do laugh, they say, 'Well, I laughed, but will the viewers?'" said Reiner, via Marie Torre's *Herald Tribune* column. Reiner & actor Peter Lawford have produced a pilot of a situation comedy called *Head of the Family* which has been repeatedly passed over in favor of more established types of series. "All the tradesmen agree I have a quality product, but nobody buys it," said Reiner, adding "and it's too late to work a private eye or Western theme into the show."

St. Lawrence Seaway official opening June 26 will find TV on hand en masse. Both ABC & CBS will utilize the facilities of the Canadian Bestg. Co. in their coverage. ABC plans a live simulcast from 11 a.m. to noon. CBS's 2-hour offering, starting at 10 a.m., will be live & film and will show the dedication ceremonies attended by President Eisenhower & Queen Elizabeth. NBC's program will be an hour-long prime-time special (8-9 p.m.) on tape, and will be sponsored (Vol. 15:22).

First production unit of RCA's magnetic disc recording system was delivered last week to WDAS Philadelphia.

Susskind Specials: While he still has a couple of deals in negotiation, producer David Susskind will have 33 specials, an overall production budget of \$25 million for next season, he tells us. His Talent Associates, certainly the most active producer of live shows in TV today, produced 16 specials this past season.

Susskind, in Hollywood recently on negotiations for some of his projects, told us that next season his TA will produce 9 DuPont *Show of the Month* specials (CBS); 8 Art Carney specials (NBC); 7 MGM specials for General Mills & Westclox, network not set; probably 2 Sid Caesar specials for *U.S. Steel Hour* (CBS); *Armstrong Circle Theater* (CBS). Also, a deal has been signed for TA again to produce specials for Rexall Drugs—6 hour-long shows for next season.

The ubiquitous Susskind also has his *Open End* show (distributed by NTA), and will produce 2 movies for Columbia, *Raisin in the Sun* & *Revival*. For his MGM specials, produced in conjunction with Metro, Susskind has lined up thus far these Metro properties: *Ninotchka*, *Random Harvest* and *The Citadel*.

As usual, Susskind had a few acid remarks for his critics: "If I tried to get Garbo for *Ninotchka*, they'd say I was playing it safe, so I won't try . . . Other producers criticize me for one reason—envy. They wish I would have a flop. Eventually, I will—that's the law of averages. They say I'm playing it safe by taking established properties, but everytime you put on a show you're taking a chance . . . I don't know why Dick Powell has criticized me. I have never mentioned him by name. Personally, I think he's quite a guy, but he's in the TV film business. I've never met him . . . I will only do live shows, and from New York. California is a lovely place for retired people."

"A tragedy for TV and a blow to people who are dedicated to good music" is the passing from ABC-TV of *Voice of Firestone*, says Sen. Neuberger (D-Ore.). He took space in the *Congressional Record* appendix to record his wish to "join in mourning" for the end of the show which "could not compete successfully—in the opinion of network business managers—with . . . cowboy thrillers & comedy shows."

Public service TV programming—\$270 million worth of time donated in 1958 alone to civic causes—is one answer to the industry's critics, according to Rep. Lindsay (R-N.Y.), a Judiciary Committee member. In the *Congressional Record* he called his colleagues' attention to a March 9 *Television Age* commentary by publisher S. J. Paul which advised TV's critics to acknowledge its civic contributions before "carping from the sidelines or hunting headlines."

CBS News' prime-time specials, set for next season, have been outlined by Sig Mickelson. Producers will include Fred Friendly, Leslie Midgley, Burton Benjamin, Don Hewitt, Paul Levitan, Albert Wasserman and Stephen Fleischman. "All production units within CBS News will take part in the series," Mickelson told the Canadian *Bcstrs* in Toronto, last week. Subjects of 2 of the monthly specials were announced: "The Population Explosion" (population growth & its implications for the future), and "600,000,000 miles per hour" (the space age).

Jack Paar has signed a new NBC-TV network contract, effective July 6, cutting back live appearances to 4 nights (Mon.-Thurs.). Starting July 10, and each Fri. thereafter, a program of taped highlights from former Paar shows, or a live show hosted by a guest m.c., will be presented. After each 13-week cycle, Paar will take a 2-week vacation.

"Birth of a Nation" in a history-of-the-movies anthology, will not "arouse racial feelings," Sterling TV pres. Saul J. Turell has told the NAACP in a letter to exec. secy. Roy Wilkins. Turell assured that "We have never had any intention of releasing 'Birth of a Nation' in its original version. In fact, we would oppose its release in its present state almost as vigorously as you do . . . We intend only to use certain excerpts in our TV series (on motion picture history)". When Sterling acquired a package of old D. W. Griffith movies, it toyed with the idea of selling the controversial film as a Civil War TV special. Wilkins had sharply protested use of the film on TV claiming it glorified the Ku Klux Klan.

Sid Caesar, has been signed to a long-term exclusive contract with CBS-TV, pres. Louis G. Cowan revealed June 4. Under the terms of his contract, Caesar will star in a series of one-hour comedy specials, the first of which will be presented this fall. The series will be produced by the Shellrick Corp. with Hal Janis as exec. producer. Audrey Meadows has been signed as a regular featured performer on all the shows. Caesar's first series appearance—also his first on CBS-TV—will be on *The U.S. Steel Hour* Wed., Oct. 21, 10:00-11:00 p.m., when he will present a satirical comedy treatment of the auto industry.

No divorce of TV advertiser and his programming is foreseen by ad men queried by *Advertising Age* on John B. Cunningham's recent prediction. The chairman of Cunningham & Walsh last month predicted that TV's advertising & editorial functions ultimately will be autonomous, as in the print media. Agency, advertiser, and network executives spot-checked by AA, not only saw no divorce but anticipated a stronger marriage, because of sponsors' growing concern with the total image created by programs' message, mood, and merchandising impact.

Westerns appeal most to semi-skilled & white-collar workers, and in that order, according to a Ph.D.-thesis scrutiny of the TV viewing habits of 1200 people. Alex Runciman, producer-host-editor of KNXT Hollywood's *Television Journal*, made the survey, given an assist by Nielsen and ARB. It also showed that white-collar workers & college graduates go for drama, that interest in mysteries decreases with age, and that college-educated groups have a lower preference level for comedy & variety shows.

Producer Dore Schary, whose contract with NBC calls for five 90-min. Civil War specials in 1961, tells us some of those shows will be live, some film. Schary is now in Hollywood, already working on details of the specials. ABC has shelved its plans to have Warner Bros. produce Civil War specials in 1961. Schary on TV generally: "TV is an important & exciting medium for non-fiction, but it doesn't attract me as a medium for fiction. I'm accustomed to the wide-screen for dramatics."

Art Linkletter has added himself to the growing list of performers and producers visiting Russia to shoot TV segments. Linkletter, and a crew of 3, will arrive in Moscow June 22 for 4 days to film stunts involving Russian-speaking contestants with interpreters, and English-speaking Russians. Similar jaunts to Berlin & Paris will follow. The films will be on NBC's *People Are Funny*.

Saddled-up soap opera is being planned by ABC-TV in a bid for daytime ratings. Set tentatively for a half-hour between 12 & 1:30 is *Hope Springs*, currently on the block before various daytime advertisers. ABC terms it a "new daytime serial of the frontier West" playing up "the women's point of view."

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.

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PUBLICATION OFFICE Box 700, Rodnor, Pa. MURRAY 8-3940

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 Washington 5, D.C.
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Associate Publisher

NEW YORK NEWS BUREAU

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 New York 22, N.Y.
 Plazo 2-0195

CHARLES SINCLAIR

WEST COAST NEWS BUREAU

6362 Hollywood Blvd.
 Hollywood 28, Cal.
 Hollywood 5-5210

DAVID KAUFMAN

WEEKLY NEWSLETTER TV & AM-FM ADDENDA AM-FM DIRECTORY
 Published Mondays Published Saturdays Published in January

TELEVISION FACTBOOK Published in March & September

Copyright 1959, by Triangle Publications, Inc.

Personals: Payson Hall, treas. & TV-radio dir. and Karyl Van, v.p. & adv. dir., named directors, Meredith Publishing Co. (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, radio KRMG Tulsa) . . . Jim Silman promoted to program dir., WTOP-TV Washington, succeeding Thomas B. Jones, named to similar post at WJIM-TV Lansing.

William M. Fromm, adv. and promotion mgr., NBC Spot Sales, named sales development and promotion mgr.; Anthony Liotti promoted from research supervisor to research mgr. . . . William Shelton named sales mgr. for Continental Europe, NTA International, headquartering in London . . . Warren Baum, chief of FCC's Office of Network Study, resigns after 3½ years on network investigation to join European dept. of International Bank's economic staff, headquartering in Washington.

Jack Sonntag named Four Star Films production mgr., succeeding Frank Baur, resigned . . . Philip Kranz, ex-NTA non-theatrical sales dir., named educational film sales dir., Pathe News . . . George Greaves resigns as station mgr. of KXTV Sacramento.

Charles (Chuck) Olson, ex-WREX-TV Rockford, Ill., appointed WITI-TV promotion mgr. . . . Howard O. Peterson resigns as gen. mgr. of KTVH Hutchinson-Wichita . . . Roger L. Micheln promoted to local sales mgr. of WFRV Green Bay, Wis.

Sherman C. Hildreth named station technical facilities dir., NBC radio o-&o stations . . . Maurice Guillerman promoted from account executive to natl. sales mgr., WWL-TV New Orleans.

Harry Ackerman, Screen Gems production v.p., back at his desk after recuperation from an ulcer attack.

Norman Knight, pres. of WNAC-TV & WNAC Boston and the Yankee network, received the American Heritage Committee's Freedom Book award for "continuous cooperation with worthwhile patriotic measures to protect our American heritage, in particular his support of the radio program *Dangers of Apathy*."

Robert W. Sarnoff, NBC board chairman, is scheduled as principal speaker at the commencement exercises of Franklin & Marshall College, Lancaster, Pa. June 8. He will be awarded honorary doctor of laws degree.

Southern Cal. Bcstrs. Assn. has elected Howard Gray, KGIL San Fernando Valley, chairman; Herb Comstock, KAVL Lancaster, vice-chairman; Cliff Gill, KEZY Anaheim, secy., Norman Boggs, KHJ Los Angeles, treas.

Japanese viewers will see in color NBC's Perry Como-Kraft offering next season via tape. Negotiations were completed last week between NBC International Ltd. and Nippon Television, Tokyo. Deal marks 2 firsts: First time a U.S. broadcaster has supplied a tape show to a foreign broadcaster on a regular basis, and first color tapes sold in the foreign market. Total number of foreign countries to view the Como series next season will be 16.

Warren Hull, TV-radio performer & producer, joins David Jaret Corp. brokerage firm, where he will be associated with pres. David Jaret in negotiating sales of TV-radio stations. This is an entry into a new field for the 36-year-old business brokerage house, located at 150 Montague St., Brooklyn, N.Y. (Ulster 2-5600). Hull will also continue as a performer.

"Explosive" is the word for TV, says Philip Ward Burton in his latest book on advertising, *Making Media Work*, published by Printers' Ink Books (448 pp., 80 illus. & charts, \$8.50). "The basic reason why a national advertiser uses TV is clear-cut. He uses TV because he can thus deliver the most effective selling message to the greatest number of people." The book analyzes all media.

First annual \$1,000 scholarship established by Broadcasting Executives Club of New England for Boston U.'s School of Public Relations & Communications went to William Colclough, Hamden, Conn. He will enter Boston U. in the fall as a junior, majoring in broadcasting.

Howard K. Smith, CBS newsman, received an honorary doctor of humane letters degree from Alfred U., June 7. The day before, Dr. Bergen Evans, moderator of CBS-TV's *The Last Word*, received an L.H.D. from his alma mater, Miami (Ohio) U.

Assn. of Federal Communications Consulting Engineers, at recent annual convention in Ottawa, elected: Howard Head, pres.; Robert Silliman, v.p.; William Bennis, secy.; Edward Lorentz, treas.

Editorial effort, "Thou Shalt Not Kill," a 60-min. documentary & statement of position on capital punishment presented by KNXT Los Angeles (Sept. 10) has won for the station the Sigma Delta Chi award.

Blair Walliser, exec. v.p. of MBS, elected pres. of Broadcast Pioneers, N.Y. chapter, for the coming year.

Auxiliary Services

National Community TV Assn. annual convention June 23-25 at the Sheraton Hotel, Philadelphia, includes the following on its agenda: Luncheon address June 23 by Sen. Randolph (D-W. Va.); Discussion of "State Legislative Problems" by Pa. state Sen. William Z. Scott, stockholder in Lansford, Pa. CATV system; "Experience with long distance TV fields used for re-transmission," by Warren Braun, asst. gen. mgr., WSVA-TV Harrisonburg, Va.; educational TV & CATV, by Dr. Warren L. Hickman, Ithaca College dean of liberal arts; public relations, by U. C. Whelchel, Celanese Corp. mgr. of regional community relations; addresses by presidents of manufacturers Entron, Jerrold, Spencer-Kennedy Labs and Westbury Electronics; round-table discussion of CATV problems by 7 operators—plus talks on sales promotion, insurance and advertising.

Translators granted by FCC last week: Ch. 70, Springerville & Eager, Ariz. to the town of Springerville; Ch. 70 & 74, Navajo Compressor Station, Ariz. to El Paso Natural Gas Co.

Advertising

BIGGER SYNDICATION DEALS: A new trend has been evidencing itself this year in the sizes of syndicated telefilm sales to advertisers. The big sales are becoming bigger but fewer; the medium-sized regional purchases (15 to 30 cities), once the bread & butter deals of the business, are slacking off; the small 4-to-10 market buy is on the increase.

Reason: National, or near-national advertisers—many with long track records of network program sponsorship—have been moving quietly & steadily into the syndication field. This was clearly revealed last week by our checkup of N.Y. sales headquarters of all leading syndication firms & producer-distributors.

On the downgrade are the number of purely-regional buys made by regional advertisers who aren't likely to map a national syndication invasion, say telefilm sales sources. They're still in evidence—as witness last month's Ballantine Beer purchase of MCA-TV's *Shotgun Slade* series for a 52-week run starting this fall in its full list of 28 Eastern markets. But, big regional buyers tend today toward market-by-market buys that may range from telefilms to spot saturation campaigns.

The latest example of this syndication trend is the 60-market, alternate-week purchase of Ziv's new *Lock-Up* by American Tobacco Co. via BBDO—a series which will follow immediately on the heels of a 26-week run, in a similar market list, by the tobacco firm with MCA-TV's *SA-7* espionage series for both Lucky Strike & dual filter Tareyton. American Tobacco, of course, has a long history of network TV sponsorship, but is relatively new to the ranks of major syndication advertisers, signing its latest deal only last week.

Most of the major syndicators can point to king-sized deals of this nature this season, usually built around a medium-sized national advertiser buying a fairly expensive syndicated telefilm series for alternate-week exposure, with local & regional clients buying the other half (although a few clients are traveling first-class with full program sponsorships on a long station list).

CBS Films Inc. is in a particularly strong position in this area, having scored a total of 4 major sales (2 renewals, 2 new buys) during the past 6 months that top 60 markets on each deal: Continental Baking's 5th-year renewal on *Annie Oakley* (76 markets); Conoco's 3rd-year renewal of *Whirlybirds* (alt. wks., 67 markets); Carling Beer's purchase of *The Phil Silvers Show* reruns (2/3 alt. wks., 1/3 full sponsorship, 63 markets); and Amoco's first-run buy of *Border Patrol* (alt. wks., 63 markets).

National Telefilm Associates claims the biggest recent non-network sale of them all—a 100-market spread, mostly on an alternate-week basis, of *U.S. Marshal* for Budweiser, with virtually all of the brewing firm's market lineup cleared since the first of the year. NTA's next-largest deal in 1959 has been a 47-market spread for one of the pacific coast's largest breweries, Olympia, with full sponsorships of the first-run *Glencannon* series that NTA took over from Gross-Krasne-Sillerman.

NTA's feature-film variation of this formula—the NTA network sale of participations in old Shirley Temple movies—has racked up similar long lineups. It's interesting to note that last Dec., 5 national advertisers (Samsonite, Ideal Toy, Necchi-Elna, Westinghouse, Philips-Van Heusen) bought into a 63-market spread of the Temple films. NTA expects to repeat the formula this year.

HOLDING SUMMER VIEWERS: A sponsor's best bet for boosting the share-of-audience his program gets in the summer months is to freshen it with a steady flow of new program material. If he uses program reruns he'll do about as well in audience share as he does during the peak winter months. But, if he uses a summer replacement series, he's betting against tough odds, and is more likely to lose than gain his share of viewers.

The above, says A. C. Nielsen Co. in its 1959 report on warm-weather programming, is the general situation that confronts advertisers & program planners. Nielsen's study is based on the July-Aug. behavior of a total of 77 network TV programs last summer measured against what the research firm describes as "equivalent winter performance standards."

* * *

Here's the summertime program picture as outlined in the new report:

1. 52-week show, new material: This is usually the most expensive course (since winter talent-cost levels remain similar), but it "usually improves share performance." On film shows, this of course means a fresh episode each week. With live shows, it means retaining the winter format & the same, or similar, star values. Of 15 shows that maintained a year-round new-material approach, Nielsen found that 14 "maintained or improved winter share levels." Seven shows produced a minimum of 5% improvement in grabbing a share of homes using TV. Only one show (not identified) showed a 5% decline in audience share. Over-all winter share average for the group: 33.5%. Over-all summer share: 35.3%—an average improvement of 7%.

2. 52-week show, selected rerun episodes: This is the most-traveled program route in the summer months on major networks, accounting for 61% of the 77-program total. The share-of-audience track record was generally in favor of repeating the best shows (usually 13 out of 39) during the summer. Of a total of 47 shows using repeats, 19 improved audience share by at least 5%. But 22 declined in share, usually not very drastically. Six shows were on the fence, maintaining a winter level of audience share. The general picture: "43 shows out of the 47 performed within 5% of, or better than, winter share of audience levels."

3. Summer replacement program: Time costs during the summer are the same as those in winter when figured on a 52-week basis. Therefore program costs on summer fill-in shows, because of generally lower performance, must be considerably below even the prices for rerun shows in order to match Nielsen's warm-weather form chart on a cost-per-1,000 basis. Of 15 summer replacement series checked by Nielsen, only one show came up with a 5% improvement in audience share. All the others fell off, some drastically. Five shows declined less than 15%, and 9 declined more than 15%, with one ill-fated replacement series in the latter group losing 47% of the regular winter share-of-audience level.

* * *

Nielsen sums up the situation thusly:

"Lower per-broadcast TV audience levels in the summer present an even greater need for careful program evaluation. Since the time & production costs are independent of potential audience size, summer challenges the advertiser to continue broadcasting to the many viewing homes without overpaying for, or forfeiting this large audience."

In Other Media: Following *Life's* example, *Reader's Digest* is making a 54-city test of newsstand prices at 29¢ & 25¢ (cut-rate under its regular 35¢) . . . A *Newsweek* study has determined that liquor advertisers spent \$32,927,052 for 3219 pages in magazines during 1958. This represented a gain over 1957 of 6.4% in money and 1.9% in pages . . . Advertising, which comprised 59% of all space in America's weekly newspapers in 1957, was down to 55.2% last year, reports the Natl. Editorial Assn. & Newspaper Assn. Mgrs. At the same time, circulation increased for the weeklies, states N. W. Ayer's latest *Directory*—up 700,000 to a 1958 total of 22,708,982. The number of weekly newspapers increased 71 to a 1958 total of 9396. Total paid circulation for weeklies is up 30% since 1950.

* * *

Quality, not quantity circulation should be the magazine industry's line of defense against TV's encompassing coverage, *Coronet* publisher Arthur Stein recently told a Direct Mail Advertising Assn. workshop on circulation techniques. "No magazine can hope to reach the total audience offered by TV," he said, underscoring the futility of competing with TV for the advertising dollar in the area of mass circulation. "The race for numbers so many of us are in hasn't proved successful or profitable." To beat the current magazine industry slump in earnings he suggested reduction of circulation totals to reasonable levels, with emphasis on selectivity of audience, and hiking of subscription rates, to take some of the burden off advertisers. (*Coronet's* latest 6-months statement shows its single copy sales down to 867,949 from the 1,023,084 of the year before. Subscriptions, on the other hand, went from 1,952,350 in the 1957 period to 2,200,481 in the 1958 period.)

* * *

Ben Hibbs, editor of *The Saturday Evening Post*: "It would be a bit silly, of course, to deny that TV has had an impact on the magazines. Our new competitor has been taking an increasingly large bite of national advertising budgets, and of course some of this revenue has come right out of the hides of the magazines. However, I have noticed that surging changes of this sort have a way of leveling off, and this is what seems to be happening now in the national advertising field. In the end, I suspect, each medium will get a fair share of the take, and there will be enough for all. The long-range business outlook for the magazines is by no means as dismal as some of our electronic competitors would have you believe."

* * *

Ad dollars buy more on TV than in Sunday supplements, concludes a study recently completed by TvB for its 1959 sales clinics. In coverage & economy, both network & spot TV deliver more by far than the 4 major national supplements. The study includes, for example, an analysis of the cost & impact of a full-page 4-color ad in *American Weekly*, a 5-a-week schedule of 20-sec. 6:30 p.m. TV spots and participating sponsorship in five 15-min. daytime net TV shows. The spot schedule costs slightly more but reaches 50 markets & almost 12 million unduplicated homes, compared with the supplement's 34 markets & 10,105,800 circulation. Net TV also costs slightly more than the supplement ad, but reaches 140 markets and 10,765,000 unduplicated homes. More to the point, the average number of ad noters for a 4-color page in AW is 7,631,100. In comparison, the net & spot TV schedules draw 17,224,000 and 30,465,000 unduplicated viewers respectively. The cost-per-1000 viewers is \$2.42 for net and \$1.38 for spot TV, compared with AW's \$5.13 cost-per-1000 noters.

Advertising People: Anthony V. B. Geoghegan promoted from senior v.p. and plans board chairman, Young & Rubicam, to exec. v.p. . . . Myron P. Kirk named senior v.p. & management account supervisor, Lennen & Newell . . . Michael Donovan, ex-Benton & Bowles v.p. & associate media dir., has joined BBDO media dept.

Lawrence D. Reedy appointed acting head of AAAA's headquarters' section IV, which includes TV & radio administration. He succeeds v.p. August A. Nelson, resigned . . . Thomas D'Arcy Brophy, former chairman of Kenyon & Eckhardt, and Samuel C. Gale, former v.p. in chg. of adv., home service, public services & mktg. research, General Mills, are to receive the first annual Adv. Fed. of America Awards for distinguished service.

Mrs. Mary-lou Jorgensen named information services mgr., Assn. of National Advertisers, succeeding Miss Alice Kennedy who will be married June 15 to Thomas Ahern . . . Chester R. (Chet) Cooper, ex-WNHC-TV New Haven and WFIL-TV Philadelphia, has joined TV-radio dept., Gray & Rogers.

Joseph D. Nelson Jr., elected senior v.p. & dir., Cunningham & Walsh; Laurence W. Scott, Chicago office v.p., also named dir. . . . Walter W. Stumpe named v.p., Needham, Louis & Brorby.

* * *

Latest executive switch in N.Y. in the big-time program field (not, however, involving CBS-TV) finds Charles C. (Bud) Barry moving from his present post as pres. of the NTA TV Network to the job of v.p. in charge of programs & talent at Young & Rubicam, reporting to v.p. Peter Levathes. Presumably, his program role at NTA—that of preparing a fall lineup of taped specials that could be sold in the manner of last season's Shirley Temple films—will be taken over by Ted Cott, v.p. in charge of NTA's o-&o stations.

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Decade of Furness' Line: TV's best-known saleslady—Betty Furness—completes her first 10 years for Westinghouse this week (June 8). By McCann-Erickson's count, she will have rattled off some 312,000 words on TV, for everything from air conditioners to portable radios, on *Studio One*, the hour-long Desilu series, and other Westinghouse-sponsored shows. Average-per-show: About 650 words. She's been on the air some 1,980 minutes of 475 shows and her 33-hour on-camera total is longer than many a one-season program series.

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Jes' keeps Rolaiding along: Many magazines have been carrying the story, picked up from a May 24 Washington-dateline UPI dispatch which was played by dailies, that the FTC and American Chicle Co. had signed a consent order against man-in-white-coat TV commercials for Rol-aids. The UPI's Sun. dispatch, marked for "release at 6:30 p.m. DT" for Mon. AM's, was correct in every who-what-when-where detail except one: it was a year old. What happened was that the news service's Washington bureau had asked the FTC for a copy of a 1958 handout, marked for release to AM's of Mon. May 19, announcing the Rol-aids agreement (Vol. 14:20), because the UPI's N.Y. headquarters wanted the copy for office file purposes. The old release arrived in weekend mail at the Washington bureau, where it was dutifully processed for the wires by a skeleton staff which noted the Mon. advance timing—but not the date.

New rep: KTVW Tacoma-Seattle to Richard O'Connell Inc. May 22 (from Hollingbery).

Film & Tape

TAPE STANDARDIZATION (cont.): "The future of videotaped programs & commercials will be limited—unless the industry gets together right now on operational standards that will make possible a completely universal distribution of tapes from station to station," commercial producer Bill Unger told us in N.Y. last week.

Unger, who's a founder of the Screen Gems-owned production firm of Elliot, Unger & Elliot, voiced his comment while discussing a new role he's playing as chairman of a special subcommittee of the video-tape facilities committee of the Film Producers Assn., the N.Y. industry group of some 35 telefilm & commercials producers. Working with him on the subcommittee will be Filmways' technical operations dir., Harry Sombor.

Currently exploring opinions of FPA members on tape standards, the subcommittee is working closely with NAB and the Soc. of Motion Picture & TV Engineers, Unger adds. The current problem of station-level tape charges (Vol. 15:18) is not involved.

"From the producer's point of view we are only indirectly concerned with basic technical standards," Unger said. "But there's much to be clarified in terms of what you do within those standards. For instance, such factors as reel sizes, shipping containers and rapid visual identification of a tape reel's contents affect both agency & producer costs, and should be standardized before they become diverse."

Unger admitted that few FPA members are tape-equipped now, but stated that "the problem of operational standardization is ultimately going to affect the whole industry."

Bolshoi's Taping: Undoubtedly the most ambitious TV-taping to date took place at Paramount-Sunset's huge stage 6 in Los Angeles last week. There the Bolshoi Ballet spent 5 rehearsal days & 3 days before the cameras, doing four 1-hour shows which Matty Fox of Skiatron intends to show on TV. Just how, he isn't saying (Vol. 15:20). The production will cost about \$1.2 million, including tape & production costs, and the \$550,000 which impresario Sol Hurok is guaranteed by Fox. "It's the most expensive single project TV has ever had," producer Ted Mills tells us.

Signs in Russian posted all over the Paramount studio, directed the troupe, which took over 5 stages for the taping. A 68-piece orchestra occupied an adjacent stage, sound equipment took another. Milton Cross narrated.

KTLA, (Ch. 5), whose tape equipment was used for the show, employed 76 technicians on the project—a record. The station hopes the ambitious taping will lead to more such special projects at the Paramount-owned studio.

NBC provided the sets, with Fox paying for them. Fox has been working on a deal with NBC whereby he would buy 4 hours of prime time (est. cost \$400,000), to show the ballet programs. While he would not be allowed to pitch for \$1 on TV from each viewer to pay for the show (NBC contends the air is free and it would therefore be against FCC regulations to allow such a pitch), Fox plans widespread newspaper-ad campaigns calling attention to programs and asking viewers to send \$1 if they like the show. Apparently the Bolshoi stunt is a push for the Skiatron pay-TV system via free TV. The Fox-NBC deal is one of those on-again-off-again propositions. Deadline for signing passed this week and the agreement officially was off—but it could still be revived, NBC officials admit.

Paramount's Post-1948's: A backlog of feature movies, untapped for TV is even better than having cans of money in the vault, since the value keeps growing, Barney Balaban, Paramount pictures pres., feels. Paramount, therefore, is in no hurry to get rid of its post-1948 pictures, and wants to explore all of the possibilities for pay-TV exposure (via its own International Telemeter Co.) before it makes a move to sell its recent pictures in the free-TV market.

This philosophy was crystalized last week in N.Y. by Balaban for stockholders attending the film firm's annual meeting. Balaban noted that Paramount "does not include TV income from its film library as part of its normal operating revenue." (For report on earnings, see p. 20.)

The current supply of pre-1948 pictures available to TV is likely to last "for another 2 or 3 years, or possibly longer," said Balaban. Meanwhile, as this supply shrinks, TV's demand for features "would increase accordingly, enhancing the value of our product," he added, pointing out that "in any consideration of our post-'48 library, there is the ever-alluring potential of pay-TV."

Not that Paramount, apparently, has anything against free-TV—if the money is right. Balaban told shareholders that sales contracts written so far by MCA-TV on the pre-1948 Paramount backlog have reached the \$50-million mark, under which Paramount is guaranteed \$35 million starting in 1960. And, "prospects appear favorable" for a guarantee of an additional \$15 million as MCA heads toward a total gross level of \$75 million.

Balaban stated "with confidence" that he expects pay-TV, however, to be "in operation in several thousand homes by 1960." He also said that International Telemeter would move its office from Los Angeles to N.Y. within the next month or so, and stated that the division's technical progress has reached a point "where the administrative emphasis in the development of pay TV can now shift to programming, development of markets and other basic phases." Added Balaban: "Some form of pay TV is inevitable."

A pay-TV experiment by Telemeter this fall "in an undisclosed Toronto suburb" has been openly discussed in film trade journals recently. If the autumn experiment proves successful, Telemeter plans to expand it to the entire Toronto area, Paramount officials in N.Y. tell us. No starting date for the Toronto project was revealed.

The Paramount pres. was more cautious on the subject of the firm's own telefilm making, saying that he believed "production for TV could have a profitable potential for us," but that he expected to be "feeling our way as we go along." None of Paramount's current crop of pilots, incidentally, have been sold either for network or syndication.

New Directions for Screen Gems: An expansion of Screen Gems activity in the domestic telefilm market, via a new subsidiary that will specialize in programs-for-time barter swaps, and an increase in Latin American sales were announced by the Columbia Pictures TV subsidiary pres., Ralph M. Cohn, last week.

The barter deals—a new sales area for Screen Gems—will be handled through a newly created offshoot, Telescreen Advertising Inc. Heading the Telescreen operations will be Charles Weigert and Sidney Barbet, pioneers in film bartering, who have resigned from Regal Advertising Associates (house agency of Exquisite Form bras) to supervise the project. Screen Gems is currently lining up old film properties to be exchanged for spot time.

New York Roundup: Second Ampex tape unit has been installed in the N.Y. film studios of Elliot-Unger-Elliot, commercial production subsidiary of Screen Gems. In addition, E-U-E has also installed new 35-mm kinescope equipment to provide film as well as tape copies of video-taped commercials.

Nucoa's funny TV commercials have been drawing laughs, but not sales. Last week, Nucoa (Best Foods div. of Corn Prods. Co.) switched back to the straight-sell, moving the \$1 million account from Guild, Bascom & Bonfigli agency, specialists in the low-pressure, off-beat TV sell, back to Dancer-Fitzgerald-Sample, the "hard-sell" agency from which it had been yanked 2 years ago. GB&B retains, however, Best Foods Skippy Peanut Butter, which is worth some \$2 million in total billings. The Nucoa switch is effective July 1. The bulk of the margarine's spending is in spot TV advertising.

UA-TV's first network show is close to contractual reality, the film firm's N. Y. headquarters tells us, with NBC-TV considering the hour-long proposed anthology for a mid-evening Sunday slot this fall. Although episodes to be filmed by various UA movie producers (such as Kirk Douglas & Burt Lancaster) may run as high as \$200,000 in production costs, there's no pilot film of any kind on the series. Price to a sponsor may be reduced by UA-TV retention of potentially valuable overseas theatrical & TV distribution rights.

WCBS-TV is doing better with its *Late Show* feature strip than any of N.Y.'s big movie houses, with one exception. Currently, the CBS-TV flagship is grossing approximately \$60,000 weekly (before agency discounts) from participation advertisers, \$10,000 more than last week's gross on "Pork Chop Hill" at the Roxy, and \$24,000 more than Marilyn Monroe's "Some Like It Hot" at Loew's State. Top movie money in N.Y.: the \$142,000 take at the Music Hall with "Ask Any Girl."

Sir Winston Churchill is now part of a TV deal wrapped up in N.Y. during the statesman's recent visit. TV & motion picture rights to his 6-vol. memoirs have been assigned to Jack LeVien, Hearst TV newsman & former Colonel on Gen. Eisenhower's staff in Europe. Development for TV is expected to be along the lines of the *Crusade In Europe* series.

Features are expensive these days. A package of 78 films from the Columbia and U-I backlogs was bought for \$1 million by WOR-TV N.Y. last week from Screen Gems. They'll be used, appropriately, to freshen up the station's *Million Dollar Movie* feature showcase, and represent WOR's biggest buy since it took the plunge on the RKO backlog 5 years ago.

NTA-BBC co-production series, *The Third Man* with Michael Rennie starring, starts British production during the week of June 22 at Shepperton Studios, with 19 episodes scheduled. The first 20 were shot in Hollywood at the TCF-TV lot. A network sale to Lever Bros. has been rumored, but not confirmed.

Ziv is giving space-age training to 7 telefilm writers due to be working on the new *Space* series scheduled to debut Sept. 30 on CBS-TV. Special briefings will involve trips to Air Force & missile-launching locations and lectures by experts from the Research & Development branch of the armed services.

United Press International is entering program syndication via sales & distribution of taped telecasts of 1959 Notre Dame football games. Other sports programs, in collaboration with Newspix Inc., are also in the planning stage at UPI.

Hollywood Roundup: Revue Productions has quit production on its *State Trooper* series starring Rod Cameron, and begun preparing Cameron's new series, *Coronado 9*, in which he plays a private eye . . . Columbia will film a movie version of its Screen Gems telefilm series, *Rin Tin Tin*. That completes the circle for this property, which began in the movies.

Herts-Lion Productions plans a new telefilm series, *13 Demon Street*, created by Curt Siodmak . . . A \$750,000 breach of contract suit against ABC, brought by Maxon F. Judell, has been dismissed in Los Angeles. Judell claimed a show titled *What's the Joke?* was based on his format.

Goodwill Caravans, soon to make a trip to 16 South American nations, has signed Crusader Films' Alfred Frantz Stury to film 16 half-hour telefilms of the journey . . . Bob Cummings will receive \$2,595,000 over a 3-year period for reruns of *The Bob Cummings Show* he has sold ABC . . . KTTV has made a deal to telecast 90-min. taped Cuban baseball games beginning next September.

NBC's new Western series, *Bonanza*, goes into production June 29 at Paramount. Producer David Dortort is preparing 12 hour-long episodes . . . Normand Houie Productions is preparing a new telefilm series, *My New Country*.

Ellsworth-Waller Productions has been formed by James Ellsworth & Ron Waller, to produce a new series, *Theatre of Champions*. Jerry Stagg will be exec. producer . . . Steckler-Smith Productions, recently formed by Roy P. Steckler & Bob Smith, are planning *Missile Men*, a TV series.

Veteran director Norman Taurog has formed Prithon Productions, an independent company, to film TV series . . . Jonan Productions, an independent company formed by agent Mitchell Gertz, is in negotiations with ABC on a new TV series, *Marshal of the Last Frontier*.

Screen Gems and Writers Guild of America West have finally signed their long-pending deal whereby SG will produce an anthology of 39 half-hour TV films from scripts supplied by WGAW members. WGAW will get a royalty of \$1500 on each episode. SG's Harry Ackerman will be exec. producer.

20th-Fox TV in a unique title switch, has changed the name of *The Last Frontier* telefilm series to *The New Frontier*, believing this to be more appropriate for a series located in modern Alaska . . . Johnny Fletcher Productions has been formed to produce a telefilm series based on Frank Gruber's *Johnny Fletcher* stories. Gruber is pres.

Warner Bros. is still searching for a producer for its *Maverick* series, to replace Roy Huggins, who has been put in charge of low-budget exploitation movies which will also serve as pilots for TV series . . . Charles Bole, attorney & asst. to Metro exec. Sol Rittenburg, joins Four Star as v.p. in charge of business affairs.

Tele-records has been formed in Hollywood to film promotional programs for recording companies. Film sequences would be synchronized with records the artists had made, and the promotional films would be furnished to stations free of charge. Alan Lane, a Skiatron v.p., heads the new company which plans to film 25 shows a month to match dubbed records.

ITC's syndicated tape series *Ding Dong School* has been sold to KTLA Los Angeles for 52 weeks, placing the program in 50% of the 75 markets anticipated for next season. The show is being offered on tape with an option to take it on kinescope. ITC estimates 20-25% of the stations contracting for the series will select tape. H. G. Saperstein & Associates are handling the taping.

Trade Report

JUNE 8, 1959

JAPANESE IMPORTS UP FOURFOLD IN YEAR: Imports of electronic equipment (mostly transistor radios) from Japan to U.S. totaled \$7.9 million in first-quarter 1959—up from \$2.1 million in the same 1958 period. That's in terms of factory value—translated to retail, it means perhaps \$24-\$32 million in this year's first 3 months.

These figures are detailed in new tables we compiled from official Japanese trade statistics for 1958 & 1959 and never before published in U.S. to our knowledge. The tables, showing imports of selected Japanese electronic items & total electronics imports from Japan on month-by-month basis, delineate these facts:

Radios still account for more than 80% of dollar volume of Japanese exports to U.S.—and radio shipments increased more than fourfold (to nearly \$7 million from \$1.7 million) in first-quarter 1959 over first-quarter 1958. Radio figures shown in table are 20%-30% too high in terms of U.S. market, since that percentage is believed to be re-exported from U.S. to Latin America. Other figures in table don't include re-export.

Growth of other electronic export specialties is demonstrated by table. Phonos still are small potatoes—but going up. Tube imports from Japan are up about 40-fold, and probably next big area of competition (Vol. 15:18). Transistors don't amount to much yet—except units shipped in Japanese end-products.

Japanese diversification in U.S. electronics market will be demonstrated graphically in whole new series of products to be introduced at Japan Electronic Show June 16-20 in N.Y.'s Statler Hilton Hotel.

First Japanese TV sets will be shown in this country by Hayakawa Electric, Hitachi, Mitsubishi Electric and Matsushita Electric Industrial Co., although plans for export haven't yet been stated. Many manufacturers will be showing hi-fi equipment at the show, plus these interesting new specialties: FM tuner, by Fukuin Electric Works; stereo radio by Hayakawa; TV microwave and other station equipment, by Hitachi; TV tuner, by Kataoka Electric; auto radio, by Kobe Kogyo; industrial TV gear, by Mitsubishi; recording tape, by Nippon Electric; TV-radio test equipment, by Ohmatsu Electric.

Here is the monthly breakdown for 1958 & first-quarter 1959 of Japanese imports by selected product types and total electronics-communications imports (columns do not add due to rounding of cents):

U.S. IMPORTS—SELECTED JAPANESE ELECTRONIC ITEMS

1958

Month	RADIOS		PHONOS		TUBES		TRANSISTORS		TOTAL \$ Electronics- Communicat'ns
	Units	Cost	Units	Cost	Units	Cost	Units	Cost	
January	34,431	\$285,264	0	—	5,120	\$1,644	1,600	—	\$394,881
February	62,649	561,316	0	—	245	2,593	0	—	674,618
March	102,628	852,320	0	—	11,624	3,979	0	—	1,054,486
April	147,213	882,132	0	—	35,610	11,371	0	—	1,112,868
May	131,249	751,988	3	\$101	14,422	4,771	0	—	985,286
June	193,526	1,039,965	55	1,828	83,568	23,873	150	\$204	1,278,110
July	208,319	1,240,898	200	6,658	189,647	48,700	109	160	1,454,404
August	236,028	1,651,874	825	25,777	35,195	13,642	2,109	1,252	1,888,177
September	309,021	2,081,881	30	938	210,638	46,065	1,419	874	2,303,552
October	474,110	3,546,178	297	10,738	304,162	79,276	1,474	969	3,901,699
November	353,088	2,882,544	343	12,468	130,275	31,811	918	543	3,101,619
December	254,258	2,269,341	41	1,322	197,760	48,524	2,841	2,120	2,542,865
1958 TOTAL	2,506,520	\$18,045,701	1,974	\$59,830	1,223,266	\$316,249	10,620	\$7,021	\$20,692,570

1959

January	169,991	1,424,503	19	515	178,148	44,570	1,229	960	1,641,707
February	351,467	2,737,442	1,003	29,005	73,350	21,039	1,680	1,142	3,044,344
March	373,895	2,809,089	798	13,689	476,475	128,383	38,870	27,434	3,287,110
1st Qtr. '59 TOTAL	895,353	\$6,971,034	1,820	\$43,209	727,973	\$190,992	41,779	\$29,536	\$7,973,162
1st Qtr. '58 Total	199,708	1,698,900	0	—	16,989	8,216	1,600	899	2,123,985

First detailed breakdown of imports of Japanese radios by types (tube, transistor & "toy") was made for first 3 months of 1959. Similar data is not available for 1958.

U.S. IMPORTS OF JAPANESE RADIOS, 1959

By Category

(includes re-exports to Latin America)

Month	TUBE RADIOS		3 OR MORE TRANSISTORS		LESS THAN 3 TRANSISTORS		TOTAL RADIOS	
	Units	Cost	Units	Cost	Units	Cost	Units	Cost
January	15,835	\$108,847	84,334	\$1,245,628	69,822	\$70,028	169,991	\$1,424,503
February	34,220	192,839	179,618	2,432,119	137,629	112,484	351,467	2,737,442
March	33,177	174,583	172,397	2,492,790	168,321	141,716	373,895	2,809,089
TOTAL ..	83,232	\$476,269	436,349	\$6,170,537	375,772	\$324,228	895,353	\$6,971,034

MAJORS STRESS TV-STEREO INNOVATIONS: Three more industry majors—Admiral, RCA, Zenith—showed their new TV-stereo lines last week. As expected, emphasis was on the unique, the new. These are highlights, as we see them:

Admiral is going all-out for new 23-in. tube, showing 31 versions of 11 basic models, as opposed to 7 basic 21-in. models. We attended Midwest dealers' convention in Chicago, found dealers enthusiastic about appearance of new set & tube. The 23-in. receiver and its picture are clean-looking, uncluttered—and in side-by-side comparison, 21-in. appears to shrink. Price differential between 23- & 21-in. is \$40.

Color sets were shown by Admiral in 5 models (14 versions). They'll be available in August, are as yet unpriced. Pres. Ross Siragusa predicted there'll be no reduction in cost of color sets in foreseeable future, adding that current list prices (presumably meaning RCA's) are too low for profit. "We are correcting this profit margin," he said, without elaboration.

"We believe that color TV has crossed the threshold of a burgeoning era," he told distributors June 1. "I am happy to announce that once again, side by side with RCA, Admiral has moved into color TV all the way." He said big ad-merchandising campaign is planned, with 4000 dealers expected to have color sets on display by fall. Admiral sets carry "unconditional" year's warranty on parts, including its RCA-made picture tube. Siragusa predicted a 20% increase in color set sales this year.

RCA's line was loaded with new gimmicks, for first time carried no suggested list prices. Following practice adopted by GE, RCA will let distributors suggest prices. Outstandingly attractive unit of line was "hideaway" TV set, which looks like fine living-room table. Counterbalanced 21-in. screen swings out for viewing. Company spokesman said this would be priced at "less than \$400."

Two clock-timer sets were shown. "Programmer" permits viewer to pre-select up to 12 hours of viewing, turns set off & on, changes channels at predetermined times. Portable set designed for bedroom use has clock timer for wake-up viewing, slumber switch to turn set off at night.

"Mural TV" line of one color & 3 b&w chassis is designed for custom installation by builders, to capitalize on rapid pace of new-home building and craze for built-ins.

New color line has 10 sets with new styling, pre-set fine tuning, includes 3 remote-control receivers. Prices are similar to last year, again starting at \$495. As additional color-TV boost, distributors were told NBC-TV plans 30% increase in color programming this fall (see p. 6).

Zenith is putting emphasis on high-end quality furniture sets, with new 20,000-volt chassis used almost completely through line. While eschewing 23-in. tube, Zenith showed 3 basic 24-in. models. Stressed again was Space Command remote control, now extended even to portables. New lower-priced "Space Command 300" was introduced.

While continuing to lean heavily on 90-degree tube, Zenith incorporated 110-degree units in its line for first time, in all 17-in. portables.

"Home entertainment center" concept—TV-stereo combinations, with or without radio—is getting more stress this year. TV sound, too, is now important, "hi-fi" TV chassis and multi-speaker systems becoming commonplace, even on medium-priced sets. Even in its new portables, Zenith has speakers facing front, for better sound. (More details on new lines and distributor conventions on p. 18.)

Among TV-radio manufacturers which will show TV and/or hi-fi-stereo lines at June 15-26 International Home Furnishings Market in Chicago's Merchandise Mart are Admiral, Columbia, GE, Magnavox, Motorola, Philco, RCA, Sylvania, Westinghouse & Zenith.

TV-RADIO PRODUCTION: EIA statistics for week ended May 29 (21st week of 1959):

	May 22-28	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	109,239	115,952	64,957	2,209,694	1,798,357
Total radio	250,224	274,571	147,506	5,676,549	3,874,852
auto radio	122,227	120,205	43,099	2,260,072	1,230,485

More about

INNOVATIONS IN NEW LINES: Prices of the 4 major TV lines shown thus far—last week's 3 lines plus Philco (Vol. 15:22)— seem to correspond roughly to similar models of last year. Rather strong exception is Philco's portable line which has been cut \$10 across the board.

Philco's little \$250 transistor portable aroused considerable comment in trade this week. Admiral showed a developmental 17-in. 25-transistor battery set but said it had decided not to go into immediate production because of high cost of transistors. A company spokesman said Admiral believes 17-in. is the smallest marketable size. RCA spokesmen were even more cautious, stating they have no current plans for cordless TV, but will watch market to see if public is willing to buy such sets, considering their high price and short battery life.

Zenith hopes to increase its sales by 100,000 units in this year's 2nd half over its first-half record, exec. v.p. Leonard C. Truesdell said, predicting industry sales of possibly 5.6 million sets this year. Truesdell differed sharply with Admiral both on color and the 23-in. tube. He foresaw "no breakthrough in color" soon. In fact, he said, "there appears to be less interest in color than there was 6 months ago." Introduction of 23-in. tube, he said, was a "monkey-wrench" thrown into the industry machinery. He said only about 100,000 bulbs for the new tube would be turned out by glass makers through August. It's known, however, that Zenith—like other set makers—will watch the public's response to the new shape very closely, and may add 23-in. models later.

In another controversial field, setmakers are still at loggerheads: printed circuits. Zenith again is emphasizing its "handicrafted horizontal chassis." As a counter to Zenith's no-printed-circuit advertising, Admiral announced 5-year factory warranty on all printed-circuit boards in its 1960 chassis.

* * *

Manufacturers have made full use of their ingenuity to help solve the stereo furniture problem. Zenith has 2 new stereo sound systems. "Extended Stereo" system uses mixer circuits to separate stereo from monophonic material and permits listener to adjust stereo separation so that speakers "acutally seem to move out beyond the cabinet." Zenith's "Radial Sound" system employs 2 shelf-size remote speakers. Admiral's high-end stereo has a basic cabinet which can be used 3 ways: Speaker wings swivel out and can direct sound to any part of room, or speakers can be separated from main console, or entire unit can be used in one piece. Winning distributor applause was Admiral's "phantom 3rd channel" circuit which gives illusion of center sound source between 2 stereo speakers.

RCA also uses the swing-out speaker approach—some-what like Admiral's. In addition it introduced "the Satelite," which has separate attractive cylindrical speakers, which may be placed vertically in any corner or hung on the wall, requiring a minimum of space. They may even be made into table lamps. And RCA finally introduced its tape cartridge player (Vol. 15:21) in one table model at \$300.

RCA answered Zenith's claim to be biggest producer of TV at its Chicago set showing last week. In response to a newsman's question, group exec. v.p. Charles M. Odorizzi cited special surveys made for RCA by Trendex and Starch showing more consumers buy RCA sets than any other make. Measuring consumer purchases—not distributor or dealer buying—is the only real yardstick, he said.

EIA & THE MOBILE SPECTRUM: To justify a recommendation that 41 mc be added for the use of land mobile services, EIA witnesses in FCC's 25-890-mc hearing last week came up with this yearly table of the number of transmitters used or projected in the public safety, industrial and land transportation groups:

1948—86,000; 1958—695,000; 1963—1,390,000; 1968—2,650,000; 1978—5,000,000.

Testimony was offered by EIA pres. David R. Hull; Russell C. Dubois Jr., RCA; Richard P. Gifford & Robert Casselberry, GE; Henry Magnuski & Angus A. Macdonald, Motorola.

They predicted that the demand for facilities will outstrip technical advances (single-sideband, split channel, etc.)— also that the only way to provide relief is through the allocation of more spectrum space. EIA suggests that frequencies be set aside in 25-100 mc (rural needs), 100-300 mc (suburban), 300-890 mc (urban).

Regarding AT&T's request for 765-890 mc (Vol. 15: 22), Casselberry criticized the phone company for making "only a paper study." He said that the FCC should establish an experimental program to determine whether there will be need for the mobile phone service proposed. "The members of the EIA," he said, "will then participate with the Bell System, if invited to do so, in development of equipment, creation of system specifications, tests, and market studies, the results of which would be offered to the Commission prior to the close of the 5-year period. Based on this evidence, the Commission could then act to establish or to reject the proposed service."

Casselberry also offered, "for reference only," this percentage breakdown of current 25-890-mc allocations: Commerce & industry, 2.2%; education & entertainment, 59%; federal govt., 25.3%; personal convenience, 0.7%; public correspondence, 0.5%; public safety, 1.8%; research & development, 5.2%; travel safety, 4.6%; non-communication, 0.7%.

Relaxation of British import controls from dollar-market sources may open way for some U.S. TV-radio-hi-fi exports to England—but industry trade experts say they don't anticipate any large flow. Reflecting Britain's improved balance of payments, effective June 8 import restrictions are being removed from a long list of products, including TV, radio & radar apparatus and sound-reproducing equipment. Duties are unchanged on all items. Several U.S. TV-radio manufacturers have British subsidiaries or licensees. Others aren't expected to find England a very lucrative market because of the adequate British production & lower-wage-scale European imports which already are well entrenched. Import restrictions on receiving tubes will be retained.

Trade Personals: Glen McDaniel, one-time EIA pres. & gen. counsel, elevated from v.p.-gen. counsel of Litton Industries & pres. of Westrex div. to Westrex chairman. He's succeeded as Litton v.p. & Westrex pres. by George T. Scharffenberger, former gen. mgr., Kellogg Switchboard & Supply Co. (ITT communications div.). William F. Boyd, former operations v.p., replaces Scharffenberger in the Kellogg post.

Lawrence R. Smith, formerly natl. adv. mgr., Thomas Organ Co., named adv. & sales prom. dir., Hoffman consumer products div. . . . Jerry Friedman named adv. mgr., Trav-Ler Radio Corp. . . . Gilbert C. Larson, ex-Westinghouse radio & TV div., named to new post of industrial apparatus div. engineering mgr., Raytheon.

Andy Adler promoted from Olympic field service engineer to natl. service mgr., replacing Donald Packer, resigned. Jerry LeBoyer, ex-RCA & Westinghouse, appointed Olympic sales administration mgr., succeeding Clark Lambert, named to new post of mktg. analysis div. mgr.

Harold F. Bersche promoted from distributor products dept. merchandising mgr. to distributor products dept. mgr., RCA electron tube div., succeeding L. F. Holleran, recently elected pres., RCA Victor Distributing Corp. (Vol. 15:20) . . . Dr. Herbert Trotter Jr., formerly engineering & development mgr. of Sylvania's V-T proximity fuze program, and more recently exec. v.p. of the Sharples Co., Philadelphia, named senior v.p.-engineering & research, Sylvania Electric.

Sol Schneiderman, ex-Instruments for Industry and Radio Receptor Co., appointed customer engineering mgr., Adler Electronics . . . Lt. Gen. Clarence S. Irvine (USAF, ret.) named v.p. & planning dir., Avco Corp.

John H. Riddel, ex-Sylvania, named to new post of mkt. research & services mgr., RCA semiconductor & materials div. . . . Louis R. Wanner named to new post of parts div. chief engineer, Sylvania Electric . . . Jack D. Ewan, ex-GE, named Motorola PR dir. succeeding Allen H. Center, who becomes PR v.p., Leo Burnett, effective July 6.

Manufacturers' shipments of TV sets in 1958 totaled 5,281,000 at total factory value of \$691,242,000, compared with 6,347,000 at \$809,009,000 in 1957, the U.S. Census Bureau reported last week from its census of industry. The figures agree substantially with EIA statistics, and show the average price of a TV set in 1958 was \$130.89—up from \$127.46 in 1957. Among other items shown: home radios, 8,012,000 at \$160,074,000 in 1958 vs. 8,604,000 at \$164,443,000 in 1957 (including 2,438,000 transistor portables at \$63,101,000 in 1958). The one-page table, which also gives figures on phonos, auto radios, etc., is *Facts for Industry Series M36M-08*, available for 10¢ from Bureau of the Census, industry div., Washington 25.

Leonard C. Truesdell, Zenith exec. v.p. in charge of marketing, was named "Sales Executive of the Year" at the New Orleans convention of National Sales Executives International. NSE long range planning committee chairman Tony Whan, in making the presentation, cited Truesdell's "spirit of confident selling and contribution to the material advancement of his nation." Pointing to Zenith's 15% TV sales increase in 1958 over 1957, he said: "He has demonstrated unusual ability in selling quality over price.

Glaser-Steers Corp., Newark manufacturer of record changers, has been purchased for an undisclosed cash sum by American Machine & Metals Inc. It will be operated as wholly-owned subsidiary with Julius Glaser continuing as pres., Fred Steers as v.p.

Finance

General Precision Equipment Corp. asked the SEC (File 2-15155) to register 105,927 shares of cumulative convertible preference stock to be offered for subscription by holders of its common stock and \$1.60 cumulative convertible preference stock. Underwriters of the offering, which is on the basis of one share of new preferred for each 11 common shares and each 16½ shares of the \$1.60 preference series, are the First Boston Corp. and Tucker, Anthony & R. L. Day. Proceeds of the sale & of \$10 million borrowings on a 5½% promissory note due in 1974 would be applied to working capital.

Philips' Lamp Works, big Netherlands-based electronics-electrical combine, reported for the first time the ownership of its share capital by investors in various countries: U.S. 15%, France 15%, Britain 8%, Netherlands 53%. The Dutch figure includes shares held for foreign owners. It's estimated that foreign owners hold more than 50% of total stock. First-quarter sales were \$237,000, net profit of \$16,417,600, compared with \$205,485,000 & \$11,651,200 in first-quarter 1958.

Litton Industries reports 54% increase in profits for the 9 months ended April 30, on 45% higher sales, compared with the same 1958 fiscal period. Earnings-per-share for 1959 include 39¢ from a special income credit of \$700,000. The per-share earnings for 1958 are adjusted for stock dividend in Jan. 1958. For 9 months to April 30:

	1959	1958
Sales	\$89,191,000	\$61,509,000
Net earnings	4,226,000	2,753,000
Earned per share	\$2.29	\$1.55
Shares outstanding	1,732,000	1,732,000

Oak Mfg. Co. reports a 23.5% improvement in net sales for the first-quarter 1959 over the year-ago quarter. April sales were 40% ahead of a year ago, continuing the first quarter trend. For 3 months to March 31:

	1959	1958
Net sales	\$4,271,905	\$3,459,158
Net earnings	218,140	30,654
Earned per share	33¢	5¢
Shares outstanding	655,894	655,894

Eitel-McCullough, maker of Eimac tubes, reported at the stockholders' annual meeting that first-quarter earnings were 35¢ a share—exceeding earnings of 26¢ for all of 1958 year, and the 6¢ earnings of first-quarter 1958. Jan.-Mar. sales were \$5.5 million—\$2 million more than the like 1958 quarter. Stockholders voted to enlarge the 3-man board to a minimum of 5, maximum of 7 directors.

Fanon Electronic Industries Inc., Brooklyn maker of stereo phonos & conversion kits, proposes a 150,000-share common stock offering at \$3 per share in an SEC registration statement (File 2-15179) listing L. D. Sherman & Co. as principal underwriter. Part of the proceeds would be applied to a bank loan.

Radar Design Corp., Syracuse maker of radar components and other electronic parts, has filed an SEC registration statement (File 2-15159) for 120,000 shares of common stock for public sale at \$3 per share through Charles Plohn & Co. Part of the proceeds would be used to liquidate notes and retire an equipment mortgage.

Emerson reports net income of \$1,001,317 (49¢ a share on 2,044,023 shares) for 26 weeks ended May 2, compared with \$165,090 (8¢ on 1,950,887 shares) for the corresponding 1958 period.

General Instrument Corp. reports record sales for the year ended Feb. 28, pre-tax income double that of fiscal 1958 (\$2,004,808 vs. \$1,020,840) and a 26% increase in per-share earnings. At the end of the period, current assets were nearly \$16.9 million, current liabilities \$3.8 million, net working capital \$13 million, total assets \$22.7 million, total liabilities \$9.5 million, net worth \$13.2 million. The annual report states that GI TV tuners were used in the last year in sets made by Admiral, Emerson, GE, Magnavox, Olympic, Philco, RCA, Sylvania & Westinghouse as well as sets made in Canada, Europe, South America & Mexico. It added that sales of TV deflection components increased over the previous year and that GI continued to be the nation's largest producer of IF transformers, although "the increasing number of radio sets imported from Japan is a matter of continuing concern." Military-industrial electronics accounted for 42% of the company's volume for the year. For 12 months ended Feb. 28:

	1959	1958
Net Sales	\$46,562,300	\$39,195,749
Net income	1,317,828	1,020,840
Earned per share	93¢	74¢
Shares outstanding	1,416,173	1,373,273

Reports & comments available: Philips' Lamp (N. V. Philips' Gloeilampenfabrieken) reviewed by W. E. Hutton & Co., 14 Wall St. N.Y. . . . Westinghouse by Walston & Co., 265 Montgomery St., San Francisco.

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Electronics Funds Booming: Record-breaking performances were reported last week by 2 major electronics investment funds. Television-Electronics Fund announced total net assets & shares outstanding at record highs of \$297.2 million and 18,432,342 at the close of fiscal midyear, April 30, increases of 91.2% and 24.1% over the 1958 period. Electronic Investment Corporation had total net assets of \$29,273,203 at the end of fiscal year April 30, an increase of 89% over a year ago.

Television-Electronics Fund's portfolio changes:

New stocks added: 30,000 shares of Cincinnati Gas & Elec., market value \$1,023,750. 16,400 Consolidated Edison of N.Y., \$1,051,650. 52,000 Ford Motor Co., \$3,347,500. 26,250 Iowa-Illinois Gas & Elec., \$987,656. 23,300 Rochester Gas & Elec., \$1,025,200.

Holdings were increased in Acoustica, Admiral, Borg-Warner, Champion Spark Plug, Eaton Mfg. Co., Gen. Railway Signal, International Nickel, Leeds & Northrup, 20th Century-Fox.

Part of holdings were sold in American Electronics, Dictaphone, Globe-Union, Technicolor, TeleAutograph, Texas Instruments. Holdings were eliminated in Consolidated Electronics and Liquidometer Corp.

Electronics Investment Corp. purchases since previous quarterly list: 600 shares of ACF Industries (making total of 12,000). 3,000 American Bosch Arma Corp. (total 13,000). 7,100 Bell & Gossett (total 20,870). 1,200 Bendix (total 7,500). 1,300 Borg-Warner (total 9,000). 3,800 Electronic Associates Inc. (total 3,800). 300 Haloid Xerox (total 750). 1,600 Hewlett-Packard (total 15,100). 5,200 Ling Electronics (total 5,200). 5,000 Lockheed (total 15,000). 1,900 Minneapolis-Honeywell (total 3,000). 100 Packard Bell (total 12,200). 100 Philips' Lamp (total 550). 8,000 Seeburg (total 8,000). 3,000 Siemens & Halske (total 3,000). 1,000 Sperry Rand (total 17,000). 5,000 Standard Coil (total 5,000). 3,000 Stewart Warner (total 12,000). 7,000 TelePrompTer (total 7,000). 1,000 United Aircraft (total 5,000).

Sales: 5,400 Beckman Instruments (retains none). 3,000 Cohu Electronics (retains 15,182). 5,000 Cook Electric (retains none). 1,580 Fischer & Porter (retains none). 3,142 Friden (retains 9). 7,900 General Transistor (retains none). 3,400 High Voltage Engineering (retains none). 1,800 Siegler Corp. (retains none).

Paramount Pictures estimates decreased consolidated net earnings for the first quarter, compared with the same period in 1958. On 157,600 fewer shares, earnings-per-share were 1¢ better. Total consolidated income below includes special income of \$2,327,000 in 1959, and \$6,947,000 for the 1958 quarter. No breakdown was given for Paramount's TV activities. For 3 months to March 31:

	1959	1958
Total income	\$3,645,000	\$8,352,000
Net earnings	1,318,000	1,405,000
Earned per share	76¢	75¢
Shares outstanding	1,727,316	1,884,916

Corporation	Common Stock	Dividends	Stk. of
	Period	Amt. Payable	Record
Clevite Corp	—	\$0.30	Jun. 25
Collins Radio	Stk.	4%	Aug. 15
Columbia Pictures ...	Stk.	2½%	July 30
Cornell-Dubilier	Q	.20	Jun. 25
Corning Glass	—	.25	Jun. 30
Decca Records	Q	.25	Jun. 30
RCA	Q	.25	July 27
Sonotone Corp.	—	.07	Sep. 30
Speer Carbon	—	.25	Jun. 19
Wells-Gardner	—	.20	Jun. 15

WEEKLY **Television Digest**

JUNE 15, 1959

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VOL. 15: No. 24

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

SUMMARY-INDEX OF WEEK'S NEWS

WITH THIS ISSUE: Special 22-page Supplement—Financial Data on TV-Electronics Companies

FCC

TV ALLOCATIONS—a mid-stream appraisal. The uncertainties of mileage cuts, new vhf-channel negotiations, all-channel receiver legislation (pp. 1 & 6).

Congress

FCC BILLS GET BRUSH-OFF treatment as Senate Committee holds perfunctory hearings on "reform legislation" (p. 3).

SPECTRUM LINES DRAWN before Harris group, as top Govt. & industry panelists debate "super board," etc. (pp. 4 & 5).

NO CATV-MICROWAVE FREEZE possible, because of court ruling, FCC says in turning down Sen. Magnuson (p. 6).

Stations

SLOW GROWTH OF AUTOMATION for TV stations but equipment makers see gradual increase (pp. 3 & 9).

TV CODE SHOWDOWN over Preparation H commercials again faces NAB. At least one disciplined station quits (p. 11).

FM GETS TOP PRIORITY in NSRC's stereo radio system deliberations; AM & TV considered secondary now (p. 5).

Networks

DWINDLING SINGLE-SPONSORSHIP is evident on all 3 networks—to "spread" ad impact (pp. 4 & 8).

Manufacturing & Distribution

HOW DID ZENITH GET THAT WAY? Pres. Wright attributes rise to quality, inventory control, original engineering (p. 21). Zenith prepares to apply for pay-TV tests (p. 11).

NEW TV LINES: "Selling-up" trend emphasized by high-end furniture models, gadgets, new shapes. GE shows 70-model line. Sylvania drops 21-in. for 23-in. tube (p. 21)

PRODUCTION-SALES FIGURES: Retail TV sales in April slightly ahead of last year, but 4-month sales lag Home & auto radio continue to show healthy sales tone (p. 22).

Advertising

THE TOP 100 AD BUDGETS list shows all but 4 in TV, 2 of whom are distillers (pp. 12 & 17).

Film & Tape

41 HOLLYWOOD SHOWS CANCELLED—but it's about par for the course (p. 18).

WILLIAM MORRIS VS. MCA—the most intense behind-the-scenes competition in TV. How they differ (p. 19).

Other Departments

PROGRAMMING (p. 15). **FINANCE** (p. 24).

TV ALLOCATIONS—A MID-STREAM APPRAISAL: Let's put the TV allocations picture in perspective, in all of its uncertainties. First thing to remember is that FCC definitely committed itself to a certain program, in a formal statement to the Senate Commerce Committee (Vol. 15:17):

(1) To try to acquire up to 38 more vhf channels from govt. users, to add to the present 12 vhf channels—in exchange for uhf TV channels.

(2) To ameliorate the scarcity of outlets in major cities by an "interim" plan, adding vhf assignments in Ch. 2-13 by breaching its hitherto sacred spacings between co-channel & adjacent-channel vhf stations.

(3) To seek legislation requiring all receivers built to be capable of getting all TV stations—those on present Ch. 2-13 plus new vhf channels (or uhf).

This was almost 2 months ago. Where do we stand now?

FCC's liaison, Comr. Frederick Ford, is still dickering with govt. spectrum users, principally military. He plays it close to the chest, hasn't indicated results to date. A status report is due by July 15—but we understand that it can't possibly give a definite answer on new-channel availability. Matter of fact, we'd be surprised to see a flat answer this year.

FCC has given the "interim" drop-in, mileage-cut concept a real whirl—but nothing's definite there either. Some weeks ago (Vol. 15:20), Commission indicated there are 37 major markets among top 103 with

1 or 2 vhf channels which it would like to build up to 3 vhf's each. More recently (Vol. 15:23), it was learned that FCC is studying mileage cuts down to 130 miles (in Zone 1, presumably comparable cuts in Zones II & III) in an effort to provide 3 vhf's for 20-odd markets among top 75. (For the 2 lists, see p. 6.)

You'll hear about more such lists before anything is final. FCC has not yet devised precise criteria for selecting markets, and everyone is wondering how it can produce a defensible "cut-off" below which it won't go, in mileages, in market size, etc.

Several Commissioners tell us they don't know whether 130 miles is "correct." "We've got to see what the staff comes up with," says one. "We've got to know what it will cost in lost fringe service." Another states: "I went along with the 130-mile study, but I'm not committed to such a cut—except maybe in 1 or 2 instances. I've never thought that an interim plan should involve 20 or 30 drop-ins. I'm thinking of 5 or 10. If you do more than that, it's no longer 'interim.' It would be very difficult to revert back to the old mileages if we were to acquire more vhf from the military."

A top staff member puts it this way: "When the Commissioners see how many existing stations have to be shifted to other channels, maybe they won't buy it at all. The more you shift, the better allocation you can make. Would they go for dozens of shifts? Hundreds? I don't know."

One savvy FCC lawyer points to legal problems. "If you cut mileages, you're modifying an existing station's license—and it's entitled to a hearing, and don't think those won't take years! Same thing for channel shifts. Maybe we'll have to seek legislation to eliminate such hearings."

The search for all-channel-receiver legislation is FCC's smartest move yet, vis-a-vis Congress. Clobbered by Senate Commerce Committee for years, Commission has in effect said: "Okay. There's the tool that will expand TV for generations to come. Please give it to us."

The Commission proposal isn't a feint or a phoney. It's sincere—and Sen. Magnuson, Rep. Harris & Co. may eventually find good reasons for respecting it. But they now have the burden of decision.



Where does this all lead? Well, we can give a consensus of allocations & politics veterans:

- (1) "A TV system comprising the present Ch. 2-13, getting more & more crowded with the years."
- (2) More vhf channels from the military? "Ridiculous—not a chance."
- (3) All-uhf or a revived vhf-uhf system? "Uhf got its death warrant years ago."

And what does FCC think of such gloomy forecasts? Several Commissioners, probably a majority, say, in effect: If we end up with a 12-channel TV system—compared with 107 channels in AM, 100 in FM—you're going to see this industry regulated so tightly that BBC will look good by comparison. It will mean the end of free broadcasting. It will just be a matter of time. As the U.S. population & economy grow, those 12 channels will look more & more monopolistic. We're trying to keep that from happening. But if it does, the public should know that Congress refused us help when we needed it.

TV Allocations Study Organization, meanwhile, finally has its complete printed report available to anyone with \$10. First shipments of the 731-page document went out June 12. Exec. director Dr. George Town had 2100 copies run off, and they may be obtained from him at 104 Marston Hall, Iowa State U., Ames, Ia.—checks to be made out to "TV Allocations Study Organization."

FINANCIAL DATA ON TV-ELECTRONICS FIRMS: Scorecard on the constantly expanding electronics industry—our completely updated & enlarged annual tabulation of Financial Data on Television-Electronics Companies—is included with this issue as a Special Supplement.

We have waited until nearly all first-quarter 1959 reports were in before updating report this year—and some of these first-quarter results show interesting contrast between healthy 1959 & sluggish 1958.

This year 129 companies are detailed in the financial supplement. The tabulations made for us by Greenebaum & Associates, financial consultant firm specializing in electronics and headed by Edgar N. Greenebaum Jr., show for each company (from 1950 through first-quarter 1959) sales, pre-tax profits, net profit, net per share, dividends, total assets, price ranges.

Tabulations include all top companies in broadcasting and in home, industrial & military electronics. Extra copies of Supplement are available at \$2 each, 10 for \$15, 25 for \$25.

FCC BILLS GET BRUSH-OFF TREATMENT: Congressional reluctance to get down to business on much-talked-about FCC "reform" legislation (Vol. 15:22) was seldom better demonstrated than by perfunctory hearings in Senate last week on 8 bills—7 of them hopefully submitted by Commission itself in gestures toward self-improvement & streamlined housekeeping.

All told, only 3 hours were spent by Senate Commerce communications subcommittee in 2 days of scheduled hearings on FCC measures—averaging out to little more than 20 min. of study per bill. At no time did more than one member of 8-man unit turn up to hear testimony & ask questions. Those who did show—chairman Pastore (D-R.I.) and Sen. Thurmond (D-S.C.)—took turns presiding. Other members presumably had more pressing Senate business to tend.

And speed of hearings was no token of legislative urgency. As Pastore put it in winding up 2-day meeting: "We are coming to the twilight of this session." He gave no indication that any of the 8 bills—among a dozen slated for subcommittee attention in on-&-off hearings running to July (Vol. 15:21)—have much chance of getting onto Senate floor for vote this year.

Let's-get-it-over meetings took just one hour of work by Sen. Thurmond to get through 5 FCC-proposed Communications Act amendments (S-1734-6, S-1738, S-1740) which were sent to Congress in April (Vol. 15:16). They would (1) forbid ex parte "influence" approaches to Commission & staff. (2) Strip FCC members of their legal privilege to collect "honorariums" for extra-curricular speeches. (3) Substitute federal perjury law for Commission requirements for sworn statements in some cases. (4) Give FCC's review staff greater latitude in making recommendations. (5) Extend FCC authority over common-carrier microwave & other point-to-point circuits.

There were almost no questions for FCC Comr. Hyde, who was on stand to answer them. Only spirited discussion was evoked when only other witness—Percy H. Russell of Federal Communications Bar Assn.—objected to review staff proposals. He said they're "unwise," that there'd be danger of staff "impinging" on Commission's own responsibilities. Hyde retorted indignantly: "We are not asking for an opportunity for secret & undisclosed recommendations."

Remaining 2 hours of hearings—much of time taken up by more Hyde-Russell exchanges—were devoted by Chairman Pastore to ticking off remaining bills in first batch. Russell had no FCBA objections to FCC proposal (S-1737) to set up fines for rules violations by non-broadcast services. But he opposed one (S-1740) eliminating McFarland letters. Hyde argued that these pre-hearing notices of application deficiencies have been biggest factor in building up FCC's case backlog. Russell said McFarland procedure nevertheless "fills a real need" of applicants. Speaking for FCC majority, Hyde on his part opposed FCBA-sponsored measure (S-1898) to replace Communications Act's "protest" procedure with provisions for "pre-grant" objections (Vol. 15:19). Pastore suggested FCC & FCBA get together on "protest" procedures & "come back in January" at next session of 86th Congress.

Nor is FCC "reform" any closer in House. Panel hearings for half-dozen regulatory agencies (Vol. 15:20) will be opened this week by House Commerce legislative oversight subcommittee (see p. 5). But otherwise it as yet has done nothing to push along 14-point master plan for overhaul of FCC & other agencies which was presented last Jan. by Chairman Harris (D-Ark.) following subcommittee's sensation-packed 1958 probes (Vol. 15:1).

SLOW GROWTH OF TV STATION AUTOMATION: There has been no rush into automation by TV stations. Perhaps 2 dozen outlets can now be said to be more or less "automated"—that is, switching & timing is cued by pre-set electro-mechanical means, at least during "panic period" between shows.

Remainder of this year may see number of automated stations doubled, broadcast equipment makers say. Despite formidable obstacles, both equipment manufacturers & operators of automated stations see gradual changeover to automatic switching by all large & medium-sized stations as virtually inevitable.

Increasing complexity of control-room operations is one reason. Addition of new types of equipment—such as video tape and special effects generators—leaves more room for costly timing errors. During panic period, station engineers seem to need 100 hands to pull switches, start equipment, cue spots, IDs, network feeds—all at proper instant and in proper sequence. Increasing cost of TV time is gradually making automation more essential to cut down make-goods, prevent overhead from eating up profits.

Station managements have been unenthusiastic about automation—and equipment makers are facing up to fact that market for automatic station equipment will have to undergo slow, gradual development.

Biggest barrier is cost—not cost of automation equipment alone, but cost of modernizing & standardizing existing equipment which is to be automated. Basic control panel to centralize switching and permit ganging of many operations into single switch may be priced as low as \$2500. But total systems run much more. If a station buys punched-card or paper-tape controlled system, it's going to need bank of "source" units capable of being automated (if it doesn't have them already)—remote-controllable film & slide chains, turntables, etc.—and total automation bill could run as high as \$200,000 to \$300,000.

Lack of standard operating procedures is another barrier. Stations go pretty much their own way in operation and control of program sources. This makes it hard to develop standard system for automatic switching. One manufacturer says: "The number of things the station wants to control varies. Some want to control network feeds, others only local operations. Some want to switch at a faster rate than others."

"Automation" is still dirty word to some unions—and this is another obstacle station managements may have to face. In case of TV operations, automatic switching isn't intended to reduce personnel, but primarily to permit present employes to operate under less stress and consequently with fewer costly errors.

We've asked some leading equipment makers to comment on their activities in automation field and to give their views of its future. Their statements are digested on p. 9.

DWINDLING OF SINGLE-SPONSORSHIP: There's noticeable prime-time drop-off in number of fully-sponsored fall network shows, with major advertisers voting increasingly in favor of "spread" rather than "program identity," our check of networks reveals (see page 8).

Fall-off rate is almost identical on all 3 TV networks. CBS has slipped from 28 full-program sponsorships last fall to 22 this fall—a 27% drop. NBC is down from 14 to 11 full program buys—another 27% drop—and ABC is down from 10 to 8, a dip of 25%.

Behind trend is new approach to old argument. For years, admen have debated whether it's better to reach different TV audiences one time each, or to hit the same audience several times. Led by advertising giants like Proctor & Gamble, Colgate, Lever, General Foods and the big tobacco brands, the shift this season is more & more toward "magazine concept" of buying, letting sponsor identification fall where it may.

SPECTRUM LINES DRAWN BEFORE HARRIS GROUP: You've never heard so many opinions on the best way to manage the radio spectrum. They uncovered the basic areas of conflict last week—as some 20 panel members gave Rep. Harris (D-Ark.) & his Commerce subcommittee their views on various bills designed to improve efficiency & fairness of frequency distribution to non-govt. & govt. radio spectrum users. (For list of panelists, see p. 5.)

Although Harris & his colleagues did a lot of talking about "something must be done," chances of any legislation this session are virtually nil. It's too late in the session, and we came away with the belief that the subcommittee really doesn't consider the situation urgent.

There are 2 basic aspects of the problem. First, both industry & govt. users want to keep the frequencies they have & to get more. Second, several studies by experts, starting in 1950, have concluded that executive branch doesn't manage its telecommunications efficiently—but experts' recommendations have been given only token attention.

Telecasters trust Congress & FCC to preserve their channels, vigorously oppose establishment of any new board with power to overrule FCC. The executive branch, through Office of Civil & Defense Mobilization and Defense Dept., doesn't fear a "superboard" but doesn't see much need for it. Here's the nub of last week's panel discussion:

(1) Members of the "Cooley Committee"—the Special Advisory Committee on Telecommunications (Vol. 14:38 et seq.)—believe first job is to put the govt. frequency users' house in order, aren't worried right now about non-govt. users, such as telecasters. They want a law creating a permanent, high-level, 3-man board to rule over govt. users.

(2) Office of Civil & Defense Mobilization (plus Defense Dept.)—responsible for govt. users—believes it's doing its job reasonably well now but agrees that whole picture ought to be studied. It wants the President to appoint 5-man group to make 1-year examination. It opposes any organizational changes now, but it would like \$200,000 for more staff. Govt. users now allocate frequencies among themselves by negotiating through the Interdepartment Radio Advisory Committee (IRAC). They see no need for "Czar" or board to arbitrate differences.

(3) Federal Aviation Agency, itself a superboard created to cover both military & civil use of airways, likes the idea of overall impartial body which has no vested interest in the use of any frequencies.

(4) EIA favors a superboard and suggests it be called "Federal Spectrum Authority," empowered to allocate frequencies to FCC & to OCDM, which then would parcel them out to users.

(5) Telecasters, through NAB & AMST, insist that Congress, no one else, conduct study of frequency-use efficiency. They believe it's matter of policy too big for any other organization.

(6) Common carriers, through AT&T, go along with Cooley Committee on the theme of "Let's get the govt. users' house in order first." They have no feelings one way or another on a superboard.

STEREO RADIO—FM FIRST, THEN AM & TV: Proposals for FM stereo radio systems will be given top priority by industry-wide National Stereophonic Radio Committee (NSRC). Systems for AM & for TV are considered secondary at moment.

Full-speed-ahead-on-FM policy was dictated principally by fact that FCC already has FM stereo multiplexing inquiry under way, having just postponed deadline for filing comments to Dec. 11 at request of NSRC's parent EIA (Vol. 15:23). NSRC doesn't want to miss FCC's extended FM deadline because of preoccupation with AM & TV, although it would like to finish its work on all 3 services by next December.

Other reasons for favoring FM first: Engineers believe FM stereo multiplex systems have undergone more design & development than other systems, that they're closer to being ready. And FM broadcasters, by & large, have expressed more interest in establishing stereo standards than either AM or TV broadcasters.

NSRC's important system specifications panel (Panel 1), headed by Hazeltine's Charles J. Hirsch, met last week and reported good progress. Its classification subcommittee under Emerson's Dorman Israel presented tentative framework for grouping various systems which are similar. After discussion of report, it was returned to subcommittee for revisions—due by July 20—and full panel will meet again early in August to begin evaluation of the 17 proposals before it (Vol. 15:10).

NSRC is engineering group with no official standing, but with FCC's unofficial blessing. Composed of some of industry's top technical brains, it is charged with sifting, classifying & testing all compatible one-station stereo proposals submitted to it and giving data to FCC. It may or may not recommend specific systems.

RCA, which once was member but quit because of possible anti-trust implications, has its own AM stereo system which it has not submitted to NSRC, presumably will go it alone in seeking FCC approval for its technique.

Congress

More about

Oversight FCC Panelists: Lined up by the House Commerce legislative oversight subcommittee for June 16 panel discussion of FCC procedures, problems & faults (Vol. 15:21) are 16 participants grouped in 3 categories of interest in the proceedings—with one legal expert appearing as a disinterested consultant:

FCC: Chairman Doerfer, chief engineer Edward W. Allen, chief examiner James D. Cunningham, general counsel John L. FitzGerald.

Industry: E. B. Crosland, AT&T; Donald H. McGannon, Westinghouse Bestg. Co.; Ward L. Quaal, WGN-TV & WGN Chicago; Robert D. Swezey, WDSU-TV New Orleans; Robert L. Werner, RCA; Joseph H. Ream, CBS.

Communications lawyers: Donald C. Beelar, Frank U. Fletcher, Parker D. Hancock, William C. Koplovitz, Ralph L. Walker.

Consultant: Louis L. Jaffe, Harvard Law School.

The oversight subcommittee panel hearings under chairman Harris (D-Ark.) & chief counsel Robert Lishman open June 15 with discussion of CAB procedures. They are scheduled to run through June 23 or June 24 until rest of 6 major regulatory agencies—FPC, FTC, ICC, SEC—are covered. The last couple of days will be devoted to general summing up.

Panelists on spectrum analysis conducted by House subcommittee under Rep. Harris (D-Ark.) last week (see p. 4) comprised the following: OCDM: director Leo A. Hoegh, telecommunications chief Fred C. Alexander. Defense Dept.: Paul Goldsborough, former communications director to asst. Secy. of Defense & Wilfrid Dean Jr., office of asst. Chief of Naval Operations. Federal Aviation Agency: administrator E. R. Quesada. FCC: Chairman John C. Doerfer & Comr. Robert T. Bartley. EIA: pres. David R. Hull, H. Leslie Hoffman, Paul Chamberlain, Ira J. Kaar and Philip Siling. NAB: pres. Harold E. Fellows & engineering mgr. A. Prose Walker. Assn. of Maximum Service Telecasters: exec. dir. Lester W. Lindow & engineering consultant Howard T. Head. Communications Commn Carriers: AT&T chief engineer Harold R. Huntley. Members of former Special Advisory Committee on Telecommunications: Victor E. Cooley, Dr. W. L. Everitt, Dr. Frank G. Kear, Dr. Irvin Stewart.

Federal aid to ETV will win out yet if the House Commerce communications subcommittee carries out a "field study" it promised when it pigeonholed legislation at this session (Vol. 15:23), Rep. McDowell (D-Del.) said last week. Himself the author of a bill (HR-4284) for \$1 million govt. grants to each state for educational TV equipment, McDowell told the House he hopes the scheduled survey will "isolate the major factors in the ETV controversy."

NO CATV-MICROWAVE FREEZE: Sen. Magnuson (D-Wash.), chairman of the Commerce Committee, stepped into the old CATV-station feud and asked FCC to reimpose its freeze on microwave grants to service CATV systems. However, it's understood the Commission last week informed him that the decision of the Court of Appeals in the Mesa Microwave case—involving a system feeding the Helena, Mont. CATV—prohibits it from withholding CPs.

Magnuson had asked the Commission to hold off pending hearing by Sen. Pastore's (D-R.I.) subcommittee on CATV, boosters, etc., slated for June 30, July 1 & 7.

The hearing is warming up. On May 27, KULR (Ch. 9) Kalispell, Mont. went off the air again, as it did last year (Vol. 14:42)—once more attributing its financial difficulties to competition with a local CATV system fed by microwave. In a letter to the FCC, KULR pres. Frank Reardon blasted its CATV-microwave policies. The local CATV system, part owner of KULR and headed by G. Norman Penwell, last year attributed station's troubles to poor management. Reardon then put Penwell in as manager.

* * *

Western booster operators plan to hit Pastore hearings full force—sending a witness from each of 14 state booster associations making up the National TV Repeater Assn. (NTRA). The delegation will be headed by resourceful old Ed Johnson—a former chairman of Senate Commerce Committee and Colo. ex-governor. Pres. of the association is Jesse Slusser, former chief engineer of KOA-TV Denver. The 14 states are N.D., S.D., Neb., Kan., Colo. N.M., Ariz., Utah, Ida., Mont., Wyo., Wash., Ore., Nev.

Partial witness list includes: Ed Craney, KXLF-TV Butte; Rex Howell, KREX-TV Grand Junction, Colo.; Marshall Pengra, KLTW Tyler-Longview, Tex.; Frank Reardon, KULR Kalispell, Mont.

According to NTRA v.p. James Beamer, Livingston, Mont., the association plans to make these points during the hearing: (1) CATV microwaves should be prohibited to protect stations transmitting the signals used by boosters. (2) FCC should license all boosters operating at the time any new law authorizing them becomes effective. FCC had proposed to approve only those operating as of Jan. 1, 1959. Beamer believes that the engineering standards proposed by the FCC are generally satisfactory—though he thinks that the power ceiling should be raised above one watt for certain locations.

* * *

CATV-booster bills (HR-7666 & HR-7667) by Rep. Thomson (R-Wyo.) have been added to a growing pile of measures introduced in the House & Senate (Vol. 15:19) to carry out FCC's legislative recommendations. They are identical with earlier bills submitted at FCC's request by Chairman Harris (D-Ark.) of the House Commerce Committee and Chairman Magnuson (D-Wash.) of the Senate Commerce Committee.

World-wide telecasts via satellites within 2½ years were predicted by White House pres. secy. James Hagerty last week in a commencement address at Allegheny College, Meadville, Pa., where he received an honorary doctor's degree and his son Bruce was graduated. He said he has about a "40% chance" of helping arrange such a telecast in which President Eisenhower would participate before he leaves office.

The FCC

More about

THE 'DROP-IN' LISTS: There are all kinds of "lists" of cities floating around the FCC as the Commission seeks to add vhf channels to major markets via mileage cuts (see p. 1). At first, the Commission had its eyes on the "top 103" markets (Vol. 15:20). Now it's aiming at "top 75."

The staff has been asked to present alternative plans to the Commission within a couple of weeks, and it has been directed to see what can be done with the following markets (including nearby associated cities):

Birmingham, Ala.	Rochester, N.Y.
Bakersfield, Cal.	Syracuse, N.Y.
Fresno, Cal.	Charlotte, N.C.
Jacksonville, Fla.	Raleigh, N.C.
Louisville, Ky.	Dayton, O.
Shreveport, La.	Toledo, O.
Flint, Mich.	Johnstown, Pa.
Grand Rapids, Mich.	Providence, R.I.
Binghamton, Mich.	Wheeling, W. Va.
Binghamton, N.Y.	Knoxville, Tenn.

By adroit juggling, some of these cities could be assigned vhf channels without cutting mileages.

Most of the markets above were included in the original 37 under FCC consideration (Vol. 15:20). The 37:

Hartford, Conn.	Knoxville, Tenn.
Lancaster, Pa.	Raleigh, N.C.
Grand Rapids, Mich.	Cape Girardeau, Mo.
Charlotte, N.C.	Austin, Tex.
Providence, R.I.	Terre Haute, Ind.
Birmingham, Ala.	Evansville, Ind.
Dayton, O.	Sioux City, Ia.
Louisville, Ky.	Baton Rouge, La.
Champaign, Ill.	(Ch. 9 since added)
Toledo, O.	Jackson, Miss.
Syracuse, N.Y.	Quincy, Ill.
San Diego, Cal.	Columbus, Ga. (due for
Binghamton, N.Y.	another vhf without
Rochester, N.Y.	mileage cut)
Jacksonville, Fla.	Macon, Ga.
Johnstown, Pa.	Augusta, Ga.
Shreveport, La.	Corpus Christi, Tex.
Fresno, Cal.	Springfield, Mo.
Erie, Pa.	Topeka, Kan.
Madison, Wis.	Brownsville, Tex.

Witnesses from broadcasting industry slated to testify June 25-26 in FCC's 25-890-mc hearing (Vol. 15:23) are Harry Skornia, National Assn. of Educational Bcstrs. (NAEB); Ralph Steetle, Joint Council on Educational TV; Ben Strouse, FM Bcstrs.; Elliott M. Sanger, WQXR, N.Y.; Harold E. Fellows & A. Prose Walker, NAB; Howard Head, Lester Lindow & Harold G. Ross, Assn. of Maximum Service Telecasters. The Commission hopes to end hearings June 26 but may have to run into the following week, according to counsel Dee W. Pincock. Appearing last week were witnesses for Alaska Aviation Inc., Petroleum Equipment Suppliers Assn., Special Industrial Radio Services Assn., National Committee for Utilities Radio, NAM, American Transit Assn. and Aeronautical Radio Inc.

FCC again turned down the request of CP-holder WSLA (Ch. 8) Selma, Ala., for a new site & permission to build a 2000-ft. tower. Acting on the grantee's petition for consideration, the Commission concluded that WSLA principals hadn't proposed adequate financing for the tower, which they said would cost \$190,000. Furthermore, the Commission said, they hadn't presented an adequate showing that the tower would be structurally sound.

Sec. 315 Offensive: A late-session push to exempt newscasts from equal political time requirements of the Communications Act gets under way in the Senate this week (Vol. 15:23)—and the legislative campaign may be joined in the House by the end of June.

Five-day hearings on proposed Sec. 315 amendments will be opened by the Senate Commerce communications subcommittee June 18. A revised schedule by Chairman Pastore (D-R.I.) lists Sens. Holland (D-Fla.) & Allott (R-Colo.) as lead-off witnesses. They are authors of bills (S-1929 & S-1604) to erase FCC's Lar Daly ruling that a candidate is entitled to equal time if his opponent appears in a news show. Other first-day witnesses, previously billed: FCC Chairman Doerfer, a Justice Dept. spokesman, CBS Inc. pres. Frank Stanton.

First Senate hearing witness June 19 will be Rep. Cunningham (R-Neb.), author of a House bill (HR-5839) which set the pattern for Sec. 315 revision proposals on Capitol Hill—including a new one (HR-7602) by Rep. Chenoweth (R-Colo.). Others scheduled for the stand: ABC news v.p. John Daly—and Lar Daly himself. The witness list for concluding June 23-25 sessions under Pastore hadn't been completed last week. But it probably will include chairman Robert D. Sweezy (WDSU-TV New Orleans) of NAB's Freedom of Information Committee, which met in Washington, urged prompt congressional "relief from the restrictions" of the Lar Daly ruling.

Meanwhile the House Commerce legislative oversight subcommittee headed by Rep. Harris (D-Ark.) will be busy with panel hearings for FCC & other federal agencies (see p. 3). No equal-time hearings have been scheduled by Harris, but subcommittee sources told us it's likely that it will try to work them in by early July.

Mack's Round Starts: After listening for 2 months to govt. charges that he conspired with Thurman A. Whiteside to rig WPST-TV's Miami Ch. 10 grant (Vol. 15:15-23), ex-FCC Comr. Richard A. Mack finally began presenting his side of the case last week—but not from the witness stand. Despite govt. demands that Mack be subjected to questioning about FCC records in the case, his counsel Nicholas J. Chase argued successfully that his health would be injured permanently if he took the stand. Judge Burnita S. Matthews first ruled in Washington's U.S. District Court that Mack himself must explain defense contentions that he based his vote for WPST-TV on FCC staff reports—and not on financial help from his friend Whiteside. She reversed the ruling after Chase offered opinions by 2 doctors that Mack was unfit physically to undergo cross-examination.

The defense then submitted a 1955-57 Ch. 10 chronology intended to show that Mack always went along with staff recommendations & the FCC majority in favoring WPST-TV. Other defense exhibits, including Mack income tax returns, were submitted to support agreements by Chase that Mack's financial dealings were unrelated to Ch. 10 case. Earlier, after the prosecution closed its marathon case, Judge Matthews rejected a series of Mack-Whiteside motions for directed acquittal.

FCC granted a waiver of rules to WLOS-TV (Ch. 13) Asheville, N.C. to identify itself as a Greenville & Spartanburg, S.C. outlet as well as Asheville. Dissenting were Comrs. Bartley, Lee and Ford. They issued no statements, but it's understood that they considered Asheville to be too far (about 63 miles) from the other cities.

Networks

Firestone Show Echo: The time may come when "the gigantic national TV networks will have imposed upon them a civic responsibility greater than they are now willing voluntarily to carry," warned Commerce Committee member Sen. Lausche (D-O.), last week.

Joining a chorus of Congressional protests against dropping by ABC-TV of *Voice of Firestone*—and failure of CBS-TV & NBC-TV to find prime time for the show (Vol. 15:23)—Lausche told his colleagues that "possibly legislation will be enacted declaring that the airways belong to the public." He has written FCC expressing his "disappointment" over the program's cancellation, which he termed "a grave mistake" by the networks. In his Senate floor speech, Lausche added:

"Huge are the profits [the networks] make in the sale of their stations. Huge are the profits which are being made through the operations of their stations. Yet when the public is to be considered on the one hand, and fiscal profits on the other, the recognition is of the fiscal profits, and not the public."

Note: Sponsor Firestone is headquartered in Lausche's home state—a circumstance which he mentioned at the end of the speech.

Anti-trust suit against CBS Inc. by Lou Poller, CP holder for off-air WCAN-TV (Ch. 25) Milwaukee (Vol. 11:6), will be carried to the U.S. Court of Appeals, his Washington counsel Cooke & Beneman said last week following a setback in Washington's District Court. CBS Inc. and other defendants in Poller's \$4.35 million triple-damage action, in which he alleges he was put out of business, won a ruling from Judge Alexander Holtzoff that in June 3-4 arguments he failed to show grounds for a jury trial. Instituted in 1956, Poller's damage claims stem from CBS Inc.'s 1955 acquisition of WXIX (Ch. 19) Milwaukee from the Gerald A. Bartell group, which also was named in the suit. Poller charges that CBS Inc. reneged on a promise to continue WCAN-TV as its Milwaukee outlet and spoiled a pending sale of WCAN-TV to Storer. WXIX itself was closed down by the network in March this year and is being revived by new owner Gene Posner (Vol. 15:22).

Major hassle between ABC-TV & NBC-TV on the subject of *Black Saddle*, a filmed Western that's been drawing routine ratings & reviews. Both networks told us they had the show, to be sponsored on alt. weeks by L&M for Oasis via McCann-Erickson. NBC-TV said it was to go into the Thurs. 7:30-8 p.m. period, moving over from Sat. 9-9:30 p.m. on the same network. ABC-TV said it was due to land there in a Fri. 10:30-11 p.m. slot. Sources at McCann-Erickson, however, took a pox-on-both-your-houses attitude, saying "the network has not yet been decided."

Daytime specials for women have definite commercial value, CBS-TV tells us. A special rating prepared by A. C. Nielsen on the May 19 *Woman*, one-timer starring Claudette Colbert, gave it an average-audience NTI rating of 8.9 & the strong share-of-audience figure of 50.3%. Normally, the show would not appear in the Nielsen roster, having been aired as a sustainer. Compared with other daytime shows in the second of Nielsen's May national rating reports, *Woman* technically drew a 4th place—virtually insuring that CBS-TV will do other feminine-angled one-shots in daytime periods this fall, and stands a good chance of selling them to advertisers.

More about

SHARE-THE-TAB SPONSORS: Program franchises, jealously guarded by leading advertisers in radio's heyday and in TV's growth period, are being increasingly abandoned this fall (see page 4). We find that the number of hours of full-sponsorship in prime-time is at best nearly one out of 3 hrs. (11½ total) on CBS-TV, less (8½ total) on NBC-TV, and nearly one in 6 (5 total) on ABC-TV in fall program lineups.

"It used to be that advertisers in the P&G class wouldn't be caught dead sharing sponsorship. Now, most major advertisers would rather have 1/3 sponsorship of 3 shows than 3/3rds sponsorship of one, to provide rating insurance and a broader reach in TV," is how one ABC-TV sales executive sums up the trend.

Some of the trend away from full-program sponsorship is caused by shifts in audience taste that leave sponsors on the low end of the rating totem pole and determined not to be caught again in the same position. Last fall, for example, P. Lorillard sponsored *Masquerade Party*, and P&G had *Tic Tac Dough* on NBC-TV. This year both shows are casualties.

Even successful shows are finding full-program sponsors holding back on TV dollars. Last season, Bristol-Myers was sole sponsor of *Peter Gunn*, one of the year's successes. This fall, the company bought alternate weeks.

Some staunch full-sponsorship buyers remain amidst the growing ranks of participation vehicles, rotating exposures & alternate-week, multi-product sponsorships. CBS-TV will have at least 8 sponsors in the fall lineup who have had the same time period for 5 years or more, and NBC will have 4. ABC, newest of the majors, has no sponsors riding in the same slot over a 5-year period.

Grey-Flannel Guessing Game: Hubbell Robinson Jr. moved out of his CBS-TV offices last week to take up his new role as head of his own production firm bossing the Ford specials on NBC-TV—leaving behind him the still-unsolved question of who is going to get his \$75,000-a-year (with stock options) job (Vol. 15:22).

For the third week in a row, the same question provided a fine guessing game for the TV industry, as the list of candidates (some, actually, self-appointed) grew longer.

One school of thought centered on the agency field, with Benton & Bowles' Tom McDermott still a strong contender. Others: McCann-Erickson's Terry Clyne (now on the Mc-E board of directors) & Tom McAvity; BBDO's Bob Foreman; J. Walter Thompson's Dan Seymour.

Another school cited ABC-TV (because of CBS-TV's new exec. v.p. James Aubrey's connections there) as a possible locale, naming Tom Moore programming v.p., & Dan Melnick, program development dir., as a likely team to replace Robinson & Harry G. Ommerle.

Still another school voted for an "outside" program executive, with such names as program consultant Pat Weaver (ex-NBC-TV pres.), Talent Associates' David Susskind, veteran specials producer Jess Oppenheimer and even playwright-producer Dore Schary being mentioned.

And, finally, there was the chance that the spot might go to CBS-TV's Hollywood program v.p. Bill Dozier, although there were rumors that he, too, might leave the network. Odds that any other CBS program v.p.—Bob Weitman, Mike Dann, Oscar Katz, or Guy Della Cioppa—would get the Robinson spot began to lengthen.

From Robinson, who was busy clearing out his desk and clothes closet last week, no comment.

NETWORK SALES ACTIVITY**ABC-TV**

Across the Board, Pantomime Quiz, Music Bingo, Day in Court, Gale Storm Show, Beat the Clock, & Who Do You Trust, 15-min. participations between noon & 4 p.m., total number of program segments not set.

Johnson & Johnson, the Drackott Co., Beech-nut Life Savers, and Genl. Foods Corp. (Young & Rubicam); Armour & Co., Lever Bros. (Foote, Cone & Belding); Toni Co. Div. of Gillette (North Adv.); and Block Drug (SSCB).

Keep Talking (Tues. 10:30-11 p.m.) eff. Sept. 29.

Mutual of Omaha (Bozell & Jacobs).

High Road with John Gunther (Mon. 8:30-9 p.m. eff. Sept. 7 for 3 weeks, then to Sat. 8-8:30 p.m. eff. Sept. 26). Program replaces *Bold Journey* series.

Ralston Purina (Guild, Bascom, Bonfigli).

CBS-TV

DuPont Show of the Month series of 9 specials, 90-min. each, various dates & time periods, eff. Sept. 28, 3rd yr. renewal. *E. I. DuPont de Nemours Co. (BBDO).*

Hemingway Dramatic Specials, total of 4 in 1959-60 season, 90-min. each, starting Nov. 19 in 9:30-11 p.m. period, other time periods not set.

Buick Motor Div. of Genl. Motors Corp. (McCann-Erickson).

The Garry Moore Show (Tues. 10-11 p.m.), alt.-wk. 30-min. segments, total of 4 sponsor availabilities.

Kellogg Co. (Leo Burnett) and Pittsburgh Plate Glass Co. (BBDO), both renewals. Polaroid Corp. (Doyle, Dane & Bernbach) and S. C. Johnson & Son (Benton & Bowles), both new sponsors.

Goldie (Thurs. 8-8:30 p.m.), eff. Oct. 1.

General Foods Corp., for unspecified products (Benton & Bowles).

Spotlight Playhouse (Tues. 9:30-10 p.m.) eff. June 30. Summer replacement anthology for The Red Skelton Show with Julia Meade, Zachary Scott as co-hosts. Alt.-wk. sponsorship. *S. C. Johnson & Son (Foote, Cone & Belding) and Pet Milk (Gardner).*

I Love Lucy (Fri. 8:30-9 p.m.), summer rerun series selected from episodes in original Mon. night show. eff. July 24 to Sept. 25. Not a summer replacement.

Purex Corp. (Edw. H. Weiss)

Armstrong Circle Theater (Wed. 10-11 p.m.) alt.-wk. with U.S. Steel Hour. eff. Sept. 30.

Armstrong Cork Co. (BBDO)

NBC-TV

Pontiac Star Parade, series of 8 colorcast 60-min. specials, 3 starring Gene Kelly, one starring Victor Borge (taped in Denmark), other properties not set. Series starts Dec. 10 in 8-9 p.m. slot, other schedulings irregular.

Pontiac Motor Div. of Genl. Motors Corp. (MacManus, John & Adams).

Bob Hope Show, series of 6 60-min. filmed specials, time periods not set but starting in Oct.

Buick Motor Div. of Genl. Motors Corp. (McCann-Erickson).

Texaco Huntley-Brinkley Report (Mon.-Fri., 6:45-7 p.m.), eff. June 29. *The Texas Co. (Cunningham & Walsh).*

Colgate Western Theatre (Fri. 9:30-10 p.m.), eff. July 3 through Sept. 4. Reruns of Western episodes in other series. It replaces *The Thin Man*.

Colgate-Palmolive Co. (Ted Bates).

USA-USSR Track Meet, live-&-tape from Philadelphia on July 18-19, 4:30-6 p.m.

General Mills (Knox-Reeves)

Hallmark Hall of Fame, series of 6 colorcast 90-min. specials, in 1959-60 season, eff. late fall.

Hallmark Cards (Foote, Cone & Belding)

Stations

More about

TV STATION AUTOMATION: Equipment makers haven't made much money selling automation to TV stations yet, but they're all looking forward to a growing market. Here's what some leading manufacturers are doing in the field—and what they think of future prospects:

General Electric: "Interest in automation is picking up considerably," says John Wall, mgr. of broadcast equipment sales. GE's Automatic Programmer, designed for TV or radio stations, operates from paper tape—controlling up to 7 pieces of equipment for a full 18-hour period.

"We still have problems to solve," Wall tells us. "One of the biggest is finding a standard philosophy of operation at stations, so that we can build a unit to fit this norm." Another problem, he says, is the existence at stations of non-automatic film & slide projectors, turntables, etc., which can't be adapted to automation. Many stations still have devices which must be loaded & controlled by hand. He says about 15 GE automation systems have sold to date. GE's tape editor (which sets up the automatic program schedule) sells for \$1750, the reader control unit (which controls switching & timing) is \$3500.

RCA: RCA developed its automation equipment first for NBC's o-&o stations. WRC-TV Washington claims to be the most fully automated station on the air. The first non-NBC-owned station to purchase a complete RCA automation system is WBRE-TV Wilkes-Barre, which hopes to have the new equipment operating in a couple of weeks. Its system controls network video & audio line, 4 film projectors, 2 slide projectors, audio tape, live studio cameras, and has spare capacity to control TV tape, when added.

Broadcast & TV equipment mgr. E. C. Tracy finds interest of TV stations in automation gear "sporadic"—some big ones highly interested, others not at all. "I can't give you a list of stations with RCA automation equipment," he says. "It's too early for that. I could answer that question in a year. We're negotiating with a number of them."

Attacking the problem of lack of automatic "source" equipment, RCA is offering fully automatic slide & film projectors, turntables, automatic gain control & light control specifically designed to be applicable to automation.

Mechron: This is the name given by *San Francisco Chronicle's* KRON-TV to the station automation equipment developed by chief engineer James E. Berryhill (Vol. 13:15). The first units were installed at *Chronicle's* KBAK-TV Bakersfield and at KRON-TV. Last year 6 more were sold—to WTOP-TV Washington, WNBF-TV Binghamton, WNHC-TV New Haven, WFIL-TV Philadelphia, WFLA-TV Tampa & KDUB-TV Lubbock, Tex.

The apparatus is designed principally for the "panic period" between shows, maintains a span of 3 minutes of pre-set switching. Berryhill tells us that station operators are showing "an awful lot of interest—along with considerable caution." He thinks that the idea of automation still may seem a little too drastic for some operators—but "it's inevitable that we'll see more of it."

Visual Electronics: This company provides a push-button-operated control for "building-block" automation systems, permitting a station to proceed from partial to complete automation at its own pace—ending with punch-card or tape-controlled programming on a full-day basis. Pres. James B. Tharpe says he expects to have 4-5 systems installed by the end of summer and 12 by year's end. Prices for the control units start at \$5000.

Tharpe sees bright prospects for station automation, although he believes most operators will want to sit it out for at least 6 months, carefully studying the operations of stations which are using the various automation systems.

TelePrompter: The Telemation system is different from other versions of station automation in that it uses aluminum foil contacts, attached to the regular TelePrompter script roll, to key slides, films, camera changes, dimming of lights, etc. No units have been installed yet at TV stations, although the system is widely used in instruction & business meetings. Ken Atwood, TelePrompter's eastern sales mgr. for TV, says he is close to concluding arrangements with several stations.

Telechrome: A developmental system, not yet on the market, would let stations use network-transmitted pulses to key IDs, switching, etc., between network shows. The technique makes use of the vertical interval blanking period (between frames). The networks could send a variety of pulses which would cue station equipment, making a smooth transition from network shows to local spots & announcements and back to network shows again. This system would require FCC approval.

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Value of Conelrad is sometimes questioned, FCC Defense Comr. Robert E. Lee tells us, by broadcasters and others who wonder whether the development of ICBMs has obsoleted the system—originally designed to deny a navigation aid to enemy planes. Lee has a ready answer: The Defense Dept. insists that it needs Conelrad. In his meetings with broadcasters around the country, Lee quotes from a recent letter to him from Air Force Secy. James H. Douglas, who stated that Conelrad will be needed for 10 years. If Conelrad were discontinued, Douglas added, the U.S. would be giving an enemy valuable navigation aids for bombers. In addition, Douglas asserted: (1) Simple direction finders in enemy missiles would give them greater accuracy in hitting our major cities. (2) Enemy's navigation problems would be simplified. (3) Uncontrolled radiation by all kinds of devices would interfere with our missile tracking and control, early warning and defense communications. Lee concludes: "The Defense Dept. has the responsibility for defense. We're a technical body. They say they need it. That's good enough for me."

Of interest to all news media is the recent ruling by a Georgia Superior Court against 2 Atlanta newspapers for printing the criminal record of a defendant on trial for robbery. The publishers of *The Atlanta Journal* and *The Atlanta Constitution* have been convicted of contempt of court and ordered to pay a fine of \$20,000. Notice of appeal was filed immediately. Fulton County Superior Court Judge Durwood Pye said that "to circulate material calculated to come to the attention of jurors is unlawful."

Avoiding strike, KSD-TV & KSD St. Louis moved studio equipment from the building they share with the *St. Louis Post-Dispatch*, before the midnight deadline June 9 for a strike by newspaper stereotypers. Set up at their transmitter sites, both began programming June 10 on schedule. The stations & the newspaper are owned & operated by Pulitzer Publishing Company.

"Don't watch TV, go out & play," is the unusual theme of a summer series that was scheduled to be launched in the past weekend by KMTV Omaha, and aimed at juvenile viewers. Titled *Playground Champions*, the 30-min. series is produced by KMTV in association with the Omaha Recreation Commission, and features scenes of the variety of games & sports played by local youngsters in city parks.

SPOT-TV UP SHARPLY IN 1959: The nation's advertisers are really on the spot. During the first quarter of this year, their total expenditures for spot TV soared to more than \$156.4 million, according to a TvB reflection of reports from 341 stations. A comparison of 308 stations reporting on 1st quarter activities in 1958 & 1959 shows an increase of nearly 26% in spot TV spending. (For spot-TV's role in the *entire* media picture among 1958's top 100 advertisers, see p. 12.)

Not only are viewers seeing more spots, they're seeing new ones. Numbered among the top 100 spot-spenders for the first time are: Bissell Carpet Sweeper, Cannon Mills, Hertz-U-Drive-It, Pam Enterprises, Pan-American World Airways, Pepperidge Farms, & Vic Tanney's Gym.

A quarter-to-quarter comparison, 1958 vs. 1959, also shows marked increases in the spot treatment given various product classifications: sporting goods, bicycles & toys up 125%, household furnishing 103%, transportation & travel 78%, pet produces 65%, drug products 42%, food & grocery products 40%, dental products 39%.

Overall, for the 1959 quarter, announcements accounted for 77% of the spot spending, I.D.'s 10.4%, & programs 12.6%. Most money was spent at night, 51.6%. Late night got another 11.1% and daytime expenditures accounted for 37.3%. Compared with the like 1958 period, announcements & daytime scheduling showed the largest increases in the type & time categories, respectively.

By product classification, food & grocery products accounted for the major share of national & regional spot-TV advertising, with a total expenditure of more than \$46.5 million. Drug products were second but not even close, with nearly \$16.5 million. Interestingly enough, TV & radio set activity accounted for only \$162,000.

Outstanding among spot advertisers who increased their expenditures from quarter to quarter, are these 15 members of the 1959 quarter's 100 top TV-spot purchasers:

Advertiser	Jan.-Mar. 1958	Jan.-Mar. 1959
Adell Chemical Co.	\$2,217,300	\$ 4,351,900
American Home Products Corp.	1,392,700	2,119,900
B. T. Babbitt Co.	2,500	1,242,200
Bristol-Myers Co.	588,600	1,297,600
Duffy-Mott Co.	43,500	584,800
Food Manufacturers Inc.	636,300	1,185,000
Kellogg Co.	263,000	1,364,900
Minute Maid Corp.	279,600	813,500
Procter & Gamble	7,768,700	10,679,400
Jacob Ruppert	222,800	763,800
Scott Paper Co.	73,400	647,400
Sun Oil Co.	25,400	740,600
Texize Chemicals	504,000	2,252,700
Welch Chemical Co.	205,100	1,088,900
Welch Grape Juice Co.	145,700	675,700

See the adjoining list for the top 100 national & regional spot TV advertisers of 1959's first quarter.

NBC's WNBQ Chicago increased sales 50% during the first 5 months of 1959 vs. the same 1958 period, v.p. & gen. mgr. Lloyd E. Yoder reported last week. The period included the highest April local & spot sales in the station's history. Radio WMAQ jumped its sales 30% for the comparable periods, paced by a resounding 56% increase in record-breaking May 1959 over May 1958.

Schaefer Brewing has scheduled 3 more full-sponsorship "movie specials" on WCBS-TV N.Y., following its May 23 rating success for buying all commercials in "It Happened One Night." The next one is to be Frank Capra's "Mr. Smith Goes to Washington" with James Stewart & Jean Arthur on June 26, with others (to be selected) due in the station's *Late Show* series on the Labor Day & Thanksgiving holiday weekends.

100 Largest TV-Spot Advertisers of 1959's First Quarter

Gross time costs only, as estimated by Television Bureau of Advertising (TvB) in cooperation with N.C. Rorabaugh Co.

Rank	Advertisers	Amount	Rank	Advertisers	Amount
1.	Procter & Gamble ..	\$10,679,400	51.	Drug Research	625,200
2.	Lever Brothers Co. ..	5,342,200	52.	Duffy-Mott Co.	584,800
3.	Warner Lambert	4,570,300	53.	Max Factor	673,200
4.	Adell Chemical	4,351,900	54.	Carter Prod., Inc.	568,200
5.	Colgate Palmolive ..	4,191,900	55.	Salada, Inc.	567,700
6.	General Foods	3,646,600	56.	E. & J. Gallo	564,000
7.	Continental Bak.	2,844,800	57.	Revlon, Inc.	562,000
8.	Brown & William'n ..	2,278,700	58.	Wrigley, Co.	554,600
9.	Texize Chemicals ..	2,252,700	59.	Lanolin Plus, Inc.	549,100
10.	Am. Home Prod.	2,119,900	60.	Piel Bros., Inc.	530,800
11.	Interntl. Latex	2,035,700	61.	Ward Baking Co.	527,700
12.	Miles Lab., Inc.	2,024,800	62.	Pharma-Craft	523,000
13.	Corn Prod. Co.	1,523,700	63.	Pabst Brewing	519,400
14.	Standard Brands ..	1,413,000	64.	Heublein, Inc.	517,800
15.	Kellogg Co.	1,364,900	65.	U. S. Borax	502,300
16.	P. Lorillard	1,352,700	66.	Nat'l. Bis. Co.	498,600
17.	Bristol Myers Co. ..	1,297,600	67.	Block Drug Co.	495,200
18.	Philip Morris Inc. ..	1,289,900	68.	Interstate Bak.	491,400
19.	B. T. Babbitt	1,242,200	69.	Falstaff Brewing ..	487,400
20.	Food Mfgs., Inc.	1,185,000	70.	Carling Brewing ..	465,200
21.	Vick Chemical Co. ..	1,088,900	71.	Esso Stand. Oil	456,600
22.	Andrew Jergens	1,085,900	72.	Schlitz Brewing ..	452,700
23.	Amer. Chiclé Co.	1,011,500	73.	Standard Oil Ind.	452,600
24.	Avon Prod., Inc.	995,600	74.	Coty, Inc.	441,800
25.	Sterling Drug	992,700	75.	Pam Enterprises ..	441,800
26.	Liggett & Myers	987,700	76.	Hertz-U-Drive	436,500
27.	Chesbrough Ponds ..	953,200	77.	Nat'l Dairy Prod.	434,700
28.	Pepsi Cola Co.	940,200	78.	Nestle Co., Inc.	432,300
29.	Amer. Tob. Co.	910,300	79.	Rubinstein, Inc. ..	430,800
30.	Wander Co.	872,100	80.	Rely & Co., Inc.	429,900
31.	Borden Co.	869,400	81.	Plough, Inc.	425,800
32.	Robert Hall	867,000	82.	Exquisite Form	419,500
33.	Norwich Phar. Co.	863,800	83.	Pepperidge Farm ..	399,900
34.	Anheuser Busch	847,200	84.	Wilson & Co.	398,100
35.	General Mills	836,800	85.	Taylor Reed	393,900
36.	Continental Wax	836,300	86.	Chock Full O'Nuts ..	385,000
37.	Minute Maid Corp. ..	813,500	87.	Amer. Bak. Co.	382,000
38.	Peter Paul, Inc.	809,600	88.	Monarch Wine	380,700
39.	Coca Cola Co.	787,300	89.	Atlantic Ref. Co. ...	372,200
40.	J. A. Folger & Co. ..	774,800	90.	United Fruit Co.	371,000
41.	Jacob Ruppert	763,800	91.	Pan-American	368,800
42.	Charles Pfizer	761,000	92.	Bissell Sweeper	364,300
43.	Sun Oil Co.	740,600	93.	Cannon Mills	361,700
44.	Atlantis Sales	736,100	94.	Phillips Pet. Co.	359,800
45.	Shell Oil Co.	682,500	95.	Hamm Brewing	359,000
46.	Welch Grape Juice ..	675,700	96.	M. J. B. Co.	357,200
47.	Quaker Oats Co.	661,200	97.	Vic Tanney's Gym ..	353,100
48.	Tea Council U.S.A.	562,300	98.	Gulf Oil Corp.	338,600
49.	Scott Paper Co.	647,400	99.	Safeway Stores	332,800
50.	R. J. Reynolds Tob. ..	633,500	100.	Nat'l. Brewing	326,800

TV spots will be used to sell a home-decorating kit for Christmas use. Osborne-Kemper-Thomas Inc. is backing its new product with a \$1.1 million budget for packaging, distribution, and advertising. From Thanksgiving through Christmas, the ad emphasis will be on TV spots. The agency is Foote, Cone & Belding.

Ad taxes continue to die aborning, as witness the fate of state proposals (Vol. 15:11) in Maine & W. Va., which died in committee, in Texas, where the legislature adjourned without taking action, and in Mich., where the proposal never even got formally proposed. Proposals before the Ala., Fla., & S.D. legislatures are expected to have no better future.

More nighttime ads on Canadian radio are now permitted, it's been ruled by Canada's Board of Broadcast Governors in a move to aid radiomen reverse declining audiences. Heeding the plea of CAB, the board has increased the allowable amount of advertising on a 5-min. program from 60- to 75-sec., in 6 p.m. to midnight period.

Use of TV to reach doctors only is being tested by Ciba as a medium for direct promotion of prescription drugs to the physicians. The program uses medical jargon to discourage non-professional viewers. Described as a first, the test series, titled *This Week in Medicine*, is a 15-min., early morning roundup of medical news, spiced with esoteric product messages. The test series of 4 programs is being carried by WBNF-TV Binghamton, N.Y. (7 a.m.), KRLD-TV Dallas (7:15 a.m.), KCMO-TV Kansas City (7:30 a.m.) & WCKT Miami (10 a.m.).

TV CODE SHOWDOWN: Sticky problems of what to do about TV code subscribers who defiantly carry proscribed commercials for hemorrhoids Preparation H (Vol. 15:17-20) again confront NAB's code review board & TV board at Washington sessions this week.

The revolt against TV's self-disciplinary authority, which led TV board to withdraw code seals from 8 stations in April, already has brought the publicized resignation from NAB itself of John W. (Duke) Guider's WMTW-TV (Ch. 8) Poland Spring, Me. There were reports that other penalized subscribers also had walked out.

The code review board under chairman Donald H. McGannon of the Westinghouse Bestg. Co. meets June 15 to take stock of the situation and make recommendations to the full TV board, which has the Preparation H matter high on its June 18 agenda.

As is usual when code policies are at issue, nobody at NAB headquarters would talk freely last week in advance of the sessions. But one NAB source told us that "undoubtedly" the review board would move for further action by the TV board in an unspecified number of other Preparation H cases. "The review board has not reversed its unanimous stand on the issue," he pointed out.

The number of code subscribers stood at 303 just before the April disciplinary sessions. It now is reported down to 284—a loss of 11 in addition to the 8 whose seals were revoked.

"They've bitten off a big chunk here," WMTW-TV's Guider told us last week. "They'll have to back down. Who are these little tin Caesars to set themselves up to tell you what you can broadcast?"

In his formal NAB resignation letter, Guider protested that the review board is "100% wrong" in its policy against Preparation H, whose commercial WMTW-TV carries late Sat. night. He complained bitterly that otherwise nobody had ever questioned "highest ethical" operations of his station, which joined NAB when it went on the air in 1954. Guider himself was a communications lawyer in the Washington firm of Hogan & Hartson before taking command of the Poland Spring outlet as pres.-gen. mgr. He was a spokesman for broadcasters as long ago as NRA days in 1934.

Image Project Progress: NAB's TV "image-improvement" committee completed its work at a special meeting June 5, and chairman Clair McCullough (Steinman stations) sounds optimistic about approval of the committee's program by the NAB board at its Washington meeting June 17.

"The committee is satisfied with its recommendations," he said, "and we're quite hopeful that the board will endorse them. If approved, the program could move ahead immediately." He added that he was optimistic not only about the proposed techniques for putting TV's best foot forward but also about the prospects of raising funds—reportedly about \$600,000 annually for 3 years.

Serving with McCullough are: C. Howard Lane, KOIN-TV Portland, Ore.; Dwight W. Martin, WAFB-TV Baton Rouge, La.; G. Richard Shafto, WIS-TV Columbia, S.C.; and Willard E. Walbridge, KTRK-TV Houston, Tex.

Colorcast feature movies on a regular schedule began June 12 on WRCA-TV N.Y. "The Purple Plain," starring Gregory Peck, initiated the series in the Friday-night *Movie 4*. Saturday *Children's Theatre* will also be in color.

ZENITH MOVING ON PAY TV: In its first official statement on pay TV in many months, Zenith confirmed last week that it hopes to go ahead with on-air tests of its Phonevision system under the strict FCC test regulations (Vol. 15:13). Addressing the Security Analysts of San Francisco June 11, Zenith pres. Joseph S. Wright indicated his company is still as enthusiastic as ever about the subscription-TV concept.

He said Zenith is "actively exploring what needs to be done to initiate an operation under the terms & conditions of the latest FCC order." He added that preliminary discussions have been held with people & companies in the entertainment & broadcasting fields and the company hopes "to begin shortly to negotiate arrangements which may make it possible to proceed with an initial operation." Zenith is ready to start field-testing its latest equipment which can be "produced and maintained for pennies a day."

While giving credit to networks & telecasters for "a magnificent job of programming within the economic limitations of advertising support," he classified TV fare as a whole as "a big medicine show." He credited telecasting's present status largely to the availability of old Hollywood films. When these are gone, pay TV is the next logical step in the distribution of fine programs, he said.

He reiterated Zenith's scorn of proposed closed-circuit pay-TV projects: "Don't be taken in," he said, "by statements that someone is going to wire up San Francisco or Los Angeles or New York in some huge coaxial wire network for this purpose. The costs of such projects are fantastic. Subscription TV is inevitable, and when it comes it will be on an over-the-air basis."

* * *

Pay TV will eventually provide the public with the cultural programs they desire, actor Ralph Bellamy told the House subcommittee on education last week. Testifying in favor of a bill to create a Federal Advisory Committee on the Arts, he said he didn't think that there was a basic anti-cultural feeling on the part of many people in the U.S. Responding to a question by Rep. Giaimo (D-Conn.) as to why there aren't more symphony & ballet programs on TV, the actor said that toll TV would prove that there is a very great demand for them. He asserted that TV is programmed according to some ad agency's policy, some sponsor's opinion of what the public wants, and someone's estimate of what will reach the greatest number of people. Demand for culture is so great, he said, that a subscription-TV Sanskrit program would make money at 5¢ per viewer.

* * *

Sponsor of anti-pay-TV bills killed in the Cal. legislature last week (Vol. 15:22), criticized what he calls the "Hollywood lobby" (unions) and Skiatron for their opposition to the 2 measures. State Assemblyman Louis Francis accused Skiatron of "misleading representations," adding that every time Skiatron's Matty Fox announces a "definite" plan to begin televising San Francisco Giants baseball games (such as was promised last April) "only one thing happens: Skiatron stock goes up a point or 2."

A made-in-Mexico video tape of bullfights will be telecast by WBKB Chicago in a late July or early Aug. salute to the forthcoming Pan American Games. The tape was made by Telesistema Mexicano in Mexico City. WBKB program mgr. Dan Schuffman told us last week that the tape will be carried as a one-shot.

The Top 100 National Advertisers of 1958

Dollar Expenditures in Major Media, Compiled by 'Advertising Age'

Sources: Bureau of Advertising, ANPA; Publishers Information Bureau; Farm Publication Reports; Associated Business Publications; Television Bureau of Advertising; Radio Advertising Bureau; Outdoor Advertising Inc.

Company	Total	Newspapers	General Magazines	Farm Magazines	Business Publications	Network Television	Spot Television*	Spot Radio	Outdoor
		\$	\$	\$	\$	\$	\$	\$	\$
1. Procter & Gamble	\$98,592,297	\$ 6,972,897	\$ 6,693,743	\$ 15,650	\$ 438,300	\$50,638,647	\$33,833,060	5,400,000	8,898,446
2. General Motors Corp.	97,886,506	34,603,336	22,111,817	1,630,801	2,890,000	20,593,366	1,758,740	5,000,000	6,621,615
3. Ford Motor Co.	58,895,168	20,000,024	11,097,006	1,565,603	277,500	12,561,121	1,772,300	2,000,000	198,000
4. Lever Bros. Co.	52,817,674	9,220,071	7,739,596	122,774	302,000	21,958,373	16,578,860	750,000	734,189
5. Calgate-Palmolive Co.	46,911,250	8,276,947	3,562,470	141,556	999,100	22,857,497	11,020,780	2,300,000	655,822
6. Chrysler Corp.	43,348,773	16,049,691	7,844,399	444,463	279,400	14,341,471	1,020,780		
7. General Foods Corp.	42,720,430	14,193,039	5,681,282	156,989	990,000	20,733,118	7,275,680	925,000	
8. American Home Products Corp.	39,584,741	4,638,493	4,913,718	334,167	242,200	20,507,683	3,018,150	4,600,000	1,184,146
9. American Tobacco Co.	36,624,520	5,679,067	7,586,980	225,288	123,800	11,252,180	2,986,970	650,000	63,855
10. General Mills Inc.	28,861,722	8,113,020	8,113,020	336,491	590,500	10,790,118	2,845,530	1,700,000	2,114,428
11. Bristol-Myers Co.	26,433,475	1,255,596	4,376,978	58,769	3,284,700	16,072,802	583,770		62,160
12. Distillers Corp.-Seagrams Ltd.	25,830,824	12,099,291	9,551,308	5,505		5,295,996	500,500	1,200,000	126,111
13. General Electric Co.	25,601,934	7,004,632	9,077,465	376,481		7,791,226	6,717,450	4,700,000	
14. P. Lorillard Co.	24,930,720	5,924,520	1,171,413	401,126		6,002,213	2,434,260		
15. R. J. Reynolds Tobacco Co.	23,191,938	5,215,711	4,438,628		220,200	6,709,514	9,413,530		932,939
16. National Dairy Products Corp.	21,557,068	6,029,557	6,389,317	156,561		8,250,471	2,000,110		
17. Brown & Williamson Tobacco Co.	21,415,081	1,034,509	2,694,971	21,600		16,132,360	2,700,000		
18. Gillette Co.	21,188,046	2,249,120	806,456			10,849,983	1,865,830		
19. Liggett & Myers Tobacco Co.	20,308,827	1,983,298	2,898,916	10,800		9,919,859	3,645,220		
20. Sterling Drug Inc.	19,957,981	2,329,208	2,114,474	44,220	305,000	1,190,176	4,710,800		633,303
21. American Telephone & Telegraph Co.	19,919,231	4,880,608	7,544,546	488,798	471,000	4,967,012	4,066,710		2,457,337
22. Philip Morris Inc.	19,147,558	5,572,421	2,084,078			6,144,983	4,368,290		375,639
23. Standard Brands Inc.	19,140,291	2,768,516	2,724,747	327,016	531,100	4,233,743	272,520		
24. Kellogg Co.	17,573,034	2,413,700	2,120,631	66,378	132,000	10,290,885	2,549,440	840,000	93,644
25. Warner-Lambert Pharmaceutical Co.	16,730,232	1,635,213	2,805,418	29,805	534,200	2,892,606	8,832,990	1,109,000	257,425
26. Campbell Soup Co.	16,371,719	4,588,350	6,180,115	163,347	285,600	4,927,240	3,191,790	1,100,000	
27. Carn Products Refining Co.	15,733,084	3,044,049	2,895,627	29,353	445,400	4,785,393	7,895,950	1,600,000	
28. Miles Laboratories Inc.	15,465,570	775,377	463,450			740,261	9,223,910		1,343,447
29. Continental Baking Co.	14,639,738	1,732,120				2,671,026	645,290		252,052
30. E. I. du Pont de Nemours & Co.	14,591,006	1,872,557	6,081,370	222,701	2,846,000	4,693,728	1,679,690	1,000,000	27,501
31. Quaker Oats Co.	14,363,973	3,889,910	2,494,734	177,610	400,800	2,671,026			
32. National Distillers Chemical Corp.	14,070,158	6,702,284	4,935,819		350,000				2,082,055
33. Schenley Industries Inc.	13,823,304	8,896,019	3,058,038		530,000		85,880		1,283,367
34. Shell Oil Co.	12,741,136	2,465,433	1,491,608	204,913	325,000	2,672	3,323,630	1,700,000	3,227,880
35. Eastman Kodak Co.	12,706,540	872,952	4,138,707		1,500,000	5,937,361	257,520		
36. Coca-Cola Co.	12,559,317	4,023,772	1,551,377	63,300			3,699,270		3,221,598
37. Adell Chemical Co.	12,374,882	35,792					12,339,090		
38. National Biscuit Co.	12,238,565	2,982,993	946,974	237,800		3,596,818	4,022,960		451,020
39. Anheuser-Busch Inc.	12,063,530	1,479,731	1,462,906	116,700			3,058,690	1,800,000	4,145,503
40. Westinghouse Electric Corp.	12,034,649	3,061,347	2,155,856	116,535	1,930,500	4,639,231	131,180		
41. Pharmaceuticals Inc.	11,235,394	733,284	126,113			10,173,557	202,440		
42. Radia Corp. of America	11,100,484	1,123,108	2,608,673	76,217	410,500	6,458,126	423,860		
43. Goodyear Tire & Rubber Co.	11,004,399	2,665,044	4,973,727	614,683	895,000	1,779,195	76,780		
44. Pillsbury Co.	10,891,689	2,953,690	1,978,863	90,206	89,600	5,205,578	525,160		48,592

45. Revlon Inc.	10,815,068	1,070,000	1,801,681	247,553	1,035,500	847,850	750,000	36,500
46. Armour & Co.	10,508,129	2,225,387	2,648,145	1,062,369	371,500	738,350	1,200,000	80,457
47. Standard Oil Co. (New Jersey)	10,498,465	3,305,724	41,016	266,940	490,000	3,102,550	1,200,000	1,414,232
48. Standard Oil Co. (Indiana)	10,242,217	3,231,748	41,016	266,940	490,000	2,424,710	2,600,000	3,252,477
49. Texaco Inc.	9,552,978	656,463	1,927,524	304,355	592,400	1,660,400	2,600,000	1,611,215
50. Pepsi-Cola Co.	9,229,874	3,818,818	1,536,151	73,332	97,900	3,163,040	1,000,000	540,633
51. Gulf Oil Co.	9,050,403	2,854,696	1,511,463	88,448	344,300	2,031,280	900,000	671,204
52. Jos. Schlitz Brewing Co.	8,893,172	665,793	860,375	237,725	192,600	2,030,160	1,000,000	1,712,466
53. Carnation Co.	8,732,150	2,524,935	2,045,633	301,911	2,685,900	729,860	1,000,000	339,645
54. S. C. Johnson & Son Inc.	8,681,106	601,999	966,870	—	56,400	1,813,560	—	—
55. U. S. Steel Corp.	8,570,443	461,429	2,034,253	—	2,685,900	2,045,633	—	—
56. Carter Products Inc.	8,153,737	326,642	284,700	—	77,500	5,202,300	—	—
57. Hiram Walker-Goedeham & Worts Ltd.	8,066,360	3,172,957	4,030,815	—	—	—	—	785,088
58. Borden Co.	7,830,139	2,093,207	1,884,944	42,860	43,000	1,750,940	—	197,554
59. Johnson & Johnson	7,563,684	1,127,698	3,615,455	158,845	92,900	157,660	—	—
60. Swift & Co.	7,387,538	2,097,736	815,601	118,488	92,900	1,209,590	—	99,543
61. Nestle Co.	7,266,218	998,174	1,035,910	12,910	—	1,681,800	—	—
62. Kimberly-Clark Inc.	7,143,883	1,563,981	2,113,418	—	310,000	139,050	—	50,663
63. Wm. Wrigley Jr. Co.	6,960,523	1,982,706	533,602	—	79,200	2,071,990	—	2,293,025
64. Chesebrough-Pond's Inc.	6,883,171	657,907	1,444,116	—	58,000	1,625,070	—	—
65. Stanley Warner Corp.	6,797,011	995,358	123,143	—	200,000	5,678,510	—	—
66. Scott Paper Co.	6,505,807	893,119	1,137,322	—	—	488,270	—	369,000
67. Prudential Insurance Co. of America	6,375,845	2,348,539	102,350	24,000	52,000	22,200	—	—
68. Firestone Tire & Rubber Co.	6,333,013	1,278,607	2,744,742	425,313	247,200	1,597,171	—	—
69. Helene Curtis Industries	6,319,600	1,427,171	1,101,814	—	99,900	752,240	—	—
70. Socony Mobil Oil Co.	6,263,363	2,836,019	1,184,760	260,346	100,000	38,200	—	134,445
71. American Motors Corp.	6,115,475	4,295,899	1,370,486	—	366,900	82,190	—	—
72. Foltzoff Brewing Co.	6,013,670	237,341	—	—	—	—	—	69,752
73. Beech-Nut Life Savers Inc.	5,990,497	1,809,087	591,880	—	113,800	2,356,450	720,000	1,730,000
74. Aluminum Co. of America	5,823,616	980,553	1,748,805	67,391	1,100,000	121,760	715,000	162,793
75. General Telephone & Electronics†	5,801,501	267,217	2,299,510	—	422,100	345,910	—	49,595
76. Rolston Purina Co.	5,683,471	449,470	142,928	714,472	46,000	2,597,008	—	131,826
77. H. J. Heinz Co.	5,674,564	2,292,355	1,261,041	—	118,600	3,376,044	—	577,047
78. American Airlines	5,625,557	2,264,339	1,476,466	—	115,000	795,518	1,000,000	—
79. Armstrong Cork Co.	5,554,121	810,559	1,585,054	44,056	350,000	—	—	42,633
80. Union Carbide Co.	5,515,869	897,636	784,226	61,931	1,583,100	40,970	800,000	62,545
81. Wesson Oil & Snowdrift Co.	5,431,346	2,807,230	1,665,831	—	117,000	778,740	—	1,223,490
82. Pabst Brewing Co.	5,427,392	129,215	389,297	—	—	3,684,390	—	—
83. Sperry Rand Corp.	5,368,359	153,809	1,512,098	333,302	480,500	1,129,070	—	174,244
84. Heublein Inc.	5,359,891	1,723,817	2,200,860	—	131,900	85,940	780,000	1,278,213
85. Liebmann Breweries Inc.	5,332,063	2,548,483	236,897	—	—	—	—	—
86. Pan American World Airways Inc.	5,325,923	2,386,489	1,735,464	—	123,800	2,355,040	—	—
87. American Chicle Co.	5,324,665	—	—	—	—	—	—	—
88. American Cyanamid Co.	5,308,963	131,824	1,038,519	988,110	2,950,000	200,510	—	98,508
89. B. F. Goodrich Co.	5,203,719	1,987,670	1,495,082	202,177	1,219,200	70,730	—	751,056
90. Sun Oil Co.	5,060,260	2,232,172	—	—	230,000	1,769,580	730,000	—
91. Seven-Up Co.	5,052,023	288,992	1,864,733	89,250	87,600	602,110	—	—
92. Norwich Pharmacal Co.	5,042,639	1,323,673	1,084,604	156,672	600,000	1,877,690	—	70,132
93. U. S. Rubber Co.	4,936,648	796,748	1,551,717	45,271	625,000	475,780	—	75,800
94. Vick Chemical Co.	4,916,491	610,658	1,002,443	300,759	136,000	2,280,210	—	—
95. United Merchants & Manufacturing Co.	4,876,552	—	157,702	—	—	3,993,850	725,000	—
96. Atlonix Soles Co.	4,750,820	1,376,254	1,057,089	52,400	—	942,090	—	—
97. Simoniz Co.	4,739,995	1,264,883	3,475,112	—	—	—	1,800,000	160,724
98. Canadian Breweries Ltd.	4,726,893	242,973	679,827	—	—	286,749	1,800,000	—
99. Texize Chemicals Inc.	4,704,170	—	—	—	—	4,704,170	650,000	1,797,000
100. Thea. Hamm Brewing Co.	4,688,642	184,982	—	—	—	366,480	—	—

*In some instances spot tv figures include both parent company and dealer or distributor expenditures. †Corn Products Refining Co. ad expenditures also include expenditures of Best Foods Co., which Corn Products purchased in 1958. ‡General Telephone & Electronics ad expenditures also include expenditures of Sylvania Electric Products Inc., which General Telephone purchased in 1958.

Taft Stock Sale: Taft Bestg. Co., formally organized June 3 to take over business & assets of Radio Cincinnati Inc. and its TV-radio subsidiaries, is offering stock in the family-controlled broadcasting enterprise for public sale for the first time (Vol. 15:11). An SEC registration statement (File 2-15204) submitted last week proposed a secondary offering of 483,322 common shares—about 33% of the outstanding stock of the new company—to be underwritten by Harriman, Ripley & Co.

The shares will be sold by stockholders and no part of the proceeds will be received by Taft Bestg. Co., which (like Radio Cincinnati) is headed by Hulbert Taft Jr., as pres. The Taft interests include WKRC-TV & WKRC Cincinnati, WTVN-TV & WTVN Columbus, WKYT Lexington, WBRC-TV & WBRC Birmingham, 30% of WBIR-TV & WBIR Knoxville. Approximately 87.2% of 1.5 million outstanding shares of Taft Bestg. Co. stock is owned by—or held in trust for—17 members of the Taft family and 7 members of the Ingalls family, all descendants of or related to the late Charles P. Taft, founder of the *Cincinnati Times-Star Co.* The SEC prospectus listed 29 selling stockholders. Largest blocks are being offered by David S. Ingalls & Robert Taft Jr. (67,226 of 201,677 shares held) as trustees for Jane Taft Ingalls, the estate of Hulbert Taft Sr. (52,990 of 158,969), Hulbert Taft Jr. (56,730 of 170,189), David G. Taft (50,471 of 151,414), Wm. T. Semple et al. (50,419 of 151,258) as trustees of the Charles P. Taft Memorial Fund.

In addition to listing Hulbert Taft Jr. as pres., the preliminary prospectus shows David G. Taft, exec. v.p.; Kenneth W. Church & William H. Hansher, v.p.s.; Dorothy S. Murphy, treas.; Robert Taft Jr., secy. It also gives this 10-year table of revenue & operating profit for the Radio Cincinnati stations:

Year Ended March 31	Net Revenue		Operating Profit (or Loss) Before Depreci- ation & Amortization	
	TV	Radio	TV	Radio
1950	\$ 229,044	\$ 835,465	\$ (221,853)	\$206,549
1951	417,333	893,812	(145,170)	243,787
1952	959,320	849,203	167,820	225,618
1953	1,239,831	900,173	322,409	256,454
1954	2,246,971	832,706	534,936	246,692
1955	2,812,656	948,765	789,260	184,415
1956	3,556,552	1,139,208	1,267,005	252,036
1957	3,991,123	1,175,103	1,515,334	277,632
1958	5,986,656	1,886,344	2,525,360	616,451
1959	6,980,769	1,991,732	2,929,796	541,021

Net revenue & operating profit of WBIR-TV & WBIR Knoxville (the TV station began commercial operation in Aug. 1956):

Year Ended Dec. 31	Net Revenue		Operating Profit (or Loss) Before Depreci- ation & Amortization	
	TV	Radio	TV	Radio
1956	\$339,335	\$166,649	\$ 76,974	\$19,994
1957	975,814	165,627	304,943	27,818
1958	907,983	182,007	253,929	38,849

During the year ended March 31, 1959, the prospectus notes, the Cincinnati & Birmingham TV stations "contributed the greater portion of the net revenue & the greater portion of the operating profit from TV broadcasting," while the Cincinnati & Columbus radio stations "contributed the greater portion of the net revenue & substantially all the operating profit from radio broadcasting. WKYT Lexington contributed 1% of the TV net revenue and operated at a loss of about \$112,000.

TV station revenue during fiscal 1959 came 25% from network, 43% from national spot & 32% from local advertising. For the AM stations, 54% of the revenue was local, 44% national spot, 2% from network.

Sale of 52% of WDMJ-TV (Ch. 6) Marquette, Mich. by Frank J. Russell to Morgan Murphy interests—for the assumption of approximately \$102,000 in obligations plus securing of a \$160,000 loan—has been negotiated, according to an application filed with FCC. Murphy's M & M Bestg. Co., licensee of WMBV-TV (Ch. 11) & WMAM Marinette-Green Bay, Wis., will own 52% of new North Central Bestg. Co.; WDMJ-TV licensee Lake Superior Bestg. Co., owned by Russell's *Marquette Mining Journal*, will retain 48%. M & M has agreed to arrange a loan of \$160,000 to the *Mining Journal* by Murphy's *Superior* (Wis.) *Evening Telegram, Lafayette* (La.) *Advertiser-Gazette* and Manitowoc Newspapers—the lenders receiving an option to buy Russell's *Iron Mountain* (Mich.) *News* for \$550,000. In addition to WDMJ-TV, Russell also holds a CP for WDMJ-TV satellite WIRN (Ch. 12) Wakefield, Mich., owns radio WLST Escanaba, 80% of WMIQ Iron Mountain, 50% of WROD Daytona Beach, Fla. and publishes the *Escanaba Daily Press*. For Morgan Murphy's other interests, see WEAU-TV (Ch. 13) Eau Claire, Wis. in *TV Factbook No. 28*.

CP for KIRO-TV (Ch. 7) Seattle, Wash, was finalized last week by the FCC. The grant was set aside last Dec. after losers KXA & KVI had pleaded that Comr. Craven should not have voted because he had not heard the oral argument. The station was permitted to continue operating pending completion of the proceeding. It's expected that the full text of FCC's ruling, giving the basis for its decision, will be released this week.

Two stations leaving air are KULR (Ch. 9) Kalispell, Mont., which quit May 27 during CATV hassle (see p. 6) and KDPS-TV (Ch. 11, educational) Des Moines, which went dark May 29, but plans to resume Sept. 14 when new school year begins. We're not counting KDPS-TV as being permanently off the air, but demise of KULR changes on-air count to 552 (83 uhf).

Purchase of control of KIVA (Ch. 11) Yuma, Ariz. by Electro Investors Inc. for \$241,000 from Harry Butcher was approved by FCC last week. Majority of Electro Investors (67%) is owned by financier Floyd Odlum. Second largest stockholder is Butcher, who retains 25%.

No hearings in Atlanta will be held by FCC to determine whether 9 AM stations & 1 FM have offered "balanced" programming (Vol. 15:21). It's understood that the Commission majority, considering renewal of the licenses, declined to order the *en masse* hearing, decided to consider each station's performance individually and schedule license-renewal hearings if warranted.

First TV coverage of the Hepbron case (Baltimore police commissioner charged with incompetence & misconduct in office) was allowed by Md. Gov. Millard Tawes at the June 12 summations in the State House at Annapolis. Although live coverage was still verboten, WJZ-TV Baltimore used the next best thing—video tape. Approximately 25-min. after the 2-hour session ended the station was on the air with complete coverage. In keeping with the edict that TV remain unobtrusive, the station's crew, program mgr. Joel Chaseman told us, neither used nor needed extra lights or mikes to pick up & pipe proceedings back to Baltimore for taping.

More competition for newspapers from TV was predicted last week in London by Stuart Hood, BBC deputy news editor. He said he expects big technical advances soon, whereupon "TV will at last be able to have news pictures from all parts of the world on the same day . . ."

Programming

TV'S NEW BLOOD: TV film, criticized so often for its sameness & mediocrity, today has hopes of improvement, and these hopes are pinned on a comparatively small group of fairly-new-to-TV producers who have given a new flair to old formats.

Already, some of their series have skyrocketed to success in TV—not necessarily because they have found new formulas, but because of original slants and touches.

For example, there is Blake Edwards, producer-director of *Peter Gunn*. This show was at first critized by Edwards' own TV colleagues with a scorn that didn't melt until Gunn found itself basking in the sun of public favor. Well aware of this intra-trade criticism, Edwards tells us: "Actually, I'd been doing private-eye shows for years. I felt *Peter Gunn* must have new elements if it was going to succeed. So I had Henry Mancini write a special music score, and we used live music on the show. I added a few other new elements to prevent Gunn from being just another private-eye. As for the criticism from other producers—my show cost a lot more money than the average half-hour; they knew this, and felt that they'd be forced to spend more money on their shows."

Other producers in the comparatively new crop of TV creators doing well today include ex-movie men Howard Christie (*Wagon Train*), Arthur Gardner, Jules Levy and Arnold Laven (*The Rifleman*), and Howie Horwitz, (*77 Sunset Strip*). The last-named show is based on a book by Warner Bros. producer Roy Huggins who conceived *Maverick*—a new approach to Westerns.

Other non-TV veterans who produce successful shows: Sam Rolfe (*Have Gun—Will Travel*), Rory Calhoun-Vic Orsatti (*The Texan*), Wilbur Stark & Jerry Layton (*Colonel Flack*).

Kookie's Campaign: Warner Bros. has launched an extensive merchandising campaign to cash in on the popularity of Edd Byrnes, who plays "Kookie" on *77 Sunset Strip*. Merchandising has, of course, become a very profitable by-product of TV for some stars or properties.

The Burbank lot became aware of jive-talking young Byrnes when he began receiving more fan mail than any other actor on the payroll. (Currently he gets an amazing 22,000-24,000 letters a month from teen-age fans.) First item in the merchandising campaign under the supervision of Sam Clark is a Kookie comb, which, with a color picture of Byrnes, sells for 39¢. The studio expects to sell 10 million. This item was a natural tie-in into Byrnes' best-selling record, "Kookie, Kookie, Lend Me Your Comb." Other teenage items in Warners' "Kookie" campaign: a tie with printed jive talk, girls' scarves bearing the name "Kookie," a Kookie jacket, an identification bracelet, sweatshirts, sport shorts, beach towels.

Echo of quiz-show scandal of last season sounded in N.Y. lastweek when General Sessions judge Mitchell D. Schweitzer ordered "impounded & sealed" a presentment prepared by the N.Y. county grand jury which has been looking into alleged frauds on TV quiz shows. Judge Schweitzer stated that the report had been "challenged" by sources he didn't reveal, which may cause it eventually to be expunged from the records. (Subsequently, it was learned that the challenge was by attorneys representing *The \$64,000 Question* & *The \$64,000 Challenge*.) Now it's up to the N.Y. office of DA Frank Hogan to furnish "the burden of legal proof" that public should get report.

TV Baedeker: A film tour of Venice is planned by NBC news for fall, with David Brinkley producing the hour tour of the city of canals. Rome is due to get a location tape profile by CBS-TV as part of the coverage of the 1960 Olympics. Spoleto, Italian mountain resort, will be seen by U.S. viewers in Intercontinental TV's coverage of the Gian-Carlo Menotti "Festival of 2 Worlds" for showcasing by Ed Sullivan this fall, although the composer is asking visitors to "tone down the tiaras." London's "Big Ben" on telefilm can be had for free by stations from the British Information Services, now distributing a 14-min. history of the landmark, James Mason narrating.

Same-day telecasting of 1960 Olympics using taped highlights will get prime time on CBS-TV under an exclusive arrangement between the network & the Italian Olympic National Commission. The individual shows will be up to an hour in length. The tapes will be jet flown to CBS-TV in N.Y. by Alitalia Airlines, enabling the network to "surpass its unprecedented feat of bringing an edited hour-long video-tape broadcast of the coronation of Pope John XXIII to American viewers less than 24 hours after conclusion," says pres. Louis G. Cowan. Not firmly set, however, is just who's going to make the tapes. CBS-TV has been discussing a tape contract for the show with Intercontinental TV (which taped the Garroway *Today* segments in Paris), but may send its own crew & unit over if cost estimates show that the network can handle the job for same price.

Always in search of new locales, TV film series next season will reach out to our 2 new states—as well as outer space. Warner Bros.' 60-min. series, *The Alaskans*, will be located in the 49th state, and 20th-Fox TV, is producing several pilots of another series, *The New Frontier*, in that setting. The other new state will serve as background for Warner Bros.' *Hawaiian Eye* and 20th-Fox TV's *Adventures in Paradise*, the latter a 60-min. show created by James Michener. It should all be a refreshing change from Dodge City & Tombstone. As for outer space, Ziv TV is working on *Space*, starring William Lundigan, dealing with the exploration of man's newest frontier.

BMI award of \$500 will go to the TV or radio outlet "which produces the best program dealing with state or local history during 1959," said a joint announcement last week from Broadcast Music Inc. and the American Assn. for State & Local History. An additional grant of \$500 will be made to the state or local history agency which cooperates in the production of the winning show, says Carl Haverlin, BMI pres. A soon-to-be-announced panel will judge. Participation in the contest is open to any TV or radio station in the U.S. & its possessions. Contest winners will be announced no later than April 1, 1960.

New 60-min. monthly dramatic series, live from N.Y. (some tape), will be seen on NBC next season, produced by Mrs. Mildred Freed Alberg. For the past 6 years producer of *Hallmark Hall of Fame*, she was in Hollywood last week conferring with James Lee (who will be associate producer & story editor) and lining up stars for the series. Mrs. Alberg tells us the series has been sold, but adds the sponsor will announce his own identity. In addition to the series, Mrs. Alberg is preparing several specials. One, *Undine*, is an original by James Costigan.

Liberace has temporarily forsaken his piano stool for a testinony box in a British court where he is suing the *London Daily Mirror's* caustic Cassandra for casting questions about his manhood.

Television Digest

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

PUBLICATION OFFICE Box 700, Rodnor, Pa. MUroy 8-3940
JAMES T. QUIRK, *Business Manager* MERRILL PANITT, *Editorial Director*
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WEST COAST BUREAU
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Hollywood 28, Cal.
Hollywood 5-5210
DAVID KAUFMAN

MARTIN CODEL
Associate Publisher

WEEKLY NEWSLETTER TV & AM-FM ADDENDA AM-FM DIRECTORY
Published Mondays Published Saturdays Published in January

TELEVISION FACTBOOK Published in March & September

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Personals: Leon H. Cagan has resigned as Latin American operations dir., NBC Internatl. to develop own projects in field of international TV & radio . . . Jack Gregory, ex-Ziv, named United Artists TV Western div. mgr. . . . Arthur J. Schissel, who resigned from FCC last fall to travel in Europe, has rejoined FCC broadcast facilities div.

George Stelzenmuller, engineer in FCC's frequency allocation & treaty div., joins OCDM's telecommunications office . . . Keith Gunther named program mgr., KSD-TV St. Louis. Frank Eckardt appointed traffic mgr.

Hal Moore, ex-WNEW, now N.Y. radio WCBS program dir., succeeding Allen Ludden, who has been named program services dir., CBS-owned stations . . . Gene Adams, ex-KIMA-TV Yakima, named sales mgr. of KEPR-TV Pasco, Wash. . . . Parker H. Jackson promoted to sales development & prom. dir. of KFMB-TV & KFMB San Diego, succeeding Dan Bellus, now sales mgr. of KFMB . . . Thomas C. Bostic, v.p.-gen. mgr. & 16.5% owner of KIMA-TV Yakima, elected mayor by other members of city council June 1.

Larry Marks, ex-*Diners' Club Magazine*, named advertising dir. of WNTA-TV & WNTA N.Y. Irv Lichtenstein, former NTA dir. of merchandising & licensing, named WNTA station mgr. . . . Paul Liebler promoted from asst. dir. to TV program dir., WTOP-TV Washington. Edmund Colbert promoted from floor dir. to asst. dir. . . . John O. Downey, ex-KMOX-TV, named programming mgr., KDKA-TV Pittsburgh, Pa. . . . Melvin B. Wright leaves Hawaiian Bestg. System (KGMB-TV Honolulu and satellites in Hilo & Maui) July 1 to become gen. & sales mgr. of Skyline Advertisers Sales Inc., sales organization for 5 Ida. & Mont. TV stations. Skyline mgr. C. N. (Rosy) Layne resumes as gen. mgr. of KID-TV Idaho Falls.

Errol Linderman, ex-Universal Pictures, named client relations supervisor, Elliot, Unger & Elliot . . . Myron A. Elges named regional sales mgr., United Artists Western div., headquartering in San Francisco . . . James W. Hulfish Jr. named dir. of information for the National Audio-Visual Assn., Fairfax, Va.

Ben Wolfe, WJZ-TV Baltimore chief engineer, elected chairman of Baltimore IRE section . . . Arch L. Madsen, ex-WLS Chicago, RAB and Intermountain Network, appointed asst. exec. dir. of AMST.

John Cowles, pres. of the Minneapolis Star & Tribune Co. (80% owners of KTVH Hutchinson, Kan., and 47% owners of WCCO-TV & WCCO Minneapolis) received an honorary LL.D. at the U. of Rochester June 7.

Fast rescue work by an NBC crewman working on location in Mt. Holly, N.J. with a unit filming scenes for "Secret of Freedom" saved the life of 6-year-old Dolores Terry, a local youngster who fell into quicksand in a nearby creek. Walter Engels, who is "first grip" in the crew, spotted the child struggling helplessly, plunged without hesitation into oozing mud, and pulled her to safety. The camera crew was completing 3 weeks of location filming on the hour-long dramatic special, which stars Tony Randall, Kim Hunter & Thomas Mitchell and is due for fall exposure.

Informal tete-a-tete between FCC chairman John Doerfer & members of the Assn. of Radio-TV News Analysts was conducted at luncheon last week at Williams Club, 24 E. 39th St., N.Y. The Association, currently headed by Robert Trout, has had as guests at the off-record meetings top news figures such as President Eisenhower, former President Truman, late Sen. Robert Taft. Recently, it has been examining broadcasting, has chinned with CBS Inc. pres. Frank Stanton & NBC chairman Robert Sarnoff, plans a session with AB-PT pres. Leonard Goldenson.

National Community TV Assn. has scheduled Pa. Gov. David L. Lawrence as June 24 banquet speaker during its June 23-25 convention at the Sheraton Hotel, Philadelphia. It has also announced the exhibitors: Alto Fonic Corp., AMECO, Amphenol-Borg Electronics Corp., Collins Radio Co., Entron Inc., Jerrold Electronics Corp., Motorola Communications & Electronics Inc., Phelps Dodge Copper Products Corp., Phileo Corp., Plastoid Corp., RCA, Raytheon Mfg. Co., Spencer-Kennedy Labs, Times Wire & Cable Co., Westbury Electronics Inc.

Winners of the \$14,000 awards given by the Fund for the Republic in memory of the late Robert E. Sherwood will be announced this week (June 17) in N.Y. at a Plaza Hotel luncheon. Mrs. Eleanor Roosevelt, a member of the panel of jurors selecting the winners, will make the presentations. Prizes will be given to a minimum of 3 and a maximum of 7 programs dealing with "The American traditions of freedom & justice."

Merlin H. (Deac) Aylesworth, first pres. of NBC, was named posthumously to the Advertising Hall of Fame last week at the 55th annual convention of the Advertising Federation of America. He was elected pres. of NBC in 1926 when it was the only national network. NBC v.p. Walter Scott accepted Aylesworth's award.

NAB Seminar faculty at July 5-17 management-development sessions for 60 broadcasters on the Harvard Business School campus will be headed by Harvard U.'s business administration professor Dr. J. Sterling Livingston. Other Harvard teachers participating in the seminar will include William P. Gormbley Jr., Alva F. Kindall & C. Roland Christensen.

Herman Garlan named chief of the RF (radio frequency) devices branch, Glenn West chief of the experimental branch of FCC technical research div., new branches having been created by the reorganization of the experimental, incidental & restricted radiation branch of the chief engineer's office.

Louis G. Cowan, CBS-TV pres., addressed the "1959 Communications Dinner" June 13 at the U. of Chicago, of which he is an alumnus, on "What You Expect From TV."

Two translators were granted by the FCC last week, both to Wheeler County translator system, Wheeler County, Tex. for Ch. 70 & 76.

Advertising

THE TOP 100 AD BUDGETS: The 1958 list of ad expenditures in all major media by last year's top 100 spenders has been compiled by *Advertising Age* and is reproduced by permission in this issue on pp. 12-13. It makes for fascinating study, ranging from Procter & Gamble's near-\$100-million budget down to the \$4.7 million spent by No. 100—Theo. Hamm Brewing Co.

As was the case last year (Vol. 14:26), each of the 100 giants was represented in TV (net and/or spot) except 2 distillers—and 2 names new to the list: Simoniz Co. and American Airlines. The airline company spent \$1 million in spot radio. Spot TV was on 94 of the 100 lists; net TV on 78; spot radio on 34. All but 3 of the 100 advertisers used newspapers; 93 used general magazines.

The preceding year's No. 1 advertiser (GM with \$104.2 million in 1957) was displaced on the list by P&G with \$98,592,297. In contrast to former list leader GM, which had devoted half its 1957 budget to newspapers, almost a quarter to general magazines, and only 14% to net & spot TV, 1958's leader P&G spent 86% of its total budget in TV. And although GM then cut its ad budget by some \$6 million in 1958, its percentage of expenditure for TV rose from 1957's 14% to 1958's 23%.

Of the 3 advertisers which did not use newspapers in 1958 (there were 3 stay-outs in 1957, too), 2 used TV exclusively, and the 3rd gave TV approximately \$4 million of its \$4.9 ad budget.

In Other Media: *True's* ad mgr. Clifford Curtis, quoted by *Business Week*: "TV has forced us into offering regionals [as opposed to magazines' former practice of selling total national print run]—we're not doing this just as a service. There's no question that TV has been hurting us." . . . *The New Yorker* found itself reminiscing about a 1957 Barry Gray radio dissertation on the perils to be faced by Jack Paar in launching his new program. Said Gray: "It's like starting off with a noose around your neck. You've got 26 weeks to make good, or they'll shoot you. That sword of Damocles can be a rough proposition." To which *The New Yorker* added: "As most of you know by now, Mr. Paar eventually made good before the sword could explode and throttle him." . . . Also in a jovial mood activated by the broadcasting world, *Vogue* reported the case of a 7-year-old who goes around the house singing "Joshua fit the Battle of Geritol, Geritol, Geritol." . . . Speaking of Paar, as we were a moment ago, the latest *Newsweek* devotes its cover & cover story to him.

* * *

"Magazine Publishers Assn. is readying a market research study to prove to advertisers the effectiveness of a magazine's audience. A careful, authoritative, unhurried study with this objective is exactly what the magazine industry needs. But it's doubtful that the MPA-sponsored study is the answer . . . The aims of the study are fine . . . but . . . [it] . . . adds up to a biased competitive one that serves the advertisers no real purpose. Advertisers want facts. Instead, the study will give them a big chunk of opinion based on the 6-week use of the Market Research Company of America's panel. Advertisers want objectivity especially in competitive media studies. They get the opposite. For the sad fact of the matter is the MPA study does not have the much-needed approval of the Advertising Research Foundation. Without this stamp of objectivity, [it] is suspect from the word go."—*Gallagher Report*.

BBDO'S 'TAPE REVOLUTION': Video tape has caused a "revolution" in the approach of BBDO, one of the country's largest ad shops, to live TV. Writing in the first issue of a new BBDO newsletter for employes, Alexander Cantwell—who heads the agency's live TV-radio production dept.—called video tape "a lifesaver for many clients . . . probably the most important TV development since the invention of the picture tube . . .

"With just a few exceptions, we haven't produced a live commercial in a nighttime network show for over 8 months . . . If we consider broadcast playback dates as well, we can say that somewhere in N.Y. every day of every week last month there was a video-tape recorder running with a BBDO show or commercial." In terms of tape's over-all impact on the agency, Cantwell called it a "quiet revolution," which began when the agency taped the Philco commercials for the Miss America Pageant last Sept., turning out 12 min. worth of commercials in just 17 hours on a schedule in which film "would have been enormously expensive" and live production was "virtually impossible."

There's also a "definite trend" toward tape replacing film commercials, says Cantwell. One case in point is GE, which "has used film exclusively for 3 years, now is producing almost all its commercials for the *GE Theatre* on tape . . . and saving about \$2,000 per commercial." Another switchover from film to tape has been by Pittsburgh Plate Glass, once a heavy film user but now "heavily involved in tape commercials almost to the exclusion of film." For PPG, the agency has "duplicated on tape many techniques heretofore possible only on film." Cantwell cautioned BBDO admen (and outside readers) that "tape is not the answer to all commercial problems," but BBDO looks for "an increasing use of tape in the fall, as we continue to learn new ways to use this exciting new tool of our trade."

Advertising People: C. Terence Clyne, McCann-Erickson senior v.p., elected a director . . . A. F. Guckenberger, ex-Ward Baking Co. adv. v.p., named McCann-Erickson v.p. . . . Thomas J. King, ex-D.P. Brother, named v.p. in the Detroit office of McCann-Erickson.

Reg W. Twiggs, ex-McCann-Erickson, to v.p.-gen. mgr., Cunningham and Walsh Los Angeles office. William J. Peterson, v.p. in the Los Angeles office, named creative dir. and creative TV coordinator for all 6 C&W offices . . . George R. Gibson, v.p. in the N.Y. office of Gardner Adv., St. Louis, elected to the agency's N.Y. executive committee. Maurice A. Umans, account executive, named v.p. . . . John W. Heany Jr., ex-Raif Schockey & Assoc., named PR dir., Grant Adv. N.Y. office.

Frank C. Weber, D'Arcy Adv. v.p. & dir., elected exec. v.p. . . . Charles N. Crittenton, James T. O'Neil and James W. Rayen named Ted Bates v.p.'s . . . James S. Fish, v.p. & adv. dir. of General Mills, elected chairman, Advertising Federation of America, succeeding Robert M. Feemster, exec. committee chairman, Dow Jones & Co.

DuPont's anti-freeze Zerex has \$750,000 for TV in a 6-7 week period next fall, and BBDO has made a verbal commitment to spend it on NBC's Sun. specials, including 2 Milton Berle shows. However, the sponsor may buy into *Riverboat* (NBC) instead.

New rep: KCGR-TV Cedar Rapids to Branham June 9 (from Weed).

Film & Tape

41 HOLLYWOOD SHOWS OUT: With the jittery cancellation season just about over, Hollywood's casualty list shows that 41 series have lost their sponsors. This figure, while high, is about par for the course. The cancellation rate on Hollywood-made series for the past few years has been between 35-45.

A breakdown shows 33 are telefilm series, the other 8 live. Only 5 of the 41 have found new sponsors for next season. The rest are through, barring an unlikely last-minute deal. Screen Gems led in cancellations, with 6. Revue lost 5, Four Star, 3. However, these companies have sold a lot of shows for next season, and they aren't hurt in comparison with McCadden Productions, which lost both its series, MGM-TV, which also lost its pair and Mark VII, which lost one and seems about to lose another.

While comedy series led in cancellations at the half-way mark (Vol. 15:15), that most popular of TV commodities—the Western—has since captured even this unsought lead. Ten Westerns have lost sponsors, as against 9 comedies. Cancellations also include 4 action series & 4 anthologies.

Among Western casualties are *Cimarron City*, *Track-down*, *Jefferson Drum*, *Restless Gun* and *Buckskin*. Comedies include *The Ed Wynn Show*, *George Burns Show*, *The Bob Cummings Show*, *December Bride* and *The Thin Man*.

Cancellation victims who have already found new sponsors include Jack Benny, George Gobel and *The Gale Storm Show*. On the whole, despite the sizable total of cancellations, Hollywood people aren't surprised. They've grown accustomed to the pace. And none of the leading telefilm companies has been hurt badly. Hardship cases are those 1- & 2-series firms which have wound up with none.

International Sales Upbeat: All the world's a TV market, 2 of the top syndicators reported last week, with sales of U.S.-made telefilms booming, and language barriers being hurdled neatly.

Ziv TV shows, 14 series in 9 languages, are now being seen in 37 countries, says Ed Stern, who heads the firm's international division. The Ziv re-voicing & subtitling ranges from Chinese titles (which run vertically on the screen image) for the Hong Kong market, to the more popular Spanish (Latin-America, Spain), French (France, Belgium, Luxembourg, Switzerland) and German (W. Germany). New Ziv syndication series are now being released—like U.S. theatrical movies—to the overseas market at the same time they are released in the states.

On the overseas sales front, Screen Gems reports a 50% sales increase in Latin America in the fiscal year ended May 31, with current dubbing commitments calling for completion of over 800 half hours of Screen Gems telefilm shows by the end of this fall.

Currently, Screen Gems has "just over 90 half-hours of Spanish-dubbed programming on the air each week through the 9 Latin American countries with active TV service," by SG's count.

For the 1-million-set Brazilian TV market, Screen Gems is now dubbing a total of 4 series in Portuguese, and claims to be the only U.S. distributor actually voicing shows in this language. In the Spanish-language field, Screen Gems is now launching dubbing operations on *Huckleberry Hound*, stating that it is "the first U.S. TV cartoon show" to get such a dubbing treatment.

LOCATION TAPE TO ORDER: Another video tape "mobile facility" made its bow in the race for location & below-the-line tape dollars in N.Y. last week. The newest entry is a \$238,000 twin unit built by RCA (but equipped with an Ampex recorder) for the Termini Video Tape Service Co. which staged a June 11 demonstration at Farkas Studios.

"This is the second completely mobile tape unit that RCA has built. The first one went to Dave Lown's Intercontinental TV in Paris," (Vol. 15:9, 13, 22) pres. Anthony Termini told us. "We're not in the program business, however, and we don't intend to bid competitively for TV commercial orders. What we will do is provide a 'tape service,' with complete below-the-line facilities, for anyone who wants to hire us to shoot a job."

The 2 trucks are equipped with 3 RCA model cameras specially designed for field work, as well as a Telechrome special effects matt amplifier, audio tape & disc recording facilities, portable lights, and control room, Termini pointed out to us, as well as to visitors from Wilding, Caravel & Van Praag Productions, BBDO, Grey, Theater Network TV, JWT, Telestudios, RCA & Minnesota Mining.

In the discussion stage, he admitted, is a junket to Detroit for one of the major auto firms to shoot tape commercials right at the plant proving grounds on one of the new small-car lines being readied for fall entry. "We'll be able to cut across the usual time losses of preparing storyboards, holding conferences, and sending completed auto commercials back & forth by going directly to manufacturers to shoot tape commercials," Termini said.

Termini's complete unit will have a per-diem rental of \$3500. Components of the unit, such as the recording truck only or camera equipment, can be rented in a sliding scale that goes down to \$1000 per day. Prices apply within a 50-mile radius of N.Y., and do not include a studio (if one is used), lights, generator, stagehands & grips, and out-of-town mileage. Closed-circuit telecasting, dubbing, editing & screening are available. Price for purchasing an original tape, or holding it for more than 28 days, scales down from \$400 per hour to \$50 per min.

UA into Syndication: United Artists' long-expected invasion of the syndication market will be with the Kirk Douglas-produced (Bryna Prod.) telefilm series *Tales of the Vikings*, exec. v.p. Bruce Eells told a N.Y. press conference assembled last week to meet the new lineup of 6 executives who'll head the firm's key sales territories.

Two more series, *Hudson's Bay* & *Miami Undercover*, will follow "Vikings," Eells said, with other new syndication series being launched by UA at the rate of from 4 to 6 per year. UA-TV hopes eventually to have a 45-man syndication sales staff, drawn from agencies, stations and other film companies.

The initial series, said Eells, will draw on the production facilities of Douglas' big-budget "Viking" feature film released last year—"\$2.5 million worth of elements" including 400,000 feet of outdoor action scenes, a fleet of 3 seagoing Viking ships, a 30-acre Viking village in Germany, \$300,000 worth of costumes, and an original music score.

On the network TV front, meanwhile, UA has scored one "definite" and one "probable." Firmly set, Eells reported, is *The Troubleshooters*, sold to Philip Morris for a fall start in a Friday 8 p.m. spot on NBC-TV. Sold, but not set, is *The Dennis O'Keefe Show*, which Oldsmobile has purchased and for which it is seeking a network berth,

MCA VS. MORRIS: The most intense competition in TV film is not between a Desilu Productions & a Four Star, or a Screen Gems & a Warner Bros.—it's between the world's 2 largest talent agencies, William Morris and MCA. Between them, these companies represent most of the production companies & series on TV. When the decline of movies began, in the early 1950's, both agencies had the foresight to see the tremendous possibilities of TV film, and that's why each is prospering in TV today.

Each agency takes a different tack in TV. MCA is active in production through its subsidiary, Revue Productions, presently the leading telefilm company in Hollywood. Morris is a packager & representative of TV series, and has made more than 20 series sales for next season.

Unlike MCA, Morris doesn't own a percentage of the series it packages or represents. No. 1 man, Abe Lastfogel, proudly boasts that his agency will never own any part of a package, asserts instead that its role is to bring together the component parts of a TV package, then sell it. Morris clients include Four Star Films (7 series) and 20th-Fox TV (5 series), as well as a number of smaller TV film operations such as *The Danny Thomas Show*, *The Real McCoys*, *Barbara Stanwyck Theatre* and the recently sold Betty Hutton series, *Goldie*.

While MCA, of course, also represents series, it is known principally for its success in production through Revue and in syndication through MCA-TV Film Syndication. The huge operation also includes buyout of the pre-1948 backlog from Paramount & acquisition of the Universal-International studio for Revue.

The Morris agency and other competitors take a dim view of MCA's involvement in production, insisting that this places MCA in the untenable dual role of agent-employer. (Why should the agent, they say, seek a fair shake for his client, if the agent *is* the employer?) MCA stoutly denies the argument, insists its production arm has complete autonomy from MCA.

Screen Actors Guild exec. dir. Jack Dales, taking cognizance of the delicate MCA-Revue situation, points out MCA and Revue are closely policed by SAG regulations. He says while the Guild has never been too happy about an agency also being, in effect, an employer, the situation arose when MCA, in the early 1950's, stepped in to fill the vacuum in TV film production & packaging, and thereby created employment for actors.

MCA repeatedly insists that its Revue Productions never favors MCA or its clients in deals, and that the talent does benefit.

Commercial Producers Branch Out: Diversification moves into the TV program field by film commercial producers are gaining momentum. Filmways, which has a production liaison with Warner Bros., has named Al Simon, now a v.p. of McCadden Productions, to the post of pres. of a new Filmways subsidiary designed to package TV shows. Van Praag Productions has filmed a 30-min. pilot of an audience participation show, and is about to offer it for sale. Transfilm, now part of the Buckeye Corp., plans a step into TV cartoon films in the near future. Elliot, Unger & Elliot, now owned by Screen Gems, is reported scouting possible tape or film program properties. And Mrs. Franklin D. Roosevelt is scheduled to appear in the pilot film of a public affairs series to be made by Alexander Film Co., best known for its documentaries & TV commercials.

Wanted—Production Genius: Not a new problem, but recurrent is TV-film's real shortage of knowledgeable production executives, skilled men with ability & flexibility.

The problem came into focus again last week when MGM-TV renewed production chief Richard Maibaum's contract, following an unsuccessful search for a successor. Metro had offered the job to several TV executives, all of whom had turned it down. While MGM offered not only salary, but a percentage of series as an inducement, those approached felt they were doing better in their present situations. MGM-TV has lost 2 series, hasn't sold any new ones or a pilot. Meanwhile, it watches the progress of its prosperous studio rivals in TV (Columbia-Screen Gems, Warner Bros., 20th-Fox TV).

Four Star pres. Dick Powell has for years been seeking vainly a production chief to relieve himself of that post. But Powell retains the job although also busy with movie activities as a producer-director for 20th-Fox.

That studio, too, has had considerable trouble finding a production chief, but it now seems to have solved its problem by having persuaded Martin Manulis, former producer of *Playhouse 90*, to take the job. Manulis had originally been signed to produce movies for the studio, but 20th convinced him (a percentage deal in its series helped) to take the top TV spot. Since then, this studio has sold *The Many Lives of Dobie Gillis*, *Adventures in Paradise* and *5 Fingers*, (the 2 latter being 60-min. series), has 2 NTA series in production—*How to Marry a Millionaire* and *Man Without a Gun*—and several episodes of *The New Frontier* (for CBS). There is no decision yet on the *Frontier* sale, but the Manulis regime has 5 series, as against last year's 2, both syndicated.

The shortage isn't confined to TV film, as MCA discovered when it tried to find an exec. producer for its Ford specials on NBC next season. David Susskind, busy with Talent Associates, turned down an offer and MCA finally induced its original choice, Hubbell Robinson, to leave CBS for the post.

Several years ago Metro offered the job to Desi Arnaz, inviting him to come over with his entire Desilu operation. But Arnaz declined, reluctant to lose autonomy, and because he saw no percentage in toiling for Metro instead of Desilu, no matter what the terms.

AFTRA-SAG Merger Study: The merger of 2 of the largest talent unions—the American Federation of TV & Radio Artists and the Screen Actors Guild—appears to be moving further toward reality. David L. Cole, national consultant on labor affairs, has been named by the two unions to conduct a special study of “the feasibility of a merger.” Word of Cole's appointment came late last week in N.Y. in a joint announcement from Clayton (Bud) Collyer & Howard Keel, presidents of the TV-radio & movie unions respectively. Cole is a former dir. of the Federal Mediation & Conciliation Service, and is currently the permanent arbitrator under the national AFL-CIO “no raiding” agreement, as well as for such companies as Intl. Harvester, Inland Steel, Du Mont Labs., and Forstmann Woolen Co. The merger study, say the unions, will be started “immediately,” with Cole due to make his report, when completed, to the merger study committees of the 2 talent unions.

New telefilm distribution firm has been formed by Mel Schlank, who has resigned as v.p. in charge of sales of NTA's low-priced-films offshoot, Famous Films. New firm will be called Universal TV Distributors.

New York Roundup: Cal. Natl. Productions, NBC's syndication offshoot, has acquired 69 episodes of *The Californians* for off-network syndication sale . . . CBS Films Inc., in a similar move, will launch *Trackdown* in syndication as a once-weekly nighttime show . . . NTA has sold its 65-feature "international package," which mixes post-48's with old Shirley Temple films, in a total of 24 markets . . . MCA-TV has now sold its Paramount pre-1948 features in 58 markets.

Sales tax seminar will be held in N.Y. June 22 by the Film Producers Association to acquaint movie accountants & finance officers on the latest rulings concerning tariffs that must be paid on film commercial transactions in the city. Tax consultant Harry Rabinowitz will be on hand as guest expert.

Ziv pres. John Sinn says that "expanded distribution" of telefilms, both in the U.S. & overseas, will have to be achieved to fill the gap between per-episode budgets, which he figures are rising 20 to 40%, and the fall sales outlook, which is likely to increase by only 10 to 15% . . . John Oxberry, pres. of Animation Equip. Corp., back from 6 weeks in Europe, says that British equipment for making animated commercials is "at the stage it was at in the U.S. 7 years ago," although progress is being made. He rates Sweden as tops in animation technique, primarily for theatrical films.

Year-round film activity, minus the usual summer slump & hectic pre-fall rush, is how it's been going for Robert Lawrence Productions, N.Y., which is due to rack up 52 consecutive weeks of steady TV film commercial production on June 26. Says Lou Mucciolo, production v.p. of RLP: "The peaks & valleys are gone. As a result, the economies that can be wrought from steady production are now being effected."

First use of TV tape for armed forces recruiting & public service programs is being made by the Navy with 2 forum shows taped at WTTG Washington. The first show, produced by Cmdr. H. Harold Bishop, of Bureau of Personnel, in charge of media for recruiting, is discussion of *Why a Strong Navy?* Eight tapes of the 30-min. show are in distribution to stations along with companion animated film "commercials" for Navy recruiting. Second show, *Strength Through Sea Power*, will be taped July 1 as part of WTTG's *Georgetown U. Forum* and 8 tapes will be bicycled to stations.

ABC Films has sold *One Step Beyond*, (television series dealing with the supernatural now seen on ABC-TV) as *Aleoa Presents*, to the CBC-TV network in Canada, where it begins June 23 . . . NTA's Hour of Stars series, comprising 60-min. rerun episodes from the 20th Century-Fox & Warner Bros. network shows, has been sold in an additional 20 markets in the past month, bringing the total to 60 . . . MCA-TV claims a high rating score for its syndicated *State Trooper* series, with ARB reports putting the show in the "top 10" locally aired film shows in 75% of the 114 markets in which it's running.

New sideline for Goodson-Todman, best known for modest-budget quiz & panel shows, is in the field of retail promotions. Their first entry, "Word-a-Week," a game package that includes display material, newspaper mats, and TV-radio commercials, is getting an 8-weeks trial run in the Johnstown, Pa. Acme Supermarkets. The G-T package is basically a form of bingo in which store customers are given free envelopes of letters to be matched against daily winners listed by the stores. Acme has ordered 35 million entry blanks for the 8-week period. G-T also is in the publishing field, having formed Star Press books.

Hollywood Roundup: Screen Extras Guild board of directors has been authorized to take a strike vote against movie & TV producers, following unanimous rejection by the membership of counter-proposals submitted by the producers on a contract.

Revue Productions has finished reshooting a pilot of *Roadblock*, starring James Brown. The original pilot was made a couple of years ago for ABC, but didn't sell. Revue plans to push the pilot for a sale now despite the lateness of the season . . . Jack Webb's Mark VII Telefilm Co. is producing the pilot of a half-hour western, *Johnny Guitar*, this week . . . Four Star will place the *June Allyson Theatre* into production June 24 at Republic.

Highest priced writers in TV are those scripters who turn out the Lucille Ball-Desi Arnaz specials in the *Desilu Playhouse* series. Price: \$30,000. For the latest special, Desilu called in 2 more writers as consultants at \$17,500.

Screen Gems & production v.p. Harry Ackerman, are in negotiation on a 2-year renewal of his contract . . . Revue Productions is reshuffling assignments. Maxwell Shane is signed as producer of *M Squad*; Michel Kraike, producer of the Henry Fonda series, *The Deputy*; Everett Chambers, producer of *Johnny Staccato*; and William Frye exec. producer of latter 2 shows.

Ziv TV had to suspend production of its *Bat Masterson* series in Hollywood last week, when Gene Barry, star of the Western, refused to show up for work. Barry feels Ziv owes him more money for another season of *Masterson*. There was an Iron Curtain around the whole affair, with Ziv, Barry, and his producers all suddenly unavailable. Barry's agent, Bill Belasco, wouldn't comment on the standoff. One Ziv source tells us the company isn't worried, that it has an ample supply of telefilms already made.

Universal-International musical director Joseph Gershenson, leaving his exclusive contract deal for a non-exclusive contract, has formed Major Music Enterprises to service TV & movies . . . Metro's industrial & commercial film div. dir. Bill Gibbs is being transferred to the N.Y. office, to operate his division from there.

NBC's hour-long Western series *Trace Hunter*, originally planned for next season, has been shelved temporarily by producer Jack Chertok because of casting difficulties . . . Producer Clarence Eurst is preparing 2 telefilm series, *Conquistador* & *D.F.S.*, both to be produced in Mexico . . . World Television Programming, owned by ABC films & Joseph M. Schenck Enterprises, has signed David Janssen to star in its new series, *The Racer*. . . Arthur Marks has been named associate producer for *Perry Mason*, produced by Herbert Hirschman.

Ziv TV, Standard Oil of Cal. and producer Ivan Tors of *Sea Hunt* were named defendants in a \$1 million suit filed last week in Los Angeles, by actor-stuntman Frank Donahue, asst. director William Webb and TV producer Richard Ross. The plaintiffs contend an idea & material they had submitted to Ziv for an underwater series in 1955, entitled *Underwater Legion* was utilized for Ziv's *Sea Hunt* series . . . Rexall (via BBDO) is interviewing candidates to replace Jean Sullivan as hostess & commercial announcer on its specials next season.

Another TV title conflict looms (Vol. 15:20). Desilu Productions has been blueprinting a musical *Don Quixote* for at least 2 years, planning it for *Desilu Playhouse* (Vol. 15:17). Now agent Wynn Rocamora is packaging an hour-long musical telefilm entitled *Don Quixote*. When Arnaz first announced his project, a couple of other companies announced similar deals, but nobody has come up with a *Quixote* yet.

Trade Report

JUNE 15, 1959

NEW TV LINES—GE & SYLVANIA: "Selling up" will be big emphasis of set makers on fall-winter market. Two more TV lines reinforce this trend which became apparent last 3 weeks (Vol. 15:22-23).

On model-to-model basis, prices seem similar to last year's (where direct comparison is possible). But this year's lines make strongest effort ever to entice buyers above low-end price leaders to sets with intriguing new shapes, beautiful furniture styling, useful gimmicks & gadgets, hi-fi sound.

GE & Sylvania showed new lines last week, and each, in its own way, followed trend toward offering public more for more money. GE's line was its longest in recent years—70 models vs. 50 last year—with "retail values" (GE doesn't suggest list prices) up to \$500.

GE has completely new high-end "Prestige Line" in quality-furniture category with new chassis & hi-fi speaker system. Like almost all major manufacturers, GE will push remote control—but GE's new system uses radio rather than ultrasonics, is battery-powered & transistorized. Following new trend to "bedroom" portable TVs, GE has clock-timer sets. And in "something new" category are 21-in. "Forecaster" in which the picture tube housing projects from front & top of cabinet, and a 17-in. "Custom Designer" portable which can be mounted on wall, on room-divider pole or used as regular portable. Unique in GE's line, too, are first uhf-only sets—without vhf tuner.

Only 21- & 17-in. tubes are used, but it's known that GE—like RCA and others—is designing 23-in. drop-in models for fall.

Sylvania introduced first line in recent history without single 21-in. set. Portables are 17-in. All others use new square-cornered 23-in bonded shield tube. There's a \$20 differential between 1959's low-end 21-in. set (\$199.95) and 1960's 23-in. leader (219.95). But it's difficult to make model-for-model comparisons in rest of line, which is topped with \$399.95 Sylouette Custom Console with HaloLight, dual speakers—same price price as previous high-end 21-in.

Sylvania thus becomes 2nd to show 23-in. sets, following Admiral (Vol. 15:23). Hoffman line, to be unveiled to distributors this week in Las Vegas, is also expected to emphasize 23-in. models. Sylvania Home Electronics pres. Robert L. Shaw predicted at week's end that "within one year the entire TV industry will offer 23-in. sets in greater volume than 21-in. receivers."

The 23-in. tubes are now coming off tube makers' production lines, with volume shipments due by month's end, and manufacturers concede that building the tubes is tricky proposition—"like any new picture tube." Admiral reports good distributor & dealer reaction to 23-in. tube at its current showings, despite the rather steep \$40 step-up from comparable 21-in. sets in its line. Admiral's feeling re the \$40 differential: This is an improvement customer can see, and it ought to be salable at price which will restore profit margins.

Coming TV attractions: This week—International Home Furnishings Market, Merchandise Mart, Chicago. Special showings of Olympic & Trav-Ler lines, Chicago. Hoffman line, Las Vegas. Next week—Music Show, N.Y. Magnavox line, N.Y. Packard-Bell, Los Angeles.

Emerson & Du Mont new-line showings, undecided when we printed our TV calendar last month (Vol. 15:19), will be held June 30-July 1 at Waldorf-Astoria, N.Y. Showing of Westinghouse line, scheduled for last week, has been postponed indefinitely because of strike at Metuchen, N.J., TV-radio plant, now in 12th week. Westinghouse says it's still selling sets out of inventory, expects a "good June."

HOW DID ZENITH GET THAT WAY? A phenomenon in a phenomenal industry, Zenith Radio Co.—in the 13 months since the death of founder Cmdr. Eugene F. McDonald Jr.—has reached heights probably undreamed of even by that merchandising genius. Last week, addressing Security Analysts of San Francisco, pres. Joseph S. Wright outlined formula which he believes led Zenith to its position of home-electronics eminence (and, presumably, to its current role as darling of Wall Street).

Orders from distributors at Chicago debut of Zenith's new TV-radio-stereo lines (Vol. 15:23) were biggest in history—with TV orders 50% ahead of those at 1958 showing, Wright said. He reiterated claim (disputed by RCA; see Vol. 15:23) that Zenith is now No. 1 in TV unit sales, and said that it had doubled its percentage of industry sales in 2 or 3 years. What's the secret? As Wright sees it, these are factors:

(1) "Our greatest asset is the reputation for a quality product"—through strict quality-control & quality-assurance programs. Wright took a strong jab at almost every other company in the business with: "We have studiously avoided being rushed into either cutting corners or marketing untried products."

He gave concrete—and controversial—examples: "It is often hard to resist the temptation to rush into the market with something like color TV or a 110-degree tube or a cheap vertical-chassis TV set. Rumor that someone else in the industry is coming out with a new gimmick often results in a product going to market before the bugs have been worked out, and what was heralded as the greatest thing since the wheel, turns out to be a miserable headache for all concerned. A good illustration may be the new 23-in. tube . . ."

(2) Efficient inventory control has prevented overproduction and price-cutting liquidation. By planning to produce only what it can sell, he said, Zenith has been able to do "nearly 20% of the industry business with less than 2% of the industry's factory inventory and with 5-8% of the distributor inventory in the field."

(3) Heavy emphasis on original engineering & research—a consequence of Zenith's "resignation" from RCA patent pool in 1946—resulted, Wright said, in important improvements in the products. As result of litigation with RCA, Zenith was forced to increase its research facilities & personnel "to design around many of the patents being asserted against us and to come up with our own innovations & improvements. This may have been the best thing that ever happened to Zenith . . ."

For TV industry as a whole, he predicted 5.5-6 million sets this year, "and ultimately a return to set sales of 7 million or more within the next few years." Obsolescence should finally catch up with large numbers of sets in use (last year's sales were only 10% of total in use) and steady increase in population & new families should add frosting to the cake.

Much of the careful planning and many of the astute merchandising policies of the controversial Cmdr. McDonald thus live on at Zenith. Another legacy left by founder is being pursued vigorously by company's new leaders, too—Wright concluding his address with reaffirmation of Zenith's faith in toll TV and a forecast that the company will participate in FCC's pay-TV tests (see p. 11).

TV-RADIO PRODUCTION: EIA statistics for the week ended June 5 (22nd week of 1959):

	May 29-June 5	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	119,089	109,239	69,290	2,328,783	1,866,258
Total radio	276,604	250,224	156,899	5,953,153	4,025,224
auto radio	131,156	122,227	48,892	2,391,228	1,276,173

PRODUCTION-SALES FIGURES: Retail TV receiver sales for April, traditionally the year's poorest month, were slightly ahead of April 1958 (263,998 vs. 243,132), but Jan.-April sales for 1959 were still lagging behind the same 1958 period by more than 50,000, according to official monthly EIA statistics.

Production is still being geared closely to sales, the figures indicate—1,779,801 produced, 1,639,624 sold during the first 4 months of the year. Here are EIA's TV production & sales figures for Jan.-April, compared with 1958:

	1959		1958	
	Production	Sales	Production	Sales
January	437,026	501,704	433,983	581,486
February	459,492	448,173	370,413	448,727
March	494,032	425,749	416,903	416,756
April	389,251	263,998	302,559	243,132
TOTAL	1,779,801	1,639,624	1,523,858	1,690,101

* * *

Sales of domestically produced home & auto radios continued at a rate well above last year. FM radio production totaled 31,425 units in April, down slightly from March's 32,994 (no 1958 comparison available). The EIA radio figures (revised 1958 radio figures do not add):

	1959			1958		
	Total Radio Output	Auto Radio Output	Sales (excl. auto)	Total Radio Output	Auto Radio Output	Sales (excl. auto)
January	1,124,737	420,052	700,490	944,780	349,679	489,086
February ..	1,125,385	432,551	474,888	794,397	268,445	385,419
March	1,347,554	511,219	515,563	865,067	234,911	502,920
April	1,040,183	422,346	388,863	630,156	190,435	375,271
TOTAL.....	4,637,859	1,786,168	2,079,804	3,255,838	1,043,470	1,699,554

Sales of picture & receiving tubes the first 4 months were well ahead of 1958. April's 696,503 picture tubes at \$13,275,123 compares with 590,357 at \$11,591,733 in April 1958, and the 4-month total of 2.9 million at \$56 million compares with 2.4 million at \$48 million last year. Receiving tube sales in April totaled 29.8 million units at \$26 million vs. 32.6 million at \$28.8 million in 1958. For Jan.-April, the receiving tube figures were 113.9 million units at \$116.8 million in 1959 vs. 117.6 at \$113.4 million in 1958. The 1959 monthly breakdown:

	Picture Tubes		Receiving Tubes	
	Units	Value	Units	Value
January	784,906	\$15,209,896	31,150,000	\$26,808,000
February	738,336	14,084,922	33,155,000	28,630,000
March	717,144	13,804,012	39,841,000	35,286,000
April	696,503	13,275,123	29,800,000	26,047,000
TOTAL	2,936,889	\$56,373,953	133,946,000	\$116,771,000

TV's rapid spread in the past 12 years to 86% near-saturation of the home market outpaced the early growth record of radios & other household consumer durable goods, the May *Survey of Current Business* points out. A special report on "recent experience of growth products" in the Commerce Dept's publication says the TV industry now has "a declining or stable market following an initial period of relatively fast growth." Analyst Francis L. Hirt cites these growth comparisons: "Twelve years after their introduction on a reasonably large scale, less than 2/3 of the number of households had radios, about 1/4 had refrigerators, and 1/5 had washing machines."

Tape Cartridges Are Here: Immediately following RCA's unveiling of its long-delayed cartridge tape recorder (Vol. 15:23), Bell Sound div. of Thompson Ramo Wooldridge announced a complete line of cartridge tape instruments—to be sold under the "Stereo-Pak" label—priced from \$99.95 to \$299.95.

RCA, which is concentrating on a single model stereo cartridge recorder-playback instrument at \$299.95, announced it is in capacity production and will have several thousands in trade channels within a week. The plastic cartridges, which slip onto the recorder as easily as a record is dropped onto a turntable, play 3¼ inches per second and have 4 sound tracks. RCA Victor Records announced that 150 pre-recorded stereo tape cartridges, at \$4.95-\$9.95, will be released in the next 12 months. RCA will have a \$350 automatic cartridge recorder next fall.

Magnetic Recording Institute of America, which last month voted to push 4-track 7½-inch-per-sec. open-reel tapes (Vol. 15:21), indicated that it thinks open-reel tapes can live side-by-side with cartridges. Its pres. Herbert L. Brown, of Ampex, stated last week that he thought cartridges would appeal to the mass market, while the discriminating listener would prefer reel-type stereo tapes.

Network Stereocasts: With parent RCA signed up as a sponsor, complete with 2-track commercials for RCA Victor stereo units, a 15-city stereocast series will be aired on NBC radio this week in a new "missionary effort" to promote stereo sound. The commercials will sell RCA stereo phonos & recorders.

The program vehicle for the experiment will be NBC's *It's Network Time*, a 12:05-2 p.m. daily daytime strip show that's a mixture of live & recorded music comedy, guest stars & variety acts. It's packaged by Frank Blair & Don Russell via their own On Air Inc. firm, with NBC's Robert Sadoff acting as coordinator on technical & program production stereo problems. The entire show will be in stereo. Although NBC tried out a limited (5-city) network radio stereocast a little more than a year ago, multi-market stereo has been pretty much in the stunt class at the network, both in TV & radio, being limited to a few specials since then. The stereo lineup this week, due to be fed over parallel lines using the Bell Labs-developed compatible "time delay" system (Vol. 15:8-9) and aired locally via AM-FM, is by far the biggest sustained NBC stereo effort.

Pushing its stereo system, Philco last week (June 10) filed comments in FCC's multiplexing inquiry (Vol. 15:23), although the Commission has extended the deadline to Dec. 11. Philco claims that the lab development phase of its work has been completed successfully and that its system is ready, willing and able to be put to use. It concludes: "The initial confusion with respect to FM stereophonic broadcasting has now been largely dissipated as a result of the technological advances in this area. There are relatively few technical issues now involved, and these can be resolved through the adoption of technical standards by the Commission. It is respectfully submitted that rule-making proceedings for this purpose should be initiated promptly by the Commission so that this exciting new service might be made available to the general public on existing broadcast channels." FCC had extended the deadline at the request of EIA, which had reported that more time is needed for the deliberations of the National Stereo Radio Committee.

Trade Personals: Louis R. Wanner promoted from manufacturing mgr. in charge of metal base and plastics operations, Sylvania Electric parts div., to new post of chief engineer, parts div. . . . B. T. Setchell, Setchell-Carlson pres., takes on additional post of gen. sales mgr. W. C. McKnight, adv. mgr., appointed asst. sales mgr. . . . William F. O'Boyle named national sales mgr., Symphonic Radio & Electronics Corp.

William H. Clark promoted from plant maintenance supt. (East Paterson, N.J. plant) to Du Mont Labs gen. supt., succeeding the late Walter H. Husselrath . . . Gilbert C. Larson, ex-Westinghouse, named engineering mgr., Raytheon industrial apparatus div. . . . David M. Knox promoted to Packard-Bell PR director. Jack D. Behr, ex-news editor of *Spotlight News*, succeeds him as dir. of advertising & PR, technical products div.

William M. Webster promoted from advanced development mgr., RCA semiconductor & materials div. to administrative engineer, RCA Labs . . . Dr. F. Kenneth Brasted, former pres., U. of Dallas, named administrative dir., Texas Instruments central research lab . . . Dr. Thomas T. Goldsmith Jr., Du Mont Labs' research & engineering v.p., was awarded an honorary LL.D. by Furman U., Greenville, S.C. . . . Lawrence R. Smith will not take the new Hoffman post of adv. & sales promotion dir., consumer products div., as was reported in Vol. 15:23. His future plans have not been announced.

Maj. Gen. E. Blair Garland (USAF ret.), joins Philco July 1 as mgr. of new military communications group. Henry E. Hockeimer named Philco AIRCOM project dir. . . . Maurice Friedman named v.p.-gen. mgr., General Instrument semi-conductor div. . . . Bradley Rosenthal, ex-Ford Instrument Co., appointed quality control dir., Adler Electronics.

Distributor Notes: Sylvania appoints Salt Lake Hardware Co., Salt Lake City . . . Eugene M. Longmire, former Sylvania southeastern district sales mgr., has resigned to establish L & S Distributors, appointed by Sylvania for the greater Tampa area.

Arthur Schnipper named electronics div. sales mgr., Philco Distributors, Chicago, succeeding Harvey Dickson, adv. & sales promotion mgr., who had been acting electronics mgr. . . . Granco appoints Corwin Hall, Los Angeles, for the Southern Cal. market.

Banks are competing with retailers for customers' credit dollars, NARDA pres. Joseph Fleischaker told the Memphis Retail Appliance Dealers last week. Referring to the growth of various check-credit and bank-charge plans, he said banks in many parts of the country are now dealing directly with the customer "and the dealer reserves that once were allowed now have, in effect, become a discount to the customer." Some West Coast banks no longer handle dealer paper, he added. This is one of the factors that have "triggered renewed activity on the part of factory-owned financing institutions." He advised appliance retailers to shop around for alternative credit sources.

Five-year warranty on silicon & germanium rectifiers in the low-voltage power supplies of its TV sets was announced by Sylvania June 12 at its distributor convention in Chicago. The warranty period previously was 90 days.

Excise taxes on TV & radio components and on luggage don't apply to leather carrying cases designed for portable radios, the Internal Revenue Service has decided (Rev. Rul. 59-202).

Finance

Officers-&Directors stock transactions as reported to SEC for May:

Admiral. John F. Gilbarte exercised option to buy 900, holds 2700.
 Ampex. Richard J. Elkus exercised right to buy 250, holds 2750.
 Murray Innes Jr. sold 1000, holds 5000 personally 1667 in trusts.
 Ampenol-Borg. George W. Borg sold 100,000, holds 44,000 personally, 13,333 in trust for wife. Matthew L. Devine bought 100, holds 200.
 Wm. H. Rous exercised option to buy 300, holds 800.
 Avco. John Mihalic Jr. exercised option to buy 1500, holds 4300.
 Beckman Instruments. Frederick L. Ehrman bought 4000 through Lehman Bros., holds 4000 in Lehman Bros., 3000 personally.
 Belock Instrument. Thomas F. Hanley sold 1000, holds 37,994.
 Clevite. W. R. Burwell exercised option to buy 2000, holds 20,282 personally, 3400 in trusts.
 Columbia Pictures. Louis J. Barbano sold 1721 through Fico Corp. in which 11 other officers & directors are holders, holds 94,566 in Fico Corp., none personally.
 Consolidated Electrodynamics. Robert F. Bacher exercised option to buy 250, holds 350. Hugh F. Colvin exercised option to buy 900, holds 10,445.
 Consolidated Electronics Industries. Charles G. Munn sold 500, holds 2200.
 Corning Glass. George D. Macbeth sold 2000, holds 13,900.
 Electronics Corp. of America. Burton E. Shaw sold 1000, holds 3000.
 Filmways. Martin Ranschoff sold 12,900, holds 115,900 personally, 11,200 for children.
 GE. John W. Belanger sold 1440, holds 14,048. Jack S. Parker bought 640, holds 1822.
 General Instruments. Abraham Blumenkrantz exercised option to buy 15,000, holds 38,000. Malcolm C. Hutchison bought 500, holds 1300. Alois Konecny Jr. bought 5200, holds 9700. Moses Shapiro sold 8850, holds 30,100.
 General Precision Equipment. George T. Link sold 1000, holds 5972. Joseph A. Zock sold 1175, holds none.
 Hazeltine. Philip F. LaFollette sold 1500, holds 500.
 Hoffman Electronics. H. S. Hazeltine sold 100, holds 110.
 Indiana Steel Products. Hubert S. Conover exercised right to buy 120, holds 960. Charles A. Maynard exercised right to buy 343, holds 2743.
 IBM. T. Vincent Larson bought 300, holds 401.
 ITT. Eugene Le Baron exercised option to buy 2000, holds 5373.
 Litton Industries. Roy L. Ash acquired 10 in partnership through failure of performance by purchasers under contracts of sale, sold 200, holds 5672 in partnership, 2100 as custodian, 51,049 personally. Louis H. Howard sold 500, holds 3306. Carl A. Spaatz sold 200, holds 3083. Charles B. Thornton acquired 21 in partnership through failure of performance by purchasers under contracts of sale, sold 300, holds 12,576 in partnership, 125,330 personally.
 Loew's Inc. Ellsworth C. Alvord bought 1000, holds 1000 personally, 600 in holding company. George Killion bought 2000, holds 9500.
 Magnavox. J. S. Sturgeon bought 48 and exercised option to buy 2058 more, holds 2200.
 P. R. Mallory. H. C. Buell bought 200, holds 1992.
 Minn. Mining & Mfg. Herbert P. Bustow bought 6000, holds 28,265.
 Arthur E. Eggert exercised option to buy 1500, holds 2938.
 National Telefilm Assoc. Eric H. Haight exchanged 10,000 for National Theatres securities, holds none. Oliver A. Unger exercised option to buy 20,000, exchanged 40,125 for National Theatres securities, holds 20,000.
 Oak Mfg. Wm. Bessey sold 300, holds 15,000. Clarence B. Jennett bought 500, holds 625. John Rovelstad bought 180, holds 4000.
 RCA. Elmer W. Engstrom exercised option to buy 500, holds 2093.
 Raytheon. David D. Coffin sold 3000, holds 467. Ray C. Ellis sold 100, holds 2241. Wm. Gammell Jr. sold 300, holds 13,090. George Ingram Jr. exercised option to buy 2756, holds 2756. N. B. Krim sold 1000, holds 7450. Ernest F. Leatham sold 5000, holds 1437. Robert L. McCormack sold 200, holds 1396. P. L. Spencer sold 1000, holds 448.
 Siegler. Frederick L. Anderson sold 5000, holds 43,026. Philip S. Fogz sold 800, holds 22,000. Pierpont M. Hamilton sold 4600, holds 30,444. Donald Royce sold 500, holds 9000.
 Standard Coil Products. Walter F. Hermann exercised option to buy 1000, holds 1000.
 Texas Instruments. F. J. Agnic sold 1000, holds 26,105 personally, 200 in trust. R. W. Olson sold 700, holds 13,000. C. J. Thomsen sold 280, holds 14,017.
 Trans Lux. Harry Brandt bought 700 through foundations, sold 2000 through foundations, holds 29,430 in foundations, 1000 in Marathon Pictures, 2000 in Brapick Corp., 200 in Bilpam Corp., 17,600 for wife, 168,500 personally.
 20th Century-Fox. S. Charles Einfeld exercised option to buy 5000, holds 5485. Robert Lehman sold 6200, holds 17,400.
 Warner Bros. Albert Warner sold 6500 pursuant to option, holds 2700 in trust, none personally. Jack L. Warner bought 1632, sold 7000 pursuant to option, holds 1400 in trust, 237,431 personally.
 Westinghouse. W. O. Lippman bought 200, holds 1421. L. B. McCully sold 1000, holds 1800. Harry E. Seim sold 1000, holds 1968. Fergus M. Sloan sold 400, holds 601.

Reports & comments available: Electronics stocks, The Value Line, 5 E. 44 St., N.Y. . . . Sterling Television Co., prospectus, Simmons & Co., 56 Beaver St., N.Y. . . . Electronic Engineering Co. of California, prospectus, Kidder, Peabody & Co., 17 Wall St., N.Y. . . . Electronics Capital Corp., prospectus, Hayden, Stone & Co. . . . RCA, analysis, James H. Oliphant & Co., 61 Broadway, N.Y. . . . Sperry-Rand, report, L. F. Rothschild & Co., 120 Broadway, N.Y. . . . AB-PT, in *Investment Reader*, Merrill, Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y.

Electronics Capital Corp., new federally-licensed San Diego closed-end management investment company (Vol. 15:18), has signed 5-year employment agreements with pres. Charles E. Salik and exec. v.p. Richard T. Silberman. According to a preliminary prospectus issued by Hayden, Stone & Co. as principal underwriter of the firm's initial stock offering, Salik will be paid \$30,000 for the first year, \$45,000 for the second, \$60,000 for the next 3 years, but has waived his first year's salary. Silberman's salary will start at \$30,000, go to \$40,000 the second year and \$50,000 the next 3 years. Chairman-pres. of Electronic Investment Corp. (Vol. 15:23), Salik also is pres. & sole stockholder of Electronics Investment Management Corp., which has a consulting agreement with Electronics Capital Corp. Leng active in the electronics industry, Silberman is a Cohu Electronics director and was 1952-59 pres. of its Kin Tel div. The prospectus lists these other Electronics Capital officers & directors: Bernard Koteen, Washington communications lawyer, secy. & counsel; Dr. Neil H. Jacoby, U. of Cal. graduate business administration school dean, economic adviser; Dr. Joseph M. Pettit, Stanford U. engineering school dean, technical adviser; Donald C. Duncan, Beckman Instruments contract sales director; L. J. Rice Jr., investment dept. mgr. of San Diego's First National Trust & Savings Bank; Alfred J. Coyle, Hayden, Stone & Co. partner; David Salik, chairman-pres. of Esskay and Westway clothing manufacturing firms. Outstanding now are 37,389 shares of \$1 par common stock, 83% of it owned by the Saliks, 7.4% by Silberman, the rest by other directors who paid \$9 per share for it. The public offering is 1.8 million shares at \$10 per share.

Pacific Mercury Electronics reports its net income for 9 months ended March 31 exceeded the full-year earnings of fiscal 1958. Net sales for the period set a new record for the company. Pres. Joe Benaron said sales to Sears Roebuck "continue at a favorable level and production of TV receivers for the balance of the current year may exceed previous expectations." In the 3 months to March 31, net income was \$115,813 (17¢ a share) on sales of \$4,904,112. For 9 months ended March 31:

	1959	1958
Net sales	\$15,751,608	\$14,675,473
Net income	347,923	312,950
Earned per share	50¢	45¢

Standard Coil's directors "anticipate resuming dividends on the common stock before the end of the year"—first dividend since 1955—pres. James O. Burke told the annual meeting in Chicago. He called the current outlook "very favorable," noting that the company's order backlog stands at a record high of about \$70 million. He said that the company's commercial business usually declines during the 2nd quarter, but "it has stayed about level this year." Stockholders voted to double the presently authorized 2 million shares of common stock—earmarked for future acquisitions—although Burke said the company currently has no plans to issue any new stock.

Anti-trust suit against Jerrold Electronics Corp., charging the firm with monopolizing the CATV manufacturing industry and filed by the Justice Dept. Feb. 15, 1958 (Vol. 14:7), went through its first pre-trial conference June 9. It goes to trial Oct. 26 before Philadelphia Federal District Court Judge Francis Van Dusen. Wilford Whitley Jr. heads the Justice Dept. team of attorneys on the case; Philadelphia attorney Israel Packel represents Jerrold.

Hazeltine 2-for-1 stock split and an increase from 1.5 to 3 million shares of authorized common stock were voted by stockholders June 10. Distribution of additional shares will be made July 3, to shareholders of record June 22.

JUN 15 1959

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WEEKLY Television Digest

SPECIAL SUPPLEMENT

JUNE 15, 1959

Financial Data on Television-Electronics Companies

Statistical Summaries of Reports of Leading Publicly-Owned Companies
Including Major Component Parts Makers and Broadcasters

Compiled for TELEVISION DIGEST by

Greenebaum & Associates, Financial Consultants in Electronics,
30 West Monroe St., Chicago 3, Ill., Financial 6-2137

NYSE—New York Stock Exchange

ASE—American Stock Exchange
Pacific—Pacific Coast Stock Exchange

Midwest—Midwest Stock Exchange

ACOUSTICA ASSOCIATES INC. (Unlisted)

Year ending February 28

Capitalization—Common: 10 cents par, 292,927 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1956	\$ 34,038	-----	\$ 12,802(d)	---	none	-----	-----
1957	347,105	-----	23,602(d)	---	none	\$ 144,825	-----
1958	1,096,760	-----	20,636	\$.08	none	-----	19 3/8 - 3 3/4
1959	4,857,999	-----	140,250	.44	none	-----	40 1/2 - 19

(d) Deficit.

ADMIRAL CORP. (NYSE)

Capitalization—Debt: \$8,855,000. Common: \$1 par, 2,385,296 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$230,397,662	\$37,775,281	\$18,767,554	\$7.95	\$1.00	\$ 67,960,665	31 3/8 - 13 1/4
1951	185,925,058	18,725,621	9,586,833	4.06	.88	68,756,734	23 1/2 - 16 1/4
1952	190,724,326	18,942,133	8,711,133	3.69	.88	87,530,549	26 3/8 - 19 3/8
1953	250,931,605	21,340,965	8,213,165	3.48	1.00 + 20% stk.	107,642,418	32 3/4 - 18 3/8
1954	219,565,089	15,581,974	6,547,974	2.77	1.00	109,126,766	29 1/8 - 18 1/4
1955	202,361,797	5,752,144	2,282,144	.97	1.00	104,823,433	30 1/4 - 20 1/4
1956 (a)	185,880,606	2,740,024	1,504,024	.64	1.00	105,404,038	22 1/8 - 12 5/8
1957	172,663,167	1,176,067	965,067	.41	none	102,115,752	14 5/8 - 6 1/2
1958	170,777,126	2,616,317	1,375,017	.58	none	101,999,284	19 7/8 - 7
1959 (3 mo.)	44,739,388	1,422,076	711,644	.30	none	-----	29 1/2 - 17 1/4

(a) Restated to include domestic real estate subsidiary and all foreign operations in Italy, Mexico and Brazil.

AEROVOX CORP. (Unlisted)

Capitalization—Debt: \$3,359,000 notes. Common: \$1 par, 868,720 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 23,751,172	\$ 3,428,572	\$ 1,749,418	\$2.51	\$.30	\$11,682,140	12 1/4 - 4 1/8
1951	22,574,370	1,610,182	779,353	1.11	.60	12,640,361	10 1/2 - 6 1/2
1952	22,460,917	1,987,215	940,440	1.35	.60	12,633,317	10 5/8 - 6 1/2
1953	27,064,814	2,185,824	1,074,582	1.54	.60	14,314,803	12 3/8 - 9
1954	28,016,539	1,520,120	860,828	1.04	.45	15,266,982	12 - 8 7/8
1955	25,480,214	994,003	480,956	.55	5% stk.	15,896,999	13 3/8 - 8
1956	25,095,656	1,633,693(d)	909,893(d)	1.05(d)	none	15,379,924	8 3/4 - 4
1957	20,892,597	409,778	276,272	.32	none	12,835,934	6 1/4 - 2 7/8
1958	17,488,082	416,368	216,690	.25	none	12,696,067	6 3/8 - 3 1/4
1959 (3 mo.)	5,347,000	276,211	143,779	.17	none	-----	12 3/8 - 6 1/4

(d) Deficit.

ALLIED CONTROL CO. INC. (ASE)

Capitalization—Debt: \$380,000, loan. Common: \$1 par, 236,071 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 1,890,156	\$ 181,926	\$ 121,926	\$.42	none	\$ 1,254,251	-----
1951	3,560,128	592,268	329,235	1.34	none	2,011,046	-----
1952	7,146,610	796,532	257,910	1.02	none	2,680,725	4 - 2 3/4 (b)
1953	7,105,272	584,304	184,304	.69	none	2,755,572	3 1/2 - 3 (b)
1954	6,907,705	710,177	322,177	1.28	\$.20	2,755,405	18 1/2 - 14 1/4
1955	7,362,112	651,124	384,721	1.55	.80	3,233,731	19 - 12 1/2
1956	10,887,047	1,733,163	793,163	3.37	.80	3,603,247	21 3/8 - 12 3/8
1957	13,883,587	2,311,844(a)	941,844(a)	4.04(a)	1.15	4,183,479	52 1/2 - 19 3/8
1958	9,755,173	1,026,500	531,207	2.11	1.60 + 5% stk.	4,352,942	46 1/2 - 33 1/2
1959	-----	-----	-----	---	.50	-----	65 3/4 - 36 1/4

(a) Adjustment giving effect to renegotiation. (b) Preferred stock.

AMERICAN BOSCH ARMA CORP. (NYSE)

Capitalization

Debentures: \$814,000, 3% s. due Nov. 1964

Preferred: 5% cumulative serial preferred Series A & B, \$100 par, 17,225 shares

Common: \$2 par, 1,879,789 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 35,643,481	\$ 5,200,242	\$ 2,545,242	\$1.88	\$1.05	\$ 22,135,487	20 - 10 1/4
1951	75,898,047	7,894,820	2,607,820	1.91	1.20 + 20% stk.	45,580,299	17 1/2 - 12 3/4
1952	90,539,243	846,048(d)	509,708(d)	.54(d)	.90 + 2% stk.	48,983,258	15 3/8 - 10 3/8
1953	79,367,771	3,648,439	1,678,439	1.02	none	43,783,734	12 3/4 - 6 1/4
1954	74,416,211	4,938,370	2,570,370	1.58	4% stk.	39,951,806	15 1/4 - 9
1955	73,805,025	6,533,568	3,383,568	1.86	1.00 + 20% stk.	41,290,499	22 1/4 - 14 1/4
1956	122,237,735	9,666,357	4,626,357	2.43	1.00 + 5% stk.	54,593,088	23 7/8 - 16 1/2
1957	134,339,863	10,510,387	5,080,387	2.67	1.05	66,114,872	27 - 16 1/8
1958	115,877,176	8,244,723	4,100,723	2.50	1.20	64,360,840	37 3/4 - 19 3/8
1959 (3 mo.)	31,177,327	3,005,995	1,444,995	.76	.30	-----	39 3/8 - 29 1/8

(d) Deficit.

AMERICAN BROADCASTING-PARAMOUNT THEATRES INC. (NYSE)

Capitalization
 Debt: \$49,468,421
 Preferred: 5% cumulative preferred, \$20 par, 320,799 shares
 Common: \$1 par, 4,149,362 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950*	\$ 45,879,660	\$ 132,605	\$ 84,605	\$.05	none	\$ 26,491,261	14 1/4 - 7 7/8
1951*	58,983,129	741,943	368,943	.22	none	31,025,927	14 1/8 - 10 1/8
1952	167,136,730	13,578,802	6,961,113	1.3+	\$1.25	141,124,002	21 1/4 - 11 1/2
1953†	172,018,661	8,980,587	4,376,626	2.14	1.00	137,754,108	15 7/8 - 12 1/2
1954	188,795,705	9,826,142 (a)	4,721,787 (a)	1.11 (a)	1.00	138,376,649	25 1/4 - 14 1/2
1955	198,350,068	16,011,623 (a)	8,218,017 (a)	1.89 (a)	1.20	138,593,905	33 1/2 - 22 1/8
1956	206,915,705	15,724,544 (a)	7,734,545 (a)	1.78 (a)	1.30	146,192,447	32 1/2 - 21 7/8
1957	215,877,026	9,779,524	4,894,524	1.10	1.00	154,125,813	24 7/8 - 11 5/8
1958	244,821,241	11,244,010	6,116,060	1.40	1.00	155,880,143	22 - 13
1959 (3 mo.)	4,652,558	5,025,000	2,313,000	.53	.50	---	29 3/4 - 20 1/2

*1950 and 1951 figures for ABC only. †Merger of ABC and United Paramount Theatres, Inc. effective Feb. 1953. (a) Excluding capital gains.

AMERICAN ELECTRONICS INC. (ASE)

Capitalization
 Debentures: \$3,500,000, convertible subordinated 5 1/4s, due 1973
 Debt: \$143,775 notes
 Common: \$1 par, 869,994 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 340,000	---	---	---	none	---	---
1951	1,510,000	---	---	---	none	---	---
1952	2,518,964	\$ 245,118	\$ 62,774	\$ 12	none	---	---
1953	3,900,300	452,489	180,879	.36	none	---	---
1954	6,109,380	583,957	297,783	.59	\$ 22 1/2	\$ 3,204,561	15 1/4 - 4
1955	5,935,104	519,013	265,013	.51	.50	4,110,513	17 - 10 1/2
1956	10,379,641	758,109	376,128	.73	.50	7,879,677	13 3/4 - 11
1957	17,908,135	1,180,042	603,650	.78	.50	14,484,448	21 1/2 - 11
1958	17,396,064	3,333,447 (d)	2,285,826 (d)	2.63 (d)	.25	13,917,622	15 1/4 - 9 3/4
1959 (3 mo.)	4,652,558	108,117	108,117	.12	none	---	19 3/4 - 11 7/8

(d) Deficit

AMERICAN MACHINE & FOUNDRY CO. (NYSE)

Capitalization
 Debentures and Notes payable: \$85,207,100
 Preferred: 3.90% cumulative, \$100 par, 59,500 shares
 5% cumulative, \$100 par, 17,456 shares
 Common: \$7 par, 3,540,881 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 27,577,242	\$ 3,405,846	\$ 2,015,846	\$1.53	\$.80	\$30,470,533	17 1/4 - 12 3/4
1951	54,203,434	5,989,962	3,352,962	2.31	.80 + 2 1/2% stk.	53,855,489	20% - 14 1/8
1952	105,821,447	8,647,077	4,167,077	2.05	.80 - 5% stk.	78,872,791	24% - 16 1/4
1953	139,200,765	9,790,611	5,275,611	2.44	1.00 - 5% stk.	89,541,324	24% - 19 1/8
1954	126,507,387	7,868,022	4,023,022	1.64	1.00 + 2 1/2% stk.	105,826,171	28% - 21 3/8
1955	145,000,977	9,789,016	4,774,016	1.66	1.00 - 2% stk.	132,788,863	35% - 23 1/4
1956	198,057,542	18,976,676	8,975,676	3.03	1.05 - 4% stk.	182,385,380	40% - 24 1/4
1957	261,753,625	24,136,249	11,782,249	3.51	1.30	225,619,194	43% - 29 1/4
1958	230,877,341	22,996,658	11,007,658	3.19	1.70	231,404,225	50 3/4 - 32 1/4
1959 (3 mo.)	57,652,237	10,674,244	5,020,244	1.40	1.00	235,458,511	89 1/2 - 53 1/2

AMERICAN TELEPHONE AND TELEGRAPH CO. (NYSE)

Capitalization
 Debt: \$6,042,208,000
 Subsidiary preferred: \$17,904,300
 Common: \$33 1/3 par, 212,041,209 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$3,261,528,032	\$ 587,720,864	\$346,962,051	\$4.04	\$3.00	\$11,575,966,607	53% - 48 3/4
1951	3,639,462,365	704,221,388	364,874,176	3.67	3.00	12,774,216,000	53% - 50
1952	4,039,644,218	798,087,900	406,661,306	3.48	3.00	13,997,345,000	53% - 50 1/4
1953	4,416,729,614	937,599,573	478,512,265	3.77	3.00	15,434,549,000	53% - 50 1/4
1954	4,784,500,427	1,058,836,919	549,931,223	3.81	3.00	16,515,526,000	59% - 52
1955	5,297,043,174	1,291,183,107	664,243,416	4.37	3.00	14,479,641,983	62 1/2 - 57 1/2
1956	5,825,297,685	1,451,160,747	755,933,854	4.39	3.00	16,206,571,233	63% - 55
1957	6,313,833,200	2,098,371,577	829,779,296	4.33	3.00	17,677,875,672	60 - 53 3/8
1958	6,771,403,000	2,435,455,000	952,305,000	4.67	3.00	19,493,951,000	75% - 56
1959 (3 mo.)	---	---	198,520,000	.94	1.50	---	89 - 74 1/2

AMP INCORPORATED (Unlisted)

Capitalization
 Notes: \$1,100,000, 4 1/2% Promissory Note due 1969
 Common: \$1 par, 2,131,896 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 5,480,538	\$ 1,342,201	\$ 590,201	\$.31	none	---	---
1951	10,188,612	1,776,868	458,868	.23	none	---	---
1952	11,545,957	1,509,646	342,646	.17	none	---	---
1953	15,312,235	1,644,021	409,561	.21	none	---	---
1954	16,040,373	2,102,032	902,032	.46	none	---	---
1955	21,647,301	3,709,128	1,605,588	.83	none	\$12,108,805	---
1956	32,299,301	6,587,742	3,227,742	1.66	none	15,411,029	19 1/2 - 16 1/4
1957	36,097,574	6,542,779	3,350,779	1.66	\$.50 + 4%	16,687,337	30 - 14 1/2
1958	31,377,891	4,802,933	2,596,933	1.29	.50	17,838,358	24 1/2 - 17
1959 (3 mo.)	---	---	---	---	.15	---	36% - 22 1/4

AMPEX CORPORATION (NYSE)

Year ending April 30
 Capitalization
 Debt: \$406,000 5% notes payable
 Debentures: \$5,500,000 5%, due 1972
 Common: 50 cents par, 1,835,662 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 387,514	---	\$ 60,601 (d)	\$.10 (d)	none	---	---
1951	968,472	\$ 129,931	114,931	.19	none	---	---
1952	2,301,707	167,823	76,823	.13	none	---	---
1953	3,548,593	202,020	88,520	.15	none	\$2,156,234	---
1954	5,418,373	70,191	25,691	.02	none	3,769,231	---
1955	8,163,663	762,622	365,736	.28	none	4,749,525	8 - 5 3/4
1956	10,196,967	607,275	311,275	.23	none	6,301,532	17 1/4 - 6 3/4
1957	18,737,000	2,212,000	1,087,000	.60	none	15,017,000	24 - 12
1958	30,115,000	3,223,000	1,540,000	.84	none	---	19% - 17%
1959 (e)	49,691,000	---	2,500,000	.84	none	---	54 1/2 - 61 1/4

(d) Deficit. (e) Estimated.

AMPHENOL-BORG ELECTRONICS CORP. (NYSE)

Capitalization
Debt: \$840,000, notes
Common: \$1 par, 1,167,294 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	\$ 12,944,833	\$ 2,020,833	\$ 920,833	\$2.30	\$.70	\$ 7,757,607	10 3/8 - 6 1/8
1951(a)	25,495,624	3,441,866	941,868	2.35	.80	14,621,200	12 1/4 - 9
1952(a)	36,406,697	5,687,347	1,279,290	3.19	.90	16,065,195	17 3/8 - 10 3/4
1953(b)	54,211,645	5,744,998	2,361,401	2.03	1.00	16,637,597	19 - 13
1954(b)	42,261,849	4,589,024	2,185,553	1.88	.75	15,066,063	15 1/4 - 9
1955(b)	43,026,299	4,546,981	2,229,981	1.92	.57 1/2	13,540,996	19 - 12 3/8
1956(c)	47,080,916	5,538,886	2,638,886	2.27	.95	15,705,915	19 1/2 - 15 1/4
1957(c)	54,127,643	7,591,819	3,519,590	2.00	1.15	22,442,042	33 3/4 - 19 1/2
1958(c)	46,306,741	4,473,946	2,320,946	2.00	1.20	38,673,147	37 1/2 - 22 3/8
1959 (3 mo.)	12,980,053	1,285,108	582,108	.50	.35	39,077,190	46 3/4 - 32 1/4

(a) Amphenol Electronics only,
(b) Pro-forma including Geo. W. Borg Corp. merged Jan. 1, 1959.
(c) Includes Geo. W. Borg Corp. for June 30 years.

APPLIED SCIENCE CORP. OF PRINCETON (Unlisted)

Capitalization
Debt: \$175,500
Common: \$1 par, 419,436 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1954	\$ 1,062,700	-----	\$ 52,800	-----	\$.15	-----	-----
1955	2,024,194	-----	114,365	\$.91	.10	\$ 3,044,295	-----
1956	3,570,574	-----	218,068	1.25	.10	4,907,300	-----
1957	6,168,542	-----	12,020	.03	.10	4,893,928	35 - 14
1958	3,940,591	-----	648,025 (d)	1.54 (d)	.10 + 1 1/2% stk.	2,932,831	15 - 5 1/2
1959 (3 mo.)	548,500	\$ 256,700 (d)	256,700 (d)	.60 (d)	none	2,709,500	15 1/4 - 9

(d) Deficit.

ARVIN INDUSTRIES INC. (NYSE)

Capitalization
Debts: \$2,500,000, 4 1/2% secured notes
Common: \$2.50 par, 1,125,600 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 53,684,138	\$ 6,940,396	\$ 3,605,126	\$3.24	\$1.34	\$ 23,565,630	24 3/4 - 14 1/2
1951	63,997,212	6,841,405	2,691,063	2.42	1.60	26,578,148	32 3/4 - 18 1/4
1952	64,289,781	4,459,536	2,209,733	1.78	1.60	27,364,995	26 1/4 - 20 1/8
1953	73,395,197	4,692,147	2,255,001	2.02	1.60	27,135,716	26 1/4 - 20 3/8
1954	53,372,759	4,630,593	2,231,198	2.00	1.28	27,978,690	21 3/8 - 16 3/4
1955	67,421,583	8,445,322	4,052,091	3.64	1.36	32,033,832	21 1/4 - 19 1/4
1956	64,612,775	7,875,165	3,784,839	3.22	1.60	32,122,082	25 1/4 - 21 1/2
1957	69,705,700	7,676,370	3,689,976	3.28	1.60	31,346,329	29 3/4 - 22 3/8
1958	54,015,225	3,085,970	1,487,878	1.32	.80	32,090,290	23 3/8 - 18 3/4
1959 (3 mo.)	15,938,426	1,056,534	512,233	.46	.20	-----	29 1/2 - 22 3/4

ASTRON CORP. (Unlisted)

Capitalization
Debt: \$111,375
Preferred: 4% cumulative preferred, \$10 par, 3,900 shares
Common: 10 cents par, 645,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1951	\$ 1,461,687	N.A.	\$ 33,331	\$.05	(b)	(b)	(b)
1952	2,421,216	N.A.	100,648	.05	(b)	(b)	(b)
1953	3,164,983	N.A.	118,252	.18	(b)	\$ 836,579	(b)
1954	3,421,760	\$ 569,231	287,431	.45	(b)	1,206,212	(b)
1955	4,101,170	607,639	296,339	.46	\$.20	2,174,924	5 - 3 1/2
1956	5,128,525	460,519	227,519	.35	.40	2,281,279	4 3/4 - 3
1957	4,841,129	352,708	185,708	.29	.20	2,202,612	3 1/2 - 1 5/8
1958	4,147,744	83,079 (d)	24,079 (d)	.04 (d)	.07 1/2	2,064,232	3 1/2 - 1 3/8
1959 (3 mo.)	1,065,035	-----	9,929 (d)	.02 (d)	none	-----	3 1/2 - 2 1/4

N.A. Not available. (b) Privately owned. (d) Deficit.

AUDIO DEVICES INC. (ASE)

Capitalization
Debt: \$127,525, mortgage
Common: 10 cents par, 793,939 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 1,992,176	\$ 307,216	\$ 172,216	\$.34	\$.15 1/2	\$ 840,732	-----
1951	2,159,595	173,441	92,441	.18	.15	879,164	-----
1952	2,338,602	207,713	131,713	.26	.12	910,749	2 1/4 - 1 3/4
1953	2,612,719	174,398	101,898	.20	.09	1,184,444	3 3/8 - 2 3/8
1954	2,453,750	89,906	58,906	.11	.08 + 10% stk.	1,141,416	3 7/8 - 2
1955	3,472,871	426,955	219,955	.36	.05 + 10% stk.	1,296,624	3 7/8 - 2 1/2
1956	3,707,576	417,457	212,457	.33	.05 + 5% stk.	1,645,225	6 3/4 - 2 1/2
1957	4,774,523	283,241	151,241	.19	.05 + 5% stk.	2,646,083	12 3/4 - 4 7/8
1958	6,015,845	23,284	18,284	.02	.05	3,358,357	17 3/4 - 7 1/4
1959	-----	-----	-----	-----	none	-----	26 1/2 - 15 1/4

AVCO CORP. (NYSE)

Year ending Nov. 30

Capitalization
Debentures: \$15,000,000 convertible sub. debenture 5s, due 1979.
Debt: \$23,128,000, promissory notes
Common: \$3 par, 9,546,923 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$256,966,971	\$28,735,633	\$12,635,633	\$1.47	\$.50	\$222,980,159	9 3/4 - 5 3/4
1951	286,598,113	22,089,214	10,089,214	1.10	.60	186,877,718	8 3/4 - 6 7/8
1952	326,585,641	21,578,927	11,028,927	1.20	.60	167,434,839	8 1/4 - 6 7/8
1953	414,783,527	5,868,598	3,368,598	.34	.30	143,787,065	8 3/4 - 4 1/2
1954	375,405,820	7,509,436	3,639,436	.37	.10	200,878,864	7 - 4 5/8
1955	299,332,434	2,168,311	758,311	.05	.20	198,417,760	8 1/4 - 5 1/2
1956	320,556,285	18,112,847 (d)	16,387,847 (d)	1.84 (d)	none	181,728,051	7 3/4 - 5
1957	314,882,677	10,552,601	12,832,794	1.38	.10	159,752,919	7 3/4 - 4 7/8
1958	282,929,651	13,526,090	11,596,608	1.23	.40	183,029,175	13 7/8 - 5 3/8
1959 (3 mo.)	67,679,974	2,899,557	1,349,557	.14	.20	-----	17 - 10 1/2

(d) Deficit.

AVIEN INC. (ASE)

Year ending June 30

Capitalization

Common: Class A and Class B, 10 cents par, 601,412 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1954	\$ 6,887,000	\$ 332,000	\$ 314,000	\$.47	---	\$ 1,269,000	-----
1955	5,823,000	485,000	458,000	.69	\$.07½	1,990,000	-----
1956	5,135,000	143,000(d)	148,000(d)	.22(d)	none	2,305,000	-----
1957	6,115,000	203,000	163,000	.24	none	3,541,000	3 - 1½
1958	7,398,000	498,000	230,000	.34	none	3,668,000	5½ - 1½
1959 (9 mo.)	5,991,000	549,000	254,000	.42	---	-----	10½ - 7¾

(d) Deficit

BECKMAN INSTRUMENTS INC. (NYSE)

Year ending June 30

Capitalization

Debt: \$9,245,000

Common: \$1 par, 1,356,464 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950*	\$ 5,207,856	\$ 1,431,353	\$ 694,853	\$.69	\$.13	-----	(b)
1951*	8,215,712	1,918,190	628,090	.58	none	\$ 5,990,000	(b)
1952(a)	5,785,740	1,326,848	326,848	.30	none	7,148,028	17½ - 10½
1953	16,447,382	1,991,089	756,089	.70	none	10,247,769	17 - 11½
1954	18,652,870	2,320,280	920,280	.85	none	12,726,495	27½ - 13¾
1955	21,330,598	2,539,050	1,322,050	1.06	none	16,930,012	29¾ - 19¾
1956	29,362,131	3,344,856	1,744,856	1.36	3% stk.	21,859,411	43½ - 25½
1957	38,088,730	349,432	209,432	.16	3% stk.	36,256,196	47½ - 21
1958	39,823,317	1,792,923(d)	946,923(d)	.70(d)	none	35,792,392	40½ - 18½
1959 (9 mo.)	32,499,588	2,914,884	1,432,884	1.06	none	-----	74% - 36¾

* 12 months ending Dec. 31. (a) 6 months to June 30. (b) Privately owned. (d) Deficit.

BELOCK INSTRUMENT CORP. (ASE)

Year ending October 31

Capitalization

Debt: \$1,000,000, convertible sub. debenture 5¾s, due Dec. 1, 1973

Preferred: 6% cumulative, \$100 par, 1870 shares

Common: 50 cents par, 811,447 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	Incorporated Nov. 14, 1950						
1951(a)	\$ 907,308	-----	\$ 196,062(d)	\$.27(d)	none	-----	(e)
1952	3,542,365	-----	78,319	.09	none	-----	(e)
1953	8,154,821	\$ 289,371	155,251	.19	none	-----	(e)
1954	10,259,380	745,810	348,375	.43	none	\$ 4,746,583	(e)
1955	14,896,878	1,426,310	679,443	.89	none	7,423,344	27½ - 11½
1956	13,801,336	977,763	457,403	.58	3% stk.	9,447,002	19½ - 12½
1957	13,255,083	280,950(d)	132,330(d)	.18(d)	3% stk.	9,244,144	14 - 6¾
1958	12,731,300	483,743	202,743	.24	1½% stk.	10,438,904	13 - 7¾
1959	-----	-----	-----	-----	2% stk.	-----	22½ - 10¾

(a) 10 months to Oct. 31. (d) Deficit. (e) Privately owned.

BENDIX AVIATION CORP. (NYSE)

Year ending September 30

Capitalization

Debt: \$1,345,000

Common: \$5 par, 5,091,273 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$219,419,794	\$30,599,434	\$16,954,116	\$4.00	\$2.37½	\$143,366,391	26% - 17¼
1951	340,540,415	32,037,957	11,818,601	2.79	2.25	209,534,918	30 - 23¼
1952	508,701,892	50,660,972	15,295,159	3.61	1.87½	258,320,862	32 - 22½
1953	638,244,637	61,758,844	17,352,710	4.10	1.50	328,746,687	34½ - 25
1954	607,711,607	61,796,575	25,537,771	5.35	1.50+7% stk.	285,430,724	52% - 30
1955	567,249,923	58,717,287	25,888,599	5.39	2.37½	278,064,860	59½ - 45
1956	581,418,734	48,348,993	24,278,263	5.04	2.40+5% stk.	321,783,177	64¾ - 48½
1957	711,237,146	59,366,546	27,499,034	5.44	2.40	370,089,085	66% - 42
1958	623,731,537	42,734,746	21,171,902	4.18	2.40	323,561,339	74½ - 44½
1959 (6 mo.)	323,490,430	-----	10,926,801	2.15	.60	-----	89 - 66

BRITISH INDUSTRIES CORP. (Unlisted)
Capitalization

Debt: \$26,951

Common: 50 cents par, 300,157 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 N.A.	-----	-----	-----	-----	-----	-----	-----
1951 N.A.	-----	-----	-----	-----	-----	-----	-----
1952 N.A.	-----	-----	-----	-----	-----	-----	-----
1953 N.A.	-----	-----	-----	-----	-----	-----	-----
1954 N.A.	-----	-----	-----	-----	-----	-----	-----
1955	\$ 3,104,703	-----	\$ 138,146	\$.69	\$.30	-----	-----
1956	5,404,612	-----	303,497	1.09	.30+20% stk.	\$ 1,753,619	5% - 3¾
1957	6,998,340	-----	464,243	1.67	.37½+15% stk.	2,429,053	17¼ - 4¾
1958	8,120,809	-----	532,399	1.77	.60+8% stk.	2,731,835	31 - 13¾
1959 (3 mo.)	2,260,786	-----	167,420	.55	.12½+2% stk.	-----	39 - 28

N.A. Not available.

BURROUGHS CORP. (NYSE)
Capitalization

Debt: \$2,450,000, loans and notes

Debentures: \$25,000,000, 4¾s, due 1983; \$29,887,100, 4½s, due 1981; \$22,295,000, 3¾s, due 1977

Common: \$5 par, 6,612,697 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 86,931,628	\$12,865,289	\$ 8,019,916	\$1.60	\$.90	\$ 73,137,809	15½ - 12¾
1951	127,368,125	25,170,378	10,615,378	2.12	.90	103,157,757	18½ - 13¾
1952	150,817,423	19,097,484	9,001,984	1.80	.90	129,201,094	18½ - 16
1953	162,035,781	17,766,148	7,826,148	1.58	.80	134,688,043	17% - 13½
1954	168,651,347	17,836,514	9,146,514	1.83	.85	138,083,933	25% - 15¼
1955	217,805,044	25,177,753	12,419,753	2.19	1.00	181,807,279	34½ - 22¾
1956	271,775,887	27,064,021	14,197,021	2.35	1.00	233,787,716	46% - 28½
1957	282,773,950	17,834,594	10,074,594	1.67	1.00	271,537,006	52¾ - 27¾
1958	292,567,798	10,959,934	6,407,934	.97	1.00	299,648,367	43% - 27¾
1959 (3 mo.)	80,922,856	3,183,408	1,533,408	.23	.50	-----	45% - 36¼

CLAROSTAT MFG. CO. INC. (ASE)
Capitalization

 Debt: Mortgage, \$11,149
 Common: \$1 par, 417,993 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 5,985,241	\$ 772,999	\$ 406,780	\$.99	\$.16	\$ 2,199,374	6 1/8 - 2 1/4
1951	5,914,310	968,763	316,265	.76	.30	2,336,293	6 3/8 - 4 1/8
1952	5,584,513	506,115	235,282	.56	.30	2,468,194	7 1/2 - 4 1/2
1953	7,255,606	625,345	247,556	.59	.10	2,452,220	7 - 4 3/8
1954	5,682,093	107,823	57,920	.14	.25	2,309,990	7 1/2 - 5 3/8
1955	6,415,740	338,315	164,235	.39	none	2,680,205	8 - 4 1/8
1956	7,468,492	467,539	227,924	.55	.20	2,565,910	5 - 3 1/8
1957	7,207,102	276,543	132,710	.32	.15	2,472,742	5 - 2 1/2
1958	6,808,779	51,588	20,861	.05	none	2,984,557	5 1/2 - 2 7/8
1959 (3 mo.)	2,032,559	-----	88,591	.21	none	-----	10 1/4 - 4

CLEVITE CORP. (NYSE)
Capitalization

 Debt: \$10,172,680, 3 1/4% notes, due serially until 1971
 Preferred: 4 1/2% cumulative, \$100 par, 45,634 shares
 Common: \$1 par, 1,852,152 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 42,187,243	\$ 7,914,228	\$ 3,914,228	\$2.88	\$1.30	\$ 25,283,265	15 7/8 - 11 7/8
1951	49,463,559	7,687,826	2,887,826	2.03	1.15	39,212,523	19 - 15 3/8
1952	53,307,874	8,144,240	3,444,240	1.97	1.15	53,748,600	27 1/2 - 17 5/8
1953	70,528,107	7,978,611	3,478,611	1.77	1.15	59,439,142	25 3/8 - 18
1954	59,204,627	5,618,648	2,668,648	1.33	1.15	58,536,954	24 3/8 - 18
1955	71,935,883	10,004,753	4,854,753	2.54	1.25	61,832,282	25 3/8 - 20 1/2
1956	73,581,604	7,671,593	3,971,593	2.06	1.15	61,465,000	24 1/4 - 18
1957	71,368,224	7,408,539	3,988,539	2.08	1.15	59,342,564	25 1/2 - 15 3/4
1958	63,354,991	5,899,246	3,109,246	1.60	1.15	57,828,463	25 3/8 - 15 3/4
1959 (3 mo.)	19,997,804	2,932,965	1,455,965	.76	.25	-----	38 3/8 - 24 3/4

COLLINS RADIO CO. (Unlisted)

Year ending July 31

Capitalization

 Debt: \$4,967,891 notes, \$1,679,000, 1st mortgage bonds.
 Debentures: \$7,917,000 convertible subordinated 5s, due 1977.
 Preferred: 4% convertible preferred, \$50 par, 122,442 shares
 Common: \$1 par, 1,504,367 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 12,534,018	\$ 1,075,177	\$ 415,765	\$.27	none	\$ 8,523,681	37 1/8 - 1
1951	19,325,837	1,093,704	753,732	.48	\$.11	19,125,921	4 3/8 - 3
1952	64,130,371	5,913,432	1,836,139	1.22	.11	31,116,050	6 3/4 - 3 7/8
1953	80,028,767	6,870,809	1,580,307	1.05	.13	34,398,396	7 3/8 - 5 1/4
1954	90,300,464	7,398,976	2,599,369	1.74	.14	42,794,136	23 - 6 3/8
1955	108,164,689	7,194,145	3,347,059	2.23	.35	47,558,771	28 1/2 - 17 3/8
1956	125,141,055	6,506,001	3,195,930	1.96	.35	59,127,378	32 1/4 - 21 3/4
1957	127,490,768	4,825,012	2,192,946	1.29	.35	72,485,543	28 1/2 - 9 1/2
1958	107,569,379	179,846(d)	1,081,975*	.56*	none	71,297,869	23 - 11 1/8
1959 (6 mo.)	48,159,426	2,112,430	986,227	.59	none	80,358,212	39 1/2 - 22

*After tax refund. (d) Deficit.

COLUMBIA BROADCASTING SYSTEM INC. (NYSE)
Capitalization

 Debt: \$4,348,000, notes; \$3,523,152, mortgage; \$3,910,197 other deferred liabilities
 Common: \$2.50 par, 8,127,460 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$124,105,408	\$ 9,555,329	\$ 4,105,329	\$.80	\$.53	\$ 53,833,265	13 3/8 - 8 3/8
1951	192,384,608	13,618,942	6,360,097	.91	.53	101,481,809	11 3/8 - 5 5/8
1952	251,594,490	15,938,724	6,445,506	.92	.53	111,720,900	13 3/8 - 11
1953	313,908,771	22,687,288	8,894,642	1.27	.62	136,040,997	16 7/8 - 12 3/4
1954	373,380,139	23,214,645	11,414,645	1.62	.63	169,298,915	29 1/2 - 13 7/8
1955	316,572,766	29,897,427	13,397,427	1.79	.77+2% stk.	180,089,502	32 - 22 1/2
1956	354,779,843	35,083,462	16,283,462	2.13	.90+2% stk.	196,097,774	34 1/2 - 22 5/8
1957	385,409,018	48,593,367	22,193,367	2.82	1.00+3% stk.	222,870,272	36 1/8 - 23 1/2
1958	411,800,203	53,528,813	24,428,812	3.10	1.00	231,422,335	41 1/2 - 24 1/2
1959 (a)	111,052,290	15,463,686	7,032,686	.87	.60+3% stk.	-----	48 3/4 - 35

(a) 13 weeks, Apr. 4

CONSOLIDATED ELECTRODYNAMICS CORP. (NYSE)
Capitalization

 Debt: \$5,487,139; debentures: \$7,616,500, 25-yr. conv. sub debenture 4 1/2s, due 1984
 Common: 50 cents par, 1,064,248 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 2,808,571	\$ 654,801	\$ 364,604	\$.72	\$.30+15% stk.	-----	13 1/4 - 9 1/4
1951	5,614,550	1,062,591	437,591	.67	.40	\$ 5,081,798	14 3/8 - 13 1/8
1952	8,000,841	1,028,512	501,512	.56	.40	12,201,268	17 1/2 - 10 3/4
1953	14,074,064	919,906	510,406	.57	.40	11,796,346	15 1/4 - 10 5/8
1954	15,644,520	1,633,363	842,863	.94	.40	13,096,930	31 1/2 - 13 1/2
1955	17,124,429	1,489,912	803,696	.85	.40	15,885,633	31 1/4 - 20
1956	25,036,689	2,208,263	1,283,263	1.35	.50	25,535,513	37 - 21
1957	30,541,382	1,178,729	771,729	.73	.40	31,413,654	54 3/4 - 25 1/4
1958	32,079,116	2,470,196(d)	1,178,496(d)	.11(d)	.40	31,048,119	47 1/2 - 27 7/8
1959 (3 mo.)	10,238,000	624,490	340,490	.32	.20	-----	42 3/8 - 33 3/4

(d) Deficit.

CONSOLIDATED ELECTRONICS INDUSTRIES CORP. (NYSE)

Year ending September 30

Capitalization

 Debt: \$973,365, notes
 Common: \$1 par, 787,500 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950*	\$ 14,759,568	-----	\$ 716,365	\$2.45	\$.50	-----	13 1/2 - 8 3/8
1951*	12,432,733	\$ 517,208	222,208	.78	.90	\$ 4,460,578	11 1/2 - 7 3/8
1952*	7,203,564	299,035(d)	299,035(d)	1.06(d)	.15	3,373,604	10 1/2 - 6 1/8
1953*	7,581,023	486,953(d)	486,953(d)	1.74(d)	none	3,380,371	9 3/8 - 4 3/8
1954	6,824,076	202,190(d)	202,190(d)	.72(d)	none	2,913,557	26 3/4 - 5
1955	11,018,537	1,755,488	861,989	1.30	none	10,074,593	44 1/8 - 23 7/8
1956	27,892,951	4,556,597	2,156,597	3.12	none	15,294,178	36 1/2 - 26 1/2
1957	28,537,288	4,186,931	1,971,931	2.50	none	18,493,641	35 1/2 - 18
1958	27,518,665	2,876,814	1,452,814	1.84	none	18,786,076	44 3/8 - 19 1/2
1959 (3 mo.)	8,627,983	1,348,987	653,087	.83	none	-----	46 7/8 - 33 1/2

* Consolidated Electronics was formerly Reynolds Spring Co. (1950-53). (d) Deficit.

COOK ELECTRIC CO. (Unlisted)

Year ending June 30

Capitalization

 Debt: \$1,600,000, 5¾% notes, due 1967
 Preferred: 6% prior cumulative, \$100 par, 20,000 shares
 Common: \$5 par, 615,768 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 4,496,000	\$ 334,000	\$ 204,000	\$.36	\$.33		
1951	6,390,000	879,000	334,000	.60	.19		
1952	11,396,052	1,647,839	447,839	.80	.25	\$ 5,419,995	17½ - 7½
1953	12,459,152	1,389,558	427,058	.76	.19+5% stk.	6,593,552	7½ - 7
1954	14,103,369	1,216,664	511,664	.91	.30+5% stk.	7,292,542	16¾ - 15
1955	15,253,052	506,386	251,286	.45	.15+1½% stk.	7,492,651	17 - 10¾
1956	15,218,090	208,101	103,101	.18	.10	7,819,576	14½ - 8½
1957	24,583,521	1,753,099	858,099	1.49	.20+1½% stk.	11,246,916	18¾ - 12
1958	30,106,685	455,062	250,062	.42	.15	12,008,240	36¼ - 15¼
1959 (9 mo.)	28,842,979		1,091,900	1.62	.10+3% stk.	13,271,525(a)	49 - 32½

(a) As of Dec. 31, 1958.

CORNELL-DUBILIER ELECTRIC CORP. (NYSE)

Year ending September 30

Capitalization

 Debt: \$800,000 notes
 Debentures: \$3,100,000, 3% s 1972
 Preferred: \$5.25 (no par) cumulative, 8,780 shares
 Common: \$1 par, 512,390 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 23,927,117	\$ 2,888,524	\$ 1,747,524	\$3.07	\$.78	\$13,664,008	14¼ - 8¾
1951	33,082,683	4,986,023	1,649,163	3.06	.83	17,514,482	16% - 10¾
1952	35,496,041	5,078,616	1,539,831	2.86	1.04	21,581,027	18¾ - 15½
1953	43,630,816	5,578,491	1,666,696	3.12	1.35+10% stk.	23,049,255	26¾ - 18¼
1954	37,149,778	3,799,640	1,729,640	3.25	1.90	21,456,679	36 - 21½
1955	34,955,172	3,909,002	1,809,002	3.41	2.10	21,769,804	37¾ - 29
1956	33,107,016	2,375,047	1,085,047	2.01	1.40	20,405,875	40½ - 20
1957	32,494,378	1,364,928	754,928	1.38	1.20	21,411,350	27½ - 12½
1958	26,328,735	385,686	188,636	.28	.80	20,462,307	24% - 12¾
1959 (6 mo.)	12,429,731		100,294	.15	.20		29¼ - 20¾

CORNING GLASS WORKS (NYSE)

Capitalization

 Debt: \$11,000,000, subordinate 4½% mortgage.
 Debentures: \$9,500,000, income 3¾s, due 2002
 Preferred: 3½% cumulative, \$100 par, 64,480 shares
 Common: \$5 par, 6,722,052 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$116,473,981	\$35,670,787	\$17,612,355	\$2.51	\$.80	\$ 81,362,634	18½ - 11½
1951	115,750,172	23,862,664	10,141,164	1.48	.80	84,691,192	31¼ - 15¼
1952	126,455,784	28,516,156	10,323,156	1.51	.80	105,635,436	35 - 26¾
1953	149,294,036	34,039,395	12,681,395	1.86	.80	113,463,467	36¼ - 28
1954	147,938,842	35,991,191	17,490,191	2.57	1.20	122,407,348	62¾ - 35
1955	157,663,837	38,966,671	18,626,671	2.76	1.50	130,872,665	73¾ - 54
1956	163,053,554	37,732,753	18,432,753	2.72	1.50	137,263,623	87½ - 60¼
1957	159,069,721	31,033,404	16,533,404	2.43	1.50	142,696,906	106¼ - 57¼
1958	159,137,729	32,763,543	17,163,543	2.52	1.50	164,650,215	102½ - 74¾
1959 (a)	43,108,268	11,439,754	5,756,754	.85	.25		129 - 89¾

(a) 12 weeks to March 22.

CRAIG SYSTEMS INC. (Unlisted)

Year ending July 31

Capitalization—Common: \$1 par, 758,862 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 802,207	\$ 91,835	\$ 56,573	\$.11	none	(c)	(c)
1951 (a)	1,952,471	187,197	69,559	.14	none	(c)	(c)
1952 (a)	4,192,332	386,402	111,616	.22	none	(c)	(c)
1953 (a)	4,591,654	354,323	104,989	.21	none	(c)	(c)
1954 (a)	4,887,828	512,081	209,435	.42	none	(c)	(c)
1955 (b)	11,506,053	1,431,113	696,913	.95	none	\$ 5,835,985	(c)
1956 (d)	9,570,015	975,173	463,673	.64	.40+2% stk.	6,511,853	9 - 7
1957	12,840,360	1,058,841	502,841	.68	.30+2% stk.	6,678,837	9½ - 4½
1958	12,975,620	770,547	361,047	.48	.25	6,057,648	7 - 3¾
1959 (6 mo.)			232,000	.31	none		12 - 6¾

(a) Craig Machine Co. only. (b) Pro-Forma. Year ending Nov. 30.

(c) Privately owned until Feb. 7, 1956. (d) Consolidated; includes LeFebure Corp., from Feb. 10, 1956, date of acquisition.

DAYSTROM INC. (NYSE)

Year ending March 31

Capitalization—Debt: \$1,399,207 notes. Debentures: \$7,783,000, convertible, subordinated 4¾s, 1977. Common: \$10 par, 908,513 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 32,763,201	\$ 1,829,136	\$ 1,174,136	\$1.88	\$1.25	\$21,800,160	16½ - 10¾
1951	42,397,508	5,432,331	2,436,331	3.90	1.50	25,487,642	20¼ - 15
1952	38,592,157	1,779,854	770,854	2.03	1.00	38,198,973	16¾ - 13¼
1953	46,155,154	2,946,154	1,405,300	2.25	1.00	45,821,250	16¾ - 11½
1954	62,472,896	3,106,924	1,458,924	2.33	1.00	44,156,237	23¼ - 11½
1955 (a)	73,816,645	3,581,216	1,716,216	2.61	1.35	32,120,760	32½ - 23
1956	63,192,498	3,514,181	1,784,181	2.01	1.20	40,244,242	30¾ - 22
1957	74,402,239	5,183,811	2,458,811	2.77	1.20	47,607,250	47 - 27½
1958	81,713,986	4,785,493	2,333,493	2.57	1.20	52,685,322	39¾ - 30
1959 (9 mo.)	55,909,900	1,877,000	901,000	.99	.60		49¾ - 34

(a) Weston Electrical Instrument Corp. merged into Daystrom May 16, 1955.

DESILU PRODUCTIONS INC. (ASE)

Year Ending April 30

Capitalization—Debt: \$3,863,193, notes, etc. Common: \$1 par, 584,400 shares; \$1 par, Class B, 565,000 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 Incorporated in Cal.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1951	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1952	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1953	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1954	\$ 4,668,660	\$ 315,679	\$ 143,933	\$.16	nonc		(b)
1955	6,388,641	592,978	261,511	.29	none		(b)
1956	9,361,130	1,416,695	674,728	.75	none		(b)
1957	12,166,741	4,499,865	3,183,367	.54	none		(b)
1958	15,094,806	208,213	92,336	.10	none		(b)
1959 (c)	14,943,740	271,230	141,730	.12	\$.15	\$14,347,190(a)	14½ - 10 29% - 17%

N.A. Not available. (a) Balance sheet as of 10-18-58. (b) Privately owned. (c) 40 weeks ending Feb. 7.

DuMONT (ALLEN B.) LABORATORIES INC. (ASE)

(Officially separated from DuMont Broadcasting Corp. Oct. 10, 1955 and recapitalized at that time.)

Capitalization

Mortgages Payable: \$638,794
 Preferred: 5% cumulative convertible; \$20 par, 122,016 shares
 Common: \$1 par, 2,361,092 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	N.A.	N.A.	-----	---	\$1.00	-----	27 - 13 1/2
1951	N.A.	N.A.	-----	---	.25	-----	19 - 14 1/4
1952	\$ 62,013,191	\$ 2,897,903	\$ 1,424,603	\$.72	.25	-----	19 3/4 - 15
1953	72,305,202	3,093,362	1,541,362	.62	none	-----	17 3/4 - 8 1/2
1954	71,457,950	1,739,102	870,273	.35	none	\$63,251,041	16 3/4 - 9 1/8
1955	57,826,809	3,674,397(d)	3,674,397(d)	1.56(d)	none	45,103,385	17 1/8 - 9 1/8*
1956	46,616,878	5,230,441(d)	3,886,734(d)	1.65(d)	none	39,349,410	10 - 4 3/8*
1957	42,691,148	534,616(d)	534,616(d)	.23(d)	none	35,412,247	6 1/8 - 3*
1958	29,984,942	11,677,698(d)	9,503,698(d)	4.08(d)	none	20,600,411	8 1/4 - 3
1959 (a)	4,457,000	-----	87,846(d)	.05(d)	none	-----	9 3/8 - 6

(a) 12 wks. to March 29 N.A. Not available. (d) Deficit. * Ex DuMont Broadcasting Stock.

DYNAMICS CORP. OF AMERICA (ASE)

Capitalization

Debt: \$3,000,000, V loan notes, due Jan. 31, 1960; \$473,500, 2% installment notes, 1959-1963; \$250,000, quarterly installment notes through Jan. 1, 1960
 Preferred: \$1 cumulative convertible, \$2 par, 506,244 shares
 Common: \$1 par, 2,667,094 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 14,780,757	\$ 1,287,895	\$ 1,287,895	\$.51	none	\$13,751,583	7 1/4 - 17 1/8
1951	20,876,762	1,938,851	1,938,851	.77	none	19,549,402	5 3/4 - 3 3/4
1952	35,660,419	4,005,285	2,559,285	1.02	none	24,983,569	6 - 4 1/4
1953	40,719,686	4,402,468	1,402,468	.54	\$.20+5% stk.	27,089,811	5 3/4 - 3
1954	36,440,014	3,289,575	1,451,575	.55	.40	28,457,912	8 3/4 - 4
1955 (a)	41,894,958	4,038,398	2,012,071	.61	.40	29,418,501	9 7/8 - 6 1/2
1956	44,177,220	3,474,054	1,848,054	.54	.40	29,827,494	8 3/8 - 5 5/8
1957	38,914,418	710,356	539,647	.02	.20	28,634,607	7 3/8 - 2 1/2
1958	32,386,037	1,084,664	921,145	.16	none	22,226,233	5 1/2 - 2 7/8
1959 (4 mo.)	8,000,000(e)	-----	421,000(e)	.10(e)	none	-----	12 3/4 - 4 3/8

(a) Reeves-Ely Laboratories merged into Dynamics Corp. Jan. 20, 1956; effective for accounting purposes Dec. 31, 1955

(e) Estimated.

EITEL-McCULLOUGH INC. (Unlisted)

Capitalization—Debt: \$1,589,927, mortgage notes. Common: \$1 par, 825,272 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 7,944,472	\$ 2,408,717	\$ 1,170,925	\$1.55	none	-----	-----
1951	7,099,430	748,021	378,680	.50	none	-----	-----
1952	10,137,692	1,531,646	613,094	.81	none	\$ 5,597,669	-----
1953	11,576,674	1,132,166	596,871	.79	none	5,511,877	-----
1954	9,452,689	1,263,099	622,761	.75	\$.18	5,562,560	-----
1955	8,950,179	1,351,810	645,844	.86	none	6,455,077	-----
1956	13,879,779	2,644,722	1,254,488	1.60	.25+5% stk.	8,677,895	35 - 15 1/2
1957	15,786,229	1,624,859	736,376	.89	5% stk.	9,599,480	36 1/2 - 20
1958	16,186,849	508,060	212,928	.26	none	11,619,966	29 1/4 - 22 3/4
1959	-----	-----	-----	-----	none	-----	45 1/2 - 36

ELECTRONIC ASSOCIATES INC. (Unlisted)

Capitalization

Debt: \$1,210,000, convertible subordinated debenture 5s, due 1971
 \$320,641 mortgage and notes
 Common: \$1 par, 657,228 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1951	\$ 989,461	N.A.	\$ 75,668	\$.34	none	N.A.	N.A.
1952	1,069,849	\$ 175,115	96,758	.23	.04	\$ 2,684,882	2 3/8 - 1 1/4
1953	4,273,726	260,804	130,686	.28	.05	2,728,241	3 3/4 - 2 1/2
1954	4,059,927	498,037	244,558	.48	.06	3,676,912	7 1/4 - 2 7/8
1955	5,484,287	1,012,548	491,523	.86	.12	4,480,672	18 1/2 - 12 1/2
1956	8,816,953	2,018,529	929,811	1.61	.12+2 1/2% stk.	8,447,474	33 - 15 3/4
1957	12,298,274	2,134,344	1,001,998	1.64	5% stk.	10,491,739	59 - 27 1/4
1958	10,216,003	641,225	313,880	.49	2% stk.	10,830,091	52 - 32 1/2
1959 (3 mo.)	1,028,653	375,623	137,799	.21	none	-----	52 - 44

ELECTRONIC COMMUNICATIONS INC. (ASE)

(Formerly Air Associates, Inc.)

Year ending September 30

Capitalization

Debt: \$82,467 notes
 Preferred: 6% cumulative convertible, \$10 par, 62,591 shares
 Common: \$1 par, 382,866 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 6,113,201	\$ 32,734	\$ 18,014	\$.05	\$.10	\$ 3,558,563	7 - 3 3/4
1951	11,494,502	86,363	83,971	.22	.30+stk.	7,884,861	9 1/2 - 3 1/4
1952	16,244,452	112,695	46,695	.12	.40	12,227,422	9 3/4 - 5 1/2
1953	19,034,877	141,659	141,659	.37	none	9,555,147	8 1/2 - 6 1/4
1954	18,233,740	688,311	344,311	.90	none	8,219,234	13 3/4 - 7 1/2
1955	12,587,052	84,051	54,051	.14	none	7,898,622	12 3/4 - 7 1/4
1956	14,238,111	219,986	95,986	.25	none	9,131,950	13 1/2 - 9
1957	16,980,451	515,311	245,311	.64	none	11,607,726	12 7/8 - 8
1958	21,191,882	475,418	250,418	.65	none	12,961,164	32 1/2 - 10
1959 (6 mo.)	17,971,480	1,009,348	496,203	1.25	none	-----	44 3/4 - 28 3/8

ELECTRONICS CORPORATION OF AMERICA (ASE)

Capitalization

Debt: \$3,650,000 notes
 Preferred: \$100 par 6% non-cumulative 4,586 shares
 Common: \$1 par, 707,603 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 1,536,217	\$ 41,379	\$ 36,520	\$.50	none	-----	(b)
1951	1,836,768	85,283	36,207	.05	none	-----	(b)
1952	3,627,215	191,342	76,884	.11	none	-----	(b)
1953	4,636,565	349,031	190,906	.27	none	\$ 2,943,858	(b)
1954	5,590,209	375,956	159,899	.19	none	4,749,828	16 1/2 - 11
1955	11,302,456	876,840	446,840	.59	none	7,487,253	23 - 11 1/2
1956	6,973,306	1,024,152(d)	476,467(d)	.71(d)	none	9,536,045	24 1/4 - 9 3/8
1957	8,037,553	367,487	182,653	.22	none	8,398,768	12 1/4 - 5 1/4
1958	6,639,121	241,644	203,001	.25	none	8,496,581	16 1/4 - 6 3/8
1959	-----	-----	-----	-----	none	-----	16 7/8 - 9 1/2

(b) Privately owned. (d) Deficit.

ELECTRO-VOICE INC. (Unlisted)

Year ending February 28

Capitalization

Debt: \$375,000, 4 3/4% Promissory note, due 1967.

Common: \$2 par, 473,650 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 1,201,100	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1951	2,228,178	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1952	2,830,740	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1953	2,755,631	N.A.	N.A.	N.A.	N.A.	N.A.	(a)
1954	4,201,822	\$ 164,049	\$ 63,540	\$.21	\$.04	N.A.	(a)
1955	4,339,782	275,156	135,455	.39	.04	N.A.	(a)
1956	5,765,059	465,484	230,532	.61	.04	N.A.	(a)
1957	7,863,814	777,656	381,210	.98	.04	N.A.	(a)
1958	9,379,132	710,618	353,188	.89	.04	\$ 3,737,095	(a)
1959	11,764,676	1,275,578	620,519	1.31	--	5,378,040	22 3/4 - 16

N.A. Not available. (a) Privately owned.

EMERSON ELECTRIC MANUFACTURING CO. (NYSE)

Year ending September 30

Capitalization

Debt: \$2,792,400, convertible subordinated debenture 5 1/2%, due 1977. \$6,116,000 notes

Preferred: 7% cumulative, \$100 par, 8,831 shares

Common: \$4 par, 829,049 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 40,651,495	\$ 4,456,348	\$ 2,073,767	\$3.48	\$1.06	\$20,526,096	18 3/4 - 10 3/4
1951	44,008,692	4,087,532	1,497,507	2.48	1.12	24,419,403	17 3/4 - 12 3/4
1952	55,368,442	1,974,006	1,467,506	2.43	1.12	23,392,004	13 3/4 - 11
1953	55,844,449	3,310,652	1,448,152	2.22	1.12	27,029,553	14 3/4 - 10 3/4
1954	44,718,095	2,213,495	1,013,495	1.52	1.12	23,219,061	16 1/4 - 11 1/2
1955	40,347,929	2,528,263	1,228,263	1.86	1.12	26,014,736	23 3/4 - 15 1/4
1956	56,498,889	4,562,926	2,247,926	3.47	1.19	31,809,083	32 3/4 - 21 3/4
1957	65,341,252	4,409,191	2,369,716	3.40	1.55	39,143,070	34 - 22 1/2
1958	72,040,054	5,314,395	2,527,395	3.49	1.60+3% stk.	42,807,609	56 1/2 - 29
1959 (6 mo.)	44,256,311	4,146,829	1,984,189	2.57	.40	---	69 3/4 - 48 1/4

EMERSON RADIO & PHONOGRAPH CORP. (NYSE)

Year ending October 31

Capitalization

Debt: \$5,775,000

Common: \$5 par, 2,034,600 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 74,188,297	\$ 11,969,778	\$ 6,514,716	\$3.70	\$1.10	\$27,320,398	18 3/4 - 7 3/4
1951	55,797,963	6,875,877	3,592,397	1.86	1.00	36,527,980	16 1/4 - 12 3/4
1952	57,664,201	4,651,625	2,262,556	1.17	.70	26,148,595	15 3/4 - 11 1/2
1953	75,926,546	6,499,485	2,988,432	1.54	.50	38,344,638	14 - 10
1954	80,559,994	3,449,209	1,884,976	.97	.60	40,971,196	15 1/4 - 9 1/2
1955	87,383,028	4,770,140	2,468,063	1.28	.60	43,559,520	16 3/4 - 11 3/4
1956	73,882,029	331,748	84,852	.04	.30+1% stk.	44,280,455	13 1/4 - 5 3/4
1957	54,803,069	222,586	138,431	.07	none	41,326,467	6 3/4 - 3 3/4
1958 (a)	58,401,179	2,828,707	1,410,009	.72	3% stk.	38,557,594	16 1/4 - 4 1/4
1959 (3 mo.)	---	1,279,168	627,468	.31	none	---	26 3/4 - 13 3/4

(a) Includes Consumer Products Div. of Allen B. DuMont Labs, Inc., from July 2, 1958, date of acquisition.

ERIE RESISTOR CORP. (Unlisted)

Capitalization

Debt: \$1,605,000, 4 5/8% notes, due 1973

Preferred: 90 cents cumulative convertible, \$12.50 par 100,000 shares

Common: \$2.50 par, 738,541 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range	
1950	\$ 10,490,919	\$ 1,715,272	\$ 826,104	\$1.49	(b)	\$ 5,303,827	(b)	
1951	9,317,724	660,989	363,292	.62	\$.31 1/4	4,989,653	6 3/8 - 5 1/2	
1952	10,750,936	845,476	450,333	.81	.40	5,356,564	7 - 5 3/8	
1953	12,845,735	1,160,239	595,511	1.01	.40	6,531,130	7 3/4 - 6 3/4	
1954	14,866,836	700,418	317,767	.44	.40	9,951,069	8 1/2 - 6 1/2	
1955	22,358,644	1,771,490	959,433	1.60	.20	11,609,028	8 7/8 - 5 1/4	
1956	23,300,749	1,793,147	956,452	1.59	.40	13,261,328	11 1/2 - 7 3/4	
1957	24,737,643	1,009,998	542,811	.68	.40+3% stk.	12,497,514	13 1/2 - 6 3/8	
1958	21,202,186	1,109,438	510,441	.57	.15+4% stk.	14,064,053	9 3/4 - 5 3/4	
1959	---	---	---	---	.10	---	---	10 3/4 - 8 3/4

(b) Privately owned.

FAIRCHILD CAMERA & INSTRUMENT CORP. (ASE)

Capitalization—Debt: \$2,800,000, notes, etc. Common: \$1 par, 476,597 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 10,163,582	\$ 979,718	\$ 482,320	\$1.39	\$.75	\$ 8,855,012	30 1/2 - 20
1951	16,843,359	558,210	317,736	.76	.25	18,446,929	39 - 22 1/2
1952	25,549,096	1,490,097	759,610	1.82	.25	21,074,222	28 3/4 - 22
1953	25,694,982	1,697,741	883,549	1.93	.25+10% stk.	21,311,213	28 3/4 - 17
1954	42,439,864	3,251,790	1,606,790	3.51	.50	17,791,152	39 1/2 - 20 1/4
1955	33,069,647	850,743	791,743	1.66	1.00	19,160,746	37 1/4 - 21
1956	42,969,036	2,176,324	910,324	1.91	.75	24,238,825	25 7/8 - 19 1/2
1957	36,989,284	1,799,093	799,093	1.68	.50	20,746,336	27 3/8 - 16
1958	31,674,356	1,553,395	544,395	1.14	.50	23,214,797	64 3/4 - 19 1/2
1959 (3 mo.)	9,735,000	---	385,000	.80	none	---	138 3/8 - 50 3/4

FRIDEN INC. (Pacific)

Capitalization—Debt: \$6,600,000 notes. Common: \$1 par, 1,078,714 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range	
1950	\$ 16,467,239	N.A.	\$ 1,582,152	\$2.07	\$.44	N.A.	---	
1951	25,241,464	\$ 5,880,695	1,846,608	2.41	.50	\$14,234,704	---	
1952	21,923,873	4,294,249	1,775,916	2.32	.50	14,113,067	---	
1953	23,004,213	3,223,112	1,540,000	2.01	.50	14,744,864	---	
1954	25,616,663	3,773,208	1,850,144	2.42	.50	16,714,680	---	
1955	31,437,755	4,828,659	2,376,982	3.11	.65+2% stk.	19,387,179	35 - 23	
1956	50,624,940	7,641,694	3,591,625	3.60	.95	30,481,834	50 1/2 - 34 1/2	
1957	56,655,526	8,165,377(a)	4,013,966	3.84(a)	1.00+5% stk.	37,468,030	71 3/4 - 38	
1958 (a)	60,388,844	7,035,572	3,445,844(a)	3.19	1.00+2 1/2% stk.	40,626,148	67 - 39 3/4	
1959	---	---	---	---	.50	---	---	76 - 59 1/4

N.A. Not available. (a) Includes Holland subsidiary.

GABRIEL CO. (NYSE)
Capitalization

Debt: \$183,750 notes

Preferred: \$5 cumulative pfd. \$10 par, 34,456 shares

Common: \$1 par, 661,038 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 12,670,521	\$ 1,591,672	\$ 824,272	\$2.20	\$.55 + 10% stk.	\$ 6,331,749	8 5/8 - 7 3/4
1951	15,795,488	1,009,112	591,992	1.07	.45	10,382,922	9 1/8 - 7 3/8
1952	17,888,893	21,127	13,927	.04(d)	.50	11,165,324	8 - 6
1953	22,668,000	N.A.	163,000	.20	none	9,974,912	7 1/2 - 4 1/2
1954 (a)	19,190,000	N.A.	10,000(d)	.06(d)	.30	8,486,682	7 3/8 - 4 3/4
1955 (a)	16,215,000	N.A.	274,000	.38	.15	8,808,983	9 3/8 - 5 5/8
1956 (a)	20,641,000	N.A.	434,000	.62	.60	10,186,071	9 1/8 - 6 3/4
1957 (a)	24,665,000	N.A.	783,000	1.15	.60	8,890,317	10 3/8 - 6 1/4
1958 (a)	22,825,684	1,030,066	545,066	.80	.55	12,825,581	14 3/8 - 7
1959 (3 mo.)	6,714,748	459,981	220,791	.33	.15	13,083,301	33 - 13

(a) Pro-forma, including Talco Engineering Corp., acquired Dec. 3, 1958.

(d) Deficit.

GENERAL DYNAMICS CORP. (NYSE)

(Merger with Stromberg-Carlson effective in July, 1955)

Capitalization

Debt: \$50,000,000 5 1/2% notes 1963-1978; \$25,000,000 notes; \$15,498,532 other debts

Common: \$1 par, 9,932,222 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 78,947,256	\$ 4,141,672	\$ 2,370,672	\$.51	\$.42	\$ 51,963,237	10 1/2 - 8
1951	116,270,550	9,284,381	4,557,980	1.51	.33	62,917,034	13 7/8 - 8 3/4
1952	182,649,610	14,083,176	6,157,922	1.91	.75	94,715,067	22 7/8 - 12 1/4
1953	271,886,140	17,801,111	7,886,111	2.34	.75	110,690,126	23 1/8 - 15 1/2
1954	712,150,670	48,027,226	22,777,226	3.07	1.08	234,446,340	41 1/8 - 18
1955	687,274,182	44,254,386	21,254,386	2.82	1.43	294,816,011	53 3/8 - 24 3/4
1956 (a)	1,062,861,349	68,271,094	35,687,692	4.01	1.60	487,577,843	59 3/8 - 37 3/4
1957	1,562,538,900	91,828,763	44,278,763	4.80	2.00	570,604,595	68 3/8 - 46 3/4
1958	1,511,456,261	71,529,113	36,729,113	3.71	2.00	651,182,116	67 3/8 - 55
1959 (3 mo.)	330,633,782	11,200,385	5,925,385	.60	1.00	-----	66 1/2 - 56 1/2

(a) Pro-forma; includes operations of Liquid Carbonic, merged on Sept. 30, 1957.

GENERAL ELECTRIC CO. (NYSE)
Capitalization

Debt: \$300,000,000 3 1/2% debentures, due 1976; other liabilities, \$99,235,529

Common: No par, 87,717,255 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$2,233,800,000	\$397,100,000	\$179,700,000	---	\$1.27	\$1,335,415,000	16 1/2 - 13 3/4
1951	2,619,600,000	434,100,000	143,700,000	---	.95	1,588,070,000	21 1/2 - 16 1/2
1952	2,993,400,000	447,000,000	164,900,000	---	1.00	1,579,523,878	24 1/4 - 18 1/8
1953	3,510,600,000	497,500,000	173,800,000	---	1.33	1,696,588,736	30 3/4 - 22 1/8
1954	3,334,708,206	407,164,027	204,371,317	\$2.47	1.47	1,691,979,938	48 1/2 - 37 3/8
1955	3,463,734,419	385,203,709	208,908,054	2.42	1.60	1,727,553,319	57 3/4 - 46 1/4
1956	4,090,015,685	423,756,849	213,756,849	2.46	2.00	2,221,146,920	65 1/2 - 52 3/4
1957	4,335,664,061	507,851,871	247,851,871	2.84	2.00	2,361,318,604	72 3/8 - 52 3/8
1958	4,120,796,801	485,142,533	242,942,533	2.78	2.00	2,420,939,218	79 3/8 - 57
1959 (3 mo.)	976,568,000	105,963,000	52,778,000	.60	1.00	-----	84 3/4 - 74 5/8

GENERAL INSTRUMENT CORP. (NYSE)

Year ending February 28

Capitalization

Debt: \$5,716,228

Common: \$1 par, 1,416,173 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 13,634,582	\$ 107,184(d)	\$ 107,184(d)	\$.22(d)	\$.40	\$ 8,749,655	13 1/2 - 8 1/4
1951	25,850,231	2,639,099	1,229,099	2.02	.25	9,093,442	11 1/2 - 7 1/4
1952	18,527,974	1,158,558(d)	993,558(d)	1.63(d)	.20	8,349,061	11 1/8 - 6 1/4
1953	30,407,530	1,986,332	1,275,864	2.10	.25	10,185,345	14 1/2 - 9 3/4
1954	32,502,305	1,695,559	926,903	1.13	.25	11,278,619	12 1/4 - 8 1/2
1955	22,795,029	839,140(d)	412,220(d)	.50(d)	.37 1/2	8,749,655	13 - 7 5/8
1956	28,928,604	570,127	285,474	.21	.37 1/2	12,386,859	10 1/8 - 6 3/8
1957	33,254,735	1,004,419	505,407	.37	.15	15,747,899	8 3/8 - 4
1958 (a)	39,195,749	1,020,840	1,020,840	.74	.15	20,591,980	22 3/8 - 4 5/8
1959	46,562,300	2,004,808	1,317,828	.93	none	-----	38 3/8 - 16 1/2

(a) Includes Radio Receptor Co. Inc. from March 1, 1957, date of acquisition.

(d) Deficit.

GENERAL PRECISION EQUIPMENT CORP. (NYSE)
Capitalization

Debt: \$21,321,020

Preferred: \$4.75 cumulative, no par, 97,078 shares

\$1.60 cumulative convertible, no par, 59,224 shares, \$3.00

\$3.00 cumulative convertible, no par, 194,196 shares

Common: \$1 par, 1,125,810 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 27,072,360	\$ 1,591,899	\$ 1,141,098	\$1.45	\$1.00	\$ 26,371,314	21 3/8 - 12 1/4
1951	29,872,429	1,056,546	1,010,042	.99	1.00	33,671,209	27 3/8 - 17 1/2
1952	54,326,849	2,955,278	1,255,278	1.88	1.00	47,620,429	24 1/2 - 16 3/8
1953	87,763,925	7,840,349	3,436,349	5.09	1.00	57,101,143	27 3/8 - 21 1/4
1954	123,332,634	11,725,090	5,488,090	5.54	1.90	91,357,754	52 1/4 - 25
1955	133,337,819	5,363,758	2,530,758	2.05	2.40	100,887,108	71 1/2 - 36 1/2
1956	153,261,864	5,194,729	2,394,729	1.64	2.40	119,117,579	53 1/2 - 34 1/2
1957	185,093,842	8,994,949	4,263,949	3.03	2.40	132,373,853	47 1/4 - 30 1/4
1958	168,333,316	484,267	304,267	.74(d)	.85	132,010,677	41 - 27
1959 (3 mo.)	47,035,711	-----	920,007(a)	.57(d)	none	-----	45 1/2 - 31 1/2

(a) Includes \$163,436 capital gains (\$12 per share)

(d) Deficit.

GENERAL TELEPHONE & ELECTRONICS CORP. (NYSE)

Capitalization

Debentures (general): 4% convertible, due 1971, \$46,630,000
 4½% convertible, due 1977, \$42,718,000
 4½% sinking fund, due 1975, \$8,490,000
 Debentures (mfg. subsidiaries): 3¼% sinking fund, due 1971, \$18,795,000
 4% sinking fund, due 1978, \$16,250,000
 4¾% sinking fund, due 1975, \$5,760,000
 4¾% sinking fund, due 1980, \$19,500,000
 4¾% sinking fund, due 1978, \$20,000,000
 Debt (general): 3¾% notes, due 1960-64, \$6,675,000
 Debt (mfg. subsidiaries): \$3,213,000
 Funded Debt: \$435,357,000
 Preferred: 4.25% convertible, \$50 par, 118,266 shares
 4.36% convertible, \$50 par, 188,346 shares
 4.40% not convertible, \$50 par, 3,255 shares
 4.75% convertible, \$50 par, 6,869 shares
 5.28% convertible, \$50 par, 152,514 shares
 Subsidiary preferred: \$136,615,000
 Common: \$10 par, 19,754,115 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 70,080,262(a)	\$12,961,343	\$ 4,135,727	\$1.17	\$.89	\$306,606,171	13¾ - 10¾
1951	84,796,003(a)	18,478,234	5,528,812	1.17	.89	373,751,529	14¼ - 12
1952	102,004,210(a)	26,168,493	8,763,425	1.45	.89	369,288,812	15% - 13¾
1953	127,946,088(a)	38,753,190	13,952,116	1.77	.98	419,646,338	20¼ - 15½
1954	625,680,000(b)	---	36,096,000(b)	2.27(b)	---	---	24¼ - 19¾
1955	698,320,000(b)	---	48,189,000(b)	2.91(b)	---	---	45½ - 23¾
1956	780,208,000(b)	---	57,226,000(b)	3.14(b)	---	---	46 - 38
1957	842,551,000(b)	---	57,378,000(b)	3.12(b)	---	---	45¼ - 36½
1958	885,464,000(b)	---	58,002,000(b)	2.94(b)	2.00	1,586,493,000	63 - 40¾
1959 (3 mo.)	87,022,000(b)	---	14,958,000(b)	.77(b)	.50	---	73% - 60¾

(a) Telephone subsidiaries only. (b) Pro-forma, including Sylvania Electric Products Inc., merged March 5, 1959.

GENERAL TIRE & RUBBER COMPANY (NYSE)

Year ending November 30

Capitalization

Debentures: 5½% subordinated, due 1982, \$25,000,000
 subordinated 6s, due 1982, \$11,025,000
 4¼% subordinated, due 1981, \$1,306,500
 4¾% subordinated, due 1981, \$3,580,300
 subsidiary debenture 5s, \$1,080,000
 Debt: \$49,966,000, notes, etc.
 Preferred: 5½% cumulative, \$100 par, 100,508 shares
 4½% cumulative, convertible, \$100 par, 19,485 shares
 \$5.00 cumulative, \$100 par, 101,969 shares
 4¼% cumulative, \$100 par, 5341 shares
 3¾% cumulative, \$100 par, 1045 shares
 Common: \$2.50 par, 4,962,554 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$125,375,837	\$15,718,416	\$ 8,557,616	\$2.10	\$.45	\$ 75,027,859	5¼ - 2¾
1951	170,771,522	19,992,236	7,016,641	1.69	.53	98,452,324	9¼ - 5¾
1952	185,914,247	12,378,477	6,147,918	1.46	.60	113,206,476	10 - 7½
1953	205,371,098	10,010,134	6,275,158	1.48	.60	120,241,084	10½ - 6¾
1954	216,986,110	7,542,980	4,502,645	.96	.60	150,811,696	14¼ - 8¾
1955	295,731,096	19,738,731	9,704,731	2.09	.67 + 3¼% stk.	183,243,797	21% - 13¾
1956	390,471,772	21,823,129	10,860,129	2.30	.67	237,908,652	22¼ - 15¾
1957	421,165,147	19,300,355	11,300,355	2.12(a)	.67½ + 4% stk.	261,349,571	32¾ - 18¾
1958	469,782,099	23,879,117	11,279,117	2.06	.70 + 2% stk.	276,834,832	50¼ - 22¼
1959 (3 mo.)	137,388,355	11,734,547	6,034,547	1.16	.17½	---	83 - 44½

(a) Includes RKO Teleradio Pictures Inc.

GENERAL TRANSISTOR CORP. (ASE)

Capitalization—Debt: \$183,649, notes; \$64,400, mortgage. Common: \$1 par, 832,000 shares.

1953 (Incorporated Nov. 30)

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1954	\$ 130	\$ 18,512(d)	\$ 18,512(d)	\$.06(d)	none	---	(a)
1955	112,573	5,720(d)	5,720(d)	.02(d)	none	---	(a)
1956	1,131,748	335,035	183,055	.32	none	---	5¾ - 1½
1957	3,261,144	751,346	346,346	.57	none	\$ 2,473,499	15 - 4¾
1958	5,484,407	1,073,647	533,647	.73	none	3,889,107	25¾ - 8¾
1959 (3 mo.)	1,841,797	319,759	142,909	.19	none	---	44½ - 24½

(a) Privately owned. (d) Deficit.

GIANNINI CONTROLS CORP. (Unlisted)

Capitalization

Debt: \$135,748, note.
 Preferred: 5½% cumulative convertible \$20 par, 40,652 shares. Common: \$1 par, 313,189 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 952,418	---	\$ 83,990(d)	\$.89(d)	none	---	---
1951	2,571,379	---	194,619	1.46	none	---	---
1952	4,704,034	\$ 827,909	263,726	1.91	none	\$ 2,191,793	---
1953	4,334,195	326,247	103,247	.39	none	1,873,305	---
1954	4,308,467	222,617(d)	52,617(d)	.27(d)	none	2,138,192	---
1955	6,436,330	620,787	290,787	.94	none	2,845,110	9½ - 4¾
1956	9,510,091	715,521	339,521	1.05	.25 + 200% stk.	4,253,037	13¾ - 9½
1957	10,553,918	604,736	310,736	.84	none	4,183,512	21½ - 11
1958	10,675,410	791,096	390,096	1.09	none	4,352,776	26½ - 12
1959	---	---	---	---	none	---	36¾ - 26

(d) Deficit.

GLOBE-UNION INC. (ASE)

Capitalization—Debt: \$3,638,000. Common: 5 par, 827,515 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 41,348,440	\$ 5,399,747	\$ 2,699,747	\$4.22	\$1.90	\$22,531,771	25¾ - 11
1951	40,686,581	2,743,136	1,508,136	2.25	1.00	20,864,200	30¼ - 20¾
1952	45,877,113	3,254,071	1,608,071	2.40	1.25	22,921,907	27 - 19¾
1953	48,180,147	3,392,276	1,682,276	2.35	1.10 + 2½% stk.	23,359,305	27¾ - 22
1954	44,106,364	1,209,280	569,280	.79	1.20	20,125,253	24 - 19¼
1955 (a)	56,622,579	3,800,510	1,671,996	2.03	1.20	23,595,716	24¾ - 20
1956 (a)	58,667,310	2,366,383	1,166,383	1.42	1.20	27,315,879	22 - 16¾
1957	65,036,285	2,879,282	1,339,282	1.62	1.20	27,570,612	20¾ - 16¾
1958	59,246,085	3,091,621	1,466,621	1.78	.80	26,739,170	21½ - 14¾
1959 (3 mo.)	14,113,097	---	420,428	.51	.45	---	26½ - 20¼

(a) Includes WICO Electric Co. acquired June 14, 1956, for both years.

GROSS TELECASTING INC. (Unlisted)

Capitalization
Common: \$1 par, 200,000 shares
Class B. \$1 par, 200,000 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 515,317	N.A.	\$ 107,149	\$.27	none	N.A.	-----
1951	906,524	N.A.	196,508	.49	none	N.A.	-----
1952	1,452,531	\$ 749,599	357,077	.89	none	N.A.	-----
1953	1,857,326	927,933	419,891	1.05	none	N.A.	-----
1954	2,241,589	1,320,464	639,464	1.60	none	\$ 2,992,157	-----
1955	2,607,530	1,499,947	724,947	1.81	\$.90	3,268,490	-----
1956	2,815,408	1,568,926	741,926	1.85	1.30	4,015,248	20 - 15
1957	2,733,846	1,399,239	674,239	1.68	1.60	3,865,137	21 $\frac{3}{4}$ - 14 $\frac{1}{2}$
1958	2,769,918	1,581,373	766,373	1.91	1.60	4,399,563	18 $\frac{1}{2}$ - 14 $\frac{3}{4}$

N.A. Not available.

HAZELTINE CORP. (ASE)

Capitalization
Debt: \$145,769
Common: No par, 749,955 shares.

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 4,078,000	\$ 2,783,741	\$ 1,428,431	\$2.04	\$.87 $\frac{1}{2}$		12 $\frac{1}{2}$ - 8
1951	6,957,344	4,938,790	1,459,490	2.09	.87 $\frac{1}{2}$	\$25,090,342	23 $\frac{3}{4}$ - 11 $\frac{7}{8}$
1952	9,237,190	6,578,732	2,006,790	2.87	1.50	25,862,549	26 $\frac{1}{2}$ - 17 $\frac{3}{8}$
1953	10,057,032	7,256,906	2,085,706	2.98	1.50	26,266,608	30 - 19
1954	8,525,768	5,733,264	2,666,264	3.81	2.00	25,560,204	59 $\frac{3}{4}$ - 26 $\frac{1}{8}$
1955	5,947,166	3,531,824	1,604,824	2.24	2.00	22,798,931	59 $\frac{3}{4}$ - 36 $\frac{1}{2}$
1956	6,918,475	4,240,162	2,007,162	2.80	1.40 + 2 $\frac{1}{2}$ % stk	27,535,758	48 - 32
1957 (a)	55,700,484	4,296,612	2,030,612	2.77	1.40 + 2 $\frac{1}{2}$ % stk.	32,199,811	44 $\frac{1}{2}$ - 29 $\frac{3}{4}$
1958	58,869,907	4,722,227	2,246,227	3.00	1.40 + 2 $\frac{1}{2}$ % stk.	27,432,313	60 $\frac{7}{8}$ - 30 $\frac{1}{2}$
1959					.70		75 - 54 $\frac{1}{2}$

(a) 1957 figures reflect gross sales, prior years are reported on a net basis.

HEROLD RADIO & ELECTRONICS CORP. (ASE)

Year ending February 28
Capitalization
Debentures: \$1,500,000 subordinate convertible 6s, due June 15, 1974.
Preferred: \$5 par, 73,428 shares.
Common: 25 cents par, 567,984 shares.

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (incorporated March 2)							(a)
1951							(a)
1952	\$ 929,152		\$ 99,038(d)	\$.32(d)	none		(a)
1953	1,810,169		36,584(d)	.12(d)	none		(a)
1954	4,337,362		82,804	.27	none		(a)
1955	3,634,548		65,252	.21	none		3 $\frac{1}{4}$ - 2
1956	5,332,154		27,693	.09	2% stk.	\$ 1,808,306	2 - 1
1957	8,313,252		171,538	.55	.15	2,631,579	3 $\frac{1}{8}$ - 1 $\frac{3}{4}$
1958	10,111,253	\$ 270,063	166,063	.34	.20	5,045,593	8 $\frac{1}{8}$ - 2
1959	10,491,781	353,782	185,782	.31	.07 $\frac{1}{2}$	7,094,187	12 $\frac{1}{2}$ - 5 $\frac{7}{8}$

(a) Privately owned.
(d) Deficit.

HEWLETT-PACKARD CO. (Unlisted)

Year ending October 31
Capitalization
Debt: \$375,383.
Common: \$1 par, 3,055,383 shares.

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 2,301,744						(a)
1951	5,538,889						(a)
1952	10,952,980	\$ 2,337,955	\$ 705,839	\$.23	none		(a)
1953	12,839,406	2,579,544	765,866	.25	none		(a)
1954	12,599,096	1,491,784	640,770	.21	none		(a)
1955	15,338,179	2,874,057	1,316,236	.43	none		(a)
1956	20,161,621	3,738,990	1,083,266	.59	none	\$14,190,515	(a)
1957	27,948,790	4,998,448	2,402,557	.80	none	14,661,504	17 - 15 $\frac{1}{2}$
1958	30,296,647	4,580,926	2,212,497	.72	none	15,795,237	40 - 29
1959 (3 mo.)	7,900,000				none		48 $\frac{1}{2}$ - 37 $\frac{1}{2}$

(a) Privately owned.

HIGH VOLTAGE ENGINEERING CORP. (Unlisted)

Capitalization
Debt: \$834,524
Common: \$1 par, 385,986 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 1,094,516	\$ 97,311	\$ 54,213	\$.15	\$.10		
1951	1,155,250	115,837	62,631	.17	.10		
1952	1,113,336	120,268	59,520	.16	.10		
1953	1,452,557	126,193	66,651	.21	.10	\$ 1,450,595	
1954	1,681,004	171,446	86,998	.28	.10	1,479,327	
1955	2,007,101	205,453	106,452	.29	.10	2,749,132	
1956	2,812,885	322,852	167,852	.45	.10	4,642,995	31 - 20 $\frac{1}{2}$
1957	4,894,075	664,986	330,436	.89	.10	5,539,492	27 - 17 $\frac{1}{2}$
1958	5,768,509	884,139	434,139	1.12	.10	5,913,120	50 - 23
1959					.10		71 $\frac{1}{2}$ - 49

HOFFMAN ELECTRONICS CORP. (NYSE)

Adjusted for 100% stock dividend, June 25, 1959
Capitalization
Debt: \$2,000,000
Common: 50 cents par, 749,011 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 29,544,473	\$ 3,768,567	\$ 1,980,994	\$1.34	\$.12 $\frac{1}{2}$	\$10,720,620	10 $\frac{7}{8}$ - 3 $\frac{1}{2}$
1951	20,355,999	202,839	281,619	.19	12 $\frac{1}{2}$	11,936,215	7 - 3 $\frac{3}{4}$
1952	36,566,955	3,662,318	1,756,272	1.19	12 $\frac{1}{2}$	16,543,902	7 $\frac{3}{4}$ - 5 $\frac{1}{4}$
1953	50,415,146	3,036,380	1,167,380	.79	.50	15,657,392	8 $\frac{1}{4}$ - 6 $\frac{1}{2}$
1954	42,647,008	3,202,513	1,485,513	1.00	.50	16,272,669	12 - 6 $\frac{3}{4}$
1955	44,416,673	3,241,596	1,560,596	1.06	.50	22,472,037	15 $\frac{3}{8}$ - 10 $\frac{1}{4}$
1956	46,580,279	3,330,883	1,601,974	1.08	.50	18,446,923	12 $\frac{3}{8}$ - 9 $\frac{1}{4}$
1957	40,968,617	3,517,372	1,655,372	1.12	.50	18,669,699	12 $\frac{7}{8}$ - 8 $\frac{3}{4}$
1958	39,544,064	3,632,509	1,712,509	1.16	.50	19,709,241	22 $\frac{3}{4}$ - 10 $\frac{1}{2}$
1959 (3 mo.)	11,432,477	1,107,322	526,273	.35	.20		43 - 18 $\frac{1}{4}$



JERROLD ELECTRONICS CORP. (Unlisted)

Year ending February 28
 Capitalization—Debt: \$2,727,500, convertible subordinated 6s, due 1975. Common: \$1 par, 1,096,660 shares.

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1951	\$ 840,808	N.A.	\$ 18,609	\$.02	none	N.A.	N.A.
1952	984,209	N.A.	18,696	.02	none	N.A.	N.A.
1953	1,280,851	\$ 67,804	24,514	.02	none	N.A.	N.A.
1954	2,483,639	335,456	167,663	.15	none	N.A.	N.A.
1955	2,816,634	405,784	202,226	.18	\$.10	\$ 4,645,300	4 - 2½
1956	3,703,065	248,474	169,422	.15	none	4,579,566	3¾ - 1¾
1957	5,142,702	166,134	161,529	.15	none	4,805,297	3½ - 1¾
1958	6,055,647	132,322	105,281	.10	none	4,802,609	5½ - 1¾
1959	7,658,371	-----	397,656	.36	none	-----	6½ - 3¾

N.A. Not available.

LABORATORY FOR ELECTRONICS INC. (Unlisted)

Year ending April 30
 Capitalization
 Debt: \$790,000, 4½% notes, due 1959
 Preferred: 6% cumulative convertible, \$100 par, 5,000 shares
 Common: \$1 par, 433,219 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 905,395	\$ 43,633	\$ 23,983	\$.09	none	N.A.	-----
1951	2,001,072	93,961	52,561	.20	none	N.A.	-----
1952	2,759,187	260,637	124,137(d)	.83(d)	none	N.A.	-----
1953	5,129,772	89,549	49,549	.19	none	N.A.	-----
1954	5,641,386	5,338	11,783	.05	none	\$ 3,725,994	-----
1955	6,402,708	77,304(d)	160,174(d)	.61(d)	none	4,285,627	14 - 9
1956	6,136,726	1,010,386(d)	985,011(d)	3.41(d)	none	4,154,837	7½ - 2
1957	7,057,638	166,968	84,968	.29	none	4,355,528	8 - 2¾
1958	9,429,155	96,346	51,346	.18	none	4,954,770	26 - 3¾
1959 (6 mo.)	7,424,000	416,000	203,000	.47	none	-----	40 - 23¾

N.A. Not available. (d) Deficit.

LEAR INC. (ASE)

Capitalization—Debt: \$2,990,000 4¼% subordinated debentures, due 1970. Common: 50 cents par, 2,405,681 shares.

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 7,952,666	\$ 22,132(d)	\$ 22,132(d)	\$.01(d)	none	\$ 7,617,298	4½ - 1 13/16
1951	21,227,093	1,703,631	803,631	.40	none	10,978,105	6¾ - 3¼
1952	44,065,980	3,873,543	1,097,543	.53	none	16,755,709	4½ - 2½
1953	49,120,910	4,450,373	1,193,373	.56	none	23,179,410	5½ - 2¾
1954	54,435,637	5,002,227	2,305,727	1.05	\$.30	24,395,795	9¾ - 3¾
1955	54,600,273	4,360,811	2,115,811	.93	.30	27,109,187	13¾ - 7¾
1956	63,900,786	3,406,018	1,506,018	.65	.30	33,526,685	10¼ - 7¾
1957	64,692,576	2,108,921	858,921	.36	.30	32,418,665	8¾ - 4
1958	63,627,475	3,257,751	1,607,751	.68	.10	37,923,376	10¼ - 4¼
1959 (3 mo.)	17,222,656	843,923	395,923	.16	.20	-----	19¼ - 9½

(d) Deficit.

LEEDS & NORTHRUP CO. (Unlisted)

Year ending May 31
 Capitalization
 Debt: \$4,000,000, 3¾% notes, due 1972; \$1,250,000, 4½% promissory notes; \$750,000, 3¾% notes due 1964.
 Preferred: 5% cumulative convertible, series A, \$25 par, 125,060 shares.
 5% cumulative convertible, series B, \$25 par, 28,136 shares
 Common: 50 cents par, 690,053 shares.

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 14,750,000	\$ 954,000	\$ 570,000	\$.65	\$.50	N.A.	N.A.
1951	21,327,000	2,706,000	1,015,000	1.41	.63	N.A.	N.A.
1952	30,974,000	4,422,000	1,092,000	1.43	.50	N.A.	N.A.
1953	31,913,450	3,287,832	929,134	1.12	.41	N.A.	N.A.
1954	30,488,550	2,654,539	875,186	1.02	.44	\$17,292,748	N.A.
1955	27,688,440	1,901,535	800,439	.94	.44	17,734,747	14 - 12½
1956	30,516,523	2,267,816	1,163,816	1.92	.45	22,443,345	27½ - 13½
1957	37,156,180	3,612,552	1,649,152	2.23	.60 + 2% stk.	26,483,273	35 - 20¼
1958	35,261,501	2,610,527	1,112,127	1.35	.60	25,349,961	28 - 19¾
1959 (9 mo.)	25,441,352	1,893,477	856,977	1.03	.30	-----	30¾ - 27¾

LING-ALTEC ELECTRONICS INC. (Unlisted)

Year ending July 31
 Capitalization (a) (b)
 Debt: \$227,143
 Debentures: \$2,200,000, 5½% subordinated, convertible, due Sept. 1970.
 \$800,000, 5¾% subordinated, convertible, due Sept. 1970.
 Preferred: 6% cumulative convertible, \$1 par, 822,911 shares.
 Common: 50 cents par, 1,362,559 shares.

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1953	Incorporated Nov. 4, 1953						
1954 (c)	\$ 22,151	\$ 25,888(d)	\$ 25,888(d)	\$.04(d)	none	-----	-----
1955 (c)	237,776	66,334(d)	66,334(d)	.11(d)	none	-----	-----
1956 (e)	389,717	27,163(d)	27,163(d)	.03(d)	none	\$ 429,267	8 - 7
1957 (a)	1,109,144	1,224,106	577,793	.48	none	-----	8 - 7
1958 (a)	14,044,161	952,772	487,271	.38	none	14,225,009(b)	19¾ - 5*

(a) Pro-forma, giving effect to merger. (b) Approximate—Dec. 15, 1958. (c) Year ended October 31, Ling Electronics only. (d) Deficit.
 * 1959 price range is 29½-15¾.

LITTON INDUSTRIES INC. (NYSE)

Year ending July 31
 Capitalization
 Debentures: \$1,002,500, convertible, due 1965
 Long-term debt: \$17,881,500
 Preferred: 5%, \$100 par, 31,970 shares
 Common: 10 cents par, 1,778,071 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1953	Incorporated Nov. 2, 1953						
1954 (a)	\$ 2,980,051	\$ 347,420	\$ 154,420	\$.28	none	\$ 4,200,176	-----
1955	8,774,273	679,413	436,413	.44	none	7,647,918	15 - 9½
1956	14,920,050	1,995,703	1,019,703	.97	none	10,826,182	32½ - 14¾
1957	28,130,603	3,232,493	1,806,492	1.51	none	16,823,383	56¾ - 29½
1958 (b)	83,155,473	7,044,439	3,702,203	2.13	none	57,750,861	90¾ - 367¾
1959 (9 mo.)	89,191,000	-----	4,226,000	2.29	2½% stk.	-----	123¾ - 72¾

(a) 9 months to July 31 (b) All figures in 1958 reflect acquisition of Monroe Calculating Machine Co. in January, 1958.

MAGNAVOX CO. (NYSE)

Year ending June 30

Capitalization

Debt: \$5,000,000, 4¼% installment notes, due 1969

Common: \$1 par, 1,117,056 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 31,716,630	\$ 3,207,982	\$ 2,007,982	\$2.55	\$.46	\$12,625,236	24¼ - 10%
1951	44,177,645	5,624,883	2,233,237	2.73	1.13	17,256,171	18¼ - 12½
1952	36,837,503	2,638,775	1,343,760	1.62	1.36	18,854,075	22½ - 15%
1953	57,959,669	4,548,337	2,238,337	2.65	1.36	29,824,144	22¼ - 15%
1954	62,974,430	5,332,530	2,102,530	2.51	1.36	28,543,292	24¼ - 16%
1955	55,071,765	4,571,087	2,426,087	2.90	1.38	31,728,825	41⅞ - 23
1956	70,529,646	6,220,442	3,100,442	3.5 ¹	1.50 + 5% stk.	41,567,963	41 - 31½
1957	87,467,864	7,109,226	3,759,226	3.90	1.50 + 5% stk.	48,491,855	44 - 28½
1958	82,592,113	5,082,628	2,622,628	2.50	1.50 + 5% stk.	48,359,910	60½ - 30¼
1959 (9 mo.)	67,048,000	6,319,000	3,063,000	2.62	.75 + 5% stk.	---	70 - 48¼

P. R. MALLORY & CO. (NYSE)

Capitalization

Debt: \$12,329,560 notes

Preferred: 5% cumulative convertible, series A, par \$50, 78,709 shares.

Common: \$1 par, 1,410,044 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 39,158,150	\$ 5,403,758	\$ 2,553,758	\$2.82	\$.63	\$19,079,931	15% - 8%
1951	45,286,925	4,758,314	1,923,314	2.13	.80	23,531,305	20½ - 13⅞
1952	53,443,117	4,607,773	1,897,773	2.08	.67	29,166,043	28½ - 17%
1953	70,874,347	7,897,813	2,547,813	2.50	1.13	33,084,094	31 - 26
1954	54,630,091	2,396,803	1,071,803	.80	1.34	33,032,115	32% - 25¼
1955	63,931,811	4,960,649	2,225,649	2.04	1.13	38,467,453	39 - 28%
1956	68,356,203	5,815,108	3,065,108	2.60	1.40	51,329,388	42½ - 31¼
1957 (a)	77,579,878	7,228,357	3,138,357	2.08	1.40 + 2% stk.	57,972,949	50¾ - 23½
1958	68,286,563	5,952,526	2,872,526	1.89	1.40	55,448,341	39⅞ - 23%
1959 (3 mo.)	20,511,471	2,004,681	978,518	.66	.70	---	48¾ - 36%

(a) Includes Radio Materials Corp, merged in Sept., 1957, for entire year.

MAXSON (W. L.) CORP. (Unlisted)

Year ending September 30

Capitalization

Common: \$3 par, 738,085 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 3,229,917	---	\$ 211,364	\$.41	\$.20	---	4¼ - 1¾
1951	7,453,985	\$ 770,496	614,012	.96	.125 + 4% stk.	\$ 5,742,010	5% - 3%
1952	15,923,380	1,351,494	526,494	.91	.6% stk.	11,168,817	7 - 4
1953	34,377,128	2,160,502	1,085,502	1.78	.10 + 6% stk.	13,755,827	9% - 6%
1954	37,143,323	3,246,353	1,496,353	2.27	.40 + 8% stk.	16,161,773	17½ - 9%
1955	24,625,281	2,068,120	930,120	.97	.375 + 2% stk.	12,670,505	22¼ - 11
1956	16,648,454	1,725,109 (d)	720,109 (d)	.29 (d)	.10 + 2% stk.	13,155,109	16¼ - 5%
1957	21,086,258	462,122	485,122	.66	.05	10,465,976	9¼ - 4
1958	15,185,233	701,877 (d)	631,877 (d)	.86 (d)	.05	7,913,816	12% - 4¼
1959 (6 mo.)	8,934,563	525,466	249,466	.34	.10	---	15¾ - 11¼

(d) Deficit.

McGRAW-EDISON CO. (NYSE)

Capitalization

Debt: \$5,856,000 notes.

Common: \$1 par, 5,602,400 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 80,337,202	\$15,260,064	\$ 7,795,063	\$2.31	\$.88	\$ 44,198,971	13⅞ - 9%
1951	86,702,917	15,370,585	6,245,589	1.82	.88	50,014,249	15⅞ - 11%
1952	104,895,000	15,388,000	7,121,000	1.76	.88	61,425,000	17% - 13⅞
1953	121,248,000	15,795,000	6,987,000	1.73	.88	68,552,000	18¼ - 14¼
1954	132,804,000	18,420,000	9,417,000	2.30	1.00	77,861,000	28% - 17
1955	142,496,000	19,675,000	9,501,000	2.26	1.00	85,566,000	29 - 22½
1956	248,819,000	31,379,000	15,137,000	2.96	1.00	112,522,000	40% - 38½
1957 (a)	256,330,000	28,949,000	14,651,000	2.83	1.40	147,704,000	47 - 29⅞
1958	240,893,000	21,643,000	10,285,000	1.84	1.40	157,407,000	41⅞ - 31%
1959 (3 mo.)	60,945,000	5,628,000	2,628,000	.47	.35	---	45¼ - 37¼

(a) Present name adopted Jan. 2, on merger of Thomas A. Edison, Inc.

MEREDITH PUBLISHING CO. (Unlisted)

Year ending June 30

Capitalization

Notes Payable: \$1,000,000

Common: \$5 par, \$1,298,475 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 24,469,838	\$ 5,041,376	\$ 3,117,560	\$2.42	\$1.75	\$16,151,715	15% - 12%
1951	29,277,838	6,580,696	2,934,841	2.28	.67½	18,852,617	18 - 14
1952	33,587,255	7,416,949	2,938,616	2.28	.80	31,724,336	16¼ - 14
1953	39,009,361	8,022,751	3,349,453	2.60	1.07½	32,717,314	20¼ - 15⅞
1954	41,298,782	7,887,860	3,682,470	2.85	1.20	34,390,026	25¼ - 19¼
1955	42,753,555	7,628,356	3,623,865	2.81	1.35	35,049,149	32 - 22
1956	48,459,633	8,343,617	4,047,146	3.14	1.60	38,484,600	31 - 24
1957	53,071,711	9,542,200	4,644,417	3.59	1.90	41,536,847	34½ - 26½
1958	49,720,636	7,819,135	3,850,307	2.97	1.80	46,121,858	37 - 25
1959 (9 mo.)	38,041,236	6,662,202	3,204,802	2.47	.90	---	40½ - 35

METROPOLITAN BROADCASTING CORP. (Unlisted)

(Formerly DuMont Broadcasting Corp.)

Capitalization

Debt: \$2,332,824

Common: \$1 par, 1,541,387 shares (stock issued to holders of DuMont Laboratories' common stock on basis of one share for each 2½ held)

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	---	---	---	---	---	---	---
1951	---	---	---	---	---	---	---
1952	\$ 2,830,742	\$ 834,525 (d)	\$ 834,525 (d)	\$.88 (d)	none	---	---
1953	4,534,401	84,433 (d)	84,433 (d)	.09 (d)	none	---	---
1954	5,384,053	161,386 (d)	161,386 (d)	.17 (d)	none	\$ 2,732,416	---
1955 (a)	2,697,185	222,359 (d)	222,359 (d)	.24 (d)	none	---	7% - 5%
1956 (b)	5,355,149	---	899,593 (d)	.95 (d)	none	---	7% - 5
1957 (c)	8,914,114	243,460	243,460	.16	none	13,217,301	10% - 6
1958 (e)	12,431,931	302,035	302,035	.20	none	12,710,988	13% - 6¾
1959 (f)	Not Stated	287,512	287,512	.19	---	---	18% - 13¾

(a) 27 weeks to July 17. (b) 52 weeks to December 29. (c) 52 weeks to December 28. (d) Deficit. (e) 52 weeks to January 3, 1959
(f) 13 weeks to April 4.

MICROWAVE ASSOCIATES INC. (Unlisted)

Year ending September 30

Capitalization

Debt: \$466,872, 5% first mortgage loan, due 1971
Common: \$1 par, 859,116 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (Incorporated Aug. 7)							
1951 (a)	\$ 81,800	-----	\$ 7,000	\$.01	none	-----	-----
1952 (a)	259,000	-----	18,400 (d)	.02 (d)	none	-----	-----
1953 (a)	913,500	-----	50,800	.06	none	-----	-----
1954 (a)	1,436,049	-----	78,929	.09	none	-----	-----
1955 (b)	1,292,764	-----	86,667	.10	none	-----	-----
1956	2,321,108	-----	156,456	.18	none	\$ 1,803,557	-----
1957	2,635,468	-----	51,796	.06	none	2,491,108	-----
1958	4,326,681	-----	228,107	.27	none	2,362,200	11½ - 5¼
1959 (6 mo.) (c)	3,127,409	-----	166,547	.19	---	3,627,241	26 - 10½

(a) Year ending Dec. 31. (b) 9 months ending Sept. 30. (c) Includes Waveco Corp. from Jan. 29, 1959. (d) Deficit.

MINNEAPOLIS HONEYWELL REGULATOR CO. (NYSE)

Capitalization

Debentures: \$5,300,000, 2¾s, due 1965
\$13,700,000, 3.10% due 1972
\$25,000,000, 3¾s, due 1976
Common: \$1.50 par, 6,992,063 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$109,281,673	\$25,866,656	\$12,500,656	\$2.39	\$1.25	\$ 82,696,070	21¼ - 15½
1951	135,150,517	26,877,210	9,277,510	1.58	1.12½	112,963,041	28¾ - 20¾
1952	165,710,384	20,605,003	9,081,003	1.50	1.12½	123,910,675	31¼ - 26¾
1953	214,018,825	28,687,825	10,329,825	1.65	1.12½	133,127,715	34¼ - 26¾
1954	229,401,837	32,713,703	15,345,203	2.42	1.30	145,710,134	54¾ - 33½
1955	244,482,068	40,512,648	19,278,648	2.98	1.50	164,333,867	70 - 50½
1956	287,944,462	47,375,257	22,463,657	3.40	1.75	213,899,754	90½ - 58
1957	324,886,719	45,678,135	21,367,135	3.07	1.75	246,626,987	131 - 73½
1958	328,480,122	48,150,243	22,562,243	3.23	1.75	263,816,450	126 - 76
1959 (3 mo.)	84,263,461	13,433,784	5,946,784	.85	.40	260,929,141	137½ - 111½

MOTOROLA INC. (NYSE)

Capitalization

Debt: \$18,050,000
Common: \$3 par, 1,935,131 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$177,104,670	\$26,669,569	\$12,809,247	\$7.28	\$2.05	\$ 55,008,726	25¾ - 10¾
1951	135,285,087	14,689,231	7,289,102	4.12	.98	61,818,769	57¾ - 40¼
1952	168,734,653	15,576,165	7,012,700	3.62	1.50	81,162,847	44¾ - 36
1953	217,964,074	15,512,489	7,076,335	3.66	1.50	86,871,213	43¾ - 29¼
1954	205,226,977	16,523,889	7,572,024	3.91	1.50	94,531,084	53¾ - 30¼
1955	226,653,593	18,740,426	8,490,539	4.39	1.50	104,431,218	60¾ - 44¼
1956	227,562,168	16,887,834	7,966,817	4.12	1.50	113,721,148	51¾ - 37½
1957	226,361,190	15,597,031	7,824,431	4.04	1.50	121,879,297	51¾ - 35¼
1958	216,590,325	14,931,213	7,356,213	3.80	1.50	127,901,786	60½ - 35
1959 (3 mo.)	63,653,184	5,470,323	2,616,427	1.35	.75	-----	130 - 57½

MUNTZ TV INCORPORATED (ASE)

Year ending August 31

Capitalization

Debt: \$2,374,130, notes
Preferred: \$1 par, 3% preferred, 790,759 shares
Common: \$1 par, 1,115,376 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (Incorporated April 5)					\$.15		
1951 (a)	\$ 27,147,846	\$ 1,781,353	\$ 749,853	\$.74	.15 + 10% stk.	\$ 5,946,460	4¾ - 2¼
1952 (a)	32,923,661	2,197,004	898,004	.81	none	7,027,960	2¾ - 1 15/16
1953 (a)	49,981,467	1,331,318	691,658	.62	none	9,194,911	5½ - 2½
1954 (a)	17,986,971	8,247,126 (d)	8,301,472 (d)	7.44 (d)	none	2,968,251	4¾ - 1½
1955	8,339,145	266,540	266,540	.24	none	3,166,583	1¾ - 7/16
1956	10,496,028	17,944	17,944	.02	none	2,739,323	2¾ - 1
1957	6,025,944	561,237 (d)	561,237 (d)	.50 (d)	none	1,650,087	1¾ - ¾
1958	4,056,716	23,648	23,648	.02	none	1,014,293	2 - ¾
1959 (6 mo.)	2,652,746	-----	252,752	.23	none	1,171,354	2¾ - 1¾

(a) Year ending March 31. (d) Deficit.

THE MUTER CO. (ASE)

Capitalization

Debt: \$600,000
Common: 50 cents par, 800,313 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 14,389,725	\$ 2,034,200	\$ 1,034,200	\$1.59	\$.45	\$ 5,234,673	10½ - 4¾
1951	12,387,390	1,243,423	595,423	.91	.60	5,281,531	9½ - 7½
1952	12,653,060	778,018	345,573	.52	.60	5,371,762	9½ - 7½
1953	15,190,004	912,255	447,463	.66	.45 + 3% stk.	5,254,404	8¾ - 5½
1954	12,175,971	468,595	280,436	.39	.15 + 2% stk.	5,144,773	7¾ - 4¾
1955	12,722,297	53,375 (d)	84,422 (d)	.12 (d)	.15	5,742,279	7 - 4½
1956	12,126,563	38,531	31,646	.04	none	5,200,529	4¾ - 2½
1957	14,301,067	790,191	377,819	.50	none	5,880,020	3¾ - 2½
1958	11,636,381	730,444	356,105	.44	5% stk.	5,864,103	7¼ - 2½
1959 (3 mo.)	3,318,701	247,293	119,374	.15	5% stk.	-----	10¾ - 5½

(d) Deficit.

NATIONAL CASH REGISTER CO. (NYSE)

Capitalization

Debt: \$43,426,000, notes
Debentures: \$27,924,000, convertible subordinated 4½s, due 1981
Common: \$5 par, 7,577,210 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$170,454,660	\$25,578,449	\$12,143,449	\$2.06	\$1.00	\$134,710,725	15½ - 10¾
1951	211,927,501	35,620,635	11,702,635	1.98	1.00	153,390,606	19¾ - 14¼
1952	226,554,764	29,921,165	10,133,165	1.71	1.00	167,999,182	20¾ - 16½
1953	260,912,851	26,987,738	11,087,738	1.71	1.00	174,941,792	20¼ - 17½
1954	259,133,242	28,229,002	12,729,002	1.94	1.00	183,423,935	34¾ - 19¼
1955	301,180,342	37,187,861	15,387,861	2.33	1.07	210,724,358	47 - 33¾
1956	340,934,415	44,719,936	18,419,936	2.62	1.10	257,661,736	59 - 34¾
1957	382,512,387	43,290,065	18,190,065	2.57	1.20	267,537,464	70¾ - 46¼
1958	393,745,615	38,412,399	15,512,399	2.19	1.20	271,119,816	86¼ - 50½
1959 (3 mo.)	91,917,418	9,015,755	3,670,111	.48	.60	-----	80 - 66¼

NATIONAL CO. INC. (Unlisted)

Capitalization

Debt: \$950,000 debenture 5s due 1965; \$771,000 notes
 Preferred: \$360 cumulative preferred; no par, 3,180 shares
 Common: \$1 par, 307,827 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 4,175,229	\$ 17,476	\$ 17,354	\$.02	\$.05	\$ 2,823,320	5 7/8 - 1 3/4
1951	4,525,219	46,859(d)	42,957(d)	.22(d)	none	4,228,097	4 3/4 - 3 1/8
1952	9,261,000	232,578	172,578	.65	.10	4,861,352	5 1/4 - 3 3/8
1953	7,095,593	486,718	228,218	.87	.10	4,850,767	7 - 5
1954	7,298,055	518,834	230,334	.84	.20 + 4% stk.	3,819,795	12 7/8 - 5
1955	5,125,607	780,965(d)	380,965(d)	1.44(d)	.20 + 4% stk.	5,414,524	18 1/2 - 9 3/4
1956	6,856,734	66,296(d)	36,296(d)	.17(d)	4% stk.	4,364,889	11 1/2 - 8 1/4
1957	5,566,627	148,104	72,104	.21	4% stk.	4,397,035	10 3/4 - 8 1/2
1958	7,433,813	336,063	109,063	.32	4% stk.	5,111,667	16 1/4 - 10
1959					none		24 3/4 - 16 1/4

(d) Deficit.

NATIONAL TELEFILM ASSOCIATES INC. (ASE)

Year ending July 31

Capitalization

Debt: \$4,350,000, 6% sinking fund notes, due 1962; \$4,289,233, other debt.
 Common: 10 cents par, 1,099,611 shares

Note: National Telefilm Associates, Inc. is being acquired by National Theatres, Inc.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1952							
1953	N.A.						
1954	\$ 355,594	\$ 139,831(d)	\$ 139,831(d)	\$.22(d)	none	N.A.	N.A.
1955	1,417,515	291,932(d)	293,008(d)	.45(d)	none	\$ 60,967,777	4 7/8 - 2 1/2
1956	3,818,627	653,877	441,877	.68	none	13,092,934	9 1/2 - 3
1957	10,976,479	2,148,031	1,094,031	1.07	none	32,143,270	9 3/4 - 5 5/8
1958	15,497,595	1,614,048	687,048	.63	none	45,763,748	9 3/4 - 5 5/8
1959 (3 mo.)	5,479,312		1,364,887(a)	1.24(a)	none		10 3/8 - 10 1/4

N.A. Not available.

(a) Includes \$1,114,756 (\$1.04 per share) net gain on sale of contract to purchase Assoc. Artists Productions Corp. stock.

(d) Deficit.

NATIONAL THEATRES INC. (NYSE)

Year ending September 30

Capitalization

Debt: \$16,504,295
 Debentures: \$18,573,896, 5 1/2s due 1974.
 Common: \$1 par, 2,699,486 shares.

Note: National Theatres, Inc. acquiring National Telefilm Associates Inc.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1952	Incorporated May 1	\$ 64,452,552	\$ 4,352,391	\$ 1,877,391	\$.68	\$59,214,736	5 5/8 - 3 3/4
1953		64,015,854	5,439,909	2,514,909	.91	60,967,777	7 3/4 - 4 1/8
1954		64,497,254	6,056,850	2,856,850	1.03	60,425,828	10 1/4 - 6 7/8
1955		61,692,043	5,736,008	2,886,008	1.04	60,749,848	12 1/4 - 8 1/2
1956		59,707,251	6,698,057	4,648,057	1.72	57,003,852	9 1/4 - 7
1957		58,927,856	4,466,096	2,266,096	.84	54,982,420	9 1/2 - 7
1958		53,667,765	2,001,749	1,301,749	.48	55,152,500	11 1/2 - 7 3/4
1959 (6 mo.)		26,265,880	1,633,838	903,838	.34		12 1/4 - 10 1/4

OAK MANUFACTURING CO. (Midwest)

Capitalization

Common: \$1 par, 655,894 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 13,145,807	\$ 2,713,088	\$ 1,188,037	\$1.81	\$1.12	\$ 7,102,958	14 3/4 - 8 3/8
1951 (c)	7,644,627	1,608,939	598,939	.91	.84	6,972,048	12 7/8 - 10 7/8
1952	15,925,959	3,073,109	1,103,109	1.68	1.12	7,927,814	15 - 12
1953	20,680,957	3,529,017	1,239,017	1.89	1.12	8,666,478	14 1/2 - 12 1/2
1954	18,788,318	2,801,155	1,321,155	2.02	1.12	9,274,030	19 1/4 - 13 1/4
1955	22,783,785	3,588,483	1,688,483	2.57	1.26 + 25% stk.	10,140,303	24 1/4 - 16 1/8
1956	24,902,554	3,684,105	1,784,105	2.72	1.40	10,878,501	24 1/4 - 19
1957	20,875,613	2,224,131	1,084,131	1.65	1.40	10,695,216	20 3/4 - 13 3/4
1958	15,537,850	1,179,426	624,426	.95	1.10	11,074,655	22 1/2 - 12
1959 (3 mo.)	4,271,905		218,140	.33	.50		21 3/8 - 16 3/4

(a) Year ending May 31 of following calendar year. (c) 7 months to Dec. 31

OXFORD ELECTRIC CORP. (ASE)

Capitalization

Common: \$1 par, 348,940 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 4,554,998	\$ 179,044	\$ 95,450	\$.40	\$.10	\$ 1,499,230	
1951	3,955,141	180,312	91,201	.39	.15	1,344,610	3 1/2 - 1 5/8
1952	4,403,686	150,312	78,712	.33	.15	1,273,660	3 - 1 7/8
1953	5,712,801	130,338	99,886	.42	.15	1,277,240	2 7/8 - 2 3/8
1954	5,418,269	114,043	93,983	.40	.11	1,196,027	3 1/4 - 2 3/8
1955	6,714,304	188,961	130,037	.55	.14	1,485,392	4 5/8 - 2 7/8
1956	7,696,402	263,604	214,904	.91	.15	1,756,332	4 7/8 - 2 7/8
1957	8,615,903	217,480	118,480	.42	.10 + 10% stk.	1,877,175	4 1/8 - 2 3/4
1958	8,704,876	158,131	119,597	.40	.10 + 10% stk.	2,254,259	5 3/4 - 2 5/8
1959 (3 mo.)	2,300,534	60,562	36,562	.10	.10 + 10% stk.		10 - 5 1/4

PACIFIC MERCURY ELECTRONICS (Unlisted)

Year ending June 30

Capitalization

Debt: \$575,000
 Common: Class A&B, 50 cents par, 700,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 4,713,620				\$.05		3 4/5 - 2
1951 (a)	5,947,096	\$ 115,635	\$ 72,135	\$.14	none	\$ 2,414,365	3 1/4 - 1 1/2
1952 (a)	7,057,514	31,866	5,866	.01	none	3,972,312	5 - 1 5/8
1953 (a)	16,983,669	1,108,297	426,297	.61	none	6,637,000	5 3/4 - 2 1/2
1954 (a)	15,065,490	366,515	196,015	.28	none	5,032,151	4 7/8 - 2 3/8
1955 (a)	12,214,539	598,817	255,817	.37	none	3,550,171	8 - 4
1956 (b)	17,332,982	921,752	482,752	.69	none	7,726,750	7 7/8 - 4 1/4
1957	20,001,656	1,184,754	557,754	.80	none	9,853,011	10 3/8 - 4 1/2
1958	18,477,918	755,235	329,235	.47	none	9,889,088	8 - 4 1/2
1959 (6 mo.)	10,847,496		232,110	.33	none		14 - 8

(a) Year ending March 31. (b) 15 months to June 30.

PACKARD-BELL ELECTRONICS CORP. (Unlisted until listed on NYSE in June)

Year ending September 30
 Capitalization
 Debt: \$1,547,932, notes
 Common: 50 cents par, 791,600 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 13,894,713	\$ 2,168,510	\$ 1,308,510	\$2.61	\$1.50	\$ 4,378,079	8 3/4 - 4
1951	18,772,528	2,814,750	1,014,751	1.73	1.00	5,492,521	10 3/4 - 7 1/8
1952	22,721,273	3,089,295	968,051	1.65	1.00	9,394,702	15 1/4 - 10 1/2
1953	32,152,750	3,545,503	1,139,642	1.66	1.00	14,028,133	13 1/4 - 11
1954	17,744,136	365,086(a)	164,296	.24	.80	9,358,050	12 - 7
1955	21,641,690	1,241,242	638,933	.92	.32 1/2	10,525,383	13 - 8
1956	28,405,060	1,962,356	862,356	1.25	.50	12,840,259	10 1/2 - 8 1/2
1957	32,262,878	1,394,447	704,447	1.02	.50	13,197,105	11 - 8 1/2
1958	37,371,081	2,092,594	1,002,594	1.46	.50	15,703,863	31 1/2 - 10 1/4
1959 (6 mo.)	24,125,962	1,517,723	717,723	1.04	.25	15,998,895	43 - 28 1/4

(a) Operating loss.

PARAMOUNT PICTURES CORP. (NYSE)

Capitalization
 Debt: \$17,107,706
 Common: \$1 par, 1,727,316 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 81,825,286	\$10,311,275	\$ 6,565,041	\$2.67	\$2.00	\$117,929,986	22 1/4 - 17 1/2
1951	94,628,572	11,034,665	5,459,273	2.33	2.00	114,479,795	33 1/2 - 21
1952	104,811,289	10,837,159	5,899,871	2.52	2.00	116,464,094	30 3/4 - 21 1/4
1953	110,254,081	13,304,563	6,779,563	3.06	2.00	118,430,121	30 3/8 - 24 1/2
1954	106,920,798	15,651,802	9,003,802	4.10	2.00	128,583,495	40 3/8 - 26
1955	112,474,967	16,516,929	9,707,929	4.49	2.00	138,924,838	44 3/8 - 36
1956	96,579,079	10,101,568	8,731,568	4.43	2.00	133,672,234	36 1/2 - 27 3/8
1957	111,213,462	7,610,201	4,783,201	2.47	2.00	138,279,348	36 3/8 - 28
1958	104,682,090	13,705,266	12,554,266	7.15	2.00	141,671,830	47 3/8 - 30 5/8
1959 (3 mo.)			3,645,000	2.11	1.00		50 3/8 - 44

PHILCO CORP. (NYSE)

Capitalization
 Debt: \$22,617,000
 \$200,000, subordinate debenture 4s, due 1980. \$725,000, subordinate debenture 4 1/4s, due 1978; \$22,000,000, subordinate debenture 4 1/4s, due 1984.
 Preferred: Series A \$3.75 cumulative, \$100 par, 100,000 shares
 Common: \$3 par 4,069,629 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$335,318,054	\$33,703,616	\$15,483,616	\$4.50	\$2.55	\$121,294,609	23 1/4 - 20
1951	305,328,670	22,012,646	12,168,046	3.35	1.60	119,476,461	27 3/8 - 20 7/8
1952	366,963,850	25,631,457	11,491,207	3.15	1.60	144,400,293	36 3/8 - 26 3/8
1953	430,419,858	35,316,077	18,350,577	4.86(a)	1.60 + 5% stk.	168,468,430	36 1/2 - 26 3/8
1954	349,276,998	10,543,965	6,768,965	1.69	1.60	164,587,570	39 3/8 - 28
1955	373,359,297	17,286,329	8,423,329	2.13	1.60	178,146,894	43 3/8 - 30
1956	347,901,014	557,690	398,690	.01	.80 + 1% stk.	203,768,503	36 1/2 - 16
1957 (b)	372,628,558	6,657,000	4,081,000	.93	4% stk.	195,166,979	18 3/8 - 11
1958	351,093,000	5,800,000	2,874,000	.61	2% stk.	182,427,000	26 3/8 - 12 3/8
1959 (3 mo.)	95,558,000	3,391,000	1,589,000	.37	none		36 3/4 - 21

(a) Including \$1.33 from sale of TV station. (b) Includes Canadian subsidiaries.

PHILIPS ELECTRONICS INC. (ASE)

Capitalization
 Debt: \$1,100,000, note; \$426,733, mortgage
 Common: \$5 par, 899,272 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 6,812,118		\$ 134,672 (d)	\$.54 (d)	none		
1951	6,324,065		207,299 (d)	.89 (d)	none		
1952	6,298,427		459,454 (d)	1.96 (d)	none		
1953	4,403,027		371,422 (d)	1.59 (d)	none		7 3/8 - 4 3/4
1954	3,743,074		530,151 (d)	2.27 (d)	none		8 1/2 - 5
1955	3,444,976		312,678 (d)	1.34 (d)	none		8 1/2 - 5 1/4
1956	2,671,377	\$ 948,273 (d)	954,941 (d)	3.71 (d)	none	\$ 5,587,700	12 3/8 - 6 1/4
1957	8,072,512	426,314	376,819	.42	none	12,886,630	20 3/8 - 10 1/2
1958	14,832,678	1,207,403	1,175,893	1.31	none	16,101,246	26 7/8 - 11
1959					none		48 3/4 - 23 1/2

(d) Deficit.

PYRAMID ELECTRIC CO. (Unlisted)

Capitalization
 Debt: \$311,816
 Preferred: 5% cumulative convertible, \$10 par, 75,000 shares.
 Common: \$1 par, 745,875 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1951	\$ 3,010,531		\$ 80,037	\$.10			
1952	4,731,810	\$ 370,916	136,617	.18	\$.05	\$ 1,512,880	
1953	5,768,876	385,869	138,922	.23	.05	1,552,576	
1954	7,773,882	1,109,282	529,645	.71	.05	2,768,502	10 - 3 1/4
1955	9,631,956	262,202	126,236	.15	.20	3,827,672	12 3/8 - 6 1/2
1956	10,040,432	76,666 (d)	34,497 (d)	.10 (d)	none	3,533,017	6 3/8 - 2 3/8
1957	8,076,254	115,469 (d)	53,469 (d)	.12 (d)	none	2,939,635	3 - 5 3/8
1958	6,552,705	140,339 (d)	118,339 (d)	.21 (d)	none	3,366,483	2 3/8 - 5 3/8
1959					none		5 3/8 - 2 1/8

(d) Deficit.

RADIO CONDENSER CO. (Unlisted)

Capitalization
 Debt: \$1,045,159
 Common: \$1 par, 435,815

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 9,535,998	\$ 932,843	\$ 534,575	\$1.31			
1951	9,718,912	908,611	464,406	1.15		\$ 5,220,423	
1952	14,743,068	1,262,106	521,837	1.25		6,569,694	
1953	21,465,247	693,405	384,002	.92	\$.15 + 4% stk.	8,400,209	15 1/4 - 11
1954	13,039,972	294,890 (d)	138,082 (d)	.33 (d)	.10	7,952,391	12 - 10
1955	17,547,956	1,022,072	560,472	1.29	.20 + 4% stk.	8,772,481	11 - 8
1956	16,294,801	237,297	130,029	.30	.10	8,674,880	9 - 6
1957	15,654,029	482,144	238,421	.55	.20	8,399,310	6 - 4
1958	10,643,855	205,634	111,716	.26	.20	7,550,990	4 1/4 - 3

(d) Deficit.

RADIO CORPORATION OF AMERICA (NYSE)

Capitalization

Debt: \$100,000,000—3% notes due 1970-74; \$50,000,000—3½% notes due 1973-77; \$99,995,100—3½% subordinated conv. debentures due 1980
 Preferred: \$3.50 cumulative, no par, 900,824 shares
 Common: No par, 13,848,696 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 586,393,000	\$ 96,992,865	\$46,249,865	\$3.10	\$1.50	\$311,846,886	24¼ - 12¼
1951	598,955,077	62,032,732	31,192,732	2.02	1.00	370,202,025	25¼ - 16¾
1952	693,940,522	67,362,399	32,325,399	2.10	1.00	432,252,051	29¾ - 23¼
1953	853,054,003	72,436,778	35,021,778	2.27	1.00	493,624,720	29¾ - 21
1954	940,950,220	83,501,459	40,525,459	2.66	1.20	548,325,244	39¼ - 22½
1955	1,055,265,655	100,107,465	47,525,465	3.16	1.35	676,506,187	55¾ - 36¾
1956	1,127,773,541	80,074,245	40,031,247	2.65	1.50	690,557,138	50¾ - 33¾
1957	1,176,277,371	77,048,794	38,548,794	2.55	1.50	720,772,768	40 - 27
1958	1,176,094,398	60,441,749	30,941,749	2.01	1.50	734,285,722	48¼ - 30¼
1959 (3 mo.)	321,816,000	25,831,000	12,931,000	.88	1.00	-----	71 - 43¼

RAYTHEON CO. (NYSE)

Capitalization

Debt: \$12,653,391
 Preferred: 5½% series cumulative, \$50 par, 100,000 shares.
 Common: \$5 par, 3,215,099 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	\$ 59,533,260	\$ 1,610,413	\$ 935,413	\$.49	-----	\$ 32,331,492	13½ - 6¼
1951(a)	89,662,122	6,029,063	2,179,063	1.12	-----	52,120,396	12¾ - 8¼
1952(a)	111,286,879	5,947,898	2,047,898	.84	-----	75,196,765	12¾ - 9¼
1953(a)	179,179,379	13,009,672	3,859,672	1.68	-----	91,238,649	14¾ - 8
1954(b)	185,101,000	10,444,000	3,688,000	1.07	-----	93,640,690	14¾ - 7¾
1955(b)	190,700,000	9,953,000	4,992,000	1.48	-----	82,836,163	25¾ - 18
1956(b)	183,522,000	4,950,000	1,548,000	.39	-----	108,451,571	19½ - 13
1957(b)	270,135,000	10,814,000	7,255,000	2.13	-----	127,219,842	23¾ - 16¾
1958(b)	385,378,000	19,968,000	9,841,000	2.85	-----	145,894,405(b)	69 - 21½
1959(b) (3 mo.)	112,035,000	-----	2,485,000	-----	none	-----	73¾ - 56½

(a) Raytheon Co. only Year ending May 31. (b) Pro-forma, including Machlett Laboratories, merged May 25, 1959.

HOWARD W. SAMS & CO., INC. (Unlisted)

Year ending June 30

Capitalization

Debt: \$109,034, mortgage note, due 1962; \$138,000 note, due 1962
 Preferred: 5% cumulative, \$100 par, 1,965 shares
 Common: 120,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	\$ 1,052,102	\$ 43,701	\$ 28,367	\$.23	\$.05 + 10% stk.	\$ 257,343	N.A.
1951(a)	1,378,036	112,831	34,451	.29	.10	367,695	N.A.
1952(a)	1,951,803	113,952	34,164	.28	.05	521,342	N.A.
1953(b)	1,293,225	83,745	26,343	.22	none	636,835	N.A.
1951	2,798,979	218,179	79,239	.66	.10	820,125	N.A.
1955	3,278,377	289,791	131,513	1.10	.30	1,048,892	N.A.
1956	3,707,874	364,984	164,852	1.37	.50	1,447,680	N.A.
1957	3,984,324	394,835	182,886	1.52	.50	1,509,831	N.A.
1958	4,555,716	443,059	210,171	1.67	.56	1,735,447	N.A.

(N.A.) Not available. (a) Calendar year. (b) Six months, Jan. 1-June 30, 1953. Note: This tabulation does not include The Waldemar Press Inc. nor The Howard Company Inc.

SANGAMO ELECTRIC CO. (NYSE)

Capitalization—Debt: \$4,250,000 note, Common: \$10 par, 803,622 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 24,496,846	\$ 3,970,403	\$ 2,105,403	\$3.58	\$1.75	\$17,953,512	18½ - 13¼
1951	32,426,908	4,827,886	1,827,886	2.61	1.50	26,380,144	23½ - 19¾
1952	39,753,567	4,454,162	2,014,162	2.88	1.50	28,235,498	24 - 17¾
1953	37,037,072	3,972,623	1,967,623	2.81	1.50	27,386,920	27 - 21
1954	35,560,615	3,425,944	1,600,944	2.00	1.50	28,446,821	29¾ - 23¾
1955	37,910,588	5,611,978	2,731,978	3.41	1.50	31,985,465	32 - 25½
1956	44,277,105	5,616,731	2,751,731	3.43	1.58	38,467,849	37½ - 29½
1957	47,076,671	5,774,432	2,789,432	3.49	1.80	37,910,881	39¾ - 29¼
1958	42,422,691	3,293,225	1,648,225	2.05	1.43	40,202,365	36¾ - 25
1959 (3 mo.)	11,634,000	1,526,000	729,000	.91	.38	-----	31½ - 35

SYLVANIA ELECTRIC PRODUCTS INC. (See General Telephone Corp.)

SEEBURG CORP. (ASE)

Year ending October 31

Capitalization

Debt: \$2,337,500, 5% loan, due 1963; \$750,000 7% note; \$16,667 notes
 Common: \$1 par, 1,189,650 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	\$ 24,551,000	\$ 1,551,607	\$ 884,528	\$1.49	\$.80	\$ 9,525,108	18 - 10½
1951(a)	21,746,000	962,651	470,028	.80	.60	9,608,632	13¾ - 8¼
1952(a)	13,698,900	249,936(d)	249,936(d)	.43(d)	.30	8,966,120	9½ - 6
1953(a)	15,347,900	67,373(d)	67,373(d)	.12(d)	none	8,805,348	7½ - 3¾
1954(a)	12,695,764	445,953(d)	445,953(d)	.77(d)	none	7,712,473	4¾ - 3½
1955(a)	11,603,523	924,537(d)	924,537(d)	1.59(d)	none	6,601,456	4¾ - 2¾
1956(a) (c)	7,682,717	185,343	185,343	.19	none	9,502,782	8¾ - 3
1957	26,626,625	516,763	516,763	.46	none	15,169,615	7¾ - 3¾
1958(b)	22,936,886	562,683	562,683	.50	none	10,745,967	14¾ - 3¾
1959 (3 mo.)	-----	-----	606,000	.54	none	10,569,925	20½ - 13¾

(a) Fort Pitt Brewing Co. to Oct. 23, 1956 then name changed to Fort Pitt Industries, Inc. (b) Present name adopted April 30, 1958.
 (c) Includes Jacob Siegel Co. and Windsor Co. from April 24, date of acquisition. (d) Deficit.

SERVOMECHANISMS INC. (ASE)

Capitalization

Debentures: \$1,773,500, 5% convertible, due 1966
 Common: 20 cnts par, 798,801 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 2,364,818	\$ 416,764	\$ 199,397	\$.40	\$.75	\$ 4,552,164	N.A.
1951	8,374,043	1,295,207	412,207	.82	1.50	6,120,378	N.A.
1952	10,151,587	798,313	276,025	.36	.30	5,654,568	5¼ - 3¾
1953	13,332,746	846,441	303,089	.40	.40	6,530,721	7¾ - 5
1954	12,509,024	1,338,926	503,296	.66	.40	6,521,102	14¾ - 5¾
1955	12,412,756	921,716	441,367	.58	.40	7,478,124	13¾ - 8¼
1956	18,138,280	1,324,268	615,606	.81	.40	11,215,454	13¾ - 8¼
1957	23,591,781	593,276	308,776	.41	.40	13,519,473	12¾ - 6¼
1958	17,314,483	90,649(d)	43,094(d)	.05(d)	5% stk.	10,008,027	11¾ - 6¾
1959 (3 mo.)	3,260,000	-----	97,000(d)	.12(d)	none	-----	18¼ - 9

N.A. Not available. (d) Deficit.

SIEGLER CORP. (NYSE)

Year ending June 30

Capitalization

Debt: \$6,864,637, debentures and notes
Common: \$1 par, 1,559,655 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950(a)	\$ 2,540,018	\$ 343,932	\$ 204,286	\$.39	(b)	(b)	(b)
1951(a)	3,532,564	754,312	379,568	.73	(b)	(b)	(b)
1952	3,698,466	282,530	140,530	.27	(b)	(b)	(b)
1953	22,997,505(e)	820,663(e)	411,598(e)	.89(e)			
1954	24,510,584(e)	1,467,091(e)	737,531(e)	1.60(e)			
1955	29,287,827(e)	2,429,932(e)	1,111,569(e)	1.80(e)	\$.15(f)	\$ 5,881,884(f)	14 - 10 1/2(f)
1956	47,119,300(e)	3,316,099(e)	1,704,880(e)	1.61(e)	.80(f)	15,436,832(f)	21 1/4 - 12 3/4(f)
1957	68,164,267(e)	3,142,827(e)	1,560,026(e)	1.34(e)	.80(f)	37,123,247(e)	21 1/2 - 12 3/8
1958	72,955,449	2,442,950	1,215,930	.40	.60	39,899,636	32 1/2 - 12 3/4
1959 (9 mo.)	60,269,081		1,732,080	1.11	.20 + 3% stk.		45 1/4 - 26 1/2

(a) Year ending Dec. 31. (b) Privately owned until July 12, 1955. (e) Pro-forma combining Siegler Unitronics and Hufford Corp., these companies having merged Sept. 13, 1957. (f) Siegler only.

SONOTONE CORPORATION (ASE)

Capitalization

Debt: \$945,498

Preferred: \$1.25, cumulative convertible, Series A, \$20 par, 15,227 shares
\$1.55, cumulative convertible, \$20 par, 8,989 shares
Common: \$1 par, 1,070,169 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 10,664,241	\$ 879,633	\$ 534,633	\$.58	\$.32	\$ 5,254,318	5 3/4 - 2 3/4
1951	12,143,834	593,313	427,613	.43	.32	7,347,883	6 1/4 - 4 1/8
1952	14,736,777	1,005,456	464,056	.42	.32	9,121,481	4 7/8 - 4
1953	17,847,164	943,439	483,439	.44	.32	10,605,648	5 7/8 - 4
1954	16,003,488	684,112	371,112	.32	.32	9,760,266	5 3/4 - 4 1/8
1955	18,765,558	1,708,952	763,432	.74	.20	9,878,117	6 3/4 - 4 1/2
1956	18,426,563	1,777,515	847,515	.82	.28	10,256,197	6 1/2 - 4 3/4
1957	22,289,198	1,780,535	1,005,535	.93	.28	11,842,803	8 1/4 - 4 5/8
1958	21,513,064	1,720,473	800,473	.71	.28	10,708,344	12 1/4 - 5 1/4
1959 (3 mo.)	5,676,733		222,487	.19	.14		17 3/4 - 9 1/2

SPEER CARBON CO. (Unlisted)

Capitalization

Debt: \$4,229,558

Preferred: \$7 cumulative pfd. \$100 par, 4,565 shares
Common: \$2.50 par, 440,000 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 13,818,516	\$ 3,685,784	\$ 1,760,759	\$ 6.62	\$ 1.20	\$ 12,938,802	27 1/4 - 13 1/4
1951	13,951,563	2,691,023	1,076,023	2.37	1.20	22,963,723	33 - 20 1/4
1952	13,642,634	1,409,311	718,311	1.56	1.00	22,060,894	24 1/4 - 19 1/4
1953	15,609,779	1,385,217	611,217	1.31	1.00	22,136,798	21 1/2 - 13
1954	13,064,675	1,223,474	508,474	1.08	1.00	22,254,568	15 1/4 - 11 3/4
1955	17,734,512	3,019,694	1,461,694	3.25	1.00	24,331,167	19 3/4 - 15 1/2
1956	20,045,530	4,171,346	1,925,346	4.30	1.50	25,972,553	33 - 19 1/4
1957	21,101,500	3,609,185	1,682,185	3.75	1.50	27,352,257	33 1/4 - 21 1/4
1958	18,338,899	2,568,034	1,176,304	2.60	1.00	27,249,066	31 3/4 - 20 1/2
1959 (3 mo.)	5,548,241	1,085,990	500,990	1.12	.25	27,890,780	40 1/4 - 28 1/2

SPERRY RAND CORP. (NYSE)

(Merger of Sperry Corp. and Remington Rand effective July 1, 1955)

Year ending March 31

Capitalization

Debentures: \$15,000,000, sinking fund 3 1/8s, due 1969
\$55,000,000, sinking fund 3 3/8s, due 1972
\$110,000,000, sinking fund 5 1/2s, due 1982

Debt: \$38,329,082 notes, etc.

Preferred: \$4.50 cumulative; \$25 par, 102,267 shares

Common: 50 cents par, 28,279,311 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$349,942,000	\$49,600,000	\$23,626,000	\$.92	--		
1951 (a)	468,359,000	68,000,000	26,023,000	1.02	--		
1952 (a)	631,720,000	75,500,000	28,081,000	1.10	--		
1953 (a)	689,565,000	73,900,000	28,012,000	1.09	--		
1954 (a)	696,206,000	85,500,000	44,851,000	1.75	--	\$483,922,636	
1955 (c)	353,943,880	45,519,563	23,585,563	.92	\$.36		29 3/4 - 21
1956	710,696,087	83,598,878	46,348,878	1.80	.80	557,492,756	29 1/4 - 21 3/4
1957	871,047,239	85,362,352	49,612,352	1.83	.80	708,536,343	26 1/4 - 17 3/4
1958	864,330,491	44,381,239	27,481,239	.96	.80	743,153,067	25 3/4 - 17 1/4
1959	989,601,559	47,544,092	27,644,092	.96	--	778,475,241	28 1/4 - 21 1/4

(a) Pro-forma. (c) 6 months to Dec. 31, 1955.

SPRAGUE ELECTRIC CO. (Unlisted)

Capitalization—Debt: \$1,330,000, 3% promissory notes, due Nov. 1, 1964. Common: \$2.50 par, 1,310,912 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 28,614,860	\$ 6,725,904	\$ 3,345,404	\$ 2.69	\$.60	\$ 15,350,554	15 1/4 - 6 3/8
1951	38,317,277	8,326,596	2,664,674	2.19	.89	21,096,487	18 1/4 - 13 3/8
1952	43,388,101	9,107,563	2,855,449	2.53	.93	21,866,421	37 3/8 - 17 3/8
1953	46,778,633	9,604,981	2,888,281	2.33	1.07	24,424,669	38 3/4 - 29
1954	42,355,361	6,668,908	3,333,408	2.68	1.10	26,835,820	60 1/2 - 36
1955	44,353,042	6,040,828	3,003,128	2.42	1.20	28,945,483	61 - 47
1956	44,659,844	4,208,997	2,176,297	1.75	1.20	29,329,798	55 - 30 1/4
1957	46,187,841	4,199,201	2,220,101	1.78	1.20	29,147,694	38 - 21 1/2
1958	43,193,717	3,168,119	1,761,179	1.41	1.20	29,415,918	42 3/4 - 23
1959					.60		51 1/4 - 39

STANDARD COIL PRODUCTS CO. (NYSE)

Capitalization—Debentures: \$2,726,725, 5% convertible subordinated due Dec. 1, 1967; mortgage \$62,303. Common: \$1 par, 1,849,779 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 35,632,396	\$ 10,464,265	\$ 5,266,442	\$ 3.58	\$.25	\$ 10,133,662	11 3/4 - 9
1951	40,302,526	5,037,944	2,487,944	1.69	1.00	20,239,292	14 3/4 - 10
1952	65,990,177	7,136,290	2,861,290	1.95	1.00	28,401,496	18 1/8 - 12 5/8
1953	89,270,964	7,762,481	2,972,481	2.25	1.00	30,644,696	17 1/4 - 12 1/4
1954	72,862,113	5,136,407	2,871,290	1.95	1.00	29,351,477	17 3/8 - 10 3/4
1955	60,472,454	522,313(d)	320,313(d)	.22(d)	.85	27,253,490	20 1/4 - 10 3/4
1956	59,168,450	3,070,871(d)	1,819,371(d)	1.24(d)	none	29,739,718	12 3/4 - 6 1/4
1957	61,330,530	823,062	802,862	.56	none	37,394,605	9 3/4 - 5 3/4
1958	69,489,636	1,343,887	558,887	.36	none	35,075,931	17 3/4 - 6
1959 (3 mo.)	16,591,852		390,397	.21	none		21 3/4 - 14 3/4

(d) Deficit.

STATHAM INSTRUMENTS INC. (ASE)

Year ending May 31
Capitalization
Common: \$1 par, 938,500 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1953	\$ 1,803,471	-----	\$ 81,190	\$.10	---	-----	(a)
1954	2,134,180	-----	152,836	.18	---	-----	(a)
1955	2,418,960	-----	127,481	.15	---	-----	(a)
1956	2,943,402	-----	264,690	.32	---	-----	(a)
1957	4,470,264	-----	462,225	.59	---	\$ 2,128,211	12½ - 9¼
1958	5,088,659	-----	527,874	.56	none	3,744,207	28¾ - 12¼
1959 (9 mo.)	4,534,256	-----	278,851	.30	none	-----	43 - 23

(a) Privately owned until Sept. 1957.

STORER BROADCASTING CO. (NYSE)

Capitalization
Debt: \$891,219
Common: \$1 par, 2,474,750 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 6,657,114	\$ 1,895,085	\$ 926,475	\$.39	\$.06	-----	(b)
1951	9,560,086	3,406,327	1,464,776	.63	.10	-----	(b)
1952	11,475,618	3,963,304	1,594,956	.69	.10	\$11,923,761	(b)
1953	14,901,078	6,161,231	2,186,415	.94	.24	17,446,319	7¾ - 7
1954	17,736,531	7,105,103	3,680,779	1.62	.81	27,872,630	19¾ - 7¾
1955	24,051,726	8,792,878	4,330,429	1.73	1.37½	28,152,046	29½ - 20¾
1956	28,313,383	11,452,891	5,517,207	2.23	1.75	28,534,596	29½ - 22½
1957	26,214,828	11,287,076	6,396,164	2.58	1.80	31,504,942	29¼ - 18¾
1958	25,176,710	5,926,076	1,676,754	.68	1.80	30,783,015	26¾ - 20
1959 (3 mo.)	-----	-----	1,024,183	.41	.90	-----	33½ - 24½

(b) Privately owned.

TAYLOR INSTRUMENT COMPANIES (Unlisted)

Year ending July 31
Capitalization
Common: \$10 par, 396,778 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 11,264,251	\$ 190,936	\$ 115,936	\$.32	\$.55	\$ 9,086,923	12½ - 9¾
1951	16,503,591	3,503,070	1,203,070	3.34	.80	13,079,114	17¼ - 12½
1952	21,623,406	3,800,020	1,050,020	2.91	.80	14,986,674	19¾ - 15½
1953	18,037,008	1,328,241	653,241	1.81	.80	14,357,531	19¾ - 13½
1954	23,959,275	2,820,901	1,265,901	3.51	.80 + 5% stk.	16,884,938	40 - 15½
1955	23,298,872	2,862,690	1,190,690	3.15	1.00	16,214,313	40 - 24
1956	21,710,396	1,943,801	1,028,801	2.73	1.00	16,577,741	30½ - 13¾
1957	26,647,539	2,750,360	1,374,860	3.47	.30 + 5% stk.	19,521,066	37 - 27½
1958	24,997,954	914,328	501,328	1.26	1.20	17,840,822	34½ - 26
1959 (6 mo.)	-----	-----	239,256	.60	.60	-----	39 - 32¼

TELECHROME MANUFACTURING CORP. (Unlisted)

Year ending June 30
Capitalization
Common: Class A 10 cents par, 165,800 shares
Class B 10 cents par, 137,200 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1953	\$ 221,370	-----	\$ 16,106	\$.12	---	-----	(a)
1954	1,116,338	-----	126,607	.95	---	-----	(a)
1955	356,461	-----	34,381	.26	---	-----	(a)
1956	504,514	-----	47,661	.36	\$.18¾	\$ 548,846	6½ - 3
1957	1,096,415	-----	113,540	.86	.28¾	868,333	9 - 5¾
1958	1,352,316	-----	175,660	1.06	.30	1,010,293	13 - 5½
1959 (6 mo.)	19,634,532	-----	898,390	.34	2% stk.	-----	29 - 15¼

(a) Privately owned.

TELECOMPUTING CORP. (Unlisted)

Year ending October 31
Capitalization
Debt: \$165,000, 5½% unsecured notes; \$100,000, 4% note; \$200,000, 6% note.
Preferred: 6%, \$100 par, 5,000 shares
Common: \$1 par, 2,811,036 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 441,620	\$ 66,915	\$ 37,243	\$.31	none	-----	(c)
1951 (a)	780,779	44,451	21,451	.12	none	\$ 817,605	2¾ - 1¾
1952 (a)	1,664,840	126,844	56,844	.20	none	828,522	11½ - 2½
1953	27,790,471	2,127,596	1,110,756	.48	none	1,006,510	17¼ - 7
1954	28,990,592	1,417,459	428,562	.17	none	1,368,689	14 - 9½
1955	26,739,137	886,494	191,994	.06	none	4,089,716 (b)	11½ - 6½
1956 (b)	29,592,074	1,165,557	551,557	.21	none	5,114,300 (e)	8¾ - 6½
1957 (f) (10 mo.)	19,048,163	895,189	570,189	.21	none	13,776,888	5¼ - 2½
1958	29,490,049	349,677	343,677	.12	none	15,186,445	8 - 3¾
1959 (g)	12,242,374	1,003,449	590,449	.23	none	16,562,796	13½ - 7¾

(a) Prior to merger with Whittaker Gyro, Inc. (b) After merger with Whittaker Gyro, Jan 27, 1956. (c) Privately owned. (e) From Balance Sheet, Dec. 31, 1956. (f) Includes Wm. R. Whittaker Co., Ltd., merged Oct. 31, 1957. (g) 4 months to February 28.

TELEPROMPTER CORP. (ASE)

Capitalization
Debt: \$544,442
Common: \$1 par, 356,591 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 N.A.	-----	-----	-----	-----	-----	-----	-----
1951	\$ 96,221	\$ 16,093 (d)	\$ 17,243 (d)	\$.07 (d)	none	N.A.	N.A.
1952	233,968	42,999	35,881	.14	none	N.A.	N.A.
1953	308,361	17,281	8,129	.03	none	N.A.	N.A.
1954	533,661	49,421	38,583	.15	none	N.A.	N.A.
1955	1,215,559	140,232	96,743	.32	none	\$ 1,006,863	N.A.
1956	1,784,607	270,141	206,841	.58	none	1,533,747	11 - 8
1957	2,264,345	265,694 (d)	212,694 (d)	.59 (d)	none	1,913,638	10½ - 5
1958	3,414,499	37,324	41,956	.12	none	1,801,469	12¾ - 4
1959	-----	-----	-----	-----	none	-----	22½ - 9

N.A. Not available. (d) Deficit.

TEXAS INSTRUMENTS INC. (NYSE)

Capitalization—Debt: \$12,750,000. Common: \$1 par, 3,943,441 shares(c).

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 7,583,000	\$ 609,000	\$ 348,000	\$.12	none		
1951 (a)	15,400,000	1,307,000	564,000	.19	none		
1952 (a)	20,431,452	2,289,738	909,975	.30	none	\$13,396,944	
1953 (a)	27,007,957	3,219,162	1,270,125	.42	none	14,900,024	5 3/4 - 5 1/8
1954 (b)	51,415,881		2,818,904	.77(c)	none	15,123,336	14 - 5 1/4
1955 (b)	61,636,805		3,898,528	.99(c)	none	19,591,604	16 7/8 - 10 1/8
1956 (b)	79,506,902		4,618,652	1.17(c)	none	27,288,083	18 3/8 - 11 3/8
1957 (b)	103,542,055		5,339,684	1.35(c)	none	37,716,284	31 1/2 - 15 7/8
1958 (b)	136,348,773		7,869,184	1.99(c)	none	79,099,581	86 - 26 3/4
1959 (b) (3 mo.)	42,731,000		2,983,000	.76(c)	none		131 - 61 1/4

(a) Texas Instruments, Inc., only. (b) Pro-forma, combined sales and earnings, including Metals & Controls Corp., merged April 17, 1959. (c) Common shares at year end, assuming Metals & Controls Corp. shares are converted into common stock.

THOMPSON RAMO WOOLDRIDGE INC. (NYSE)

Capitalization

Debt: \$11,622,000, debenture 3 1/4s. due 1971; \$19,729,500 4 7/8% subordinated debentures, due 1982; \$9,095,150, other debt.

Preferred: 4% cumulative, \$100 par, 81,708 shares

Common: \$5 par, 3,028,263 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$123,312,550	\$16,630,266	\$ 8,252,459	\$3.41	\$.66	\$ 73,276,414	21 1/4 - 16
1951 (a)	194,899,449	20,698,050	7,687,246	2.82	.91	120,331,473	23 7/8 - 16 1/4
1952 (a)	274,080,027	28,852,579	9,252,579	3.41	.91	167,225,800	29 3/4 - 21 1/8
1953	326,466,000	27,661,791	9,651,791	3.24	.93	151,834,249	30 3/8 - 20 3/8
1954	270,830,000	24,646,198	11,535,198	3.82	1.10	136,512,119	53 - 42 1/2
1955	295,906,915	22,601,764	10,771,764	3.49	1.40	146,159,287	60 1/2 - 43 3/8
1956	335,519,761	27,237,373	13,352,373	4.32	1.40	204,928,315	80 - 48 3/8
1957	412,608,506	25,441,723	12,137,723	3.90	1.40	210,838,165	89 3/4 - 46
1958	340,621,767	18,815,232	8,979,232	2.86	1.40	203,524,451	73 - 41 3/8
1959 (3 mo.)	91,281,091	4,257,304	2,236,704	.72	.70	209,959,749	70 1/4 - 56 1/4

(a) Thompson Products, Inc., only.

TIME INC. (Unlisted)

Capitalization

Debt: \$13,500,000, Subordinates 1st 4 1/2s. due 1970

Notes Payable: \$33,378,767

Common: \$1 par, 1,954,819 shares

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$134,719,833	\$15,812,416	\$ 8,500,693	\$4.36	\$2.75	\$ 82,393,453	36 3/4 - 25
1951	149,571,479	13,990,219	7,287,400	3.73	2.37 1/2	86,086,824	35 1/2 - 27 1/2
1952	156,785,799	15,796,597	7,750,475	3.97	2.37 1/2	93,824,010	35 1/4 - 29 7/8
1953	170,448,966	16,259,281	8,144,414	4.18	2.50	101,141,707	36 - 30 3/8
1954	178,155,775	14,531,621	8,056,905	4.13	2.50	108,221,241	49 - 35 1/2
1955	200,181,865	17,506,072	9,195,588	4.72	2.75	112,531,774	58 1/2 - 46 1/4
1956	229,373,627	26,627,224	13,850,137	7.10	3.50	177,158,949	80 1/2 - 54
1957	254,095,798	23,145,301	12,023,547	6.15	3.75	208,060,343	70 1/2 - 52
1958	245,107,397	16,737,172	8,737,313	4.47	3.25	212,071,802	68 3/4 - 52
1959					1.50		72 - 66 1/4

TOPP INDUSTRIES INC. (Unlisted)

Year ending April 30

Capitalization

Debt: \$211,123, notes

Debentures: \$782,689, 3% 10-year subordinated convertible, due 1966; \$1,818,000, 6% convertible subordinated, due 1977

Common: \$1 par, 698,307 shares

1951 Incorporated Oct. 22

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1952	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1953	\$ 1,245,406	\$ 36,630(d)	\$ 36,630(d)	\$.14(d)	N.A.	N.A.	N.A.
1954	1,667,276	122,985	71,885	.28	none	N.A.	N.A.
1955	2,115,734	218,274	130,274	.50	none	\$ 1,326,863	N.A.
1956	3,053,054	186,562	92,062	.35	\$.09 + 1% stk.	4,191,387(a)	9 1/2 - 5 3/4
1957	9,009,729	943,296	466,796	.82	4% stk.	8,768,201	14 - 8 3/4
1958	10,332,399(c)	920,963(b)	879,974(b)	1.26(b)	4% stk.	11,319,735	16 1/4 - 7 3/4
1959 (6 mo.)				.25(d)			16 - 13

(a) Pro-forma, giving effect to acquisition of Haller, Raymond & Brown, Inc., Nov. 1956. (b) Before gain from sale of subsidiary company reported net loss of \$131,916, or 19c a share. (c) Including costs and fees under cost reimbursement type contracts. (d) Deficit.

TRAV-LER RADIO CORP. (Midwest)

Year ending April 30

Capitalization—Debt: \$1,000,000 debture 6s, due May 15, 1967. Common: \$1 par, 761,995 shares.

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 13,892,485	\$ 2,309,275	\$ 1,156,851	\$1.52	\$.30 + 20% stk.	\$ 6,484,714	5 1/8 - 3 3/4
1951 (a)	8,015,622	1,256,162(d)	577,950(d)	.76(d)	.10	3,971,516	4 1/2 - 2 3/4
1952 (a)	11,860,387	388,565	291,565	.38	none	4,224,853	3 3/8 - 2 1/2
1953 (a)	14,470,145	735,847	316,641	.42	.10	4,602,709	3 3/8 - 2 1/8
1954 (a)	16,347,813	459,657	241,349	.32	.22 1/2	5,339,934	3 - 2
1955 (a)	17,497,351	264,275	222,982	.29	.07 1/2	6,380,841	4 1/4 - 1 7/8
1956 (4 mo.) (b)	4,900,868	929,876(d)	204,876(d)	.27(d)	none	7,103,739	2 1/2 - 1
1957	13,045,460	358,986(d)	370,373(d)	.49(d)	none	5,838,663	1 3/8 - 1
1958	15,126,697	14,667	10,617	.01	none	6,003,072	5 - 1
1959 (6 mo.)	7,809,000	113,000	107,000	.14	none		9 3/4 - 4 3/8

(a) Year ending Dec. 31. (b) In 1956 changed from a calendar year to fiscal year ending April 30. (d) Deficit.

TUNG-SOL ELECTRIC INC. (NYSE)

Capitalization—Debt: \$5,790,000, notes. Preferred: 5% convertible, series 1957, \$50 par, 100,000 shares. Common: \$1 par, 906,747 shares.

Year	Sales	Pre-Tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 29,425,022	\$ 6,280,786	\$ 3,058,151	\$6.61	\$2.00	\$14,881,402	20 1/2 - 8 3/8
1951	31,484,760	5,713,572	2,049,458	4.23	1.25	17,115,034	24 1/4 - 16 1/4
1952	35,489,558	5,432,713	2,007,713	3.75	1.25	20,702,033	21 7/8 - 16 1/4
1953	40,017,549	4,030,882	1,780,882	3.07	1.25	20,314,487	24 3/8 - 16 1/2
1954	39,052,458	4,302,062	2,077,062	3.15	1.25	26,228,555	30 1/4 - 16 1/4
1955	51,114,549	6,854,393	3,239,393	4.65	1.60	30,561,228	33 1/2 - 25
1956	53,838,822	5,819,397	2,909,397	3.83	1.25 + 5% stk.	33,493,366	36 3/8 - 27
1957	64,106,913	6,754,916	3,129,916	3.31	1.40 + 3% stk.	43,262,704	37 1/2 - 21 1/4
1958	59,809,166	5,523,842	2,643,842	2.67	1.40	47,095,938	36 1/2 - 23 1/4
1959 (a)	17,613,971	1,680,923	770,923	.78	.70		54 1/4 - 34 1/8

(a) 13 weeks to March 28.

VARIAN ASSOCIATES (Unlisted)

Year ending September 30
 Capitalization—Debt: \$2,000,000 notes. Common: \$1 par, 3,016,874 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 460,035	\$ 48,478	\$ 35,980	\$.08	none	-----	-----
1951	1,756,879	88,935	24,734	.04	10% stk.	-----	-----
1952	3,826,702	151,540	76,336	.08	none	-----	-----
1953	5,023,272	172,299	86,255	.06	none	\$ 4,172,546	-----
1954	5,902,640	458,837	224,669	.16	none	4,451,641	-----
1955	7,162,350	912,896	432,896	.21	none	6,101,128	-----
1956	11,000,116	1,479,578	502,578	.21	none	10,295,360	9 - 6
1957	16,836,086	1,581,280	763,280	.28	none	15,248,307	10 - 7 1/4
1958	19,543,232	2,555,364	1,225,364	.45	none	15,503,899	21 1/4 - 7 3/8
1959 (6 mo.)	17,378,142	2,372,342	1,112,530	.36	none	24,083,210	40 1/2 - 21 1/4

WECOR INC. (Midwest)

Year ending June 30
 Capitalization
 Debt: \$600,000, 4 3/4% notes, due 1961.
 \$1,400,000, 5 1/4% notes, due 1968.
 Common: \$1 par, 650,737 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 19,086,151	\$ 2,324,494	\$ 1,212,050	\$2.69	\$1.50 + 20% stk.	\$ 8,713,877	20 1/4 - 10 3/4
1951	17,971,469	677,596	457,635	1.01	1.00	7,878,317	16 3/8 - 11 1/4
1952	19,580,636	707,800(d)	408,951(d)	.90(d)	.50	10,406,339	13 1/2 - 7 1/2
1953	27,757,899	1,947,162	927,162	1.87	10% stk.	11,827,337	9 1/4 - 7
1954	31,741,046	1,139,198	564,198	1.09	.15 + 5% stk.	12,940,996	11 1/2 - 7 7/8
1955	31,984,539	1,339,574	589,524	.95	.40	16,566,990	15 3/8 - 8 1/2
1956	34,305,837	1,894,753(d)	994,753(d)	1.53(d)	.50 + 5% stk.	15,935,212	15 - 8 1/2
1957	40,374,042	4,011,297	1,961,297	3.01	.25	18,517,242	12 5/8 - 8 1/4
1958 (6 mo.) (a)	12,630,731	62,917	7,917	.01	.60	15,504,226	14 1/4 - 9 1/2
1959 (9 mo.)	26,496,000	1,130,486	532,486	.82	.15	-----	19 1/4 - 11

(a) Changed to June 30 fiscal year from calendar year. (d) Deficit.

WELLS-GARDNER & CO. (Unlisted)

Capitalization—Common: \$1 par, 414,300 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 17,825,098	\$ 1,674,235	\$ 954,235	\$2.33	\$.75	\$ 5,643,428	12 1/2 - 5 1/8
1951	12,758,749	588,099	451,447	1.10	.60	4,462,000	8 3/4 - 6 1/4
1952	16,301,043	969,976	459,976	1.12	.60	6,385,335	8 1/4 - 6 1/8
1953	22,572,069	1,969,939	772,939	1.88	.75	7,224,465	8 1/4 - 6 3/8
1954	21,200,318	2,031,340	911,340	2.22	.75	8,076,027	10 - 5 3/8
1955	26,646,745	2,725,857	1,221,857	2.97	.85	9,784,984	13 3/4 - 9 3/4
1956	24,152,104	2,179,610	1,054,610	2.55	1.00	8,668,582	14 1/4 - 10 1/4
1957	15,687,999	201,573	76,573	.18	.40	7,372,406	14 1/4 - 5 7/8
1958	19,947,123	1,208,515	608,515	1.47	.30	8,399,825	12 1/4 - 5 7/8
1959 (3 mo.)	4,804,264	135,097	70,097	.17	.20	-----	18 3/8 - 10 1/4

WESTINGHOUSE ELECTRIC CORP. (NYSE)

Capitalization
 Debt: \$6,337,949
 Debentures: \$20,995,000, 2 3/4% due Sept. 1, 1971
 \$300,000,000, 3 1/2% due Dec. 15, 1981
 Preferred: \$3.80 Class B, \$100 par, 467,085 shares
 Common: \$12.50 par, 17,193,608 shares

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$1,019,923,051	\$159,664,532	\$77,922,944	\$5.36	\$2.00	\$ 800,461,178	36 - 29 1/2
1951	1,240,801,296	174,578,362	64,578,202	4.03	2.00	1,004,378,037	42 1/2 - 34 3/4
1952	1,454,272,698	173,014,835	68,581,603	4.23	2.00	1,195,292,040	48 3/8 - 35 1/4
1953	1,582,047,141	152,893,486	74,322,925	4.53	2.00	1,265,353,717	52 1/2 - 39 1/2
1954	1,631,045,480	168,241,939	84,594,367	5.06	2.50	1,329,120,140	79 - 50 1/2
1955	1,440,976,985	84,102,747	42,802,747	2.46	2.00	1,287,685,975	83 1/4 - 53 1/4
1956	1,525,375,771	5,292,061	3,492,061	.10	2.00	1,264,469,283	65 7/8 - 50 3/4
1957	2,009,043,776	139,452,980	72,652,980	4.18	2.00	1,400,682,932	68 3/4 - 52 3/8
1958	1,895,699,358	128,972,541	74,772,541	4.25	2.00	1,411,507,606	74 1/2 - 55 1/2
1959 (3 mo.)	440,072,000	-----	14,409,000	.81	1.00	-----	92 - 70 1/2

WJR THE GOODWILL STATION INC. (Unlisted)

Capitalization—Common: \$1.25 par, 600,614 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950	\$ 3,519,151	\$ 810,746	\$ 474,746	\$.92	\$.70	\$ 3,070,287	8 1/2 - 6
1951	3,422,626	987,630	477,630	.92	.70	3,307,127	12 - 7 7/8
1952	3,383,293	928,714	441,714	.86	.70	3,364,715	11 - 9
1953	3,369,943	992,096	457,096	.88	.70	3,491,433	10 3/8 - 8 3/4
1954	3,009,884	758,846	373,746	.72	.60	3,390,554	12 7/8 - 9 1/2
1955	2,759,803	569,736	274,739	.53	.45	3,308,551	15 1/4 - 10 1/4
1956	3,516,765	1,063,112	478,112	.88	.50 + 5% stk.	3,814,796	13 1/4 - 10 1/4
1957	3,570,773	1,038,681	495,681	.86	.50 + 5% stk.	4,077,273	13 - 10 1/8
1958	3,275,315	536,984	271,984	.45	.50 + 5% stk.	3,811,852	13 1/4 - 11 7/8
1959	-----	-----	-----	---	.10	-----	-----

ZENITH RADIO CORP. (NYSE)

Capitalization—Common: No par, 2,954,784 shares.

Year	Sales	Pre-tax Earnings	Net Profit	Net Per Share	Dividends	Total Assets	Price Range
1950 (a)	\$ 87,704,071	\$11,527,903	\$ 5,627,003	\$1.91	\$.25	\$51,971,284	11 3/4 - 5 1/4
1951	110,022,780	11,771,940	5,370,740	1.82	.50	50,275,866	11 7/8 - 7 7/8
1952	137,637,697	13,222,133	5,845,933	1.98	.50	54,416,548	13 3/8 - 11 3/8
1953	166,733,276	13,157,701	5,631,701	1.91	.50	52,042,451	14 - 10 1/2
1954	138,608,360	12,056,264	5,676,264	1.92	.50	62,604,970	16 - 10 1/8
1955	152,905,005	17,104,491	8,034,491	2.72	.83	67,604,887	23 3/4 - 14 3/8
1956	141,529,855	13,298,717	6,178,717	2.09	.83	69,193,175	23 1/2 - 16 7/8
1957	160,018,978	17,340,577	8,165,577	2.76	.83	84,338,732	23 3/8 - 15 1/4
1958	195,041,624	25,741,165	12,116,165	4.10	1.67	98,505,958	69 1/2 - 20 1/4
1959 (3 mo.)	59,220,776	7,069,053	3,323,981	1.12	1.17	-----	122 - 59 3/8

(a) Year ending March 31

A SERVICE OF TELEVISION DIGEST

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SUMMARY-INDEX OF WEEK'S NEWS

Congress

FCC STICKS BY GUNS on equal-time newscast issue, rejecting protests by administration, Congress, industry, press. Sec. 315 hearings start (pp. 1 & 5).

CONGRESS IS ASKED FOR "EX PARTE" ground rules as FCC industry panel tells Rep. Harris' group that FCC should have complete freedom in gathering "general policy" information (pp. 2 & 6).

Stations

TV CODE HOLDS FAST against revolt over Preparation H ban, 13 more subscribers losing NAB seals to make total 21. Code resignations reach 17 (p. 3).

TV "IMAGE" PROJECT blessed by NAB TV board. McCullough committee's report, calling for N.Y. office, \$600-700,000 budget, unanimously approved (p. 4). Other stories (p. 9).

Auxiliary Services

BURGEONING CATV to plan defense strategy in June 23-25 annual NCTV convention. Powerful new capital entering field. Operators develop political sophistication (p. 3).

TELEMETER REJECTS FCC TEST as Paramount pay-TV system announces its preference for a wired setup as more economic (p. 10).

FCC

1958 TV PROFITS UP 7.4%, radio down 30.9%, according to official FCC figures. TV broadcast revenues top \$1 billion for first time. Radio gross is static (p. 4).

Manufacturing & Distribution

JAPANESE TV EXPORTS to U.S. being quietly explored. Exporters hoping to put transistor set on market within year and to supply chassis to U.S. set makers (p. 18). Canada's import crisis (p. 20).

NEW TV SETS HIT MARK at Chicago mart, leading to predictions of good 2nd-half upturn. High interest shown in 23-in. and transistor TV (pp. 19 & 21).

Foreign

ATLANTIC FILM TRANSMISSION achieved by BBC, CBC & NBC TV networks, feeding some 2 minutes worth of news clips of Queen Elizabeth's departure from London via transatlantic telephone cable (p. 7).

Programming

PROGRAM "SATURATION LEVELS" are gradually being reached in areas of drama, variety, and adventure shows, although Westerns keep galloping along, special Nielsen study reveals (p. 12).

Film & Tape

TV IS BUILDING to a record list of new faces in next season's lineup of series (p. 15).

Other Departments

NETWORKS (p. 8). **EDUCATIONAL TELEVISION** (p. 11). **ADVERTISING** (p. 14).

FCC STICKS BY ITS SEC. 315 GUNS: Rights & wrongs of equal-time issues aside, FCC acted like a truly independent federal regulatory agency last week in standing fast by its majority opinion that newscasts featuring his opponents entitled Lar Daly to free political time on Chicago TV stations.

FCC was subjected to unparalleled pressures—from every direction—to change its mind. In recent Washington history, at least, no other federal agency has been confronted with such unanimous outcries of outrage & wrath as those aroused by Commission's Feb. interpretation of Communication Act's Sec. 315.

President Eisenhower himself led lineup against FCC on equal-time ruling. ("Ridiculous!" he called it.) Attorney General William P. Rogers put full force of Justice Dept. into fight to force FCC to retreat. Big guns in Congress formed bi-partisan coalition to attack Commission. Nation's press became unaccustomed editorial allies of competing TV-radio medium on news-freedom issue. Networks (customarily referred to as "powerful" in Washington) and NAB were up in arms, naturally. Nearly nobody but Lar Daly stood up for FCC.

Commission could have eased itself off spot—and thereby saved Congress time & trouble of holding hearings on proposed Sec. 315 amendments (see p. 5)—by switch of one vote from 4-3 majority which decided Lar Daly issue in first place. Commission's disposition to bow gracefully to Congressional pressures on other issues had been apparent this year (Vol. 15:17).

Yet FCC stood firm. In 50-page single-spaced interpretive opinion, it traced legislative history of Sec. 315 since Radio Act of 1927, stoutly reaffirmed conviction that Lar Daly ruling was correct. And for cynics who are convinced that politics rules FCC, there were these disconcerting facts: Republicans Hyde, Lee & Ford—along with Democrat Bartley—rejected Eisenhower Administration's demands for about-face. Republicans Doerfer and Democrats Craven & Cross (latter concurring in part with majority) stuck to their original dissents on the ruling.

Few accolades have been going to Commission recently—particularly since House investigators began ripping into it last year for yielding to "influence." But its hold-fast Lar Daly action earned plaudits from FCC's severest critic—legislative oversight subcommittee Chairman Harris (D-Ark.), who himself wants news-casts exempted from Sec. 315. "I happen to think it [the decision] is wrong," Harris said at FCC panel hearings last week (see below). "But under the circumstances I want to compliment the Commission for standing on its own."

CONGRESS ASKED FOR 'EX PARTE' GROUND RULES: Just about everyone would like some guidance from Congress, to tell when FCC (& similar agencies) should be as insulated as a judge or as uninhibited as a news reporter. Congress, in turn, got a little guidance on the subject last week—not much—from an FCC-industry panel convened by Rep. Harris' (D-Ark.) legislative oversight subcommittee.

Question concerns freedom of FCC members to seek information before coming to decisions. Law is clear when it comes to "adjudicatory" matters such as hearings on competing applications for broadcast facilities. Trouble comes in "rule-making." Panel generally agreed that Commission should be free to gather data however it sees fit—including "ex parte" (off-the-record) discussions & demonstrations—when it comes to "general policy" type of rule-making such as the formulation of original nationwide TV allocation plan.

Things get tight, of course, when rule-making becomes more specific—as in case of shift of Ch. 2 from Springfield, Ill. to St. Louis. Court of Appeals held that ex parte discussions were improper in that instance because there were "conflicting private claims to a valuable privilege" (Vol. 15:19). When Harris asked him about the case, FCC Chairman Doerfer said: "I'd have no quarrel with declaring it adjudicatory." He also stated: "All rule-making affects privileges, regardless whether particularized or not."

Attorney Wm. Koplowitz suggested that all requests for changes in TV allocation table be decided solely on a record—although not necessarily the type of record compiled in an adjudicatory hearing. Attorney Donald Beelar likened such channel shifts to "spot zoning," said they should be adjudicatory. He called for legislation, too, stating: "The citizen has been chilled in talking to agency people. Some agency members are afraid to talk to anyone."

RCA v.p.-gen. attorney Robert Werner, asserting that "legislation is called for," posed the question of what to do about rule-making governing engineering standards. He noted that stereo standards will be considered by FCC before long. "Surely that is a matter of general application," he said, "but there are conflicting interests involved. Is that an ex parte matter?"

Robert Swezey of WDSU-TV New Orleans also asked for legislation but said he had spent several sessions with attorneys without coming up with a satisfactory draft.

Harris group was also interested in methods of speeding & improving Commission's work—and it received suggestions from Broadcast Bureau chief Harold Cowgill, general counsel John Fitzgerald and chief examiner James Cunningham (see p. 6).

Subcommittee also heard from representatives of CAB, FTC & ICC during week. They generally supported some sort of legislation but also warned of hamstringing agencies. This prompted Harris to complain:

"Everybody agrees our objective is worthy, that it would be wholesome to do something about this, but we have had every conceivable argument of doubt & caution raised to say why nothing should be changed."

Donald McGannon, Westinghouse Stations pres., submitted statement urging that legislation covering rule-making be enacted to "point the way and then let the Commission declare certain proceedings to be those in which no ex parte representations will be permitted." He also suggested that Congressmen & other govt. representatives be allowed to make "valid inquiry" but that their communications be in the record.

TV CODE HOLDS FAST AGAINST REVOLT: There was no retreat by NAB last week from its get-tough position (Vol. 15:24) that TV stations displaying its seal of good practice must observe industry's self-imposed code regulations governing acceptable commercials.

Seal was withdrawn from 13 more code subscribers, making total of 21 which have been so disciplined by NAB's TV board since code review board began moving in April against recalcitrants. All persisted in carrying commercials for hemorrhoids drug Preparation H despite repeated warnings—and one was also cited for "over-commercialization."

Serious extent of revolt against code restrictions was indicated by disclosure at Washington TV board sessions that in addition to 21 penalized stations, 17 other subscribers resigned rather than be subjected to discipline. And of these, it was understood that half-dozen TV members have quit NAB itself in protest.

Number of seal holders was reduced to 270 in good standing (vs. 306 in April) by loss of 38 stations, 2 new subscribers having joined up since storm over Preparation H broke. According to NAB's count, 222 code subscribers never carried Preparation H commercials—and of 84 which did at one time or another, 45 definitely cancelled them when code infractions were pointed out.

What does code review board do now? It continues to give "broadest possible demonstration" that TV industry can police itself against objectionable commercials, according to chairman Donald H. McGannon, pres. of Westinghouse stations. He said that so long as code isn't administered by "caprice, arbitrariness or whimsy" it's entitled to be respected by those who display seal.

Code missionary project also will be undertaken. Review board subcommittee composed of McGannon, E. K. Hartenbower of KCMO-TV Kansas City and Gaines Kelley of WFMY-TV Greensboro, N.C., sets out next week for N.Y. conferences with American Assn. of Advertising Agencies. Aim is to have advertisers & agencies work with board in setting "guide-posts" for acceptable TV advertising so that "limits" are understood before commercials go on air.

BURGEONING CATV PLANS DEFENSE STRATEGY: With growing strength & political sophistication, nation's community antenna operators meet in Philadelphia's Sheraton Hotel June 23-25 to firm up defenses before Senate Commerce Committee's hearings June 30, July 1 & 7 (Vol. 15:24). Occasion is annual convention of National Community TV Assn. (NCTA).

Some pretty savvy capital seems little concerned about attacks on CATV, expects no crippling governmental restrictions. For example, National Theatres is spending more than \$1 million for single system in Williamsport, Pa. (Vol. 15:23) and it can be assumed NT has plans beyond the operation of a conventional system, perhaps the offering of special events for an extra fee—a la Telemeter's proposal for Toronto suburb (see p. 10). Also due to break shortly, we're told, is sale of group of substantial CATV systems to a surprising new entity in the field—a major organization with ingenious expansion plans.

Up against some big political guns—such as Senate Commerce Committee Chairman Magnuson (D-Wash.) and his predecessors Edwin Johnson (D-Colo.) & Clarence Dill (D-Wash.)—CATV operators claim they're developing substantial support comprising Sen. Fulbright (D-Ark.), Sen. Randolph (D-W. Va.) and others yet to be identified.

The many problems of the industry, plus an aggressive membership drive by NCTA exec. director Edward Whitney, have drawn 364 system operators into NCTA membership—a high percentage of the estimated 600-700 systems in U.S., many of which are little more than neighborhood hookups of a few dozen homes. Whitney expects 450-500 to attend convention.

CATV has its own "image" problems, as does telecasting generally. Operators are particularly irked when they're tagged with the opprobrious "pay-TV" designation. People pay for their service, they agree, but they point out they offer service where little or none was previously available—thus differing from toll TV which would substitute a pay service for hitherto free telecasts on public airwaves. This is disputed by those telecasters who are fighting CATV systems with the argument that CATV will drive small-town stations out of business and produce the same net result as toll TV.

NAB's TV board this week came out with a resolution aimed at CATV. Its provisions put NAB on record as: (1) Asking FCC to reconsider its policy of licensing microwaves to bring signals to CATV systems. (2) Favoring "legislation submitted by the Commission with regard to boosters & community antenna systems and more particularly with respect to the requirement that no TV signal be used by any distribution system without the consent of the originating station."

1958 TV PROFITS UP 7.4%, RADIO DOWN 30.9%: Telecasting industry resumed its profit climb in 1958, jumping 7.4% over 1957, while radio suffered a brutal 30.9% drop—its first decline since 1954. That's the nub of FCC's first official figures for last year, produced last week at an unusually early date because of speeded tabulation techniques.

TV broadcast revenues topped \$1 billion for first time, hitting \$1.03 billion—up 9.2% from \$943.2 million in 1957. Though expenses rose 9.6%—from \$783.2 million to \$858.1 million—profit before federal income taxes jumped from \$160 million to \$171.9 million. This is still below the profit peak of \$189.6 million in 1956, which had shown a dramatic rise from 1955's \$150.2 million.

Greatest increase in TV's revenues came from spot—up 14.9% to \$345.2 million—while network time sales rose 7.7% to \$424.6 million and local sales were up 4.1% to \$181.1 million. These 3 time-sales figures plus talent sales & other "incidental" broadcast revenues produce the \$1.03 billion total.

In radio, the severe 30.9% cut in profits to \$38.1 million from 1957's \$54.6 million was attributable to a nearly static gross, coupled with an increase in expenses. Total broadcast revenues rose a mere .7%, from \$517.9 million to \$519.5 million, while expenses showed a modest 4.4% increase from \$463.3 million to \$481.4 million. The trouble with radio revenues was that network sales dropped 8.1% to \$46.5 million while spot lifted a mere 1.5% to \$172 million and local gained only 1.1% to \$320.2 million. Total time sales were \$538.7 million, but sales commissions more than offset "incidental" revenues—leaving total broadcast revenues at \$519.5 million.

FCC's official figures show, by the way, that TvB's estimates were pretty doggone good last March when it calculated that TV spot had increased 14% (FCC says 14.9%) & network had jumped 9.9% (vs. FCC's 7.7%) (Vol. 15:9, 11).

FCC report encompasses the 3 TV networks & 514 TV stations, 7 national & regional radio networks and 3178 AM stations. Excluded, because of unavailability at tabulation time, were figures of 9 TV stations, 108 AMs and the approximately 70 FM-only stations.

FCC says it will flesh out last week's bare-bones figures with its customary breakdowns in 9 or 10 tables "in the near future." (For FCC's 1946-1957 TV & radio figures, see p. 22, Spring-Summer TV Factbook.)

TV 'IMAGE' PROJECT BLESSED BY NAB: Operation of special TV Information Office (TIO) in N.Y., working separately from—but in liaison with—NAB's own public relations setup, was approved last week by NAB's TV board to implement "image improvement" project proposed at March convention in Chicago (Vol. 15:12 et seq.).

First-year budget of \$600-700,000 for "speak-up-for-yourself" project was set at semi-annual board meeting in Washington, where 5-point report by TV information committee headed by Clair B. McCollough of Steinman stations (Vol. 15:24) won unanimous endorsement.

Money will be raised this way: \$75,000 from NAB itself, payments by stations based on highest quarter-hour one-time rate, \$65,000 each from ABC, CBS & NBC, which also will be tapped for contributions from o-&o stations. No definite commitments from networks or stations were reported immediately. But McCollough said "at no place have we found opposition" to proposed scale.

Overall supervision of "image" policy will be handled by special new 9-man TV information committee—6 members (at least 3 from TV board to be named in week or 10 days by NAB pres. Harold E. Fellows, 3 to be designated by networks). Assigned to "plan, organize & activate" project, N.Y. office will be headed by director nominated by new committee, appointed by Fellows, approved by TV board.

Sponsor participation in TIO project is open to any individual, firm or corporation which is engaged in the operation of a TV broadcasting station or network. Eligible to participate as associate sponsors—subject to TV board approval of applications—are TV film firms, reps, advertising agencies, etc., in membership categories to be worked out by TV information committee. No cut-off date for project was set, although there had been talk of limiting it to 3 years.

Ban on secondary boycotts "used in almost every station strike that has taken place in the broadcasting industry during the past 10 years" has been urged by NAB. In a 9-page statement submitted to chairman Barden (D-N.C.) of the House Labor Committee, NAB's personnel & economics mgr. Charles H. Tower said the Taft-Hartley act should be amended to forbid unions to threaten or in-

duce customer boycotts of products advertised on stations involved in labor disputes. Tower endorsed bills (S-76 & HR-5545) by Sen. Curtis (R-Neb.) & Rep. Lafore (R-Pa.) which would carry out NAB aims. In a recent decision the NLRB held that such boycotts of unorganized stations are permissible when used by a union to protect its members' interests at competing organized stations (Vol. 15:18).

Congress

More about

SEC. 315 ATTACK STARTS: A massive assault on FCC's Lar Daly equal-time newscast ruling—reaffirmed by Commission last week (see p. 1)—has been mounted by broadcasters on Capitol Hill, and Congressional support for revision of Sec. 315 of the Communications Act is running strong.

More than 30 witnesses from industry, Senate & House lined up for 5-day hearings by the Senate Commerce communications subcommittee under Chairman Pastore (D-R.I.) to press for exemptions of newscasts from equal-time requirements. Only one known champion of the Lar Daly doctrine—perennial Chicago candidate Lar Daly himself—wanted to be heard as Pastore started June 18-19 & 23-25 sessions to study 4 bills on the issue.

Even Church of God Bishop-Gen. Overseer Homer A. Tomlinson, a declared 1960 Presidential candidate who was listed by the subcommittee staff for pro-Lar Daly testimony June 24, turned out to be in opposition to the newscast decision. He doesn't want equal newscast time next year, preferring to depend on "miracles" to elect him, Tomlinson told reporters.

"I think it is very evident that this committee is desirous of doing something," subcommittee Chairman Pastore observed soon after the parade of industry & Congressional witnesses got started. He and other subcommittee members indicated repeatedly that they thought Sec. 315 should be amended to eliminate newscasts—but not rewritten entirely.

As many industry witnesses are expected to appear before the House Commerce legislative oversight subcommittee in June 29-30 & July 1 equal-time hearings scheduled by Chairman Harris (D-Ark.). He favors Sec. 315 change, too. In both Senate & House, however, the big question was whether there'd be time before adjournment of this session to get any amendments processed for floor votes.

* * *

FCC itself offered no objections at the Senate hearings to Congress "doing something" about Sec. 315. Chairman Doerfer, a dissenter in the 4-3 Lar Daly ruling, and majority voter Comr. Ford presented 15 pages of analysis of proposed amendments (Vol. 15:23-24), didn't argue opposing Commission viewpoints on whether language & legislative history of Sec. 315 required broadcasters to give candidates time if opponents appear in newscasts. They suggested that if Congress proceeds to change the law, simple language might be adopted to exempt "newscasts & special events such as political conventions" from the requirement.

One thing seemed sure: There's no chance at this session for outright repeal of Sec. 315, as long sought by NAB. And Pastore advised industry witnesses to avoid any attempt to seek a major overhaul of the political provision to cover definitions of minority parties, broadcasters' liability for libel, etc. Pastore said "we may come up with nothing" if the hearings go beyond the newscast issue.

At last week's Senate hearings little new was added to industry arguments for Sec. 315 revision which have poured out to FCC & newspapers since the original Lar Daly ruling in Feb. Characteristic of the testimony:

CBS Inc. pres. Frank Stanton: "We will have no choice but to turn our microphones & cameras away from all candidates during campaign periods."

NBC chairman Robert W. Sarnoff: "Unless the gag is lifted during current session of Congress, a major curtailment of . . . political coverage in 1960 is inevitable."

ABC news v.p. John Daly: Every time the President holds a news conference during an election campaign, TV & radio stations which carry it would have to prepare to make equal time available to all minority candidates.

Ex-Sen. Clarence C. Dill (D-Wash.), principal author of Sec. 315 when the 1934 Communications Act was written: FCC "made a mistake" in the Lar Daly case. "I think the Commission would be pretty slow to do anything like the Lar Daly thing again."

* * *

Others testifying or submitting statements last week in favor of Sec. 315 revision included Sens. Holland (D-Fla.) & Allott (R-Colo.), authors of 2 of the Senate bills; Rep. Cunningham (R-Neb.), sponsor of a House bill; and Rep. Barr (D-Ind.), Mrs. A. Scott Bullitt (KING-TV Seattle), Payson Hall (Meredit Stations), *Indianapolis Star* publisher Eugene Pulliam, W. D. (Dub) Rogers (KDUB-TV Lubbock, Tex.).

As for unfriendly witness Lar Daly, he got involved in a shouting match with Chairman Pastore soon after he took the stand for a brief performance. He ridiculed President Eisenhower—by inference—for criticizing the FCC's newscast ruling as "ridiculous," said Attorney General William P. Rogers should have kept "his snout" out of the case instead of asking FCC to reverse the decision. Pastore warned him to be "careful how we use words here."

Among witnesses tentatively listed for Senate testimony this week: NAB pres. Harold E. Fellows, Westinghouse Bcstg. Co. pres. Donald H. McGannon, Palmer Hoyt of the *Denver Post*, Rex Howell (KREX-TV Grand Junction, Colo.), Victor A. Sholis (WHAS-TV Louisville), Ralph Renick (WTVJ Miami), Thomas Chauncey (KOOL-TV Phoenix), F. Van Konynenburg (WCCO-TV Minneapolis), pres. James A. Byron of Sigma Delta Chi, dean Edward W. Barrett of Columbia U. School of Journalism.

Meanwhile a fresh spurt of press editorial protests against the Lar Daly ruling was evoked by FCC's reaffirmation of the decision in a 50-page interpretive opinion which rejected all pleas—including those from networks and the Justice Dept.—for reconsideration.

Typical newspaper editorial comment:

Congress should reverse FCC "promptly." If enforced, FCC's decision "would turn electronic journalism into chaos."—*N.Y. Times*.

"The FCC majority . . . is adhering to a decision that is difficult to square with common sense."—*Washington Evening Star*.

"Corrective legislation by Congress is made imperative . . ."—*Philadelphia Inquirer*.

"The decision established a rule ridiculous on its face . . . let's get the law changed quickly."—*N.Y. Herald Tribune*.

"The next move is up to Congress, and it ought to act at the present session if possible."—*Washington Post*.

FCC's ruling "is like something out of 'Alice in Wonderland.'"—*Wall St. Journal*.

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TV servicemen would be licensed in D. C. under a bill (HR-7714), introduced by Rep. Foley (D-Md.) "to protect the public against abuse & fraud." Regulation of servicemen would cover "installation, maintenance, repair, replacement, testing, inspection & modification of TV & radio-TV receiving apparatus." Initial annual license fees: contractors, \$25; technicians, \$15; apprentices, \$5.

The FCC

More about

HOW TO IMPROVE FCC PROCESSES: Three top FCC staff members were happy to respond to Rep. Harris' call for suggestions on means of expediting the Commission's work, as part of Harris subcommittee's investigation of administrative agency operations (see p. 2).

Harold Cowgill, Broadcast Bureau chief, wants more staff & less red tape. As he put it: ". . . staff adequate to the continually rising volume of work, and revision of those statutory procedural requirements which, in the light of experience, have demonstrably failed to serve the purposes for which they were intended but instead have made for inordinate delay & abuse of the Commission's processes."

John Fitzgerald, general counsel, wants: (1) FCC to be permitted to make more use of its staff. (2) Less red tape. Excerpts from his statement: "A review staff should be empowered to focalize the various contentions advanced by the parties and to analyze them in the light of administrative precedents, policies and rules . . . Procedural requirements [covering the filing of exceptions] which make it unsafe for a Commission not to pass upon every individual exception filed by a party—and in the case of the FCC such exceptions in many individual cases have literally run into the hundreds, oftentimes restating the proposed findings—are a serious impediment to expediting hearings. I suggest that the Commission be required only to rule upon exceptions it considers material to decision."

James Cunningham, chief examiner, wants: (1) Examiners to be permitted to consult with each other. (2) FCC to have greater discretion in determining whether examiners should supply only basic findings of fact or both findings and conclusions. (3) Someone—FCC or chief examiner—to "exercise some degree of supervision" over other examiners. (4) An improvement in examiners' "salary, position classification and title . . . whereby they may be accorded a status equal to commissioners of the U.S. Court of Claims" and be called "hearing commissioners." (5) Change of law so that "findings of fact by the hearing examiner shall be conclusive unless not supported by substantial evidence."

TV could be moved to uhf within 8 to 10 years without undue hardship to manufacturers, broadcasters or the public, providing additional space for land mobile services and others, witnesses for the state of California testified before the FCC in the 25-80-mc hearings last week. William E. Whiting, chairman of the Cal. State Communications Advisory Board, stated that if manufacturers concentrated on uhf receivers, they could develop some far superior to existing vhf sets. He claimed that cost of the uhf receivers would be comparable to vhf "or less," although additional stations would have to be built to get the same coverage in rough terrain. He recommended that 50-88 mc be assigned to land mobile services, 46-50 mc to amateur, and 25-46 mc to citizens, amateur, industrial, scientific & medical and govt. services. Under cross-examination by Comr. Craven, Whiting said he didn't base his views on any detailed technical research of his own, but that he relied on his general knowledge of uhf & TV and on the opinions of receiver manufacturers.

FCC has denied a petition by Indiana Central U. which sought the reservation of Ch. 13 for educational use in Indianapolis, where Ch. 20 is already allocated for ETV.

Mack Trial Nears Jury: Defense counsel in the Miami Ch. 10 conspiracy trial of ex-FCC Comr. Richard A Mack & Thurman Whiteside (Vol. 15:15-24) began to wind up their case last week—2½ months after the trial's start. They put a parade of witnesses on the stand in Washington's U.S. District Court in attempts to show that financial dealing between Mack & Whiteside went on long before the award of Ch. 10 to National Airlines' WPST-TV, which the 2 are accused of rigging. Over govt. objections, Whiteside's lawyers also tried to show that Whiteside had always been generous not only to Mack but to many other friends—and that financial help to Mack had nothing to do with the Miami grant. Mack's chief counsel Nicholas J. Chase said it was possible that the case would be ready for the jury this week.

KIRO-TV Seattle won Ch. 7 there over KXA & KVI primarily because of its superiority of ownership & management integration, according to the text of a new final decision issued by the FCC last week (Vol. 15:24). The CP had been set aside last Dec. after the 2 losers had argued that Comr. Craven shouldn't have voted, because he hadn't heard the oral argument. Craven participated in last week's decision; Comr. Hyde didn't, while Comr. Lee dissented. Because of the management activities of major stockholder Saul Haas and KIRO-TV trustees with small holdings, the Commission concluded that KIRO-TV "must be considered as strongest, both from stock interest & from functional adequacy." Finding all of the applicants substantially equal in station planning, proposed policies, hours of operation, studios, staff equipment and balanced programming, the FCC also found that KIRO-TV was equal or superior to KVI & KXA in local residence, diversification of business interests of its principals and the integration factor. In only one area did the Commission prefer KXA & KVI over KIRO-TV—that of diversification of ownership of media of mass communications. As to allegations that Haas tried to use his position as receiver to acquire control of radio stations and that he threatened KOL with economic injury unless stock in the station was made available to him, and to other assertions against the character of various of the principals involved in the hearing, the Commission concluded that "all charges made either are unsubstantiated or involve matters of no significance."

Charging the FCC with "glaring indifference to the public interest" & laxity in supervising broadcast licenses, American Federation of Musicians pres. Herman D. Kenin took a roundhouse swipe at TV in general, in a talk last week before the 62nd annual convention of the AFM in Seattle. Kenin said until now TV has been a bonanza for everyone except musicians, but predicted more employment for them too. He attacked TV for a programming policy which, he said, puts commercialism before culture. Criticizing the broadcasters, he declared "not for too much longer will those who receive a monopoly of the air waves from a generous public continue to equate public interest with their own fat profits. Not for too much longer will they be able to get away with such vulgarities as silencing the cultivated musical *Voice of Firestone* because Madison Avenue moguls arbitrarily decide that cops & robbers will sell more soap."

Increased interest in teaser ads by advertisers warrants institution of the rule-making proposed by NAB (Vol. 15:21), said CBS Radio in statement filed with FCC.

Foreign

ATLANTIC FILM TRANSMISSION: TV newsfilm can now beat jet travel across the Atlantic. Using a BBC-developed technique, 2 min. of film showing Queen Elizabeth departing London on her Canadian trip was televised in Canada and via NBC-TV in U.S. on June 18 in an experimental 10:15-10:30 a.m. network telecast. On the air, the result was about as good as a standard kinescope—and the U.S. telecast came only 2 hours 21 min. after the event, a new record.

The link was achieved using regular Atlantic phone cable and the show was fed from the Montreal studios of CBC-TV to Buffalo, N.Y. for NBC-TV pickup. The process is still at a snail's pace, although it's said to be "75 times faster" than older methods of facsimile transmission. It takes about an hour & 55 minutes to send a minute's worth of newsfilm, transmitting every second frame from a 16 mm newsfilm original on the transatlantic phone line.

Last week's experiment was the first known TV use of the technique on an east-to-west transatlantic course. A similar method was used in October 1957, however, to transmit films of Queen Elizabeth's arrival in N.Y. to the BBC (Vol. 13:43). This first effort was a joint venture of UP Movietone News & BBC in which 15 sec. of film was transmitted in an hour, about half as fast as last week's transmission. (For some unexplained reason, BBC held the received film print for 5 hours until its regular news-cast before televising it.)

Don't look for any full program transmissions using the new method. They're out of the question. Live & tape TV can't be sent via the transmission process. And, it would take about 60 hours (at some \$4 per min. in cable costs) to feed an episode of *Gunsmoke*.

The 2-way process is a break-down and build-up one. BBC's N.Y. office informs us that the heart of the system is a slow-speed flying-spot film scanner, the video signal from which is used to modulate a carrier for transmission over the cable. At the receiving end, the signals are "demodulated" & used to operate a slow-speed film telerecorder.

Several "economies" are used in transmission, BBC admits, since characteristics of the Atlantic cable allow for maximum video frequency of 4.5 kc. Horizontal definition is restricted to correspond with a bandwidth of 1.75 mc. In the British 405-line system, the picture is reduced to 200 lines using sequential scanning, and only alternate film frames are scanned (although reproduced on 2 adjacent frames at the receiving end) which precludes sending films involving fast motion.

Chief use of the process, therefore, will be in TV news until a more rapid process can be developed. Despite limitations, it's a giant step forward in TV communications.

British TV viewers will also have a chance to see the trans-Atlantic system work in reverse on June 26, when film clips of the Queen opening the St. Lawrence Seaway will be transmitted from Canada to Britain.

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TV link via the moon between U.S. & Europe is foreseen within 5 years by British telecommunications expert John Brinkley. The managing director of Pye Telecommunications Ltd. visualizes that the first live transatlantic TV pictures will be sent via 100-ft. metal-plastic balloons which are capable of reflecting the wide-band frequencies used in present TV transmission. Before TV pictures can be bounced from the moon, he said, narrow-band TV transmission techniques will have to be developed.

"Everything about TV is big league in Japan," reports Richard P. Doherty, TV-radio Management Corp. pres., in *Sponsor*. The 6-year-old Japanese TV industry has whooshed to more than 2 million sets, 34 stations, and has become a \$29 million ad medium, which, still growing, accounts currently for some 10% of Japan's total ad outlay. Doherty predicts TV "will undoubtedly double its revenue within the next 5 years." Excellent is the rating he applies to the quality of Japanese programming & production and to the variety & scope of program service. Japanese TV "is surpassed by overall TV only in the U.S. & Great Britain." Technical & production equipment in Tokyo's 4 commercial & 2 govt. o-&o stations is "excellent & abundant." Apart from a sprinkling of RCA & GE gear, and 2 Ampex Videotape recorders in each station, the equipment "is almost entirely manufactured in Japan and of highest quality."

New coaxial cables linking Australian towns of Melbourne & Sydney, Melbourne & Morwell, Lismore & Murwillumbah and Brisbane & Southport, will be installed soon, reports the Australian Govt. Completion of the first link of the Sydney-Melbourne cable—Sydney to Canberra—is planned for June 1961, with the hop from Canberra to Melbourne due by Jan. 1962. Similar facilities between Melbourne & Bendigo, Sydney & Maitland and Maitland & Lismore are being provided at the same time by installation of wide-band radio systems. Primary use will be for telephone service but TV & radio programs also will be carried.

First Mexican sponsorship of a U.S. public-affairs show was sold last week by Fremantle International. The show is *20 Century*, produced by CBS-TV. The south-of-the-border purchase was made by Asbestos de Mexico, S.A. through the Publicidad General agency in Mexico City. Overseas sales by Fremantle during the past month, pres. Paul Talbot reports, covered deals in a total of 11 countries, ranging from Denmark to Japan.

Extension of Spanish TV, now limited to Madrid area, is expected soon, according to U.S. Commerce Dept.'s Business & Defense Services Administration, Electronics Div. Plans include construction of stations in Barcelona & Zaragoza, installation of a microwave relay between Madrid & Barcelona. A new 200-kw transmitter is due in Madrid this year. Expected later is construction of stations in Valencia, Santiago, Granada (Mulhacen), Cordoba and Bilbao.

Tight censorship of French TV, which places control of programs in the hands of approval committees established by the Minister of Information, is reported by Britain's *Television Today*. According to a published decree, the newspaper says, "66 personalities in letters, arts & sciences are now the sovereign judges of the artistic, cultural & scientific transmissions & future projects" of French TV.

Transmitters for 5 Swedish TV stations have been ordered from Marconi of England, along with related equipment. The station at Borlange will have 8-kw transmitter power, 60 kw ERP. Stations at Sundsvall, Vasteras, Emmaboda & Vastervik will use 4-kw transmitters, and their ERP will range from 10 to 60 kw. All stations are currently under construction by the Royal Board of Swedish Telecommunications.

Licensed TV receivers in Britain & Northern Ireland totaled 9,346,697 at the end of April, an increase of 91,275 during the month.

Networks

Friday Builds Saturday: The key to sales on Sat., "biggest day of the week for supermarket shopping & auto showroom traffic," is a block-buster TV show on Fri. night, says NBC-TV in a new presentation for its forthcoming lineup of Fri. 8:30-9:30 specials. The network cites an NBC-Advertest study which reported that 2 out of 3 auto dealers named Sat. as their peak day.

With such TV names as Bob Hope, Jerry Lewis, Art Carney & Dean Martin signed for specials in the Fri. slot, NBC-TV hopes to repeat the rating performance of 5 major Fri.-night one-shots (3 with Bob Hope, one each with Fred Astaire and Phil Harris) telecast during the past season, which showed "significantly increased" sets-in-use as a direct result. The boosts ranged from 2 to 6%, representing thousands of additional viewers who normally didn't watch TV at that time.

NBC-TV's heavy schedule of specials, meanwhile, has caused activity on another front: Talent. David W. Tebet, gen. program exec., has been assigned to head an expanded operation for the "coordination & selection of major performing talent for TV network programs," assisted by Richard A. Kelly.

CBS chairman William S. Paley's pay for 1958 ranked among the nation's top 10, reveals a *Business Week* tabulation of corporate salaries. His total remuneration was \$363,469.63, an increase of \$28,078.63 over the 1957 figure. Bethlehem Steel pres. Arthur B. Homer was the nation's top wage-earner, with a salary-bonus income of \$511,249. Some other high salary-bonus incomes: NBC paid chairman & pres. Robert W. Sarnoff \$145,843.00. CBS Inc. paid pres. Frank Stanton \$352,510.56, v.p. Louis C. Cowan \$125,821.50.

Where will Tom McDermott go? This became the latest question in the guessing game surrounding the Benton & Bowles TV-radio exec. v.p. late last week when he announced his resignation June 19 in an executive memo to the agency. He was not, he told us, going to take Hubbell Robinson Jr.'s vacated exec. v.p. post at CBS-TV. Nor was he going to become pres. of Four Star Productions, he added, although both N.Y. & Hollywood buzzed with this rumor. Stated McDermott cagily: "My plans are not definite." The CBS post, network insiders report, has narrowed to a choice between program v.p.'s Bill Dozier & Mike Dann—at Dr. Frank Stanton's request.

TV production of *Young Dr. Malone* soap opera will be assumed June 29 by NBC-TV, with Carol Irwin named NBC's producer of the daytime serial. Writer Julian Funt has withdrawn from the series, and NBC expects to name a new scripter shortly. The show is aired Mon.-Fri. at 3 p.m., with Tues., Wed. & Fri. sponsored by P&G.

Wage clause in new contract signed by CBC & NABET provides for a 3% increase retroactive to Aug. 1, 1958, an additional 3% effective May 1, 1959, and a final 3.775% on April 1, 1960. The contract establishes wage & working conditions until Jan. 31, 1961. NABET represents 1270 CBC technicians.

NBC chairman Robert W. Sarnoff will be keynote speaker at the Broadcasters' Promotion Assn. 4th annual convention, Nov. 2-4, Philadelphia. Other speakers will be *TV Guide* publisher James T. Quirk, H. Preston Peters of Peters Griffin Woodward, and Adam J. Young, Adam Young Inc.

NETWORK ACTIVITY

Two network hassles were resolved last week to highlight sales activity. Oldsmobile's *Dennis O'Keefe Show* finally found a Tues.-night berth on CBS-TV after the auto maker failed to convince CBS that it would stand up against ABC-NBC competition in a Sun. 7:30 p.m. slot. And, ABC-TV finally got the nod from McCann-Erickson for *Black Saddle* when it provided the agency & client with a list of acceptable station clearances for a late Fri. slot. In other buys, major soaps & cigarets dominated.

ABC-TV

- Black Saddle (Fri. 10:30-11 p.m.), eff. Oct. 2.
Liggett & Myers, for *Oasis* (McCann-Erickson)
- Colt 45 (Sun. 9-9:30 p.m.), for July 19-Sept. 27 summer period only.
Procter & Gamble, for unspecified products (Benton & Bowles)
- Jubilee, U.S.A. (Sat. 8-9 p.m.), for June 20-Sept. 5 summer period only.
Carter Products (Ted Bates)
- Wednesday Night Fights (10-10:45 p.m.), eff. fall, & continuing through Sept. 1960.
Miles Laboratories (Geoffrey Wade,) and *Brown & Williamson Tobacco* (Ted Bates)

CBS-TV

- Hotel de Paris (Fri. 8:30-9 p.m.), eff. Oct. 2.
Liggett & Myers (McCann-Erickson) and *Kellogg Corp.* (Leo Burnett), co-sponsors.
- Dennis O'Keefe Show (Tues. 8-8:30 p.m.), eff. Sept. 22.
Oldsmobile (D. P. Brother)
- Wizard of Oz (Sun. Dec. 13, 6-8 p.m. only), telecast of MGM feature.
Benrus Watches (Grey) and *Stephen F. Whitman & Son Candies* (Ayer)
- Small World (Sun. 6-6:30 p.m.), for 33 weeks, eff. Oct. 4.
Olin Mathieson Chemical Corp. (D'Arcy)

NBC-TV

- Riverboat (Sun. 7-8 p.m.), alt.-wk. 1-hr. sponsorship eff. early fall. Direct negotiation by client.
Corn Products Co., for *Mazola Salad Oil*, *Skippy Peanut Butter*, *Hellman's & Best Foods Mayonnaise*, & *Karo Syrups* (Various agencies)
- Wichita Town (Wed. 10:30-11 p.m.), eff. early fall.
Procter & Gamble for unspecified products (Benton & Bowles)
- 26th annual All-Star baseball game (Tues. July 7 only, 12:45 p.m. to conclusion). Also to be aired on NBC radio.
Gillette Safety Razor Co. (Maxon)
- Annual Music & Recording Industry Awards (Sun. Nov. 29 in "Sunday specials" showcase)
Watchmakers of Switzerland (Cunningham & Walsh)
- Bonanza (Sat. 7:30-8:30 p.m.) and Laramie (Tues. 7:30-8:30 p.m.)
Liggett & Myers (McCann-Erickson) with alt.-wk. 30-min. segments, *RCA* (Kenyon & Eckhardt) with alt.-wk. 1-hr. segments.

Editorializing on TV news shows, prime-time slotting of public-service programs, and a panel session for press & government officials are on the agenda of that upcoming Westinghouse Bestg. Co.'s all-industry program conference (Vol. 15:18) to be held in San Francisco Sept. 21-23. WBC's program v.p., Dick Pack, expects over 300 station owners, gen. mgrs., and program executives.

Stations

NEW & UPCOMING STATIONS: WENH-TV (Ch. 11, educational) Durham, N.H., became 43rd educational outlet when it began programming June 22, as scheduled (Vol. 15:22), and raised the over-all on-air total to 552 (83 uhf). It has 5-kw GE transmitter & 360-ft. guyed Stainless tower with 12-bay antenna on Saddleback Mt., near Deerfield, N.H., connected via microwave with studios in Memorial Union Bldg. on campus, 14 mi. away. Owner is U. of New Hampshire. Keith J. Nighbert, ex-program director of WKNO-TV Memphis, is station mgr.; Cabot Lyford, ex-WGBH-TV Boston, program mgr.; Alton Hotaling, ex-KUON-TV Lincoln, Neb., production mgr.; Charles F. Halle, ex-WMUR-TV Manchester, N.H., chief engineer.

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

KICU (Ch. 17) Bakersfield, Cal. has ordered GE transmitter for July delivery and hopes to begin programming Sept. 1, writes Edward E. Urner, gen. mgr. & 20% owner, also owner of Bakersfield radio KLYD. It will use 380-ft. Utility tower. ABC-TV affiliation has been signed. Rates not set as yet, but rep will be Hollingbery.

KEPC-TV (Ch. 56, educational) Tacoma, Wash. has 1-kw GPL transmitter installed, but doesn't plan programming until next fall, reports Olai Hagness, school supt. of grantee Clover Park School Dist. Studio-transmitter building is about ¾ completed and work on 175-ft. self-supporting tower begins in July. Coming from local schools are J. Albert Brevik, who will be program & production director; Fred V. Miner, technical director, and Cloise H. Turner, engineer.

WPCA-TV (Ch. 17) Camden, N.J. has 1-kw used RCA transmitter on hand and hopes to begin programming next Oct., reports director Robert Brzal (onetime asst. mgr. of radio WCBA Corning, N.Y.) for owner Young People's Church of the Air Inc., with headquarters in Philadelphia. The church group acquired CP and its 1-kw RCA transmitter from Ranulf Compton's radio WKDN for \$40,000 earlier this year. It plans to emphasize religious-cultural-educational programming, operating on non-profit basis, but will sell time to church groups & commercial advertisers to meet operating expenses. Ground was broken June 9 for new studios to be added to Wyndmoor, Pa., transmitter house previously used by radio WRCV. Rebuilt antenna, on order from RCA, will be installed on WRCV's former 600-ft. self-supporting tower, which it will share under lease arrangement with tower's present owner George Voron Co., Philadelphia mfr. of electronic test & communications equipment. Dr. Percy B. Crawford is pres. & 40% owner (with wife) of Young People's Church; Charles Pugh, music director at Grace Chapel, Havertown, Pa. will be station mgr.; William Drury, associate of Dr. Crawford, sales mgr.; John Adison, ex-WXIX Milwaukee, chief engineer. In order to gain viewers, WCPA-TV is offering uhf converter & antenna at \$14.95 cost price to Philadelphia church members. Base hourly rate not set, rep not chosen.

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CHAB-TV (Ch. 4) Moose Jaw, Sask., delayed by winds & uncertain weather in getting 12-slot RCA antenna installed on 440-ft. Stainless tower, hopes to start soon, although previous June 1 target became "hopeless," reports station mgr. Sid Boyling. It has 6-kw RCA transmitter ready at site in Cairn, Sask. Base hour will be \$200.

Catholic Broadcasters: More than 400 religious & lay broadcasters attended the 11th annual Catholic Broadcasters Assn. meeting in Detroit last week to hear several religious, industry & entertainment figures analyze TV-radio in light of the "Miranda Prorsus" encyclical of Pope Pius XII. Bishop John King Mussio (Steubenville) told the broadcasters that the encyclical (which says the primary aim of TV-radio is to serve truth & virtue) "is exactly that firm hand of direction needed so urgently here in the U.S. in order that our best national interests can be rightly served."

The 3-day meeting also explored the business of TV-radio operations. Nielsen v.p. Eric E. Sundquist, for example, told the meeting that critics of rating services "display an overwhelming ignorance of the role of broadcast research in the economics of TV. We don't call the plays. We just report the facts. . . . When more culture & classics are broadcast, it will be because the public is watching, not because of a culture lobby." Among other lay speakers: WBC pres. Donald McGannon, CBS Radio pres. Arthur Hull Hayes, Ed Sullivan, TV & radio chief Frank Dunham of the U.S. Office of Health, Education & Welfare.

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Seeking a crack at Ch. 10, Terre Haute, in the event WTHI-TV wins authority to shift to Ch. 2, WICS (Ch. 20) Springfield, Ill. went to the Court of Appeals last week to challenge an FCC decision blocking it from filing for Ch. 10. WTHI-TV and Illiana Telecasting Corp. are competing for Ch. 2, while Livesay Bcstg. Co. is contesting WTHI-TV's right to continue on Ch. 10. WTHI-TV and Livesay have asked FCC to waive "McFarland letters" and designate them for hearing—which the Commission did, thus precluding anyone else from joining the competition for Ch. 10. WICS' appeal asserts that the FCC had no authority to waive the McFarland letter. Further complicating the situation is the fact that the Court of Appeals recently reversed FCC's decision which assigned Ch. 2 to Terre Haute (and also shifted Ch. 2 from Springfield, Ill. to St. Louis). For the present, at least, there's no Ch. 2 in Terre Haute.

Transfer of KXII (Ch. 12) Ardmore, Okla. to Texoma Bestrs., controlled by KWTX-TV Waco, Tex. in deal involving \$141,666 was approved this week by FCC. Commission previously had approved sale of station for \$160,000 to Texoma Land TV, headed by Bill Hoover of KTEN Ada, Okla., but rival Texoma Bestrs. filed application to buy station, saying Texoma Land contract expired before FCC approved sale (Vol. 15:17). Two weeks ago FCC turned down request by Hoover's group for extension of time to take over station (Vol. 15:23).

Deintermixture of Evansville, Ind. stands, as far as the U.S. Supreme Court is concerned, for it declined last week to review a Court of Appeals decision which had upheld FCC. The case involved the shift of Ch. 7 from Evansville to Louisville and Ch. 9 from Hatfield, Ind. to Evansville—reserving Ch. 9 for educational use. WTVW (Ch. 7) Evansville was ordered to show cause why it shouldn't shift to a uhf channel. Ch. 9 applicants WVJS & WOMI had appealed on the grounds that the FCC hadn't given them adequate legal notice of its intention to make Ch. 9 educational (Vol. 14:51).

Purchase of the facilities of WFAM-TV (Ch. 59) Lafayette, Ind. and of the station's CP for Ch. 18 for \$65,000 by Sarkes Tarzian Inc. (Vol. 15:19) was approved by FCC last week.

Canadian TV applications scheduled for July 7-9 hearing by Board of Broadcast Governors are: CKPG Television Ltd., Aurora TV Ltd. and W. G. Crockett, competitors for Ch. 3 in Prince George, B.C.; CKSA Television Ltd. for Ch. 2 in Lloydminster, Alta.; La Television de la Baie des Chaleurs Inc. for Ch. 12 in New Carlisle, Que. Also to be considered are applications for Ch. 7 satellite in New Glasgow, N.S. by CFCY-TV, Charlottetown, P.E. I., as well as following 4 Manitoba satellite applications by CKX-TV Brandon, Man.: Ch. 6 in The Pas, Ch. 10 in Swan River, Ch. 3 in Flin Flon, Ch. 8 in Moon Lake. Request to boost power to 62-kw by CJON-TV (Ch. 6) St. John's, Newfoundland, also is on agenda.

Equipment shipments: RCA—shipped superturnstile antenna June 9 to WSAZ-TV (Ch. 3) Savannah, planning boost to 100-kw; 25-kw amplifier May 20 to WEDU (Ch. 3, educational) Tampa, planning boost to 56.2-kw; superturnstile antenna May 4 to WGR-TV (Ch. 2) Buffalo, planning move to 700-ft. tower at new site. GE—5-kw transmitter and microwave equipment June 2 to KTVI (Ch. 2) St. Louis, planning move to 1000-ft. tower at new site in Sappington, Mo. (4-bay batwing antenna was shipped May 20); 1-kw transmitter May 25 to KHTV Portland, planning to reactivate Ch. 27 there.

Another step in TvB's push to "sell TV via TV" was taken last week when members received a series of 13 animated film spots with the theme "People Are Sold on Television." The Bureau's on-the-air image drive began last Nov. and member stations have contributed more than \$5 million in time to the project. The current package of spots includes a 20-sec. announcement showing the increase in summer viewing this year over last and a 10-sec. spot pointing out that 84% of the U.S. population see TV each day. The Wexton Co. is agency for the campaign.

Local specials are worth it, concludes *Sponsor* in a case-history of a one-time splurge produced & telecast recently by KMOX-TV St. Louis for the Community Federal Savings & Loan Co. The filmed TV special cost the sponsor \$15,775, approximately the price of a planned roto section, and produced immediate & long-range institutional & sales benefits. As the sponsor's pres. John H. Armbruster put it: "Above & beyond dollar gains, we have attained stature in the minds of thousands."

Meeting newspaper strike in St. Louis, now 2 weeks old, TvB retail-sales v.p. Howard P. Abrahams, last week urged ad mgrs. of St. Louis retail & department stores to use TV in the "advertising emergency." He also sent a storyboard showing retailers how to translate print media elements into TV commercials, using slides & off-camera voice. "We believe," said Abrahams, "that an examination of this technique will put you on the right road for effective TV preparation."

Question of diligence in prosecution of the CP held by KSOO-TV (Ch. 13) Sioux Falls, S.D. was raised last week by the FCC in designating for hearing the application of the grantee for additional time to build. The grant was made July 1957. Also questioned was a stock option agreement held by the owners of WDAY-TV (Ch. 6) Fargo, N.D. which would give them control of KSOO-TV & KSOO.

Sale of "Jacksonville Journal," owner of off-air WJHP-TV (Ch. 36) Jacksonville, Fla. to the publishers of the *Jacksonville Times-Union* for an undisclosed amount was announced last week. The newspaper is owned by John H. Perry interests, which also own WESH-TV (Ch. 2) Daytona Beach and 40% of radio WNDB there.

Auxiliary Services

TELEMETER REJECTS FCC TEST: Paramount-owned International Telemeter doesn't "presently contemplate" an on-the-air pay-TV test as authorized by the FCC, but instead will rely on closed circuit because it's "more economic."

That was the gist of a 5-page statement by Telemeter pres. Louis A. Novins, read at a press conference in Los Angeles last week. Novins went into great detail to explain that broadcast pay TV would be more costly because of time charges, availability of multi-channel closed-circuit equipment and existence of pre-wired CATV systems. He conceded, however, that "at a certain point of saturation in a large market, the economics of a broadcast system can be more favorable," and added that "Telemeter's broadcast system is prepared for that eventuality."

Simultaneous announcement by Trans Canada Telemeter Ltd., div. of Famous Players Canadian Corp. (Paramount's Canadian affiliate) stated that Toronto suburb Etobicoke would get the first Telemeter system. "Starting with more than 70 miles of TV cable, with a potential of 13,000 homes, the system will be readily expandable to serve 40,000 homes in the west Toronto area," said the announcement. "It is planned that at least 5000 home units will be installed next fall & winter." Initial investment by Famous Players was said to be about \$1.25 million.

Continued Novins: "We are actually considering a study & arrangements for a choice of locations for Telemeter in the U.S." Said Telemeter v.p. Paul MacNamara: "We are manufacturing coin boxes at a considerable investment. I can't say how many are in production; we expect 10,000 by the end of the year."

When we asked if Telemeter would finance wiring of cities such as Los Angeles, the reply was emphatically no—that "entrepreneurs" would provide such financing, that Telemeter would provide the service, technical facilities, knowhow and programming. Novins estimated it would cost about \$100 a home for original wiring.

"As we see it, it would be a local operation financed by local people. They would put up the money for the cost of wiring—we would do the rest," said Novins. Also mentioned were the possibilities of tie-ins with the telephone company & CATV.

When Novins was pressed for facts regarding Telemeter operations in the U.S., he replied that "deals are now in negotiation. We are deeply involved in programs of national significance." There was an indirect swipe against rival Skiatron with the remark, "We don't want any bluesky talk about giving you the Bolshoi Ballet, the Giants or the Dodgers." Novins also criticized the Bartlesville, Okla., pay-TV test which failed, in his opinion, because "they charged a flat rate for a block of pictures. We don't believe entertainment can be sold on a block basis. The public is entitled to its choice. Also, at Bartlesville they confined their programming to movies. That was a mistake. Why didn't they put on the Oklahoma football team games?"

When we asked him about Telemeter's Palm Springs test of 5 years ago, Novins blamed its troubles on a Palm Springs drive-in theater operator who he said complained to the Govt., alleging that companies other than Paramount wouldn't supply movies. He added that the test "was never intended on a continuing basis," and the facilities used then are now "obsolete."

He also read a statement from Paramount pres. Barney Balaban on studio policy toward pay TV: "We will

study each situation & the problems it presents as we do in the licensing of our product to theatres . . . We will consider the market in each situation & what the new medium can produce for us in revenue. We will consider the new medium as though any customer came to us & asked for our pictures . . . We producers will have to look to an expanding market whether in the theater, in the home, and most likely, from both sources."

Guardian Electric Co. of Chicago has been producing Telemeter units since October, and will begin to roll them off the assembly lines by the end of this month, he said.

Teepee TV: Jicarilla Apache tribe's application for a "TV booster or translator station" to operate on Ch. 4, retransmitting the signal of KOB-TV (Ch. 4) Albuquerque to the village of Dulce, N.M., was returned by FCC last week. The Commission explained that it isn't authorizing vhf boosters yet. Tribe's letter said that it already had a TV booster station operating but was having a little trouble trying to install control & monitoring equipment some distance from the booster and would like to send a representative to Washington and discuss the problem.

CATV-booster witness list for Senate Commerce Committee's hearings isn't complete but here are those scheduled to date: June 30—ex-Sen. Edwin Johnson (D-Colo.) and 14 booster operators. July 1—Ed Craney, KXLF-TV Butte, Mont.; Rex Howell, KREX-TV Grand Junction, Colo.; Marshall Pengra, KLTV Tyler, Tex.; Frank Reardon, KULR Kalispell, Mont.; William Grove, KFBC-TV Cheyenne, Wyo. July 7 et seq. (CATV witnesses)—A. J. Malin, Laconia, N.H.; E. Stratford Smith, NCTA gen. counsel; Henry Griffing, Oklahoma City; Charles Clements, Waterville, Wash.; Clifton W. Collins, Ephrata, Wash.; A. Earl Cullum, Dallas consulting engineer, for new TV repeater technical committee; Archer Taylor, Missoula, Mont.; Robert Murphy, Casper, Wyo.; Glenn Flinn, Tyler, Tex.; Robert J. Tarleton, Landsford, Pa.; Sanford Randolph, Clarksburg, W. Va.; Milton J. Shapp, pres. of Jerrold Electronics Corp.

New CATV system started June 4 in Massena, N.Y., built by Entron, offers 5 channels: WCAX-TV (Ch. 3) Burlington, Vt.; CBOT (Ch. 4) Ottawa; CBMT (Ch. 6) Montreal; WPTZ (Ch. 5) Plattsburgh, N.Y.; WCNY-TV (Ch. 7) Carthage-Watertown, N.Y. It's operated by Antenna System Corp. of Massena, owned by Robert LaPlante, Myron Horowitz and William Graham.

New medium for in-store promotion of drugs not normally advertised to the public is being tested in N.Y. "Pharmony," an in-store broadcast system, is piping a mixture of soft music & discreet commercials into 20 drug-stores. Five major drug firms are participating in the June-thru-Aug. test, which seeks to solve problem of consumer advertising of ethical drugs heretofore promoted only to doctors & druggists.

New CATV system in Crockett, Tex. has been authorized, city council granting a franchise to Cablevision Ltd.

Translator start: K73AN Eureka, Nev. began May 20 repeating KUTV & KTVT Salt Lake City.

Telefision Cabled TV, CATV system in Kitchener, Ont., discontinues June 30.

Single translator CP granted by FCC last week was for Ch. 72, Ukiah, Cal. to Television Improvement Assn.

Educational Television

Anti-ETV Students: Students at Compton (Cal.) College, which has been a leader in experimental classroom TV (Vol. 15:2), have been demonstrating on the campus to protest TV classes. Some 200 Compton students hanged in effigy a figure labeled "Pioneering Spirt," and waved banners proclaiming "TV Eliminates Discussion" and "TV Eliminates Student-Instructor Relationship," then circulated petitions against ETV.

Sophomore Ted Hallisey, who admitted he "more or less instigated" the rally, said about 1500 students have signed petitions to the state Board of Education protesting televised instruction in algebra, English and psychology. Added Hallisey: "The teachers are against TV classes 100%." Compton pres. Paul Martin agreed, and opined that disgruntled faculty members were behind the protest.

The Cal. Teachers Assn. disclaimed any involvement in the student demonstration by "any member of the staff or officer" of that group. Dr. Lionel De Silva, exec. secretary, said the teacher group has been concerned over the Compton TV program, and added: "The essential issue at Compton is the quality of instruction in the filmed teaching experiment."

The program, instituted to meet a teacher shortage & save money, is threatened with the loss of state average daily attendance money, according to Martin. Soon after the state teachers assn. went on record as opposing TV classes, the state Board of Education indicated it would not pay average daily attendance money for such classes. An opinion by the state's Attorney General is pending.

"Future of American education" is being shaped by TV in the famed 5-year Washington County (Md.) closed-circuit educational project, which wound up its 3rd year this month, the *Washington Post & Times Herald* reports. A round-up story about results of the ETV experiment says Hagerstown teachers "find it difficult to conceal their enthusiasm." States supt. Wm. M. Brish: "TV is enriching our whole school program." TV teacher-pupil intimacy is such that youngsters call out answers to questions, wave goodbye to the sets when class is over. One first-grader carried a modeled clay figure to the screen, asked his TV art teacher: "Mr. Roberts, did I do it right?"

Medical Teaching Booming: The teaching of medicine & dentistry via closed-circuit TV has developed considerably more than is generally realized. Attendance at the Navy's first medical-dental TV workshop, last week at the Naval Medical Center, Bethesda, Md. June 15-16, was expected to be some 30-40. Actually 225 showed up (including a substantial sprinkling of manufacturers' representatives from RCA, Ampex, Raytheon, Giantview, Ciba, Jerrold, Dage, and Telechrome). And Rear Adm. T. F. Cooper reported that more than 2/3 of the nation's dental schools are now using or immediately plan to use TV.

Attendees were told that the average installation runs \$60,000—from \$8000 for a 2-camera, 4-monitor system at the U. of Pa. dental school to the Tex. Medical Center's 6-camera, 63-monitor installation. Ernest Rausch, of Ohio State U. dental school, reported that the system there ran \$43,500 for a 2-camera, 27-monitor setup. Lt. Comdr. Edward W. Bird, Center TV project officer, warned that cable & installation costs are unexpectedly high. Cutting through walls & running conduits at the Center cost \$39,000 he said.

Sessions included demonstrations & discussions of cameras, lighting, microscopy, surgery.

Programming

PROGRAM "SATURATION LEVELS": Are Westerns galloping on TV toward a point-of-no-audience returns? Are quiz shows continuing to lose their viewers? Which program types are reaching levels of viewer saturation? Programming executives & admen may find basic answers to questions like these in the special study (of Feb. 1959 vs. Feb. 1958—a peak viewing month) that appears below. It was prepared exclusively for us by A. C. Nielsen.

	Nighttime Network Programming Time			Nighttime U.S. Viewing Time		
	1958	1959	% Change	1958	1959	% Change
Drama—30 min.	4%	5%	+25%	5%	5%	—%
Drama—60 & 90 min. ..	8	7	-12	8	7	-12
Variety—30 min.	9	9	—	7	8	+14
Variety—60 min.	18	18	—	16	13	-19
Western—30 min.	7	11	+57	10	14	+40
Western—60 min.	4	7	+75	5	10	+100
Adventure—30 min.	7	6	-14	6	5	-17
Situation comedy	13	11	-15	15	12	-20
Quiz & audience participation	9	6	-33	10	7	-30
Suspense	10	7	-30	10	8	-20
Information	5	8	+60	3	6	+100
Miscellaneous	6	5	-17	5	5	—
	100%	100%		100%	100%	

The figures show that 60-min. variety continued to take the big bite out of nighttime program hours, repeating last year's 18% performance. However, in ability to capture viewing time, it dropped 19% off its 1958 pace.

Significantly, for trend purposes, the short & long Westerns paced the big gains across the board. The 60-min. Western showed a 75% increase in time on TV screens. The time was well spent, since it had a 100% gain in viewing time. The short bang-bangs increased 4 percentage points both in share of programming & viewing time.

Of particular importance to those who find such things of particular importance, information programs—news specials, documentaries, public affairs—increased 3 percentage points in share of programming time, and doubled their take of the viewing time.

As indicated in the chart above, the only program types to increase both in classifications of programming & viewing time this year are those strange bedfellows Westerns & information programs. The 30-min. drama got 25% more time on nighttime network in 1959 vs. 1958, but it was unable to capture any additional share of viewing time.

In total programming time, everything else on the board went downhill. Fewer hours by far were programmed in 1959 for the quiz, situation comedy, 60-min. drama, suspense, and adventure programs. Naturally enough, every program that attracted fewer programming hours also attracted less viewing time.

The short & long Westerns loped ahead of the pack, but there's no indication of saturation yet, for although Western programming increased in 1959, Western viewing increased even more. Despite their 1959 gains, Westerns still accounted for only 18% of total nighttime programming, as against variety's 27%. Nevertheless, Westerns attracted 24% of the viewing to take first honors over the heavier-scheduled variety shows—which attracted only 21% of viewing time.

Revised ASCAP anti-trust decree will be upcoming soon from the Justice Dept., Rep. Roosevelt (D-Cal.) indicated last week. He had scheduled a meeting of his House small business subcommittee to question justice officials on their year-long delay in negotiating new anti-trust terms with ASCAP. (Vol. 15:21), but called it off.

Radio World Wide Opens Shop: Plans for an AP-like news & feature service in the radio field by Radio World Wide took another step toward actuality late last week in N.Y. A meeting of the RWW board was held, attended by other charter subscribers, following the filing in Delaware June 12 of the group's incorporation papers.

Elected as chairman was Herbert L. Krueger, v.p. & gen. mgr. of WTAG Worcester, with Paul W. Morency, pres. of WTIC Hartford, named vice chairman, along with John F. Patt, pres. of WJR Detroit. Charles R. Cutler, of the Washington law firm of Kirkland, Ellis, Hodson, Chafetz & Masters, was named RWW pres. & secy. pending selection of a full-time chief exec. Irvin Gross, v.p. & treas. of WHAM Rochester, was named treas. Additionally, an executive committee, drawn from the board of directors, was appointed.

No official starting date for the radio service was named, although RWW's ultimate aim is to have as much as 40 hrs. weekly of news, public affairs, service features, exchange programming & entertainment. No attempts will be made to sell RWW outlets on any kind of "group" or "network" basis. Station fees for the service will be determined on "a formula based on the station's nighttime 1-min. spot rate."

The fast start of RWW is viewed, in some quarters, as a real slap in the face of old-style network radio. WHAS Louisville—whose v.p. & dir. Victor A. Sholis is on RWW's executive committee—was, for example, a CBS radio affiliate since 1932. Last week, Sholis wrote to CBS radio pres. Arthur Hull Hayes to state his regrets at severing a 27-year affiliate relationship, but said he felt the move was "mandatory if WHAS is to remain the medium of importance it has been to listener & advertiser alike."

Bolshoi Up for Grabs: Matty Fox was, reportedly, in real trouble with his \$1.2 million quartet of Bolshoi Ballet tapes late last week. Deals to air the tapes on NBC-TV or on a syndicated basis had virtually fallen through because of failures to meet the network's deadline for money to guarantee time costs and because of lack of sufficient station interest in Fox's plan to pay the sizable costs of the shows from voluntary contributions of dollars from viewers.

Bolshoi ballet tapes made at KTLA Los Angeles have been transferred to film at NBC by Matty Fox of Skiatron. Technicians in on the just-completed transfer at NBC say the completed 35-mm "film" is in actuality a kinescope of tape, not theatrical film. Fox wasn't available for comment.

More, not fewer Westerns is TV's big need, says writer-producer Frank Gruber (*Shotgun Slade*) to varmints who want TV to come in off the range. The 32 Westerns scheduled for next season, he figures, add up to only 18 of TV's weekly 35 prime hours. Hardly enough, he tells us. He sees a need for 10-20 more Westerns weekly, to satisfy both viewers who want 'em & advertisers who can draw maximum audiences with 'em. "Shall a handful of long-haired eggheads tell the public they should watch only bumbling old men tell the rest of us what's wrong with the world? The American public," he declares, "is fed to the teeth with impending disaster. We want to close the door on the world of reality. We want to relax. We want to be entertained."

Liberace won a \$22,400 verdict last week in his libel suit against British columnist Cassandra, who implied the American entertainer was a homosexual—a charge Liberace denied under oath.

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.
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MARTIN CODEL
Associate Publisher

WEEKLY NEWSLETTER TV & AM-FM ADDENDA AM-FM DIRECTORY
 Published Mondays Published Saturdays Published in January
TELEVISION FACTBOOK Published in March & September

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Personals: Robert H. Hinckley has retired as v.p. in charge of the Washington office of ABC-TV, but will continue as a board member & member of the exec. committee of the board.

CBS last week named 15 v.p.'s to its TV & radio stations divs. as follows: TV stations div.: H. Leslie Atlas, WBBM-TV Chicago; Clark George, KNXT Los Angeles; John Schneider, WCAU-TV Philadelphia; Frank Shakespeare Jr., WCBS-TV N.Y.; Eugene B. Wilkey, KMOX-TV St. Louis; Harvey Struthers, TV station services; Bruce Bryant, TV spot sales. Radio stations div.: E. H. Shomo, WBBM Chicago; Fred Ruegg, KNX Los Angeles; Joseph T. Connolly, WCAU Philadelphia; Sam J. Slate, WCBS N.Y.; Robert Hyland, KMOX St. Louis; Thomas Y. Gorman, WEEI Boston; Maurie E. Webster, KCBC San Francisco; Milton F. Allison, radio spot sales.

Frank Warren named gen. mgr., Hawaiian Bestg. System (KGMB-TV Honolulu, KMAU-TV Maui, and KHBC-TV Hilo), succeeding Melvin B. Wright (Vol. 15:24) . . . William H. Watkins, engineering asst. to Comr. Craven, named asst. chief engineer of FCC in charge of frequency allocations & treaty div., succeeded by George K. Ashenden from Office of Opinions & Review . . . Miller C. Robertson has resigned as station mgr. of KIRO-TV Seattle . . . C. Wesley Quinn promoted to local sales mgr. of WFLA-TV Tampa.

Henry J. Zittau elected v.p.-treas., United Artists Associated. Herbert T. Schottenfeld and W. Robert Rich, named v.p.'s; Fred Hyman v.p.-secy. . . James Thrash appointed mgr., CBS Films Atlanta Office, succeeding James H. McCormick, named account supervisor, N.Y. office . . . George Faber promoted from CBS newsfilm Midwest mgr. to new post of publicity mgr., CBS Films—Hollywood, headquartering in Los Angeles . . . Jean Meredith, ex-Benton & Bowles, Hollywood, named CBS West Coast special projects dept. head, effective July 6 . . . James J. Rue, ex-KTLA Los Angeles, named exec. asst. to pres. of KCOP, same city.

Mark Wodlinger, ex-sales mgr., WOC-TV Davenport, named national sales mgr., WMBD-TV Peoria, continuing as exec. v.p., Community Telecasting Corp., Moline Ch. 8 applicant . . . Harvey Chertok named mgr. of NTA merchandising dept., succeeding Irving Lichtenstein, now mgr. of WNTA Newark . . . William Crumley, ex-v.p. of Young TV Corp., appointed Weed marketing & research dir.

Jack Lightner promoted from asst. promotion mgr.

to promotion mgr., WREX-TV Rockford, Ill., succeeding Charles Olson (Vol. 15:23) . . . Scott Kember, ex-Reitter & Orme Adv., Sacramento, named advertising & promotion director of KOVR there . . . J Stuart MacKay promoted from v.p.-managing dir., to pres. All-Canada Radio & TV Ltd., rep firm. Reo C. Thompson promoted from TV div. mgr., to gen. mgr. of the company . . . Holt Gewinner promoted from radio sales promotion mgr. to promotion & publicity director of WSB-TV & WSB Atlanta . . . Robert J. Sullivan, ex-Corinthian Bestg. adv. & promotion dir., named promotion mgr., RAB.

Robert E. Sherwood TV Awards' top prize of \$5000 went last week to CBS-TV's *Playhouse 90* production of "Made in Japan," a study of an American GI's prejudice overseas. Mrs. Eleanor Roosevelt made the presentation. A runner-up award of \$2500 went to an episode titled "Twenty Cent Tip" on the *Loretta Young Show*. Other prizewinning shows in the 4th annual presentation were mainly in the news & special events area, with NBC-TV landing 3 awards for "Report from Alabama," "The American Stranger" (on *Kaleidoscope*), and *Project 20's* "Meet Mr. Lincoln." CBS scored with its Ed Murrow-Fred Friendly *Small World* series, and ABC-TV with its *Bishop Pike* shows. In the opinion of the jurors, who included Mrs. Roosevelt, Gilbert Seldes & Robert Hutchins, the 7 shows "dealt most dramatically & effectively with the subjects of freedom & justice."

New NAB radio board chairman is v.p.-gen. mgr. F. C. Sowell of WLAC Nashville, elected in Washington last week to succeed gen. mgr. J. Frank Jarman of WDNC Durham, N.C. Moving up to vice chairman is Mayor Thomas C. Bostic of Yakima, Wash., v.p.-gen. mgr. of Cascade Bestg. Co. (KIMA-TV & KIMA Yakima, etc.) He succeeds pres.-gen. mgr. Robert T. Mason Sr. of WMRN Marion, O.

Alphonse Ouimet, CBC pres., received the Julian C. Smith medal from the Engineering Institute of Canada for his contribution to the growth and development of Canadian TV.

FCC Comr. Rosel Hyde will be sworn in for his new term June 23 by Court of Appeals Judge John A. Danaher.

Pauline Frederick, NBC News' U.N. correspondent, received an honorary LL.D. from Mount Holyoke College.

Suicide of George Reeves last week was triggered, his friends said, by despondency over typecasting which prevented the 45-year-old star of TV's *Superman* series from working regularly for 2 years. Although re-runs of the popular TV show are still being shown, the actor received no residuals. Commented Screen Actors Guild natl. exec. secy. John L. Dales in a press release: "The Guild has long recognized the grave difficulties created for an actor who gets so well established in a particular role that he cannot find employment in any other. This was true to a certain degree in theatrical motion pictures but is even more evident in TV pictures. It was for this reason that the Guild established by collective bargaining the principle of residual payments to actors for re-runs of TV films."

Obituary

Clay Yurdin, 40, died June 15 of a heart attack in Fort Lauderdale, Fla. Co-head with Phil Melillo of Production Alliance, a mobile video tape firm, he was preparing for last Saturday's telecast of the "Mrs. America" pageant. He is survived by his wife, daughter and son.

Advertising

Quizzing the Admen: FCC will meet the admen July 7—and for about 2 weeks thereafter—when the Commission resumes its network program inquiry (Vol. 15:9 et seq.) with hearings in the U.S. Courthouse, Foley Square, N.Y.

The purpose, as the Commission's staid announcement put it: "This investigatory proceeding is concerned with the policies & practices pursued by the networks and others in the acquisition, ownership, production, distribution, selection, sale and licensing of TV programs."

FCC chief counsel in the case, Ashbrook Bryant, says that the hearing is expected to run about 6 days (3 days each week). Some 8-15 witnesses from large & small agencies, still unidentified, have agreed to appear—although some may prefer to be subpoenaed, to show they aren't volunteering. Bryant says that witnesses won't necessarily be the heads of the agencies, rather, "those on the firing line of programming." There are no plans to call representatives of advertising associations. "We're going into considerable detail," Bryant said, "into the function of the agency in programming." To guess who might testify, one can simply pick out the top TV men of the top agencies—Ted Bates, J. Walter Thompson, Young & Rubicam, Benton & Bowles, BBDO, etc. The N.Y. press will have a field day.

Commerce Dept.'s new Advertising Committee, within framework of the National Distribution Council of business advisers, will hold its first meeting in Washington next Monday (June 29). NAB pres. Harold E. Fellows represents broadcasters on the Committee, which is headed by pres. Frederic R. Gamble of the American Assn. of Advertising Agencies. Other members: Wm. K. Beard (Associated Business Publications), Paul B. West (Assn. of National Advertisers), Robert E. Harper (National Business Publications), John C. Freeman (National Industrial Advertisers Assn.), Charles W. Collier (Advertising Assn. of the West), C. James Proud (Advertising Federation of America), E. C. Nash (Agricultural Publishers Assn.), Cranston Williams (ANPA), Robert F. Delay (Direct Mail Advertising Assn.), Robert E. Kenyon Jr. (Magazine Publishers Assn.), Harold B. Mers (National Assn. of Transportation Advertising), Edgar S. Bayol (National Editorial Assn.), Karl L. Ghaster Jr. (Outdoor Advertising Assn.).

New reps: Transcontinent TV stations (WROC-TV Rochester, WGR-TV Buffalo, WNTP-TV Scranton-Wilkes-Barre, WSVA-TV Harrisonburg) to Petry July 1 (from Peters, Griffin, Woodward for all except WNEP-TV, which moves from Avery-Knodel). Skyline Network stations (KID-TV Idaho Falls, KLIX-TV Twin Falls, KOOK-TV Billings, KXLF-TV Butte) to Hollingbery July 1 (from Gill-Perna). KCIX-TV Nampa to Weed (from McGavren-Quinn). WAIM-TV Anderson, S.C., to Devney (from Headley-Reed).

Radio WKFM Chicago is suing Pulse for \$577,500, charging discriminatory practices because the rating service failed to list the station in a recent measurement study. Pulse dir. Sydney Roslow said that the charge is "wholly without basis," that many stations are omitted from such studies.

New agency for all Storer Bestg. Co. advertising will be Peter Finney & Co., Miami, as of Aug. 1. James M. Woodman will be account exec.

In Other Media: *Look's* ad rates rise with magazine's Feb. 16, 1960 issue, to meet increased production costs. Simultaneously, circulation guarantee increases to 6 million from current 5,550,000 . . . In the face of *Life's* newsstand price cut, and *Time's* 15¢ test, *SatEvePost* June 27 issue increases by 5¢ to 20¢ in three states—may presage a national hike. *Post* circulation is at a new high of 6.2 million and ad revenue for first-half of 1959 is \$3 million ahead of first-half 1958 . . . *Time* this week devotes its cover story to Shirley MacLaine, of movies and TV . . . Another TV personality to get the cover treatment is AB-PT pres. Leonard Goldenson, in the June 15 *Forbes*. Guided by the principle that the public must have what it wants, even if that means overloading on Westerns, Goldenson, says the article, has increased ABC revenues 5-fold since 1953 . . . *The Gallagher Report* predicts forceful moves by the Sunday supplements to combat TV's inroads. They're losing ad pages in bunches, as figures for first-half 1959 vs. first-half 1958 show: *American Weekly* is off 41.8%, *Family Weekly* minus 19.6%, *This Week* down 14.5% and *Parade* off 9.4%. *Printers' Ink*, in a survey of lineage for first-half 1959 vs. first-half 1958, shows Sunday supplements off 12.6%, following a May loss of only 0.2%.

Advertising People: Sylvester L. (Pat) Weaver, former NBC chairman and more recently advertising consultant to Kaiser Industries and McCann-Erickson, named McCann-Erickson (International) chairman.

John Boyd, Clifford Dillon, Emile Frisard, Muriel Haynes, Gabriel Ondeck and Otto Prochaska, v.p.'s & asst. creative dir.'s, Compton Adv., named creative dir.'s. . . Henry L. Musser named v.p., Doherty, Clifford, Steers & Shenfield . . . William D. Fisher appointed v.p. & broadcast programming dir., Gardner Adv.

Vincent F. Aiello has resigned as senior v.p., MacManus, John & Adams . . . Victor W. Canever named senior v.p., D. P. Brother . . . Harwood Hull, exec. v.p., Publicidad Badillo Inc., San Juan, Puerto Rico, elected pres., Adv. Agency Association of Puerto Rico.

James P. Wilkerson & Edward L. Bond Jr. named senior v.p.'s of Young & Rubicam, operating in the international & contact divisions respectively . . . William T. Kammerer, William J. Kennedy, Winston W. Kirchart and Martin J. Murphy elected Ted Bates v.p.'s.

TV ad dollars from toys zoomed 61% in 1958 vs. 1957, reports TvB, and the number of toy makers in TV rose 89%. The toy & games industry's 1958 TV picture showed more than \$3.5 million invested by 121 firms, compared with 1957's \$2.175 million by 64.

Station Rate Increases

Station	Base Hour	Minute	Date
WTTG Washington	\$1800 to \$2000	\$120 to \$160	June 1
WKRC-TV Cincinnati	1200 to 1300	330 to 350	May 1
WLWA Atlanta	1000 to 1100	225 to 275	May 1
WBRC-TV Birmingham	850 to 1000	250 to 300	June 1
WAPI-TV Birmingham	800 to 900	250 to 275	June 1
KARD-TV Wichita	750 to 700†	150 to 165	May 15
WFGA-TV Jacksonville	600 to 750	150 to 200	June 1
WMT-TV Cedar Rapids	625 to 700	135 to 160	June 1
WKRQ-TV Mobile	500 to 550	120 to 140	May 1
WCSH-TV Portland, Me.	500 to 550	100 to 110	May 1
WRGP-TV Chattanooga	490 to 450	80 to 100	June 1
WLBZ-TV Bangor	325 to 375	65 to 75	May 1
*KID-TV Idaho Falls	250 to 275	70 to 82.50	June 1
KMMT Austin, Minn.	200 to 250	40 to 50.	May 1
*KOOK-TV Billings	200 to 250	45 to 62.50†	June 1
*KFB-TV Great Falls	225 to 250	65 to 75	June 1
KTRE-TV Lufkin	225 to 250	45 to 60	July 1

*Skyline TV Network (KID-TV, KLIX-TV Twin Falls, KOOK-TV Billings, KXLF-TV Butte, KFB-TV Great Falls) has raised base hour from \$975 to \$1011.50, min. \$275 to \$303.50. †Decrease. ‡20 sec. only.

At Cannes international ad film festival (19 nations), American TV commercials walked off with virtually all the top awards, Wallace A. Ross, American delegate, tells us.

The TV Grand Prix (453 entries) was awarded to Calo Dog Food commercials, produced by Casade Pictures (Hollywood) for Foote, Cone & Belding. A similar Grand Prix in the cinema ad category was awarded, in a field of 442 entries, to the no-dialog Chevrolet station-wagon TV commercial, produced by Lawrence-Schnitzer Productions for Campbell-Ewald. A first prize for 30-sec. animated spots went to the Ford dealers "shaggy dog" TV commercial (Playhouse Pictures for J. Walter Thompson). First & 2nd prizes for animated 60-sec. commercials went to Piel Bros. and Andersen Soup commercials. Special commendations were also given to U.S. TV commercials for Coty, Dial Soap, Zest, Chesterfield, Charmin Tissue, Carling's Stag Beer and Lestoil.

News of the Cannes winners, however, was received with mixed feelings in some N.Y. film circles last week. McCann-Erickson, for instance, entered 10 film commercials in the competition. It cost a minimum of \$37 for each 60-sec. entry to cover fees, print costs, shipping, and French-translated entry forms. The agency's films were not shown, with festival authorities saying "They were not received." A similar fate was experienced by Gene Deitch Associates, which entered 2 commercials that disappeared en route. Other hassles centered on the festival's "unclear rules of entry & arbitrary decisions."

Auto veil of secrecy is being clamped on NBC-TV by major makers (Ford, Pontiac, Plymouth, Buick, Chrysler) who have asked the network not to announce the exact dates on which their fall specials will be aired. Reason: With the new lines of small cars being prepared in advertising secrecy, Detroit's auto leaders don't want to tip their kickoff dates to each other, network sources tell us. Oddly, CBS-TV's auto business is under no such wraps from Buick (Nov. 19 kickoff) & Oldsmobile (Sept. 22), and ABC-TV's orders from Dodge & Olds are similarly not affected.

There's a curious split between TV & print ads for Schweppes (USA) Ltd. this summer. In magazines, handsomely bearded Commander Edward Whitehead is shown romping off on fishing trips, cook-outs and the like with his attractive wife Tommie. In TV, a current series of 1-min. spots shows the Commander, in flawless evening garb, hoisting gin-&-Schweppes with a sultry-voiced, raven-haired model while playing a verbal guessing game concerning whether he has met her in Cairo or Paris. Presumably he left Tommie in the woods.

Point-of-purchase TV advertising will be market-tested by Store-Video Inc., starting July 15, in 2 Grand Union supermarkets. The p-o-p system continuously projects a cycle of 60 sales messages to 50 monitors suspended over the display shelves. During the average shopping tour, Store-Video estimates, each 7-sec. message will be exposed thrice. The TV firm will rent space from the supermarkets and draw its revenue from the advertisers, at rates of approximately \$1 per 1000 shoppers.

The new MGM-TV operation in N.Y. will be headed by Leslie Roush. Studios are currently under construction at 550 Fifth Ave., Bill Gibbs, dir. of the movie firm's commercial & industrial division, stated late last week. Roush, for the past 14 years, has had his own film production company in Mineola, L.I.

Film & Tape

TV's NEW FACES: For years, the movie industry has asked for "new faces," then invariably signed famous names to safeguard the boxoffice. TV, on the contrary, doesn't pay "new faces" lip service, but stars them.

Next season will see a peak of series featuring actors new to the public. Other series will star actors rated no better than supporting players in movies—TV has proved repeatedly that it can project players into stardom. Jim Arness couldn't find a job in pictures; today he's a TV star with the high-rated *Gunsmoke* series. Efrem Zimbalist Jr., Roger Smith & Edward Byrnes, getting nowhere in movies, have become stars via Warner Bros.' 77 *Sunset Strip*.

TV has been forced into this star-making role by not being able to afford top names as a rule. Some movie stars will be making debuts with regular series next season, (Henry Fonda, Audie Murphy, June Allyson, Barbara Stanwyck, Joel McCrea, Robert Taylor, Dennis O'Keefe), but they're in the minority.

New personalities doing major roles in TV series next season include Gardner McKay (*Adventures in Paradise*); Robert Fuller, Robert Crawford, John Smith, (*Laramie*); Van Williams, Andrew Duggan, Arlene Howell, Richard Long (*Bourbon Street Beat*); Al Hedison, Luciana Paluzzi (*5 Fingers*); Dan Blocker, Michael Landon, Pernell Roberts, Lorne Green (*Bonanza*); Burt Reynolds (*Riverboat*).

The considerable list of players with series of their own, who by movie standards don't remotely rate star rating, also includes John Cassavetes (*Johnny Staccato*); Dwayne Hickman (*Dobey Gillis*); Bill Demarest, Kay Armen & Stubby Kaye (*Love & Marriage*); Phil Carey (*Philip Marlowe*); Robert Rockwell (*The Man From Blackhawk*); Nick Adams (*The Rebel*); Earl Holliman (*Hotel de Paree*); Bill Lundigan (*Space*).

The accent on new faces isn't new to TV, it's simply heightened for the coming season. Last season was also a good one for the newcomers. Aside from the *Sunset Strip* stars, there were Chuck Connors (*The Rifleman*); Steve McQueen (*Wanted—Dead or Alive*); Ty Hardin (*Cheyenne*); Peter Breck (*Black Saddle*); Clint Eastwood (*Rawhide*); and Wade Preston (*Colt .45*). Other examples: Craig Stevens, who never rated stardom in movies, successfully made it in TV via *Peter Gunn*; Lee Marvin, always considered a competent actor but not a star in movies, achieved fame with *M Squad*.

One of the most potent arguments for new faces is Warner Bros.' *Maverick* series, which has raised to eminence James Garner & Jack Kelly. And the same is true of Revue's *Wagon Train*, for Ward Bond & Robert Horton.

Today, sparked by the success of its Paris-taped show segments (that also spawned a NABET strike, Vol. 15:18) is planning to broaden its programming areas through video tape, Jerry Danzig, v.p. in charge of NBC participating programs, said last week. Beginning in Sept., all *Today* features (excepting live news) will be taped in the prior afternoon to get the "prominent figures in entertainment, arts, and sports," who have balked at doing live guest shots at the crack of dawn. Producer Robert Bendick will also use tape to bring in West Coast features. (Last Wed. [June 17], *Today's* Jack Lescoulie made news on another front. He bet Dave Garroway on camera that he could catch the Yankee-White Sox game in N.Y., hop to Los Angeles for a Dodgers-Braves game, and be back in time for the following day's show. He won.)

New York Roundup: Ziv TV and Cal. Natl. Productions report a strong syndication market. Syndicated telefilm sales for the 2nd quarter of 1959 will top last year's for the same period by 27%, sales mgr. Len Firestone reports, with "the increased use of TV syndicated series by national advertisers" (Vol. 15:23) an important contributing factor. CNP expects to achieve a similar (26.3%) gain for the first half of 1959 as against the same period of 1958, pres. Earl Rettig states, adding that steady gains have been made since 1956.

Screen Gems' *Rescue 8* has scored a strong round of second-year renewals from sponsors, including Miles Labs and West End Brewing . . . CBS-TV will again air MGM's "Wizard of Oz" as a one-shot network special on Dec. 13. Star Judy Garland's \$1.3 million libel suit against CBS-TV is still pending . . . MGM-TV is reported planning to enter the syndication market with off-network reruns of *The Thin Man*.

John Frankenheimer, live-tape-film TV director, has been signed to direct "one or more" of the NBC-produced drama specials in that network's forthcoming *Sunday Showcase* lineup . . . Fred Briskin, telefilm producer of several series, has been given independent producer status by Screen Gems, which will provide financing & releasing.

John Newland, narrator-dir. of ABC Films' *One Step Beyond*, and producer Collier Young will make personal appearances in Canada this week to help launch the CBC-TV airings of the series . . . Duncan Renaldo & Leo Carrillo, stars of Ziv's durable *Cisco Kid* series will also be Canadian bound later this summer, having been booked as guest stars at the Canadian National Exhibition in Toronto Aug. 26.

Movie & TV film producers' counter-proposals for extra players' rates & conditions were unanimously rejected this past weekend by the executive committee and wages & working conditions committee of the N.Y. branch of Screen Actors Guild. Screen Extras Guild in Hollywood had previously rejected the same proposals. SAG complained the producers' offer was inadequate.

Worried over possible protest, CBS-TV decided last week that 7:30 p.m. is too early a slot in which to air *The Lawbreakers*, an all-tape, hour-long series, now in production, that deals with such violent biographical subjects as John Dillinger. Originally scheduled to start Sept. 22 in the early-evening period, the date has now been moved ahead to 1960, said exec. v.p. James T. Aubrey, in the belief that "the strength of its subject matter makes it more appropriate for a later time period than the one planned."

Screen Gems series, *Undercover Man*, bowing on CBS next fall, has been retitled *Tightrope* . . . Norman Blackburn will tape the pilot (featuring Sam Snead & Bob Hope) of a new golf series for Paramount Television.

Barry Wood, ex-NBC & CBS, has joined Henry Jaffe Enterprises as exec. producer of *Bell Telephone Hour* on NBC, with specials to be produced in N.Y. & Hollywood . . . Milton Krims signed as producer of CBS *Hotel de Paree* series . . . Robert O'Neill, ex-CBS film production, named production exec. for Goodson-Todman telefilm series, *Philip Marlowe & The Rebel* . . . Frank Latourette, ex-producer of *The D.A.'s Man* for Jack Webb's Mark VII Ltd., joined CBS in Hollywood as producer of *The Lineup*, replacing Jaime del Valle, who will be given another assignment . . . Ben Brady, ex-*Perry Mason* producer, has left CBS where he was under contract . . . Cally Curtis will be producer of Jack Douglas' new telefilm series, *Sweet Success* . . . Philip Saltzman, ex-Four Star asst. story editor, named story editor of *Five Fingers*, 20th-Fox TV series.

Hollywood Roundup: CBS is preparing a one-hour pilot of a Jackie Gleason series, in which the comedian would play the part of a Broadway press agent.

Hecht-Hill-Lancaster's former TV production chief Nat Perrin has signed to make a TV series from the case histories of advice-to-the-lovelorn columnist Abigail (Dear Abby) Van Buren. He has also joined Filmasters Inc., Hollywood as production v.p.; will continue his Perrin Productions Co.

Warner Bros. TV income during the coming year will be 30 million dollars, company pres. Jack L. Warner said last week at the WB international sales convention in Los Angeles. His studio is turning out 8 hours a week of telefilm, the "equivalent of producing a full-length motion picture each working day." Series for the coming season include eight 60-min. series (*The Alaskans*, *Hawaiian Eye*, *Bourbon Street Beat*, *Cheyenne*, *Sugarfoot*, *Bronco*, *Maverick*, *77 Sunset Strip*) and two 30-min. series (*The Lawman*, and *Colt .45*).

ABC Films Inc. is mulling a new syndicated detective series, *Carter's Eye*, which would be produced by Filmasters . . . ESW Enterprises has acquired TV-film rights to *Little Big Mouth*, story by Robert Hardy Andrews, and plans a half-hour series, which William Wright would produce . . . Sports Vision Inc. has signed ex-Los Angeles Dodgers pitcher Carl Erskine to host a taped baseball show, to be syndicated.

CBS radio in economy move in Hollywood, is moving 2 network series, *Suspense & Johnny Dollar*, to N.Y. Still originating in Hollywood are *Have Gun, Will Travel*, *Gunsmoke*, *Amos 'n' Andy Music Hall*, *Art Linkletter's House Party*, Pat Buttram and Rusty Draper. Western series won't be moved to N.Y. because the personalities involved have said they would rather lose the shows than move.

Screen Gems production exec. Fred Briskin has formed his own independent production company, and signed a deal whereby SG will finance & release his telefilms. Under his new setup, Briskin will develop & produce 2 golfing series, and may do the new SG series, *Manhunt*, formerly called *Undercover Car*. He will remain temporarily as v.p. of Briskin Productions Inc. & SG production exec. until a replacement is found.

Screen Gems exec. Irving Briskin is negotiating sale of his interests in Briskin Productions to SG. His company produces *Alcoa-Goodyear Theatre & Manhunt*, and owns 2 series now in reruns, *Casey Jones & Ranch Party*. It also is a partner in the *Donna Reed Show & Naked City*.

Peter Lawford, who starred in the series, *Dear Phoebe*, several years ago, has bought complete ownership in the 39 telefilms. He owned 51%, bought remainder from attorneys Sam Norton & Jerry Rosenthal and producer Alex Gottlieb for a figure over \$100,000. Films will be syndicated.

Hollywood AFL Film Council adopted a resolution commending Sen. Wayne Morse of Oregon for his support of its campaign against "runaway" foreign production by U.S. movie & TV producers . . . Producer-director Don Weis has concluded a deal with John Ringling North and will produce a 60-min. pilot of *The Greatest Show on Earth*, using Ringling Bros. Barnum & Bailey Circus and its star performers as background.

Academy of TV Arts & Sciences Los Angeles chapter has re-elected Harry Ackerman to a third term as pres., and shelved a William Kozlenko idea for a "workshop theater" . . . Warner Bros. has signed Coles Trapnell, ex-Four Star producer, to produce *Maverick*, succeeding Roy Huggins, who has moved over to a unit producing low-budget exploitation movies for Warners.

Burns Glows On: George Burns, whose McCadden has lost its sole pair of series this season—*The George Burns Show & The Bob Cummings Show* (Vol. 15:24)—is dissolving his McCadden Corp. but will retain McCadden Productions, we are informed. The production company is being retained to: produce the 2 live Burns specials in the Ford series on NBC; to discuss a new series for Cummings; to produce the Burns-Milton Berle series, indefinitely postponed; and to plan a pilot starring Tammy Marihugh of the Cummings series. Because no immediate production is scheduled, Al Simon has resigned as McCadden v.p. to become pres. of Filmways, and Maurice Morton, another v.p., is leaving the company.

Consolidated Cigar reportedly wants George to star in a live series on ABC next season, but the comedian will probably reject the offer because: (1) a weekly live TV show is too much of a grind, (2) he wouldn't take less than a 39-week firm deal and they aren't handing out many such contracts anymore. Instead Burns will do specials and night-club work.

The McCadden Corp. folded after selling its assets in a capital gain deal. It sold the Burns & Allen telefilms to Screen Gems; owned part of the Cummings show, and those films were leased to ABC; owned part of the Jackie Cooper series, *People's Choice*, which has been sold to ABC; and it also owned part of *Panic*, which has been sold to NBC. ABC pres. Oliver Treyz reportedly wants to sign Burns to a contract even if the series doesn't jell.

Meanwhile, a suit against George Burns & McCadden Productions, in which Samuel Bischoff asked \$300,000 for commissions in the sale of the B&A telefilms to Screen Gems, was settled out of court for an undisclosed sum. Bischoff contended he had been hired to negotiate a sale and that he had made the SG deal for \$6 million.

Music Hath TV Charms: Primarily "motivational" TV commercials, such as those for autos, perfumes, beers and toilet soaps, are the heaviest users of music backgrounds to help get the sell across to viewers. Drug products, notably the depilatories, headache remedies and laxatives, make little or no use of musical soundtracks. Impulse items such as cigarets may use a lot (L&M), or a little (Viceroy), music depending entirely on copy & campaign theme.

Those are the key findings in the first of a series of quarterly reports planned by the music production firm of Plandome Productions, N.Y. The report, issued last week, noted generally that "the heaviest users both of network & spot TV, tend to be the heaviest users of music." On an over-all basis, by Plandome's estimate, the use of originally scored music in TV commercials, network & spot combined, has increased more than 100% since 1956. Chief reason for the increase, in Plandome's opinion: "Competition for viewer attention has put a premium on all production values in commercials."

Hollywood musicians are losing jobs in telefilms because of the jurisdictional dispute between the American Federation of Musicians and Musicians Guild of America. Latest example: music scoring of the Robert Taylor series, *Captain of Detectives*, will be done in Munich in July because of the union fight in Hollywood. Producer Arthur Gardner, leaving next week for Germany with composer Herschel Gilbert, also scored *The Rifleman* series in Munich for the same reason, he tells us.

CBS-Paisano Productions' *Perry Mason* series, formerly filmed at 20th-Fox, goes into production at General Service studios July 8, with 26 segments planned.

One-Take Tape: Although movie-like tape editing techniques permit interruptable dramatic production, the best TV drama results with tape come from a "live, ensemble performance by actors rather than a pieced-together performance." So believes Robert Herridge, producer of CBS Films' first all-tape program series now in production in N.Y., *Theater for a Story*. The show is being offered for national sale by the network syndication offshoot.

Herridge's 30-min. series, modestly budgeted at about \$15,000 weekly, is turning out one episode a week, and is produced as if it were a live show. Herridge, who never shoots in takes, spends 2½ hrs. blocking out each episode, then holds a "rough run," which is followed by a 30-min. dress rehearsal & a 30-min. tape session. The last is the only taping.

"We get some rough edges this way," Herridge admits. "But sheer impeccability can be dull, as well as artistically limiting. I think the best actors for a taped show are people like Mildred Dunnock, who have extensive theatrical, rather than movie, experience. They know how to build a part." During the first few *Theater for a Story* episodes, Herridge tried making tapes of the dress rehearsals, discovered his actors tended to "reach a pitch they couldn't hit again during the final tape," discarded the idea and now tapes only once. Herridge also prefers to tape inside a studio (in his case, CBS-TV's Studio 61, a 90-x-90 affair on Manhattan's East Side) rather than go on location, although tape permits mobility. "I like TV conditions that drive you to create," he explains.

TV Temperament: When Ziv TV shut down production on *Bat Masterson* after star Gene Barry failed to show up for work because Ziv hadn't met various contractual demands (Vol. 15:24), it didn't create more than a ho-hum in Hollywood. By now the town's accustomed to flaring temperaments, feuds, and the demands of personalities, which seem far more prevalent in TV than in the movie days. This is mainly because a TV star feels his days are numbered, makes demands to cash in on his fleeting popularity.

The longest holdout in a TV wrangle was that of Clint Walker, who was placed on suspension for months by Warner Bros. when he made certain demands for his role in *Cheyenne*. Other feuds: Hugh O'Brian trying to get out of his *Wyatt Earp* contract (he failed); Jim Arness, unhappy that he has another year to star in *Gunsmoke*; Lee (*M Squad*) Marvin and John (*Restless Gun*) Payne critical of Revue Productions, alleging interference; Ann Sothorn and producer Jack Chertok, in a long tiff over *Private Secretary* accounting of revenue, finally settled; Bob Cummings-Don Sharpe suit over *My Hero* revenue, settled; Lori Nelson, who left her *How to Marry a Millionaire* role with a blast at distributors NTA; Dick Powell-CBS hassle of several years ago when CBS ousted *Four Star Playhouse* to make room for *Playhouse 90*; Powell-Charles Boyer-David Niven (*Four Star Owners*) criticisms of Y&R for "interference" on *Alcoa-Goodyear Theatre*.

Personality feuds Hollywood has witnessed in recent years also include Frank Sinatra's tiff with Ed Sullivan, caused by the singer's refusal to appear on Sullivan's show to plug a picture without compensation; Liberace criticizing Sullivan; Martin & Lewis, long since split as a team.

WPST-TV Miami now has a completely equipped mobile TV tape recording unit with an Ampex Videotape recorder.

PROSPECTS OF JAPANESE TV EXPORTS: Japanese electronics manufacturers are quietly putting out feelers to determine their place (if any) in U.S. TV receiver market. From our conversations with both U.S. & Japanese set makers, here is consensus:

Japanese are interested in entering American TV market in 2 different roles: (1) Working through established U.S. TV manufacturers, supplying components or complete chassis for "packaged in America" units. (2) Direct marketing of new specialty item—transistorized battery-operated TV.

Although 14- & 17-in. standard TV sets were displayed last week at Japan Electronics Show in N.Y., Japanese manufacturers concede these aren't marketable in U.S. at competitive price (rather old-fashioned-looking 17-in. plastic-cabinet table model with 90-degree tube retails at \$170-\$180 in Japan). Relative high cost of sets, high cost of shipping plus duty, militate against Japan's entering competitive U.S. TV market with tube set—not to mention heavy domestic demand for sets in TV-happy Japan.

Most of these objections could be overcome, some Japanese manufacturers feel, if knocked-down chassis—made to U.S. specifications & minus picture tube—could be shipped direct to American set makers for assembly here & marketing through regular distribution channels. We know of no U.S. manufacturer who has bought this approach, but pitch is being made by at least 3 Japanese set makers.

As to transistorized battery portables, they're still in advanced development stage in at least 4 Japanese factories. Early rumors that such sets could be sold for \$100 or less have now been discounted, and some Japanese set makers concede they may be hard-pressed to compete with Philco's Safari portable at \$250—although Japanese are thinking in terms of 10- or 14-in. direct-view sets.

Japanese transistor TV sets could appear in U.S. late next fall—but best guess is that they won't be seen here for nearly a year, and there's some doubt they'll come at all if more American manufacturers enter transistor TV field soon. "We want to supply something that your manufacturers don't make," was the way one Japanese manufacturer put it to us. In transistor TV field, it's obvious Japanese can't enjoy same mass market & price advantages as they do in transistor radio. And U.S. set makers we've talked to didn't seem nearly as worried about possible Japanese TV competition as about their own domestic competition.



Area of biggest Japanese advantage seems to be in small, lightweight consumer items—and tubes & components—which can be shipped cheaply & in large numbers. Japan Electronics Show displayed glittering array of new consumer electronic products, only some of which are aimed at U.S. market.

American electronics manufacturers were very much in evidence at show—some looking at components, others sizing up the competition. Many other attendees were importers & distributors. They had difficult time getting prices of items, many of which were so new that there apparently were no cost estimates available. In sheer numbers, transistor radios overshadowed everything else. In size, they ran from smaller-than-cigarette-pack through big cordless table sets. Many of new sets had shortwave bands. There were a couple of AM-FM transistor sets and at least 2 different makes of auto-portable radios.

Second only to radios in prominence were transistor phonos—most of them brand new. Prices ran from about \$20 to \$100, capped by handsome battery-operated stereo phonos, such as Fujiya Electric's 13-transistor unit at \$98. One unique 4-transistor phono, to sell here for \$30-\$40, folds up to measure 8x4x2 in., has stereo cartridge & tiny extension stereo speaker. Same company—Sanritsu Electric—showed coat-pocket-sized tape recorder at \$35. Other portable tape recorders were priced all the way up to about \$170.

Also shown was variety of hi-fi equipment—FM & AM-FM-stereo tuners, stereo amplifiers, turntables, speakers, much of it still unpriced. While attractively packaged, most of the amplifier units were low-powered compared to modern U.S. equipment.

Japan Electronics Show confirms what U.S. radio & transistor manufacturers have known for couple of years—Japanese can be formidable competitors, they have quality products, and strong price advantages in some lines. For report on inroads of Japanese imports on Canadian electronics industry, see p. 20.

NEW TV SETS HIT MARK AT MART: Good 2nd-half upturn in TV set business, with emphasis on more profitable items—this is summary of comments by tenants & visitors in Merchandise Mart's 11th-floor TV-appliance row as summer market opened in Chicago last week.

There were plenty of eye-openers at the traditionally sparsely-attended June market. Perhaps 2 biggest conversation pieces were Philco's Safari battery portable and new 23-in. sets shown by Admiral & Sylvania. In RCA's area, attendants were kept busy demonstrating Hideaway TV set (which folds into coffee table) and Programmer (on which 12 hours viewing can be set up in advance).

Transistorized Safari sets (at \$250 plus \$5.25 battery) got heavy handling and were subject of extremely divergent views, chiefly centering on whether they'd sell or not. Philco had no fear on this score. Noting excellent reception by distributors, consumer products gen. sales mgr. Gibson B. Kennedy told us: "We can sell more than we want to sell. Our production in the next year will be on the order of 30-40,000—not 100,000 or anything like that."

The 23-in. tube TV sets, displayed by both Admiral & Sylvania alongside 21-in. models, drew admiring comments for their good looks & clear picture. Both companies went out of their way to answer competitive attacks on new tube (Vol. 15:24).

Admiral TV sales mgr. Ross D. Siragusa Jr. said dealer orders for Admiral TVs at Chicago & Miami Beach conventions were highest in company's history, and "more than one-third of the orders have been for the new 23-in. wide-angle models." He added pointedly: "Quality control inspections indicate they are even better than the 21-in. tube." As for Admiral's \$40 step-up from 21- to 23-in. sets, he said: "Dealers like the greater profit margin available for an investment of only a few extra dollars."

Sylvania Home Electronics pres. Robert L. Shaw predicted to us that 75% of TV set sales will be in 23-in. category by end of 1961 model year. He pointed out that Sylvania—which no longer has any 21-in. sets—has priced its 23-in. models exactly same as last year's comparable 21-in. units. (For additional comments by Shaw, see p. 21.)

Latest to join 23-in. ranks was Hoffman, which showed its "most comprehensive line ever" to distributors at Las Vegas last week. Of 10 basic models, 5 were 23-in. (Hoffman calls it "Pan-O-Vision"), 3 were 21-in. and 2 were 17-in. portables. Featured in Hoffman line this year is "family home theater center" concept of compact matching TV & stereo consoles designed to be placed side by side. Hoffman 23-in. sets are offered in consoles only and run \$50 higher than 21-in. sets (which, however, use different chassis).

Industry's confidence at all levels was most articulately expressed by RCA consumer products v.p.-gen. mgr. J. S. Beldon at Mart press conference. He noted big shift in emphasis "from price to quality, dependability & innovation." Predicting "a solid 2nd half in TV," he cited these indicators: Inventories in one of best positions in history (Jan. 23% below 1958 at retail level, Feb. 16% below, March 14% below, April 7% below); higher average price per set (8% above 1957 last year); retail TV sales up; few liquidations so far this year. Best indicator of all, perhaps, is excellent economic climate. And at week's end, Govt. announced individual incomes rose to all-time high in May—7% above last year.

For further coverage of TV business conditions & the summer market, see p. 21.

TV-RADIO PRODUCTION: EIA statistics for the week ended June 12 (23rd week of 1959):

	June 5-12	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	128,049	119,089	76,029	2,456,832	1,941,676
Total radio	299,599	276,604	162,575	6,252,752	4,173,711
auto radio	134,167	131,156	51,698	2,525,395	1,323,260

Scheduled strike against RCA by 1600 technical workers in 4 Camden-area plants was averted last week after company & union negotiators hammered out acceptable terms in a 22-hour bargaining session. Members of Local 241, American Federation of Technical Engineers (AFL-CIO) accepted the RCA offer to extend their current contract for 2 more years with 4% general wage increases now & next June. The current contract expires June, 1960, and the negotiations were based on a wage reopener in the pact for technical workers in RCA's Camden, Moorestown & Cherry Hill, N.J., and Croyden, Pa. plants.

Canadian TV sales to dealers for April 1959 totaled 27,612 units vs. 24,558 for April 1958. The 1959 year-to-date comparison shows 116,786 units vs. 121,871 for Jan.-April 1958. The Canadian sales follow the U.S. curve—up on April-to-April reckoning but down for first 4 months, 1959 vs. 1958.

Eastern Air Lines is using TV to help its pilots land & take-off without leaving the ground. The Dalto Corp. device, for use with flight simulators, combines closed-circuit TV & a moving belt imprinted with runway patterns to give pilots a realistic picture of ground action.

CANADA'S IMPORT CRISIS: By the end of this year, 50% of all radios sold in Canada will be imports—unless govt. action is taken quickly. Since 1955, some 2 million sq. ft. of factory floor space in electronics factories have been vacated & more than 2000 Canadian electronics workers have lost their jobs coincident with “the rapidly rising rate of importation of foreign radio sets, particularly from the low-wage areas like Japan.”

So said EIA of Canada's retiring pres. R. M. Robinson, of Canadian GE, at the 30th annual meeting of the industry group at Muskoka, Ont., last week, in urging a govt.-sponsored “Buy Canadian” policy and an industry-wide “Made in Canada” campaign. In 1958, he said, imports accounted for about 30% of radio sales in Canada; for the first 2 months of this year the figure reached 37%. He pointed out that many Canadian companies had decided against entering transistor-radio manufacture and that Canada does not produce transistors because of imports.

A brief presented to federal authorities by EIA urged this program: (1) A ruling that all radios & tubes imported must be marked as to country of origin. (2) An investigation of possible international agreements on voluntary export quotas by foreign govts. (3) An investigation of declared valuations on imports to determine whether duty regulations are being evaded.

Members of EIA of Canada were urged to support the “Made in Canada” campaign by buying Canada-made parts and equipment in preference to imports whenever there is a choice. The group has already distributed more than 500,000 “Made in Canada” stickers for its members' use on their products.

U.S. exports of radios to Canada, incidentally, have already been dwarfed by Japanese sets. In 1958, when U.S. manufacturers sent 67,000 home radios to Canada, Japan sent 155,000 transistor radios there. U.S.-to-Canada shipments of receiving tubes all last year totaled 5.3 million units vs. 214,000 from Japan—but Japanese shipments zoomed to 219,000 for the first 2 months of 1959 alone.

The Canadian Tariff Board announced last week that in response to requests from the electronics industry it has started an investigation of the possibility of revising import duties on TV, radio & other electronic products. The first hearings June 29 will consider automatic record changers. Canadian tariffs on electronic items have not been revised since 1939.

Expanding Raytheon (Vol. 15:9, 16) took on more weight last week by acquiring a power supply equipment firm and tagging 100 acres at Portsmouth, R.I., as the site for a center for the development & production of equipment for undersea warfare. The power supply firm, Sorensen & Co. Inc., employs 400 at its plants in South Norwalk, Conn. & N.Y.C. and has an annual sales volume of some \$6 million. The agreement calls for payment in Raytheon stock of the less than \$3 million purchase price, on the basis of 1/3 in cumulative preferred & 2/3 in common based on the market price at time of conclusion of the transaction. Raytheon's Portsmouth undersea-gear center, pres. Charles F. Adams Jr. said, will be built in two phases, with a 160,000 sq. ft. structure scheduled to be completed within a year. In 3 years, the completed center may well employ some 1500 with an annual payroll of \$8-10 million.

Zenith has opened new Chicago display room at 200 N. Michigan Ave., to showcase every TV, radio, phonograph & stereo hi-fi instrument in its current line. The area is nearly twice that of its former showroom.

'Muddy, Gummy & Blah': Those harsh words about TV & stereo cabinets came June 19 from *Home Furnishings Daily* columnist Raymond S. Reed. After a tour of TV exhibits at Chicago's Merchandise Mart, furniture expert Reed was appalled to find most TV-stereo makers “completely out of step with the furniture fashion parade.”

For example: “Please take the mercurochrome bottle away from your mahogany finisher. That 1936 Bloody Mary tone you are using makes even the amateur home decorator see red . . . Your walnuts are too muddy, too gummy and too blah.” Why do all TV-stereo makers offer cabinets in blond oak, he asks, when both the color and the wood have been dropped by top contemporary furniture lines? “Your dated bleached blond is faded & schmaltzy . . .

“And your cabinets—at least that's what you call those varicolored boxes in which you place your chassis . . . Study the finishes on style-setting furniture lines . . . inspect the flawless cabinet workmanship, the perfect design details, handsome hardware . . . Why not spend a few more bucks to make yours the finest cabinets available?”

'No-Sale' Sale? When is a sale a sale?—is a question that Emerson & Webcor may have to settle in court. The controlling Webcor stock which Emerson pres. Benjamin Abrams thought his company bought last month (Vol. 15:19) now isn't worth the paper it's printed on—in the hopeful opinion of Webcor chairman-pres. Titus Haffa.

Webcor legal counsel Walter P. Altenburg says Emerson has been notified that the contract is rescinded because of certain conditions contained that are impossible of fulfillment. With his paid-in-full stocks in hand, Abrams countered last week by filing a petition in Chicago Circuit Court for a writ of mandamus, seeking permission to examine Webcor books, stockholder lists.

Real nub of the trouble, a source close to the situation tells us, is Haffa's concern that trouble is brewing among other Webcor stockholders, who have the impression that Haffa received a price well above market value for his personal Webcor holdings. One insider tells us that Emerson paid \$20 for each of Haffa's 130,000 shares (20% of outstanding Webcor common) while Webcor stock was being traded publicly at \$14. This source says that rather than get embroiled with irate stockholders who weren't permitted to share the wealth, Haffa now would prefer that the deal had never happened. Whether it did is a legal matter which remains to be decided.

Western Radio Corp., Kearney, Neb. manufacturer of portable radio transceivers, has asked the FTC to dismiss a complaint that the company's advertising misrepresented operational range of “New Magic Walkie Talkie,” “Radio-Vox” & “Radio Talkie” devices (Vol. 15:16). Western Radio denied FTC charges that it falsely claimed ranges of up to ½ mile for its home units in buildings and up to 10 miles from car to car, said its ads actually stated “Range can be 50 ft. up to ½ mile or more, depending upon location, interference and other limiting factors.” The company also defended a challenged claim that FCC licenses aren't needed for operating its products.

Smallest mobile radio yet is the distinction GE claims for its new transistorized 2-way communications gear, available in 10- to 75-watt categories. Sizes start at 8½ x 4 x 12 inches. GE says its new radio is more powerful than similar mobile equipment now available, has longer battery life, and operates with fewer tubes.

More about

'SELLING UP' FOR 1960: "The public is willing to pay more for something new & different. It's that simple." Thus did RCA consumer products v.p. Jack S. Belden sum up the new psychology of virtually the entire TV-radio-phono industry at last week's Chicago summer market (see p. 19).

The industry has discovered, he said, that the consumer won't trade in an old TV set for a new one just because the price is \$10-\$20 below last year. "The consumer must find a model that excites her to buy because she wants the product," he added, predicting "a thriving market in color TV." The home entertainment industry, he said, "is thinking in terms of how the consumer is changing his living habits and [it] is developing new products or variations of current products that fit into this new way of living." He declared that new developments now in the labs will "enable us to meet this challenge with something new & different regularly in the years ahead."

The quality of "newness" was also discussed by Sylvania Home Electronics pres. Robert L. Shaw. "The trade should analyze the difference between marketable newness & display newness," he told us. Higher priced merchandise, incorporating technical & styling advantages with true value, "can be sold in quantity." One really new item which has aroused plenty of trade interest—transistor portable TV—got some attention from Shaw. "We believe a transistor portable will sell at \$200—if it has a 17-in. screen and can also be played on house current. This will be practical within a year or 2. We could offer such a set now at \$299, but we won't bring it out until we can get it down to \$249 or lower."

He said the TV industry outlook "looks brighter than in the last 2 years," citing the increasing trend toward durable goods purchasing—"but TV must give value to get part of that." Sylvania now has 5000 more dealers than a year ago and its distributors in the last model-year enjoyed "their most profitable business in the past 5 years," he said.

Some manufacturers are pitting 24-in. sets against the new 23-in. models. Zenith again has several 24's in its line. And Magnavox's 1960 line, due to be shown this week at Music Show in N.Y., will have 13 of them—"more 24-in. models than the entire industry combined."

Happy with One Set: No great craving for a 2nd TV set was found in a sample of metropolitan N.Y. homes surveyed by Pulse for *Television Age*. Out of 1000 homes, 742 were single-set homes, and of this segment, 15.5% (115 homes) showed a present interest in buying a 2nd set. Of 115 affirmative respondents, 60% favored a portable as a 2nd set. Pulse found 20.9% of sets presumably nearing obsolescence, having been purchased in 1951 or earlier.

Portable sets were found in 6.1% of the single-set homes, and 30.2% of the multiple-set homes. Also, there was relatively small difference in viewing habits between single- & multiple-set homes. For example, in the average 7 to 7:15 p.m. time, Mon. to Fri., the rating in single-set homes was 50.4%; in multiple-set homes, 55%.

Complete audio reference work, *The Audio Cyclopedia* by Howard W. Tremaine, will be published July 1 by Howard W. Sams & Co. (1280 pp., \$19.95; pre-publication price through June 30, \$16.95). The huge source book, compiled after 2 years of editing & an investment of \$100,000, covers virtually all audio subjects from basic principles through motion pictures & test equipment, and is aimed at engineers, service technicians, broadcasters, etc.

Fair-Trade Poll Hit: Secrecy surrounding surveys by A. C. Nielsen Co. for the Bureau of Education on Fair Trade (set up by retail druggists to promote federal legislation authorizing brand manufacturers to fix minimum prices) was sharply criticized last week by acting asst. attorney general Robert A. Bicks. He testified at a Senate Commerce subcommittee hearing against a fair trade bill (S-1083) co-sponsored by Sens. Humphrey (D-Minn.) & Proxmire (D-Wis.). Bicks said the Nielsen surveys in 1949 & 1951 "purport to show" that consumers don't suffer under fair trade prices. But he added that Nielsen wouldn't tell Justice how the studies were made, so the FBI was sent out to make its own survey—which showed that consumers in non-fair-trade areas saved an average of 27% on 77 brand items, prices of which were set in fair-trade areas.

Bicks told the subcommittee: "Apart from the fact that A. C. Nielsen Co. has refused to make available to us the basic information necessary to determine the adequacy, representativeness & reliability of their survey, the type of survey which they have undertaken by giving average of prices in 'fair trade' & 'non-fair trade' states conceals the price variations among different kinds of retailers with which we are concerned." Other Justice officials said Nielsen had reported it destroyed some of its survey records—and that company policy didn't permit disclosure of names of stores polled. Among proponents of the Humphrey-Proxmire measure, which is similar to a bill (HR-1253) approved by the House Commerce Committee (Vol. 15:20), was Narda's Joseph Fleischaker, who told the Senate subcommittee TV-radio dealers need it.

American Television & Radio Co., 300 E. 4th St., St. Paul, is accused by the SEC of "false & misleading representations" in an order temporarily suspending a Regulation "A" exemption from registration of a stock offering. The SEC suspension order challenged statements by American Television & Radio that its vibrators are used as original equipment in auto radio sets & the vibrator replacement market—which the SEC said "is now almost non-existent." Also questioned by SEC were: (1) American's claims for "sales potential & growth prospects." (2) A company statement that it has "a unique method of merchandising" from factory to TV technician to consumer. (3) "Failure to disclose" that its \$300,000 stock sale would result in a \$235,000 increase in the equity of American pres. Albert A. Goffstein "while the public's equity would be reduced from \$300,000 to \$134,000."

Olympic's "Silver Jubilee" line features 21- & 24-in. TV-stereo-radio units in 9 basic models, as well as a complete line of TV sets and stereo phonos—including U.S., British & German-made models. Continued is Olympic's line of Japanese-made transistor portable radios, which includes 2 new models. Pres. Morris Sobin told a Chicago sales meeting that Olympic's total consumer sales in fiscal 1959 will be almost 3 times its sales in fiscal 1955 and that Olympic TV's share-of-market has increased by more than 75% in the last 2 years.

GE is staying out of color now, TV receiver dept. gen. mgr. Herbert Riegelman told the company's recent national sales conference in Syracuse, because "we do not feel justified in jeopardizing our monochrome position simply to be able to say that we are in the color TV business." However, he added, "some day it will be a major part of our business and we are currently engaged in research & advanced development engineering to find a more economical system with lower inherent costs."

Executive Paychecks: Electronics & communications executives listed last week in *Business Week's* tabulation of 1958 corporate salaries include:

	Salary & Bonus	Stock
RCA		
Chairman David Sarnoff	\$200,000	
Exec. comm. chairman Frank M. Folsom	176,000	
Pres. John L. Burns	170,379	
GE		
Chairman Ralph J. Cordiner	279,974	1988
Finance comm. chairman Philip D. Reed	180,014	1242
Pres. Ralph Paxton	200,014	1242
Westinghouse		
Chairman Gwilym A. Price	141,636	1178
Pres. & chief exec. Mark W. Cresap Jr.	129,786	1178
Chmn., exec. comm. & v.p. E. V. Huggins	107,094	859
Exec. v.p. J. K. Hodnette	92,794	859
ITT		
Pres. Edmond H. Leavey	163,449	
Exec. v.p. Charles D. Hilles Jr.	104,600	
Exec. v.p. Fred M. Farwell	92,620	
AT&T		
Pres. Frederick R. Kappel	207,000	
Exec. v.p. Eugene J. McNeely	133,500	
Exec. v.p. William C. Bolenius	121,528	
Exec. v.p. Clifton W. Phalen	120,045	
Gen. Telephone		
Pres. Donald C. Power	153,000	
Exec. v.p. Thomas A. Boyd	76,500	
Exec. v.p. Leslie H. Warner	75,000	

TV & radio batteries designed to "outlast the products in which they are used" have been developed by Sonotone Corp. The first such long-life nickel cadmium battery—for flashlights—is going into production soon. With a life expectancy of 15-20 years, it will go on the market next fall at \$7.95. It may be plugged into a household electric socket for overnight recharging. Among the end-uses for which Sonotone's nickel-cadmium cells are slated are space satellites, cordless electric shavers, tape recorders, clocks, phonos, toys.

Industry sales of semiconductors will soar to \$290 million this year vs. 1958's record \$208 million, predicts Sylvania v.p. & semiconductor div. gen. mgr. Dr. William J. Pietenpol. Unit sales for 1959 will approximate 170 million vs. 119 million last year. To meet needs of this expanding market, Sylvania has earmarked another 50,000 sq. ft. of its Woburn, Mass. plant for semiconductor manufacturing, is moving in new production machinery, and is actively recruiting engineering, production & sales help to supplement the more than 1000 employes added since last Aug.

FTC consent order requires I. E. M. Corp., 19 Old Mamaroneck Rd., White Plains, N.Y. to stop selling TV & radio tube-testing machines "through false earnings claims & other deception." Without admitting it had violated any law, the company agreed to FTC rulings against newspaper advertisements that buyers of the machines would average "\$400 monthly" or "\$6000-\$10,000 per year."

Ad campaign plugging all-new picture tubes has been launched by Kimble Glass Co., the subsidiary of Owens-Illinois which makes picture-tube bulbs. The theme: Insist on an all-new warranty when you buy a replacement tube. Placed through J. Walter Thompson, the campaign will be in *Life*, *Reader's Digest*, *SatEvePost* and *TV Guide*.

Hazeltine is building a 50,000-sq. ft. engineering lab at its Greenlawn, N.Y., manufacturing site and expects to have it in operation by summer's end. The new lab will provide a special anti-submarine sonar tank test facility.

Trade Personals: Dempster McIntosh, former Philco International pres., and presently managing dir. of the Development Loan Fund, nominated by President Eisenhower to be ambassador to Colombia . . . Stuart D. Brownlee, Canadian Admiral pres., elected pres., EIA of Canada.

John B. Olverson, ex-U.S. Chamber of Commerce, appointed gen. counsel of EIA, succeeding William L. Reynolds who became Litton Industries gen. attorney June 1 . . . Wilbert E. Stevenson named Raytheon v.p., continuing as pres. of subsidiary Machlett Labs . . . Robert S. Burnap retires as commercial engineering mgr., RCA electron tube div. Frederick J. Lautenschlaeger named electron tube div. plant mgr. for Harrison, N.J. plant. William B. Brown appointed Woodbridge N.J. plant mgr.

Allen Snyder named adv. mgr. Motorola semiconductor products div. . . . L. M. Craft elected exec. v.p.-operations in a Collins Radio realignment of management responsibilities. J. C. McElroy named development dir., Cedar Rapids div.; Dr. R. L. McCreary named research dir., W. W. Roodhouse named sales dir. . . . Dr. J. Earl Thomas Jr., ex-Wayne State U. (Detroit) physics dept. head, named to new post of research & engineering dir., Sylvania semiconductor div.

Francis X. Urrico promoted from senior engineer to section head, Sylvania semiconductor div., electronic equipment development dept. . . . David Y. Keim, ex-Sperry Gyroscope, named military products chief engineer, Stromberg-Carlson electronics div. . . . Col. Willet J. Baird (USA, ret.), editor of Armed Forces Communications & Electronics Assn. monthly journal *Signal*, assumes additional duties as gen. mgr. of AFCEA.

Glen McDaniel, recently named Westrex chairman, remains as v.p., gen. counsel & dir., Litton Industries. George T. Scharffenberger, reported here (Vol. 15:23) as appointed Litton v.p. & Westrex pres., was formerly pres., Kellogg Switchboard & Supply Co. . . . R. S. Gates, Collins Radio exec. v.p.-finance, named to central management council.

"Whirlpool Chair of Marketing" at American U., Washington, D.C., has been endowed by Whirlpool Corp. to "conduct research into problems & trends in marketing [and] make special studies of the home appliance industry for the purpose of helping appliance retailers improve their marketing & management skills."

Contract for development of aircraft TV systems and controls has been awarded to Du Mont by the Navy Bureau of Aeronautics. The contract approximates \$230,000. Designed to provide reconnaissance capability at night as well as in daylight, systems will utilize sensitive image orthicon cameras with exceptionally fast optics.

P. R. Mallory & Co. has entered into an agreement with Arbame S. A. to form Arbame-Mallory S.A. in Sao Paulo, Brazil, for the manufacture of electrolytic capacitors. Mallory will contribute patent rights, technical know-how and special equipment in return for a "substantial minority interest" in the new firm.

General Instrument Corp. has acquired Harris Transducer Corp., Woodbury, Conn., producer of electronic & acoustical devices, for an undisclosed amount. Harris employs about 200 and has Navy contracts.

G & W Distributing Co., Youngstown, Ohio, has been named Sylvania TV "distributor of the year." The award is based on outstanding sales, ad & service programs.

Pierre Boucheron, former RCA ad mgr., is author of a new book, *How to Enjoy Life After 60* (Herman & Stephens, 224 pp., \$3.95).

Electronic oven prices are going down—although they are still scaled more for restaurants than homes. Westinghouse has announced a high frequency radio-energy range at \$895, being produced in Mansfield, O., replacing a model at \$1199. Raytheon reports it is producing microwave oven parts for 5 makers of home-kitchen ranges, with recent reductions in price to permit assembly of units in the \$900 range, as against prices of \$1200 to \$1400 in 1958. Raytheon industrial apparatus div. mgr. J. Penn Rutherford predicts that in the next 5 years more than 150,000 homes will be equipped with electronic ovens, cooking food 5 times as fast as conventional ovens. The real price break will not come for several years, "until sales climb more rapidly to an annual rate of 100,000 units in 1965." At that time, Rutherford expects the price to tumble to \$300-\$400 & spark broad acceptance similar to refrigerators & washing machines. Tappan Co. has reduced its electronic ovens competitively.

Stereo phonos, converted from hi-fi phonos on which the manufacturer already has paid the regular excise taxes, have undergone "further manufacture" and are subject to further excise charges, according to the Internal Revenue Service (Rev. Rul. 59-201). The IRS said that credits or refunds on the hi-fi taxes may be allowed.

Finance

Consolidated Electronics Industries reports higher sales & net income for 6 months ended March 31, over the same period last year. The 1959 statement does not include the results of operations of the Sessions Clock Co., although 1958 results do include sales & profits of Mepco, now a division of Sessions. For 6 months ended March 31:

	1959	1958
Net sales	\$14,965,379	\$14,625,233
Net income	902,299	895,450
Earned per share	1.15	1.14
Shares outstanding	787,500	787,500

Narda Microwave Corp., Mineola, N.Y. manufacturer of microwave & uhf test equipment, has asked the SEC (File 2-15244) to register 50,000 shares of 10¢ par common stock for public sale in units of one share with a warrant for purchase of one additional share. Milton D. Blauner & Co. Inc. is the underwriter of the offering, in which the price is to be supplied in an amended SEC statement. Proceeds would be used to retire \$115,000 bank loans, increase inventory, buy new lab equipment, etc.

Philco's 1959 sales will run 30% ahead of 1958's, pres. James M. Skinner Jr. forecast at the ground-breaking ceremonies for a new \$3.5-million Philadelphia computer plant. He expects, too, that earnings will show an even higher percentage gain. "Gradual but steady improvement" was his outlook for the future, as he pointed to a generally improved sales position & an increase in Philco's military business which is running "considerably ahead of last year."

Granco Products expects record-breaking sales of \$3 million for the current fiscal year and a 33% gain in the next, pres. Henry Fogel told stockholders last week. The current period, ending June 30, is expected to produce earnings after taxes of approximately 25¢ a share. The 7-year-old firm in fiscal 1958 had sales of \$2,223,000 and a small "break-even" profit on the 320,000 shares outstanding.

Muntz TV, operating under Chapter X reorganization, reports sales of \$4,682,737, net income of \$308,293, for 8 months ended April 30, compared with \$3,070,026 & \$159,055 for the same period of the preceding year.

Electrovision Corp., formerly known as Scott Radio Laboratories (Vol. 15:10), has received a discharge of bankruptcy previously held against Scott, pres. Edwin F. Zabel reports. Zabel said Electrovision is free & clear of all past encumbrances, following action by the referee in bankruptcy for U.S. District Court for northern district of Indiana in discharging the company of all pre-bankruptcy debts & obligations. Scott was acquired by Electrovision early this year. Zabel and Robert Lippert are the principal owners of Electrovision.

Jerrold's gross rose 25% for March-April 1959 vs. the 1958 period, giving promise that first fiscal quarter earnings will run considerably ahead of a year ago, pres. Milton J. Shapp told stockholders last week. Jerrold previously announced (Vol. 15:21) record earnings of 36¢ per share for the fiscal year ended Feb. 28, 1959, compared with 10¢ for the previous fiscal year.

Purchase by Thompson Ramo Wooldridge Inc. of 51% interest in Magma Products Inc., Sante Fe Springs, Cal., was disclosed last week. Magma produces specialty chemicals & electronic instruments for the chemical & petroleum industries, and, according to Thompson Ramo pres. Dr. Dean E. Wooldridge, has a contract from the Advanced Research Projects Agency through the U.S. Navy for development of solid propellants.

Speer Carbon has proposed a 2-for-1 stock split, contingent on an increase in authorized common from the present 800,000 to 2 million shares. The firm proposes to begin payment in Sept. of regular quarterly dividends of 17½¢ on the new shares—equivalent to 35¢ on present shares, on which Speer has been paying 25¢ quarterly.

Merger of Hewlett-Packard Co. & Dymec Inc., Palo Alto, Cal., has been blueprinted by both boards and is scheduled for shareholders' vote June 30. If approved, the merger will provide an exchange of 3 H-P shares for each outstanding share of Dymec stock. Dymec, which has some 200 employes, produces electronic instrumentation systems and has a current annual sales rate of more than \$3 million.

Hudson Radio & TV Corp., N.Y. dealer in hi-fi equipment & electronic components, proposes public sale of 200,000 capital stock shares in an SEC application (File 2-15213). The company would offer 125,000 shares for its account, and pres. David H. Ormont 75,000 for his account. Proceeds are to be used to reduce obligations, acquire additional inventory lines, etc.

Lockheed Aircraft and Stavid Engineering are close to a final agreement for the Los Angeles aircraft & missiles builder to acquire the Plainfield, N.J., electronics firm. The boards of both companies have approved exchange of 2½ shares of Lockheed common for each share of Stavid. Stockholders will be asked to vote on the plan.

Microwave Assoc. Inc., Burlington, Mass. maker of radar components, has filed SEC registration (File 2-15139) for 100,000 common stock shares to be offered for public sale by Lehman Bros. Proceeds would be added to working funds.

ORRadio Industries reports sales of \$2,904,500 for the fiscal year ended Feb. 28, compared with \$2,284,400 in the same period the preceding year. Profits dipped to \$9953 from \$100,000 the year before.

Discontinuance of merger plans was announced last week by Servomechanisms Inc. & Lab for Electronics Inc. in a joint statement. The proposed merger previously had been approved by directors of both companies (Vol. 15:20).

Daystrom Inc. reports lower sales & net profit for the year ended March 31 as compared with fiscal 1958, but pres. Thomas Roy Jones noted "a distinct upturn in incoming orders during the final quarter—and this trend is continuing." The fiscal year net earnings totaled \$1,207,000 (\$1.32 a share) before a special charge of \$643,000 (70¢ a share) representing a write-off of inventory no longer needed by the Weston Instruments div. (This write-off is not included in per-share earnings listed below.) For the year ended March 31:

	1959	1958
Total revenues	\$77,404,349	\$82,456,954
Net profit	564,316	2,333,493
Earned per share	1.32	2.57
Shares outstanding	911,833	906,873

Belock Instrument reports a sharp upturn in sales & earnings for 6 months ended April 30 compared with the 1958 period:

	1959	1958
Net sales	\$8,128,340	\$5,328,508
Net income	170,342	45,163
Earned per share	20¢	5¢

Common Stock Dividends

Corporation	Period	Amt. Payable	Stk. of Record
Canadian Westinghouse	Q	\$0.25	July 2 Jun. 15
Capitol Records.....	Q	.25	Jun. 30 Jun. 15
Capitol Records.....	E	.15	Jun. 15 Jun. 15
ITT	Q	.25	July 15 Jun. 19
Webcor	Q	.15	Jun. 30 Jun. 20

COMMON STOCK QUOTATIONS

Week Ending Friday, June 22, 1959

Electronics TV-Radio-Appliances Amusements

NEW YORK STOCK EXCHANGE

1959					1959				
High	Low	Stock	Close	Wk. Chg.	High	Low	Stock	Close	Wk. Chg.
29½	17½	Admiral	23½	-½	45½	28	ITT	37¾	-1
39%	29½	AmBosch	33¾	+¼	50½	36%	I-T-E	46¼	-½
29%	20½	Ab-Pt	27%	+%	123%	72%	Litton	112½	+7
84½	61¼	Ampex	70½	+3½	37	27%	Loew's	29%	+1¼
89	75½	AT&T	78½	-%	70	48¼	Magnevox	55	-¾
46%	32¼	Amph-Borg	38	-¼	48%	36%	Mallory	43%	-1¾
36%	23	Arvin	23¾	-	137½	111½	MplsH'll	125½	+1¼
17%	10½	Avco	15½	-	130	57½	Motorola	105	-1
74%	36¼	BeckInst	58¼	-½	12¼	9%	Natl Thea	10½	-
89	66	Bendix	76	-5%	50%	44	Prmt	49%	+1½
38%	24%	Clevite	38%	+4½	36%	21	Philco	30%	-1½
48%	35	CBS	44	+%	71	43%	RCA	63%	-¼
42%	33%	ConsElec	33%	-	73%	51½	Raytheon	54%	+2¾
47%	33½	ConsEllnd	45%	+%	10¼	8½	Rep. Pic.	9%	+%
29¼	20%	Cor-Dub	26	+%	45¼	26½	Siegler	31%	+%
136½	89%	Corning	135	+7%	9½	6½	Sparton	7%	-¼
49%	34	Daystrom	39	-½	28¼	21¼	SpryRd	25	-%
21¼	17½	Decca	18	+¼	23%	14%	Std Coil	18%	+%
59½	42¼	Disney	45½	-%	29%	18	Stan-War	29¼	+2¼
69%	48%	EmerElec	63	+4	52½	42½	StewWarn	48%	-½
26%	13%	EmerRad	19%	-¾	33½	24½	Storer	29%	-¾
33	12%	Gabriel	24½	-¼	9	13%	Telautog	9%	+½
42%	34¼	GenBrze	35¼	-	136¼	61¼	TexInst	134	+8%
66½	53½	Gen Dyn.	55%	-2%	70¼	56¼	Thomp	63	-½
84%	74%	GE	80	-1	54¼	34%	Tung-Sol	44%	+½
38%	16½	Gen Inst	29%	-	43½	34%	20th-Fox	36	-
45½	31½	GPE	39½	+3½	32¼	24%	UAA	29%	+¼
73%	60	Gen Tel	65¼	-	84	72	UnivPc	75	+1½
83	44%	Gen Tire	70¼	+3¼	47%	24%	WarnBrs	46¼	-¾
86	36%	Hoffman	64	-	97½	70½	Westhse	91½	-1
37	28%	*Hoffman	32	+%	136%	92¼	Zenith	127¼	-3%
488	385½	IBM	435½	-3½					

AMERICAN STOCK EXCHANGE

1959					1959				
High	Low	Stock	Close	Wk. Chg.	High	Low	Stock	Close	Wk. Chg.
5%	3%	Allied Art	4%	-	22¾	7	IntRes	18%	+1%
19%	11%	AmElec	15%	+¼	19¼	9½	Lear	14½	-¼
26½	15¼	AudioDev	20½	+1%	2%	1%	MuntzTV	2½	-¾
22%	10%	Belock	17%	-¾	12	5½	Muter	9%	-¾
10¼	4	ClaroStat	7%	+½	4%	2%	NatUnion	3%	-¼
9%	6	DuMont	8½	-¼	48%	23½	PhillipsEl	42½	+1½
12%	4%	Dynam	9%	-½	43½	14%	ServoCp	28½	-½
44%	28%	ElecCom	38%	+1%	18¼	9	Servome	13%	+½
16%	9%	ElecCp	11¼	-%	10%	5%	Skiatron	6%	-¼
2¼	1	†EI-Tron	1¼	+½	17%	9½	Sonotone	15	+2
138%	50%	Fairch	132	+2½	9%	6%	Techclr	7½	+1%
88¼	49	GenTrans	71	-¾	22½	9	Teleprmp	17	-
27½	20¼	GlobeUn	26	-1¼	7%	4%	TeleInd	5¼	-½
3	1%	GuidFlm	2%	+%	14%	7	TransLux	12%	+½
75	54½	Hazeltine	63½	+3½	19%	6%	Victoreen	13%	-¾
12%	5%	HeroldRad	8½	-¾					

OVER THE COUNTER AND OTHER EXCHANGES

The following quotations, obtained from the National Association of Securities Dealers, Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

	Bid	Asked		Bid	Asked
Aerovox	9¼	10¾	Meredith Pub.	37	40%
AMP Inc.	31	33½	Metropolitan Bcstg.	15	16¼
Baird Atomic	28	30%	Microwave Associates	21¾	23%
British Ind	29	32	National Co.	27¾	29%
Capital Cities TV	8½	9%	Oak Mfg.		
Cinerama Prod.	2	2½	Offical Films	1-1/16	1¼
Cohu Electronics			ORRadio	33¾	36½
Collins Radio	32¼	34%	Pacific Merc. TV	11	12
Cook Elec.	43	46½	Packard-Bell	41½	43
Craig Systems	10½	11	Panellit	5¾	6%
Eitel-McCullough	40	43	Parkin-Elmer	48%	52½
Elec. Assoc.	40	43½	Phillips Lamp	83	86¼
Erie Resistor	9	9%	Reeves Soundcraft	9%	10%
Giannini, G. M.	27½	29%	Sprague Electric	47¼	50%
G-L Electronics	11½	12%	Tele-Broadcasters	1	1%
Granco Products	4¼	4%	Telechrome	19%	22%
Gross Telecasting	23¼	25	Teletcomputing	11½	12%
Hewlett-Packard	40%	43¼	Time Inc.	66	69¼
Hycon	3	3%	Topp Ind.	12%	13%
Jerrold	5%	6%	Tracerlab	9%	10%
Leeds & Northrup	34¼	35%	United Artists	9%	10%
Ling-Altec	24	25%	Varian Associates	31¼	33%
Machlett Labs	25%	27%	Welles-Gardner	15%	16%
Magna Theater	2½	3	Wometco Ent.	10½	11%
Maxson (W.L.)	11%	12%			

When a stock dividend or split amounting to more than 25% has been paid, the year's high-low range is shown for the new stock only. * When issued.

† In bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.

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WASHINGTON IS STILL CATV'S No. 1 problem, as NCTA convention works to stave off restrictive legislation (pp. 1 & 5).

Congress

FCC HEADACHES CONTINUE despite Harris hearings. Problems are diagnosed by 24 specialists (p. 2).

RELIEF FROM LAR DALY RULING in sight as Senate & House subcommittees speed processing of Sec. 315 changes. FCC's own amendment favored (pp. 3 & 4).

Networks

NBC SELLS LAST UHF owned by network, WNBC New Britain-Hartford & radio adjunct going to uhf pioneers (p. 3).

MUTUAL TO BE SOLD—AGAIN, this time to a group headed by Sen. Homer E. Capehart (p. 7).

FCC

DEFENSE OF TV-FM SPECTRUM mounted by broadcast interests during FCC's 25-890-mc hearing. Fellows urges retention of vhf & uhf during negotiations with military (p. 4).

Stations

TRIPLE TV "IMAGE" unveiled in special depth studies of TV audience by CBS, Corinthian Stations, and NBC (p. 8).

Programming

WESTERNS TOP NEW SCHEDULES and comedies are runners up, with action-adventure series next (p. 10).

Manufacturing & Distribution

STEREO'S DOUBLE-TROUBLE VANISHING as manufacturers stress single-cabinet units at Music Show. Dealer reaction indicates really healthy stereo selling ahead (p. 15).

TOP TV BRANDS-IN-USE in 21 markets shown in 1959 Consolidated Consumer Analysis. New tables also indicate brand preferences in single- & multi-set homes (pp. 16 & 17).

EARLY RETURNS IN 23-in. VOTE indicate good dealer reaction to new tube size, although public hasn't seen it yet. Packard-Bell shows two 23-in. sets in new line (p. 18).

DEALERS SUM UP '58 and show net operating profit at new low, operating costs at record high, in NARDA Survey (p. 18).

RCA's BIG FALL AD PUSH starts rolling in July with dealer ad schedules for new lines, shifts into national media in September (p. 18).

Advertising

NET-TV & RADIO ad revenue in April both ran well ahead of April 1958, but newspapers showed biggest percentage gain (p. 12).

Film & Tape

TV's FRIENDSHIPS. A network and/or big talent-agency link seems a must for telefilmmakers who are after multiple series sales (p. 13).

Other Departments

EDUCATIONAL TV (p. 6). **FINANCE** (p. 19).

WASHINGTON STILL CATV'S NO. 1 PROBLEM: Alternating feelings of optimism & apprehension, both more intense than usual, pervaded the 8th annual convention of National Community TV Assn. (NCTA) in Philadelphia's Sheraton Hotel June 23-25.

The optimism was generated by the continued dramatic growth of the service—some 500 people attending last week's convention, compared with about a dozen 8 years ago in Pottsville, Pa. The apprehension stems from a crisis in Washington—where highly restrictive legislation is pending before a generally hostile Senate Commerce Committee which begins hearings June 30 (for witnesses, see Vol. 15:25).

The "Washington problem" is acute. Though FCC had told Senate Commerce Committee Chairman Magnuson (D-Wash.) that it couldn't freeze microwave grants to serve CATV systems (Vol. 15:24), it froze 5 of them this week following receipt of a brusque note from Sen. Moss (D-Utah) who said he couldn't understand Commission's reasoning. FCC stayed the effectiveness of CPs for microwaves intended to serve CATV systems in Helena, Mont.; Laredo, Tex.; Tallahassee, Fla.; Riverton, Lander & Thermopolis, Wyo.; Tyler & Jacksonville, Tex. This was on the basis of protests by TV stations in the respective areas. Oral argument on all the protests will be held July 24.

Sen. Moss also introduced a bill (S-1886) designed to license CATV systems and to prohibit the establishment of any kind of facility (CATV, booster, microwave, etc.) which might hurt a conventional TV station (see story on p. 5).

CATV operators are trying to fight political fire with similar weapon. Booster operators & small-town telecasters have on their side the present chairman of Commerce Committee, Sen. Magnuson, and 2 former chairmen—ex-Sen. Johnson (D-Colo.) & ex-Sen. Dill (D-Wash.). CATV operators will produce their own former chairman—ex-Sen. McFarland (D-Ariz.). It's understood that majority leader Lyndon B. Johnson (D-Tex.) is maintaining strict hands-off policy. On one hand, his family has station interests and he enjoys considerable political support from telecasters. On other hand, he has valuable friends among Texas CATV operators.

NCTA is also seeking to neutralize lobbying activities of their opponents by hiring lobbyists of their own—Washington law firm of Weaver & Glassie (Ray Donaldson doing most of the work) and Washington management consultant William Stubblefield. It came as something of a shock to CATV operators to hear about NAB's resolution in favor of restrictive legislation (Vol. 15:25). Until recent board meetings, NAB had abstained from opposition—because telecasters haven't been of one mind in their views. (WDAU-TV Scranton-Wilkes-Barre maintained hospitality suite at NCTA convention, wooed CATV operators warmly. It claims that more than 70,000 homes get its signal via CATV.)

Regulatory problems aside, NCTA convention stressed: community responsibilities, public relations, technical improvements, competitive problems. Particularly interesting was a symposium of crystal-gazing by the presidents of 4 major equipment manufacturers (for roundup of these, see p. 5). Operators expect to be doing all right next year, evidently, for they've scheduled convention in Miami.

CATV operators are watching wired pay-TV experiments very closely. One of their colleagues, Henry Griffing, couldn't make it work in Bartlesville, Okla., when he charged subscribers on a flat monthly basis (Vol. 12:42 et seq.). Now, like everyone else, they're eager to see whether Paramount's per-program coinbox concept will prove out in Toronto (Vol. 15:25). Incidentally, CATV equipment maker Jerrold Electronics Corp. will supply gear for the Toronto project.

FCC HEADACHES CONTINUE DESPITE DR. HARRIS: "Major administrative process problems" of half-dozen federal agencies—particularly FCC—were examined in exhaustive detail last week by 2 dozen specialists. Assigned by regulated industries, bar groups & agency trial examiners' own organization to diagnose ills at round-up House Commerce Committee panel hearings (Vol. 15:25), all agreed there's plenty wrong. But no panacea prescriptions were written.

No infirmities of FCC were left untouched. "Influence," ex-parte rules, administrative procedures were explored so thoroughly—and repetitiously—by round-up panelists that press tables in hearing room were deserted long before specialists gave up hope of finding agreed-upon remedies which would be better than the status quo.

"These are difficult problems," said Washington lawyer Valentine B. Deale of D.C. Bar Assn.'s administrative law section assigned to sum up discussions by panelists representing everything from federal trial examiners conference and NAB (FCC) to National Coal Assn. (ICC) and National Assn. of Securities Dealers (SEC). "There is no black-&-white approach that makes much sense. And there's a tremendous interest—vested & otherwise—in the status quo."

"I think we are talking about a gray area," said NAB's govt. relations mgr. Vincent T. Wasilewski at one point in diagnostic discussions of adjudication vs. rule-making by FCC. "I don't see how you can approach this in a broad legislative enactment to take care of all situations."

What should be done about off-record approaches to FCC? Federal Communications Bar Assn. pres. Leonard H. Marks pondered problem, came up with this: "I think there would be unanimous opinion that in adversary proceedings there must not be any ex parte communications with the tribunal that makes [decisions]. My problem arises as to when a proceeding becomes adversary . . ."

"They got some things off their chests, anyway," commented Robert Lishman, professorial chief counsel of Commerce Committee's legislative oversight unit, at end of 2 days of consultative sessions. That seemed to be main result of 2 weeks of panel discussions which were intended by Chairman Harris (D-Ark.) to produce some concrete recommendations for legislative cures of agency faults.

NBC SELLS LAST NETWORK-OWNED UHF STATION: Leaving uhf altogether—as expected since it shuttered WBUF (Ch. 17) Buffalo early this year (Vol. 15:7-9)—NBC last week sold WNBC (Ch. 30) New Britain-Hartford, along with AM adjunct WKNB, to Connecticut TV Inc. for \$1,044,000.

Buyer is new corporation owned 2/3 by WICS (Ch. 20) Springfield, Ill. and 1/3 by William Putnam's WWLP (Ch. 22) Springfield, Mass. Major WICS stockholders Herbert Scheffel & Elmer Balaban are pres. and secy.-treas. respectively of Connecticut TV, whose exec. v.p. is uhf enthusiast Putnam. He'll manage WNBC, which retains NBC affiliation. First thing new owners did was to look for buyers for WKNB. Negotiations for resale of radio station were reported already under way.

Last of network-owned uhfs, WNBC has been on block at least since Feb., one bidder being Tom O'Neil's RKO Teleradio Pictures (Vol. 15:8). CBS got out of uhf when it sold its WXIX (Ch. 18) Milwaukee to Gene Posner's WXIX Inc. for \$50,000 after it went dark April 1 (Vol. 15:9, 13, 14, 16); WXIX plans to resume programming July 20 as independent outlet. ABC never has been in uhf.

Hartford sale represented profit for NBC—on paper, at least. Network paid about \$800,000 for WNBC & WKNB when it bought stations in Jan. 1955 from Hartford adman Julian Gross (Vol. 11:2). Ch. 30 outlet began in Feb. 1953 as WKNB-TV, lost money steadily until Nov. 1954, when it edged into black. It started with estimated 65% uhf conversion in its area. Latest conversion figures (from Edward Taddei of the other uhf, WHCT, Ch. 18, Hartford): 93.1%.

"Hard economic realities" of uhf vs. vhf led CBS to precede NBC in withdrawing from Hartford uhf market operation last year. CBS abandoned its WHCT (Ch. 18) and arranged affiliation with WTIC-TV (Ch. 3) Hartford (Vol. 14:41) after trying for nearly 3 years to make uhf go. WHCT was picked up for \$250,000 in Dec. 1958 from CBS by Edward Taddei, who left WNHC-TV to try to prove there was need & demand for independent uhf in market. He put WHCT back on air month later (Vol. 14:46).

RELIEF FROM LAR DALY RULING IN SIGHT: Chances are fair-to-good that Congress will reverse FCC's Lar Daly political equal-time newscast ruling at this session. As summer adjournment approaches, that's word we get from Senate & House Commerce Committees which have put revision of Communications Act's Sec. 315 on their hurry-up agendas (see p. 4).

FCC may write its own ticket for reversal, too. Sec. 315 won't be repealed, as NAB wants. Nor will there be any general rewriting of the equal-time requirements of the law this year. But after sticking 4-3 to its Feb. decision that present Sec. 315 language means that newscasts as well as speeches can be political broadcasts (Vol. 15:25), Commission has come up with language which is likely to be incorporated in any bill reaching Senate or House floor for vote.

Exemption of "newscasts & special events such as political conventions" is provided in tacked-on Sec. 315 amendment suggested by Comr. Ford. It was endorsed last week by FCC Chairman Doerfer & Comrs. Hyde, Lee & Cross—and Senate Commerce communications subcommittee Chairman Pastore (D-R.I.) likes it. He sees it as simple change which stands best chance of getting through Congress.

Warning to broadcasters that they'll be responsible for "objective presentation" of newscasts in which candidates appear, also is included in Ford amendment in effort to discourage broadcasters from taking partisan advantage of exemptions. (Comr. Craven, a dissenter in Lar Daly ruling, thought proposed new language wouldn't resolve issue. Comr. Bartley, in majority on ruling, thought amendment went too far, might take in picnics & plowing contests.)

Sec. 315 revision may get no further at this session than other legislation affecting broadcasters— which is nowhere (Vol. 15:22, 24). There's feeling of urgency on Hill, however. Senate subcommittee acts soon—probably this week—on legislation. House Commerce communications subcommittee is rushing quickie hearings this week. With 1960 coming up, members of Congress have keen personal interest in seeing to it that candidates' newscast status is clarified.

Radio Free Europe's effectiveness—Westinghouse Broadcasting Co. pres. Donald H. McGannon declared last week in a Crusade for Freedom address—can be judged "by the persistence of Russian efforts to jam it." These efforts, he added, "are 95% nullified by Operation Saturation, [which is] the training of 22 transmitters simultaneously for a half-hour nightly on each of the satellite countries in succession."

Census Bureau recheck of radio data in its Nov. 1958 labor force survey has been started at the request of the Advertising Research Foundation, which finances the special count of set ownership. RAB initiated the recount in the belief that the Bureau's set tally—still unreleased to the public—was lower than it should have been. Census Bureau officials told us they don't object to recheck, will publish results after they are confirmed or corrected.

Congress

More about

SEC. 315 HELP SPEEDED: A fast rerun of Senate hearings on equal-time amendments of Sec. 315 of the Communications Act is scheduled by the House Commerce communications subcommittee this week to clear the way toward action on reversal of FCC's Lar Daly newscast ruling (see p. 3).

Many of the same broadcasting industry witnesses who filled 5-day transcripts of Senate Commerce communications subcommittee sessions on the equal-time issue—piling up protests against the decision—will do it again on the House side.

The order of appearance of witnesses for House hearings June 29-30 & July 1 hadn't been set by chairman Harris (D-Ark.) at last week's end, when Senate Commerce communications chairman Pastore (D-R.I.) wound up his proceedings with a promise to try to draft a bill this week.

But the House lineup in 1334 New House Office Bldg. will include spokesmen for networks, NAB, FCC—and at least 3 added starters on the stand. They'll be chairmen Paul M. Butler & Thruston B. Morton of the Democratic & Republican national committees, respectively, and acting asst. attorney general Robert A. Bicks.

Butler didn't appear at Senate hearings, but sent a letter to Pastore, urging that any Sec. 315 amendment exempting newscasts from equal-time requirements contain safeguards against axe-grinding by broadcasters for favored candidates. Morton wrote Pastore & Harris that the GOP wants to go "on record as favoring revision to relieve the broadcasting industry of the unfair burden which has been placed upon it." Harris wants to question Bicks about Justice Dept. intervention in the Lar Daly case (Vol. 15:25).

Pastore meanwhile held the record of Senate hearings open until June 30 for any additional statements. After that he plans to call his subcommittee into session to act on Sec. 315 changes—which probably will follow newscast exemptions recommended by FCC itself—to recommend to the full Committee headed by Sen. Magnuson (D.-Wash.).

Unlike the first 2 days of Pastore's hearings, when only Lar Daly himself turned up to argue that FCC's newscast ruling should stand (Vol. 15:25), last week's proceedings produced several witnesses who testified against Sec. 315 changes. Among them:

V. Lane Knight (counsel for the Lewis Food Co., Los Angeles sponsor of Dan Smoot programs on western stations) said tampering with Sec. 315 would lead to censorship by TV & radio stations.

Joseph A. Schafer (recent candidate for the Republican nomination for Philadelphia mayor—11,666 votes) said Sec. 315 not only should be preserved—but applied to newspapers, too, "if we are to practice democracy."

Nathan Karp (Socialist Labor Party exec. committee-man) said changing Sec. 315 would give the 2 major political parties "a monopoly of the use of the air waves."

Advocates of legislation to repeal Sec. 315—or at least amend it to exempt newscasts—included: NAB pres. Harold E. Fellows & NAB Freedom of Information Committee chairman Robert D. Swezey, Westinghouse Bestg. Co. pres. Donald H. McGannon, Ralph Renick & John F. Lewis (Radio-TV News Directors Assn.), Dean Edward Barrett (Columbia U. School of Journalism), Tom Chauncey (KOOL-TV Phoenix), F. Van Konynenburg (WCCO-TV Minneapolis), Rex Howell (KREX-TV Grand Junction, Colo.). Many individual broadcasters submitted statements.

The FCC

DEFENSE OF TV-FM SPECTRUM: Broadcast interests finally got their licks in last week during FCC's marathon hearing on the uses of 25-890 mc, and they urged that the Commission retain all present TV & FM spectrum space, resisting the demands of other services.

NAB pres. Harold E. Fellows summarized the association's policy position: (1) Ch. 2-13, as "the heart of the TV allocations structure," must be retained for broadcast service "as the basis for any overall allocations plan." (2) Addition of frequencies adjoining Ch. 13 would bring "the least disruption to existing service & the greatest provision for expansion." (3) It's "extremely important" that any degradation of existing service be avoided.

Fellows called on the Govt. to "recognize what we believe to be the overriding public interest in this matter and accede to the requests for frequency space in this area."

Comr. Craven asked if "heavy utilization of uhf" could be expected if adequate space above Ch. 13 can't be found in the future. Fellows said: "If FCC made the decision to keep vhf & uhf as they are now, we'd have to utilize uhf, but it would be better to have one continuous TV band." He added, in answer to a question by Comr. Ford, that NAB has no opinion on whether FCC's proposed all-channel receiver legislation would be constitutional.

Ben Strouse of WWDC Washington & WMBR Jacksonville, making a pitch as pres. of FM Broadcasters, just asked that the FM band be let alone. FCC counsel Ann Mooney pointed out that all FM frequencies allocated 12 years ago haven't been used, asked how retention of the spectrum space could be justified. Strouse contended that FM is growing in popularity and the space will be needed.

In his prepared statement, Strouse painted this brightening picture of FM, which he said is "on the very verge of full adulthood": (1) "There are actually competitive hearings for FM stations in major markets—and an actual shortage of frequencies." (2) "Multiplex is working satisfactorily in many areas." (3) Once FCC sets standards, stereo will move rapidly. (4) FM CPs & licenses increase monthly.

Commissioners showed impatience with the indefinite nature of channel requests by educational TV witnesses. David Stewart, of the Joint Council on Educational TV, said he couldn't be specific because of the many intangibles—such as estimates of the number of school children at some future date. JCET engineering director Cyril Braum said that "18 channels would be fine," to provide complete ETV coverage for the nation. Said Comr. Cross: "You can't just come in and ask for 18 channels. Why not 108, 180?"

Motorola exec. v.p. Daniel Noble enlarged upon his reasons for urging that TV be given a continuous 30-channel band starting with the present Ch. 7: (1) Reasonable continuity of propagation characteristics. (2) Cheaper sets than vhf-uhf. (3) Easier transition than to all-uhf. He said that a single tuner covering the 30 channels would eventually cost no more than today's vhf tuners. He estimated that a set using the present Ch. 2-13 plus some more vhf channels would cost about 20% more than a continuous 30-channel set starting at Ch. 7—because 2 tuners would be needed, one of them for the lower vhf, one for the higher.

Three applications for new TV stations were filed with the FCC last week: For Ch. 13, Flagstaff, Ariz., by KCLS; for educational Ch. 8, Carbondale, Ill., by Southern Ill. U.; for Ch. 3, Salem, Ore., by owners of KGAY.

Windup for Mack: The marathon Miami Ch. 10 conspiracy trial of ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside (Vol. 15:15-25), which opened April 7, rocked along toward the jury last week. Defense lawyers rested their case June 25 and the Govt. offered no rebuttal witnesses—but it wasn't ready for the jury yet. The defense then began arguing a series of motions for directed acquittal by Judge Burnita S. Matthews in Washington's U.S. District Court. She also was asked to strike some govt. testimony that Mack & Whiteside plotted to throw the Miami grant to National Airlines' WPST-TV. Neither Mack nor Whiteside took the stand in his own defense—and Mack was reported by his attorney Nicholas B. Chase as too ill to be in the courtroom for closing arguments. The final defense witness was Washington accountant Thomas A. O'Neil, who reviewed financial dealings between Mack & Whiteside from Jan. 1955, when Mack joined the FCC, until his resignation in March 1958 under fire by House FCC investigators. The Govt. charged that Whiteside funneled money to Mack for his Ch. 10 vote. The defense maintained that loans & gifts by Whiteside to Mack had nothing to do with the Miami case.

Auxiliary Services

Protection of TV stations from CATV, translators, boosters, etc. is the aim of S-1886, introduced last week by Sen. Moss (D-Utah) for himself and Sen. Murray (D-Mont.) (see p. 1). He would add this language to the end of Sec. 307 (B) of the Communications Act: "No such application should be granted for (1) a community antenna TV system, (2) any station engaged solely in the function of rebroadcasting the signals of TV broadcast stations, or (3) a microwave facility for the purpose of serving exclusively or predominantly any such systems & stations or either thereof, unless the Commission shall first find that such authorization will not adversely affect the creation or maintenance of a station which will originate local TV programs, and which will serve the community to be served by such community antenna TV system or station engaged solely in the function of rebroadcasting the signals of TV stations."

National Theatres' \$1 million purchase of Williamsport, Pa. TV Cable Corp. (Vol. 15:23, 25) is part of the company's "diversification into allied fields," according to Charles Glett, NT executive in charge of the CATV system (he also heads WDAF-TV Kansas City). Attending the National Community TV Assn. (NCTA) convention in Philadelphia last week, he said NT has no current plans to acquire additional CATV systems, nor does it intend to operate the system other than conventionally—no pay-TV, local originations, etc. NT is in the market, however, for more TV stations to add to its WDAF-TV, WNTA-TV Newark-N.Y. and KMSF-TV Minneapolis-St. Paul.

Uhf on-channel booster operated experimentally by WINR-TV (Ch. 40) Binghamton, N.Y. worked so well in filling holes in coverage, the station informed FCC, that it plans to ask for waiver of the rules to operate it on a regular basis in Oswego. The station reported that the 10-watt unit, which produced vertically polarized signals, provided an excellent picture where the main station didn't, and that no problem of interference developed.

Four translator CPs granted by the FCC last week: Ch. 83, Blythe, Cal. to Palo Verde Valley TV Club; Ch. 75, 78, & 81, St. James, Minn. to the Watonwan TV Improvement Association.

CATV'S SHINY CRYSTAL BALL: The prime movers of the community antenna industry—those manufacturers who stimulated the business into being, in order to create a market for their products—took an unanxious, philosophical look at the horizon in a highlight session of the National Community TV Assn. convention in Philadelphia last week (see p. 1).

The "David Sarnoff" of the business—Jerold Electronics pres. Milton J. Shapp—put it this way: "This industry is about 8½ years old. I expect the growth in the next 8½ years to be as sensational, fast and full of problems as it has been so far. This room (about 400 seats) won't hold us then.

"I don't see CATV hurting stations. I see more small-town TV stations. We help them get started by creating an audience . . . CATV won't put anyone out of business.

"I don't look for advertising on CATV. I don't believe we should look for financial support from anyone but subscribers. We'll expand to more & more cities because we'll give people more & more service. For example, we have a system in Ventnor, N.J., a suburb of Atlantic City. We're now expanding it to adjoining Margate, and we'll go into Longport. We'll add a microwave to bring in the N.Y. signals. Elsewhere, we're adding more channels, FM, background music, and a TV channel for local educators."

H. M. Diambra, pres. of Entron, Jerrold's fiercest competitor, paid Shapp a suprising tribute: "I'm indebted to this pioneer. I owe him a vote of thanks. The FCC freeze on new stations between 1948 & 1952 helped, too.

"You have an advantage over broadcasters in the fact that you create spectra. You don't rely on a scarce spectrum. You can have as many voices as you want because you use cable. Up until now, the manufacturers have led the way in this business. The time has now come for you CATV operators to tell us what you want."

Favoring subscription TV, Diambra asserted: "Unlike other services, it looks as if it's going to be born backward. This seems to be because 2 or 3 rather creative people have talked & talked & talked about it. Usually, a service is offered first—then people talk about it."

H. B. Abajian, pres. of Westbury Electronics, said that the industry must expand or wither. "It was once thought that CATV was confined to mountainous areas, but it will expand more & more into the plains cities. Systems will offer more signals, background music and public service channels for the home."

Donald J. Spencer, pres. of Spencer-Kennedy Labs, stressed "public service." "It's most important," he said, "to give the subscribers what they want & can't get elsewhere. You can add closed-circuit cameras for civic coverage—the city council, school board meetings, etc. The trend of stations is toward mass appeal—away from local service. The govt. trend is to keep the public from paying for a service, even if it wants to. "I wouldn't worry about translators & boosters. They can't offer the quality."

Translator & booster competition was the subject of an unusual telephone panel discussion which piped in the voices of John Sullivan, Ukiah, Cal.; John Sorenson, Ellensburg, Wash., and Lee Hallett, Wenatchee, Wash.

Sullivan reported that his system managed a steady but slow increase in subscribers despite the advent of 2 translators offering free signals. This was accomplished by improving service and by heavy promotion.

In Ellensburg, Sorenson said, the translator "was a blessing in a way, because it brought a signal to the farmers." He met its impact by increasing his service from 3 to 5 channels, one of them for the local college. He also

plans to offer FM. Rates were changed from \$135 installation & \$3.75 monthly to \$9.95 initial & \$4.45 monthly.

Hallett reported that Wenatchee probably suffered the greatest booster competition facing any CATV system—a 25-watt “mother” station & 6 satellites feeding 3 Spokane signals. His reaction was to offer his own receiver servicing dept. which produced a “terrific impression” on subscribers by its speedy service calls & reasonable rates (lower than independent service). He said he plans to offer more channels, FM, background music, etc. He said that the booster signal quality was “quite good” and that color re-transmission was “acceptable.”

All participants stressed the necessity of “becoming part of the community,” contributing to civic activities, etc.

Panel moderator John Campbell, of Dubuque, Ia., summed it up: “Make people glad they’re on the cable instead of making them feel they’re forced to use it.”

Among the technical papers, one attracting considerable attention was “experience with long distance TV fields used for re-transmission,” by Warren L. Braun, asst. gen. mgr. of WSVA-TV Harrisonburg, Va. He said he had developed a new method of predicting the location of stable fields and used it successfully on about 200 occasions.

Theater's TV's 3-Rounder: Ingemar Johansson's short-&-sweet 3rd-round upset victory over Floyd Patterson June 26 for the world heavyweight championship—after a one-day postponement because of rain—drew one of the biggest closed-circuit TV audiences in history. It won't be known for some time whether the TelePrompTer-networked event out-drew the 1957 & 1958 Robinson-Basilio middleweight title bouts. The radio broadcast was on ABC, sponsored by United Artists to plug “The Horse Soldiers.”

In an unusual freak of scheduling, there was also a free fight available on NBC-TV between Ralph (Tiger) Jones & Victor Zalazar of Argentina, from Madison Square Garden, as a part of the *Cavalcade of Sports* series.

The weather saved TelePrompTer pres. Irving Kahn from running into a sticky problem. If the fight had been moved again to June 27, the over-\$1 million TelePrompTer gross in 170 theaters in 135 cities would probably have taken a real dive, since many theater managers refuse to air closed-circuit sports events on Saturday, peak movie night of the week, even at \$3.50 to \$7.50 a head. It also saved promoter Bill Rosensohn from becoming embroiled in refunds to ticketholders. As it turned out, the fight's sudden ending made for a rather expensive half-hour of televiewing. On basis of 9 minutes of actual combat, attendees paid a total of more than \$110,000 a minute.

There was also a round of subpoenas prior to the fight, just to make things interesting, with the two fighters, Irving Kahn, Rosensohn, and others associated with the fight promotion, receiving them from fighter Eddie Machen (who's suing for \$1,229,375 in damages). He claimed he was in line for a crack at the heavyweight title. No suit came, however, from NBC-TV or Gillette, who technically hold a TV exclusive on Friday fights in N.Y. Patterson & his manager Cus D'Amato got additional summonses from TV producer Les Arries, who's suing for 10% of their earnings under a 2-year-old agreement. One result of this sideplay: All purses for the fight were tied up.

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Hatchets were buried in Detroit on June 26 when some 250 admen from all leading auto firms were invited by the Detroit A.C. to view the large-screen, closed-circuit telecast of the Patterson-Johansson heavyweight bout.

Educational Television

ETV Tape Network: Educational TV took a giant step forward last week with the announcement of a \$2,706,000 grant by The Ford Foundation to the National Educational Television & Radio Center (NET) to equip the nation's 43 non-commercial stations with video-tape recorders. NET pres. John F. White hailed the grant as “the most significant advance in ETV since the first station, KUHT, began operations in 1953 . . . The position of the Center as the 4th major TV network will be strengthened immeasurably.” He emphasized that the recorders and the immediate playback features of tape “make possible the rapid distribution of outstanding & timely programs.”

White said that Minnesota Mining has pledged “substantial gifts” of raw tape to NET and its affiliated stations. A NET spokesman told us that the organization is evaluating video-tape recorders and that no installation date for stations can be determined until a decision has been reached on brand of video recorder to be purchased.

Kudos for network TV: The National Education Assn. has counted “at least 50 network TV shows during the past year that have helped significantly in bringing about public awareness of various critical problems in education today.” So says NEA press-radio director Roy K. Wilson, reporting that a special film, “TV Panorama: Open Hearing on Education,” will be shown at the annual convention of the teachers' organization July 2 in St. Louis. Included in it are clips from 2 dozen network shows, ranging from CBS' *I've Got a Secret* to NBC's *Wagon Train* to ABC's *The Rifleman*. ABC's Washington news bureau chief John Secundari will be commentator.

Special Virginia ETV commission has been named by Gov. J. Lindsay Almond Jr., to be headed by pres. Thomas P. Chisman of stations WVEC-TV & WVEC Norfolk, and recently named pres. of Virginia State Bcstrs. Assn. He'll be joined on the commission by prog. dir. Sam Carey of WRVA-TV Richmond, and state supt. of instruction Davis Paschall. Six legislators will be appointed by Gov. Almond later to work with this group. Chisman's WVEC-TV has been carrying an experimental ETV show with the Norfolk School Board for the past 2 years, telecasting to 9 elementary & secondary schools in the Norfolk area.

ETV flunked a 15-week test completed last month at the Long Island Agricultural & Technical Institute. The findings indicated that ETV placed heavier demands on students, is too costly, and disrupts the close teacher-student relationship. In a test of a TV class & a control group, the average grade of the TV-taught students was lower, 75.85 vs. 76.3. The 3 teachers who conducted the TV course found the experiment worthwhile and recommended further investigation. Most of the students, however, reportedly were dissatisfied with the course.

Nine educational radio grants totaling more than \$35,000 have been awarded to 8 institutions by the National Educational TV & Radio Center and the National Association of Education Broadcasters, now in their 3rd year of a continuing joint educational radio programming project. The grants are for the production of various radio series—dealing with the project theme “The American in the 20th Century”—for distribution during fall 1960 to the 79 NAEB-affiliated radio stations.

Crosley turns over entire TV building at 2222 Chickasaw St., Cincinnati, to educational WCET (Ch. 48)—leasing it at \$1 a year for 5 years, renewal for 5 more years.

Networks

MUTUAL SOLD—AGAIN: Still another sale of Mutual Bestg. System is nearing completion. This time it's to a group headed by Sen. Homer E. Capehart (R-Ind.) and lawyer-broadcaster Ted Granik, co-producer with Westinghouse Bestg. of 2 public affairs TV-radio shows. We learn that the deal will probably be finalized this Monday (June 29).

Currently, MBS is owned by a syndicate group headed by Malcolm E. Smith Jr., chairman of Harrison Home Products Co. and a manufacturer of low-priced records. They took the network over in March (Vol. 15:10) from the ill-fated Scranton Corp. for some \$2 million.

Sen. Capehart's group isn't the only one interested in acquiring Mutual. Reportedly, Albert G. McCarthy, a Washington real estate figure, has made a bid for the properties held by the radio network, with at least one other N.Y. group (said to be in music industry) interested.

The 25-year-old radio network is having other troubles, meanwhile. Five RKO Teleradio stations are leaving it Aug. 8, when their contracts end: KHJ Los Angeles, KFRC San Francisco, WOR N.Y., WNAC Boston, WHBQ Memphis. The move is prompted by the stations' intent to go independent & change program emphasis to music, we're told by KHJ v.p.-gen. mgr. Norman Boggs. (KHJ had been an MBS affiliate for more than 20 years.) Blair Walliser, exec. v.p. of MBS, submitted his resignation less than 2 weeks ago, although he'll remain as a consultant. And AT&T is reported pressing for payments on the weekly line bills—although MBS has a moratorium until Sept. on the big bill owed previously.

Late last week, however, MBS stations v.p. Charles Godwin announced that 2 more independent radio outlets (WABR Orlando and WOHO Toledo) have joined Mutual, making a total of 19 radio independents that have linked with the network since the sale to the Smith group in March. This Tues. (June 30), MBS is expected to announce still another affiliate—WTTM Trenton—which would leave the NBC network. MBS is also, he said, airing 27 hrs. & 40 mins. of news programming each week, with a total of 34 newscasts (5 min.) daily.

CBC Censorship? Canada's Parliamentary Committee on Broadcasting may be peeling a hot potato when it starts checking this week into reasons why 37 key people of the Canadian Bestg. Co.'s Talks & Public Affairs Dept. resigned after the govt.-owned system cancelled a regularly scheduled political commentary program.

CBC quickly announced reinstatement of *Preview Commentary* (in which members of the Parliamentary press gallery discuss the previous day's sessions of the House of Commons) and said it was not accepting the resignations of the 37. They maintained a discreet silence. However, there were implications by the resignees that CBC had cancelled the program as the result of political interference from the Govt. CBC said it had cancelled to test the program's popularity.

While there was no evidence to support charges of political interference with the free expression of ideas via CBC, the Parliamentary Committee summoned several of the resignees to appear before it this week.

In a statement announcing reinstatement of the program, CBC directors declared they wished "to reaffirm the established policy of freedom of expression in CBC programs devoted to the discussion of public issues."

NETWORK SALES ACTIVITY

Big NBC Week: A number of nighttime sales gaps in NBC-TV's fall lineup were closed last week in a brisk round of activity, with several deals being orders for specials rather than series. Sales activity at the other 2 networks looked, by comparison, on the light side, although network executives hastened to point out that such a view is misleading since both ABC & CBS nighttime TV lineups are close to a standing-room-only status. One of NBC's network deals, with Union Carbide, isn't a "sale" in the usual sense. The giant chemical firm will help to underwrite the costs of *Continental Classroom*, along with other well-heeled concerns (Du Pont, General Foods, Bell Telephone, IBM, Pittsburgh Glass, Standard Oil of Cal. U.S. Steel).

ABC-TV

Colt .45 (Sun. 7-7:30 p.m.), eff. early fall. Program is being switched from Sun. 9-9:30 p.m., now gives Warner Bros., its producers, a total of 3 hrs. of film shows on Sun.
Nestle (Product & agency not selected).

CBS-TV

Johnny Ringo (Thurs. 8:30-9 p.m.), eff. Oct. 1, alt-wk. sponsorship. Four Star Films production.
P. Lorillard (Lennen & Newell) and *S. C. Johnson & Son* (Needham, Louis & Brorby).

Person to Person (Fri. 10:30-11 p.m.), eff. Oct. 2. Program host not yet selected.
Pharmaceuticals Inc. (Parkson)

NBC-TV

America Pauses for Summer's End (Fri. 8:30-9:30 p.m., Sept. 18 only). Show will act as opener for new series of NBC-TV Friday specials.
Coca-Cola Co. (McCann-Erickson).

Jimmy Durante-Milton Berle specials (Fri. 8:30-9:30 p.m., Sept. 25 only for Durante one-shot; Sun. 8-9 p.m., Oct. 11 & Nov. 1 for Berle).
Du Pont Co. for *Zerex Antifreeze* (BBDO).

Salute to Lerner & Loewe (Fri. 8:30-10 p.m., Nov. 19 only), featuring excerpts from "My Fair Lady," "Gigi," and other L&L shows.
General Motors Corp. for all lines of GM 1960 passenger cars (Campbell-Ewald).

Weekend Sports Events (Various times, as scheduled), including Sugar Bowl & Senior Bowl games, professional basketball, Hialeah racing, Phillies Jackpot Bowling (Fri. 10:45-11 p.m.).
Bayuk Cigars for *Phillies Cigars* (Wermen & Schorr).

Canada Dry Specials (no dates set), total of 10 musical-variety shows of 60-min. length. NBC-TV productions.
Canada Dry Co. (J. M. Mathes).

Who Pays? (Thurs. 8-8:30 p.m.), panel show with Mike Wallace as host. Lester Lewis production. Summer replacement.
Purex Corp. for *Bluc Dutch Cleanser* (Edward H. Weiss).

M-Squad (Fri. 9:30-10 p.m.) and **The Arthur Murray Party** (Tues. 9-9:30 p.m.), alt.-wk. purchases; **Saber of London** (Sun. 6:30-7 p.m.), full sponsorship.
Stirling Drug (Dancer-Fitzgerald-Sample).

Continental Classroom (Mon.-Fri. 6:30-7 a.m. local times), participation in underwriting program costs.
Union Carbide (Not via agency).

Moon & Sixpence (date not set), 90-min. color pre-taped drama special. Co-sponsorship still available. Air date will be in Oct. or late Dec.
RCA Victor (Kenyon & Eckhardt), half-sponsorship.

Stations

TRIPLE TV 'IMAGE': A trio of new qualitative research studies, unveiled last week, underlined once more (Vol. 15:22) the trend to seek an ever-wider scope in broadcast ad research. The studies, designed to give agency time buyers & TV clients something more than the usual numerical ratings or cost-per-1,000 figures with which to do their fall spot & network buying, were ordered by 3 of the industry's leading broadcasting groups: the CBS-TV o-&o, NBC-TV, and Corinthian Broadcasting Co.

The CBS study explored the 'image' created by CBS outlets in 2 major cities as applied to commercial effectiveness & prestige. The Corinthian study focused on Houston, Tex., where it explored viewer attitudes to TV newscasts, service programs, movie showcases and the influences of TV program listings. And, color-conscious NBC surveyed the impact of color TV vs. that of b&w in 5 major TV markets. Highlights:

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CBS-TV study: Does the viewing public lump all stations together and make a blanket judgment of TV as a whole? This, says pres. Merle Jones, of CBS-TV Stations div., was the key question that guided a 6-month study of a cross-section of 1200 viewers in N.Y. & L.A. by 2 independent research companies—Institute for Motivational Research Inc., in association with Market Planning Corp. (a McCann-Erickson affiliate). In a word, the answer was "no," with the CBS-owned stations in both 7-channel markets scoring high marks for "station image."

For the channel "most likely" referred to by viewers in the statement "*They have more worthwhile programs which I really look forward to, and watch with interest,*" the score ran: CBS—52%; NBC—28%; ABC—8%; independents—12%. This favorable image, the study reported, transferred itself to the station advertisers. Asked to associate channels with the description "*I have a feeling of greater confidence, more trust in the products I see advertised on that station,*" viewers ran up this pattern of responses: CBS—53%; NBC—30%; ABC—9%; independents—8%. It works in reverse, too. Trying another avenue of attitude, researchers asked viewers for the channel "most likely" to be linked to a fictional concern wittingly described as: "*Company D has been slipping in sales lately, and is desperately trying to regain its position by loud, big promises.*" The station image score: CBS—6%; NBC—6%; ABC—11%; all others—77%. Identification of the sponsor of the study—which covered some 25 topics in 5 projective tests—never was revealed to an interviewer.

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Corinthian study: TV is gaining a commendable image as a news source, the study by Motivation Analysis Inc. for Corinthian's KHOU-TV Houston reveals. Utilizing what's described as "a semi-structured depth interview" in a sample of some 200 men, women & teen-agers in the 3-station Houston area, MAI's pres., Dr. Phillip Eisenberg, found:

1. Half of those questioned want more TV news than they are now getting, a third were satisfied with 3 broadcast news periods daily, and 18% wanted "fewer newscasts."

2. Two-thirds of viewers queried preferred a "short" to a "long" newscast, with the general estimate of short being 15 minutes.

3. Viewers generally want both world & local news in a balanced TV mixture (43%). And, they want it "in perspective," but minus personal opinions of the newscaster, for the most part.

4. TV news was considered "very important" by 56% of viewers, and "moderately important" by 17%. Only 27% considered TV news "not very important" or "unimportant" viewing fare.

5. Viewers liked the rapidity of TV news, as compared to other media (28%), the visual perception that helped make it "more real" (27%), and the feeling of "seeing where the news is made," such as Congress or the United Nations (25%).

Corinthian's study also probed viewer attitude toward weather shows. Four-fifths of the respondents stated they watched weathercasts and liked them, with most viewers preferring their local weather story tied into the national weather picture. Most viewers also stated that the personality who delivers the weather report is an important element in the program's appeal.

Viewers are also fussy about the movies they watch on TV. Nearly half (47%) said that newspaper or *TV Guide* listings were the primary factor in deciding which movie to watch—with star names (55%) leading over story summaries (40%) as the main attractions. There was little (12%) random dialing of movies.

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NBC-TV color study: TV homes equipped with color sets spend more time watching TV, provide a higher share of audience to colorcasts, and have more viewers-per-set watching color TV. So reported NBC-TV on June 24 in revealing details of a special 8000-home study conducted by Trendex for the network's research dept, using matched samples of color-equipped and b&w homes in Boston, Omaha, Chicago, Milwaukee & Philadelphia. (The findings are similar to those of Burke Marketing Research in Cincinnati for Crosley Bestg. reported in our Vol. 15:10.)

Four NBC color shows were used in the checkup: Steve Allen, Dinah Shore, Perry Como, and *The Arthur Murray Party*. Interviews were conducted with 400 homes in each market for each show (200 color, 200 b&w).

Color's over-all audience advantage was virtually 2-to-1. Dr. Thomas E. Coffin, dir. of research, stated, with the audience for color shows in color homes (30.4 rating average by Trendex) running twice as large as the audience viewing the same show in monochrome (16.9 average).

Sets-in-use were higher in color homes, with 50% of color homes using their sets, compared with 43% in the control group of b&w homes. Audience share also ran higher, with color shows getting 60% in color homes compared with only 39% in b&w homes. Competing stations suffered a converse decline, getting 61% of the audience in b&w homes but only 40% in color homes.

More viewers tend to gather around color sets. The number was 12% greater in color homes, Trendex reported to NBC. Interesting sidelight: The greatest increase was in male viewers, with color shows reaching 24% more men per color set. Altogether, the total number of viewers per 100 color homes was more than double the number of viewers in the same number of b&w homes.

Bullish about the prospects of more color sets coming onto the market because of additional manufacturers getting into the color act (Vol. 15:22), NBC researcher Coffin stated "this indicates that the ability of color programs to draw substantial audiences in color homes does not depend upon program or city but is an inherent value of color TV programming itself."

Station Boost for Color: Some 20 telecasters representing affiliates of all 3 networks gathered in N.Y. last week at the invitation of Roger W. Clipp, v.p. of the TV-radio div. of Triangle Publications, Inc., to discuss plans for what they termed "an intensive national color TV promotion campaign, supported by broadcasters, set manufacturers, distributors & local retailers." Co-sponsors of the seminar were RCA, NBC-TV and TvB.

Theme of the meeting could be summed up as "the role stations can play in color." Said Clipp at a press conference following the meetings: "Only recently have we felt color TV was promotable." (He also stated that WFIL-TV Philadelphia, which gets no network color service from ABC-TV, is averaging "about 5 to 7 hours of local color per week, about 75% on film.")

The station executives heard recent facts & figures about color, such as the new NBC-Trendex study of the effect of color in color homes (see story page 8), and a rundown on NBC & RCA programming & manufacturing plans in the color field. Later this year, a special RCA team will tour the 20 markets represented to exchange further ideas on local color promotion, RCA product planning v.p. Charles R. Denny reported at the meeting.

TvB pres. Norman E. (Pete) Cash told the group that TV must sell color if it hopes for substantial increases in billings—and the moment to expand into color is now. He said a potential gross billings increase of \$70 million is available to TV from advertisers who are now spending their dollars in other color media—newspapers, magazines, billboards. If the 10 million homes whose sets are candidates for replacement would buy color sets, he added, "as many as 2.5 million more homes would use TV in the daytime"—basing his estimate on research findings that color sets are used more than b&w sets.

Nearly 2 out of 3 housewives watch TV on weekdays some time before 6 p.m., states a special study of the N.Y. market by Pulse reported in the June 15 issue of *Television Age*. And it's fairly consistent viewing. Of 648 wives who viewed daytime TV (in a sample of 100), a total of 44.8% watched during the full Mon.-Fri. period. Afternoon viewing (45.9%) held a large lead over morning viewing (7.7%), although a combination of both (46.4%) took top honors. Nearly half of the homes (49.3%) had youngsters under 11 years. Top daytime program: a 15.0 rating tie between *Price Is Right* and *American Bandstand*.

TV's 15-sec. spot is ineffective, Schwerin Research Corp. pres. Horace Schwerin told a recent conclave of British advertisers. His firm's study of British commercials found that more than 40% of 15-sec. commercials "caused no significant change in preference, while only a little over a fourth of the 30-sec. commercials were ineffective." Schwerin noted that 75% of all British commercials last year were 15-sec.

Multi-set TV homes showed 11.2% more viewing than single-set homes, in a recently released Pulse survey conducted in Jan. throughout N.Y. In the hours of 3-6 p.m., the multi-set viewing advantage increases to 24%.

New Canadian French-language outlet is planned in Moncton, N.B. by CBC, which is calling for construction tenders about July 1. It hopes to have station on air by next Dec. with films & kine. Microwave link with Quebec, to be built by Canadian National and Canadian Pacific Railways, isn't expected to be ready until end of 1960.

Foreign TV-radio delegation representing 15 countries has started a 4-month study of U.S. broadcasting operations in a program sponsored by the State Dept.'s international exchange service, now in its 6th year. The 23 specialists will be at the U. of So. Cal. until Aug. 2 for general orientation sessions under Prof. Robert E. Summers. From Aug. 3 to 30 they will be scattered around the U.S., visiting TV & radio stations. The delegation's schedule also includes: Sept. 1-6, U. of Pittsburgh, world affairs seminars. Sept. 7-13, N.Y., inspection of network & other facilities. Sept. 14-20, Washington, interviews with govt. officials. Sept. 21-Oct. 14, station visits. Oct. 15-19, New Orleans, Radio-TV News Directors Assn. convention. Oct. 19-24, U. of So. Cal., windup seminars. Countries represented are Morocco, Nigeria, Iran, Argentina, Brazil, India, Burma, Malaya, Republic of China, Federation of Rhodesia, Mexico, Finland, Colombia, Nepal, Ceylon.

A thousand movies will be produced annually once pay TV gets under way, predicted International Telemeter v.p. Paul MacNamara last week. He was addressing the Hollywood AFL-CIO Film Council, which is strongly pro pay TV. Screen Producers Guild in Hollywood also entered the pay-TV debate with its June *Journal*, which carried pro & con articles about toll TV. Pro: MacNamara; producer-writer Mervyn Leroy; Writers Guild of America natl. pres. Edmund Hartmann; *N.Y. Times* TV critic Jack Gould; Artists Equity pres. Ralph Bellamy. Against: S. F. Fabian, head of American Congress of exhibitors; Robert J. O'Donnell, pres., Interstate Theaters; Rep Emanuel Celler (D.-N.Y.), chairman, House Judiciary Committee; Rep. Oren Harris (D.-Ark.), chairman, House Commerce Committee; CBS pres. Frank Stanton; NAB pres. Harold Fellows.

NAB fall conferences start Oct. 15-16 in Washington at the Mayflower Hotel, followed by: Chicago, Sheraton Hotel, Oct. 19-20; Boston, Somerset Hotel, Oct. 22-23; Atlanta, Dinkler-Plaza, Oct. 29-30; Fort Worth Hotel, Texas, Nov. 10-11; Denver, Brown Palace, Nov. 12-13; Los Angeles, Ambassador Hotel, Nov. 16-17; Seattle, Olympic Hotel, Nov. 19-20. National conventions: Chicago, Conrad Hilton Hotel, April 3-7, 1960; Washington, Shoreham-Sheraton Park Hotels, May 7-11, 1961; Chicago, Conrad Hilton, Apr. 1-5, 1962; Mar. 31-Apr. 4, 1963. Board of directors meetings: Palm Springs, Cal., El Mirador, Jan. 24-29, 1960; Hollywood Beach (Fla.) Hotel, Feb. 6-10, 1961

"TV Guide" increases to 53 regional editions with the debut of an Arizona-New Mexico edition Aug. 1 & an Arkansas edition Sept. 5. The first will furnish the program schedules of KTVK, KPHO-TV, KOOL-TV and KVAR Phoenix; KVOA-TV, KUAT, KGUN-TV, KOLD-TV Tucson; KOB-TV, KNME-TV, KOAT-TV, KGGM-TV Albuquerque; and KIVA Yuma. The Arkansas edition will program KARK-TV and KTHV Little Rock; KATV Little Rock-Pine Bluff; KTVE Eldorado, Ark.; KTBS-TV KSLA-TV Shreveport; KLSE Monroe, La.; KNOE-TV Monroe-W. Monroe; KCMC-TV Texarkana, Tex. Additionally, *TV Guide's* Louisiana edition will expand into a La.-Miss. edition with the Sept. 5 issue, adding the schedules of WJTV and WLBT Jackson, Miss.

WAVY-TV (Ch. 10) Norfolk has signed NBC-TV affiliation, but it won't be effective until WVEC-TV (Ch. 15), currently NBC-TV, moves to Ch. 13, when it's expected to join ABC-TV. As yet, FCC hasn't issued final decision to affirm examiner J. D. Bond's initial decision awarding Ch. 13 to WVEC-TV after other applicants dropped out following merger arrangement (Vol. 15:16). However, all parties concerned expect WVEC-TV to be on Ch. 13 by fall.

Programming

WESTERNS TOP NEW SCHEDULE: Living up to pre-season predictions (Vol. 15:13), the Westerns will overshadow all types of programming on TV next season. Approximately 30 are set thus far. Next season's schedules, just about buttoned up, hold no program surprises, consisting mainly of Westerns, situation comedy series, action-adventure and private eyes.

Following a consistent buying pattern (Vol. 15:20), the fall schedules will find the No.-1-spot Westerns followed by comedies making their predicted resurgence. There are 15 filmed comedy shows due in the fall. Next, with 11, is the action-adventure show, which figured heavily in pilot-making (Vol. 15:13). Private-eye series will be stronger than ever, with 8 lined up. Anthologies will be a bit stronger than usual, with 6 or 7.

The much-maligned Westerns displayed amazing strength, with 10 new series upcoming to offset the 10 cancelled last spring (Vol. 15:24). Runnerup for new-series totals was action-adventure (8). Five new comedy shows were sold, and 5 private-eye series.

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Like, Art, Man: Beatnik TV is the latest video-tape path to be trodden by the enterprising cats of Westinghouse Bestg. Co. Now in production at WBC's San Francisco outlet, KPIX, is a 30-min. series titled *Against the Stream* (and subtitled "The Role of the Coffee House in our Culture") which will examine beat generation folk music, art, juvenile clubs, drama & other social aspects. First show in the series, which WBC will offer in tape syndication, is a probe of Beatnik religious views, done in conjunction with the San Francisco Bread & Wine Mission, at North Beach, and Rev. Pierre Delattre. By all indications, many a TV viewer will be in for a big surprise, like, if it catches on.

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Atomic Energy Commission ban on TV-radio coverage at a June 3 hearing on an application to build an atomic waste disposal plant at New Britain, Conn. was protested by NAB last week. AEC hearing examiner Samuel W. Jensch, in barring TV-film cameramen from the proceedings, cited the American Bar Assn.'s Canon 35 rule against microphones & cameras in courtrooms. In their complaint to Jensch, NAB pres. Harold E. Fellows and freedom of information committee chairman Robert D. Swezey said: "To our knowledge, Canon 35 has not been adopted as a rule governing quasi-judicial administrative proceedings, and its application here is contrary to its purpose."

"Person to Person" will return to CBS-TV this fall, minus Edward R. Murrow (on sabbatical leave) or Arthur Godfrey (still recuperating from his lung operation) but in its usual Fri. slot eff. Oct. 2 for Pharmaceuticals Inc. via the Parkson Agency—despite a rumor last week that the show was being dropped. CBS-TV is on a talent hunt currently for a new host, with opinion divided between a show business personality (Jackie Gleason, Ralph Bellamy, Dore Schary) and a newsman (Charles Collingwood, Eric Sevareid, Red Barber).

"Learn & Live" TV-radio public service program promoted by NAB has been lauded by Sen. Wiley (R-Wis.). The project "contains the ingredients of a sound foundation upon which learning & education can be improved & strengthened," Wiley said in a *Congressional Record* statement. It included "thoughtful comments" on the program by NAB pres. Harold E. Fellows.

Biggest Year For Hour Films: Next season will be by far Hollywood's biggest for 60-min. TV-film shows. There are 19 scheduled, compared to the 10 of this past season. One reason for this near-doubling is that only one of last season's 10 (*Cimarron City*) failed to make the grade. For years TV-film executives have shunned the 60-min. series on the ground that it wasn't economically feasible. Time has proved them wrong.

New 60-min. entries for next season from Hollywood: *Adventures in Paradise, Riverboat, Hawaiian Eye, Bourbon Street Beat, The Alaskans, Bronco, 5 Fingers, The Untouchables, Bonanza, Laramie.*

Holdover longies: *Cheyenne, Desilu Playhouse, 77 Sunset Strip, Maverick, Rawhide, Wagon Train, Walt Disney Presents, Perry Mason, Sugarfoot.*

Last season's 60-min. live shows from Hollywood were a different story. All (*The Eddie Fisher Show, The George Gobel Show, Pursuit, Lawrence Welk Wed. Show*) were cancelled. As a result, there are no plans for new regular 60-min. live series from Hollywood, but Steve Allen's variety show moves to the coast from N.Y. in the fall. Many filmed specials will originate from the Coast, of course, including the 60-min. 8 to 12 for MCA's series of Ford specials, and Milton Berle's special for NBC.

* * *

Longer TV shows have become shorter on audience share, indicates a new Nielsen study of the trend to nighttime 60-min. programs. The new fall network scheduling has 33 regular 60-min. shows accounting for 46% of the total time, compared with last fall's 23 shows & 35%. But the increasing hour shows have decreased in audience attraction according to the study done for *Sponsor*. In March 1958, there were 24 hour shows with an average audience of 24.0. Twelve months later the 60-min. shows had increased to 28, but had slipped in average audience to 21.5. Interestingly, the total of half-hour shows dropped from 100 to 87 in the March vs. March comparison, but they maintained the same 21.4 average share of the audience.

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Timex roster of TV specials will include a quartet of 60-min. musical shows with Frank Sinatra on ABC-TV. The first show in the Hollywood-originated series will be Oct. 19, with others to follow in Nov., Dec. & Feb. From a modest start with its 1957-58 jazz specials, Timex has grown to be a major sponsor in TV, concentrating on musical specials, and will spend some \$2 million for time-&-talent on such shows in the coming fall-winter season, we hear. Short-term sales spurts of as much as 300% have been achieved directly by the firm's network specials, sources at the Doner & Peck agency have said.

"Up to now, newspapers & magazines have had the information function pretty much to themselves. TV has concentrated on entertainment. Many consumer magazines were once built around entertainment—fiction—but today most major magazines are heavily weighted in favor of the factual article, which consumers of the mass media now demand. There is still some fiction, but a much smaller percentage than 15 years ago. We don't think TV will offer magazines & newspapers much head-on competition in the area of factual information, but this latest move [the decision of CBS, to schedule regular hour-long informational broadcasts for prime evening time], should sharpen the competition, for the benefit of all."—*Sales Management.*

Television Digest

PUBLISHED BY TRIANGLE PUBLICATIONS, INC.
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MARTIN CODEL
Associate Publisher

WEEKLY NEWSLETTER TV & AM-FM ADDENDA AM-FM DIRECTORY
 Published Mondays Published Saturdays Published in January
TELEVISION FACTBOOK Published in March & September

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Personals: Anthony C. Kraye Jr. named business affairs dir., NBC owned stations & NBC Spot Sales div. . . Larry Marks named adv. dir., WNTA-TV & WNTA Newark . . . George E. Donnelly named treas., WPIX N.Y. . . Bob Lyte, ex-WAGA-TV Atlanta, named promotion dir., WWL-TV New Orleans.

Robert M. Light, promotion dir., RKO Teleradio Pictures West Coast broadcasting properties, elected pres., Southern California Bcstrs. Assn. . . Robert Nashick, ex-KYW-TV Cleveland, named adv. & promotion mgr., KTLA Los Angeles, succeeding James J. Rue (Vol. 15:25) . . . Raymon L. Hamilton, ex-radio WINS N.Y., named Detroit sales mgr. of WBC's Television Advertising Representatives (TvAR).

John M. Couric named NAB PR mgr. . . Del Franklin resigns as program dir. of KSTP-TV Minneapolis-St. Paul to join Screen Gems in Kansas City. Richard A. Hubbard promoted from asst. director to take his place . . . W. D. McGregor promoted from operations mgr. to gen. mgr. of CKCO-TV Kitchener, Ont., succeeding E. E. Fitzgibbons, now exec. dir. . . Richard Robertson, ex-KTVU Oakland, named sales prom. & merchandising dir., KRON-TV San Francisco, succeeding Cecil Webb, now station account exec. . . Stefan A. Meyer named NBC participating program services dir.

Charles R. Hunt, ex-Fordel Films, named sales mgr., Sound Masters, N.Y. TV film producer . . . William A. Wood, Columbia School of Journalism asst. prof., named dir. of University's radio-TV office, succeeding Leon Levine, resigned . . . Lawrence Rollins, WSIR Winter Haven, elected pres., Florida Assn. of Bcstrs.; Robert R. Feagin, WPDQ Jacksonville, 1st v.p.; Lee Ruwitch, WTVJ Miami, 2nd v.p.; Fred P. Shawn, WSUN St. Petersburg, secy-treasurer.

Al Ross, radio KGEK Sterling, elected pres., Colorado Bcstrs. Assn.; Abbott Tessman, KEXO Grand Junction, named v.p.; Clayton Brace, secy. Ed Koepke, KDEN Denver, re-elected treas. . . Nancy Hanschman, CBS news panel show producer in Washington, elected 2nd v.p., Women's National Press Club.

Thomas L. Thompson has resigned as program dir., KHOU-TV Houston . . . Ken H. James, ex-KENS-TV named program dept. mgr., KETV Omaha . . . James R. Osborn, ex-WCBS-TV N.Y., appointed commercial mgr., KXTV Sacramento.

Clint Youle, billed as "TV's original weatherman" leaves Chicago's WNBQ Aug. 7 to become an associate in the Chicago office of Lehman Bros. (investment securities).

Executive Moves: Despite denials from both sides on June 19, the romance between Tom McDermott & Four Star Films became contractual reality last week, with McDermott joining the active (7 network shows this fall) telefilm firm as exec. v.p. (Vol. 15:25). The former senior v.p. in charge of TV-radio for Benton & Bowles will serve as exec. producer on all Four Star shows, as a board member, and as new program development boss, based in Hollywood. Four Star pres. Dick Powell would not disclose McDermott's salary but told us that McDermott will receive a percentage of the telefilms made by Four Star and is, in addition, "a good, strong stockholder in the company."

At the same time, another mystery was cleared up. Harry G. Ommerle, ex-v.p. in charge of CBS-TV network shows, announced that he was not going to J. Walter Thompson to work as program coordinator on the Ford lineup of specials after all (Vol. 15:22-23). Instead, he was joining SSC&B agency as senior v.p. & dir., concentrating on TV client relations & program development.

Late last week, the JWT job was filled by a CBS-TV executive—the latest in the wave of resignations at 485 Madison. John Fleming Ball, who's been coordinator of special programs for CBS-TV, announced he was taking the post in July, reporting to JWT TV-radio v.p. Dan Seymour. Ball has been with CBS for 6 years. He is the 4th CBS program executive within a month to leave the network (Vol. 15:21). Still vacant was Hubbell Robinson Jr.'s vacated CBS post—the spark that set off the whole series of recent executive shifts.

National Community TV Assn. elects: A. J. Malin, Laconia, N.H., pres.; Sandford Randolph, Clarksburg, W. Va., v.p.; Charles Clements, Waterville, Wash., secy.; Bruce Merrill, Phoenix, treas. Directors elected, in addition to the officers who also serve as directors: Milton Shapp, Jerrold Electronics Corp., Philadelphia; William Adler, Weston, W. Va.; Clive Runnells, Houston, Tex.; Joseph Saricks, Bradford, Pa.; J. Holland Rannells, Cumberland, Md.; George Barco, Meadville, Pa.; Frank Thompson, Brainerd, Minn.

TV-radio brokerage firm of Edwin Tornberg & Co. was formed last week by the ex-TV-radio v.p. of Allen Kander & Co. His new company will handle TV-radio shows and filmed entertainment as well as TV-radio station sales. Allen Kander & Co. will devote full time to newspaper brokerage, property evaluation and broadcast consulting. Separate offices will be maintained by the 2 concerns in Washington & N.Y. at existing locations of the Kander firm. A West Coast office will be established by the Tornberg organization at 915 N. Commerce St., Stockton, Cal., headed by Douglas Kahle. Edward Wetter joins Tornberg in N.Y.; George J. Cooper will remain in N.Y. for Kander with John Alden Grimes & Don Hogate in Washington. Walter Grimes is leaving to open a general business brokerage office at 1519 Connecticut Ave., Washington.

Melvin A. Goldberg, Westinghouse Bcstg. Co. research dir., elected pres., Radio-TV Research Council, succeeding Tom Coffin, NBC research dir. Other newly-elected officers: Julius Barnathan, ABC v.p. & head of research, v.p.; Mary McKenna, Metropolitan Bcstg. research dir., secy-treas.

Obituary

John Laing Wise, 66, pres.-editor of *Butler* (Pa.) *Eagle* and part-owner (with brother Vernon) of WNEP-TV Scranton-Wilkes-Barre and of radio WILK Wilkes-Barre, died of a heart attack June 25 in Butler.

Advertising

Net TV-Radio Gains: Although overshadowed by newspaper ad-volume gains of 23% for April 1959 over April 1958, network TV & radio advanced healthily with increases of 8% & 20%, according to *Printers' Ink's* latest compilation for all major media. Net TV dropped 2% in April vs. March but wound up the first-third of 1959 with a cumulative gain of 9%. Rebounding net radio keeps a-comeing. Its 29% jump in March-to-April business was the largest for all media by far and was a factor in cutting radio's year-to-date loss to 10% from 19% the preceding month. All media, with the exception of outdoor, showed gains for April-over-April (magazines up 11%, for example). The national ad-volume index was up 5% in April over March, up 11% over a year ago, and is running 5% ahead for year-to-date.

Medium	Index		% Change from		% Cumulative Change
	April 1959	April 1958	1 month ago	1 year ago	
General Index	230	207	+ 5	+11	+ 5
Total Magazines	164	148	+ 4	+11	+ 6
Weekly	186	161	+16	+16	+ 4
Women's	119	112	- 6	+ 6	+ 7
General Monthly..	197	180	- 6	+ 9	+10
Farm	99	97	- 2	+ 2	0
Newspapers	222	181	+12	+23	+10
Network TV	466	432	- 2	+ 8	+ 9
Network Radio	36	30	+20	+20	-10
Business Papers	232	221	0	+ 5	+ 1
Outdoor	157	159	+24	- 1	- 9

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52. "Cumulative change" in the last column refers to the change, from the same period last year, of the index average from January through April 1959.

* * *

Network TV daytime billings jumped 25.8% during the first four months of 1959 compared with the similar 1958 period, reports TvB. Gross time charges show daytime billings of \$70,667,162 for Jan.-April 1959 vs. \$56,191,804 for first-third 1958. April 1959's leading TV network advertiser was Procter & Gamble, with \$4,691,463 in gross billings. Ford passenger cars were the leading net-advertised TV brand with \$738,988 in billings.

TV Took 51.5%: Of all ad dollars spent in 6 major media during 1958, TV, in a record-making performance, took 51.5%. According to a TvB analysis of 1958 vs. 1957 ad expenditures of the top 100 national advertisers, TV gained \$89,870,998 in net & spot billings, wiped out a \$52,006,297 recession-induced loss recorded by other media, and was responsible for increasing the top-100's total billings by \$37,864,701.

Some 65% of the advertisers placed the largest share of their dollars in TV—a 130% higher performance than the closest other medium, newspapers. The heavy spending: 42% of the advertisers spent more than 50% of their total budget in TV; 22% spent more than two-thirds.

Witnesses scheduled to date in FCC's network programming hearing due to start in N.Y. July 7 (Vol. 15:25), as reported by the Commission: C. Terence Clyne, McCann-Erickson; Robert L. Foreman, BBDO; Dan Seymour & John Devine, J. Walter Thompson; Young & Rubicam, Peter G. Levathes & David Miller; Ted Bates & Co., Richard Pinkham & Harold J. Saz; Sullivan, Stauffer, Colwell & Bayles, Philip H. Cohen; Benton & Bowles, Tom McDermott (now switching to Four Star); Compton, Lewis H. Titterton; Cunningham & Walsh, John B. Cunningham; Lennen & Newell, Nicholas Keesley. Others may be added.

Advertising People: Armando M. Sarmiento named pres., McCann-Erickson International, serving under Sylvester L. Weaver Jr., chairman (Vol. 15:25). Mr. Sarmiento succeeds W. G. Stilson, who remains as McCann-Erickson v.p.

Mortimer Berkowitz Jr. and Joseph Henrici elected v.p.'s BBDO . . . Donald E. Leonard, ex-Doner & Co., appointed Fuller & Smith & Ross media dir. . . Clifford Wilson, ex-Cockfield Brown, named Kenyon & Eckhardt Detroit office media dir. . . Robert Dolobowsky named v.p. & head art dir., Grey Adv. . . Thomas F. Swick and Alfred R. Sanno named associate media dirs., McCann-Erickson.

John E. Kucera, network relations dir., Ted Bates TV-radio dept., elected v.p.; John E. Calley, new program development dir., & William E. Watts, commercial film production dir., named v.p.'s . . . William C. Matthews, Foote, Cone & Belding v.p., transferred from N.Y. office to San Francisco, replacing John R. Little as gen mgr. Mr. Little will be assigned to another post in the agency. Louis E. Scott, v.p., succeeds Nelson Carter as Los Angeles office gen. mgr. Mr. Carter will be transferred to N.Y. . . . Edward Karthaus, Erwin Wasey, Ruthrauff & Ryan v.p., promoted from office mgr. to gen. mgr., Toronto; Richard J. Passanant, ex-Lybrand, Ross Bros., named controller.

In Other Media: Increases of 11% & 12% in 1959-over-1958 gross magazine ad revenue & circulation respectively were predicted last week by Magazine Publishers Association pres. Robert E. Kenyon Jr. The cheery outlook, keyed to the opening of the industry's N.Y. Magazine Center, was based on an MPA survey of 62 publishers of 163 publications—consumer, business and farm. Estimated 1959 gross dollar ad volume: \$700 million; gross circulation volume: \$319 million . . . A report on magazine ad lineage by *Printers' Ink* shows a 4.5% gain for first-half 1959 over first-half 1958. June-to-June comparisons show 1959 running 7.3% ahead . . . Cutbacks are continuing at ANPA's Bureau of Advertising, with 3 additional salesmen dismissed in recent weeks. Explanation: "The bureau is engaged in the Total Selling Program, which requires changes in procedures."

Product demonstrations in TV commercials must support claims for the product—so that the public buys "what it thinks it is buying"—FTC ruled last week. A deceptive advertising complaint against "flaming automobile" commercials for waterproof wax by Hutchinson Chemical Corp., Chicago, was dismissed by FTC "for lack of sustaining evidence." But the company was ordered to stop alleged fictitious pricing practices, and FTC added a general warning against leading customers to think products have "undergone a valid test or demonstration" or have been "endorsed, approved or tested by a recognized organization."

Station Rate Increases

Station	Base Hour	Minute	Date
WIIC Pittsburgh	\$1800 to \$2000	\$450 to \$500	April 1
WBAP-TV Fort Worth	1000 to 1100	250 to 300	July 1
WEMY-TV Greensboro	800 to 900	160 to 200	July 1
KTVK Phoenix	500 to 600	100 ¹	May 1
WIS-TV Columbia, S.C. ..	500 to 575	125 to 175	June 1
KOAT-TV Albuquerque ..	300 to 425	"	June 1
KHVV-TV Honolulu	350 to 400	75 to 90	June 1
WSAU-TV Wausau, Wis.	350 to 385	70 to 90	Aug. -
KOMU-TV Columbia, Mo.	300 to 330	60 to 75	Aug. 1
WSVA-TV Harrisonburg..	250 to 300	50 to 70	June 1
WKOW-TV Madison, Wis.	350 to 385	70 to 90	Aug. 1
KOTI Klamath Falls, Ore.	150 to 200	30 to 56	"

¹ No change ² Not announced.

Canadian Increases

CFPL-TV London, Ont. ...	525 to 600	140 to 155	July 1
CBWT Winnipeg, Man.	520 to 530	139 to 132.50	July 1
CKCO-TV Kitchener, Ont.	485 to 525	110 to 125	July 9
CBOT Ottawa, Ont.	475 to 500	118.75 to 125	July 1
CKVR-TV Barrie, Ont. ...	350 to 385	80 to 90	July 1
CBHT Halifax, N.S.	340 to 350	85 to 87.50	July 1

Film & Tape

TV'S FRIENDSHIPS: Including renewals, there are 80-odd telefilm series set for production for the coming season. Of this number, about 65 owe their existence to the fact they are in one way or another components of—or represented by—cliques which have formed in TV.

Probably the most striking example is Warner Bros' friendship with ABC. All of Warners' 11 telefilm series will be seen on ABC next season. Once Warners went into TV, it established a close rapport with ABC, and this has paid off richly for both the studio & network.

A producing organization today which seeks to become a telefilm power looks for the help of a network or big talent agency. Revue, the leading telefilm company, is, of course, a subsidiary of MCA, which is one of the 2 largest (the other: William Morris) talent agencies. In addition, MCA has a close relationship with NBC, so that many a Revue series winds up on that network, some without the preliminary of a pilot (*Whispering Smith, Laramie*).

There are plenty of illustrations to show what a difference it makes if a company has the right components on its team. Certainly one of the principal reasons for the success of Four Star Films is the fact that its product is sold by the Morris agency.

Similar, 20th-Fox TV has had sagging fortunes until this season coming up, with 5 now scheduled (Vol. 15:24). The reasons for 20th-Fox becoming so prominent a TV factor so quickly are twofold. First, it gained considerably in hiring as production chief Martin Manulis, probably the top prestige producer in TV. Second, it signed the Morris agency as its sales representatives.

Through their various links with a Warner Bros. or a Revue, or with their own series (CBS' *Gunsmoke, Have Gun—Will Travel, Rawhide*, etc.), the networks have 27 series. As for MCA and William Morris, each represents more than 20 series coming up next season, with MCA the partner or owner of some of its product. Add the fact that there are just so many time slots available, and you get an idea of how important it is for a producer or company to associate itself with a top talent agency or network.

That's why a company such as MGM-TV feels it's foolish to just go on making pilots with no strong alignment to help it on the sales end. Right now MGM-TV is discussing several new projects with the networks which it hopes will result in co-production deals. Not only would such a deal cut the losses involved in making pilots which don't sell; but it would considerably enhance the chance of MGM-TV selling such series. MGM-TV production chief Richard Maibaum is convinced his company must take such a step.

Sales Without Pilots: During the frenzied selling season just finishing, in which 200 TV pilots were offered to agencies & sponsors (Vol. 15:13), 14 series were sold without pilots. They were sold by presentations, or important star names, or on the prestige of a producer or writer.

Warner Bros. led this small & select group, selling 4 in this fashion: *Hawaiian Eye, Bourbon Street Beat, Bronco* and *The Alaskans*. Next came Revue Productions, which sold *Riverboat, Whispering Smith*, and *Laramie* without piloting any of them. Series sold by star names, bypassing pilots, were *The Junc Allyson Theater; Captain of Detectives*, starring Robert Taylor; *Wichita Town*, with Joel McCrea, and *Barbara Stanwyck Theatre. Adventures in Paradise* sold 20th-Fox TV on the prestige of James Michener & production chief Martin Manulis.

Film's Neglected Field: TV film commercials have become an "abandoned delinquent" to Hollywood's leading film makers. Although occupying 14% of all TV time, they are guided by non-film men who "have meant well & tried hard but could not do a sophisticated job with a foreign object." So said Jerry Schnitzer, Cannes-award-winning commercial director for Robert Lawrence Productions, last week to the Intl. Design Conference at Aspen, Colo. "The theatrical film industry has failed to accept the challenge of the TV commercial as an art form," he added.

Commercials have sinned most in the visual area, particularly when "the inspiration has come from radio rather than film," Schnitzer thought. "If commercials are to utilize the film form to its utmost, they must communicate non-verbally—they must speak through pictures rather than an intrusive third party—they must pictorialize their themes and shrug off their dependency on inert sound. It remains for film men within the industry to stop acting like hacks and start performing like the artists they are."

Soap Stymies Film Makers: TV film producers are still, after years of trying, unable to solve the problem of making 15- & 30-min. soapers, one of the program staples still done live. It's an economic problem. The fact that the serials are on daytime considerably reduces their revenue.

MCA once pondered filming a serial via Revue Productions, but nothing ever came of it. More recently, CBS acquired *Mildred Pierce*, and considered filming it as a soaper, but economics forced the network to drop it.

Some producers complain they are even losing money on films made for prime time at night, because of increasing production costs. To cut their take down considerably for product slotted in B time, could mean economic disaster. Eventually, there will probably be a breakthrough on this problem—possibly through tape.

Top 100 TV markets will be video-tape equipped before the end of this year, predicts Ampex professional products mktg. mgr. Tom Davis. He said many national tape commercial spot campaigns will begin during the Christmas season. More than 100 stations are now equipped with Ampex Videotape recorders, nearly 60 of them in the top 100 TV markets. Davis gave this further breakdown of Ampex users: networks, nearly 90 recorders, with 9 more ordered in the last 30 days; independent producers, 20 recorders; 13 more on order by 10 organizations; 10 production companies have mobile recorder units. More than 100 Ampex recorders are in use in 18 foreign countries. Davis said Ampex has a 2-month backlog of recorder orders at the present production rate of 2 machines a day.

TV tape research team, sponsored by Ampex, is now visiting Videotape recorder-equipped stations throughout the country to collect data on how stations use their recorders—including such details as methods of tape storage, technical tricks and paper work. The 2-man team of Russ Baker (ex-WOW-TV Omaha, KGO San Francisco & WNBF Binghamton) and Eldon Brown (ex-CBS-TV, KCOP Los Angeles & WDAF-TV Kansas City) is also on call to help tape equipment users set up systems or streamline operations. Its comprehensive findings on TV tape practices will be released at the conclusion of the study.

First TV news fellowship was awarded last week by NBC-TV's flagship WRCA N.Y. to Morton Fleischner, a student at Stuyvesant H.S., Manhattan. Fleischner will work for 8 weeks this summer as an editorial asst. in the NBC news dept., and plans to major in journalism at NYU.

New York Roundup: Trend to taped variety shows continues, with the Tues. 10-11 p.m. *Garry Moore Show* due to become all-tape this fall, primarily to gain the services of name-star Broadway performers who would otherwise still be before the footlights at airtime . . . Victor Borge's location special, to be taped & filmed in Denmark, will be aired on NBC-TV for Pontiac on Oct. 16, and will be used to launch the auto maker's 1960 line . . . WPIX N.Y. has now lined up some 50 stations for its own 60-min. film documentary on the Berlin crisis. The independent station got into the syndication act last year with a documentary on the Russian revolution, now plans at least 2 more.

Syndication is in a trend toward full-sponsorship, with national & regional advertisers buying syndicated telefilms because they prefer identification with their shows—a trend opposite to that of sponsors in network TV (Vol. 15:24). That's the key finding in a 30-market study undertaken by Ziv TV's research dept., which noted that 55% of Ziv evening shows (after 6 p.m.) had full sponsorship, 35% were alternately sponsored, and only 10% acted as participation spot carriers. In 1957, the full-sponsorship figure in the same 30 markets was 51%, reports syndication sales mgr. Len Firestone.

ITC has sold more than \$600,000 worth of telefilms in Latin & South America, Japan and the Philippines in just 6 months of overseas selling, Abe Mandell, dir. of intl. sales for ITC reports. Back from a sales trip to the Far East, Mandell says: "The one major consumer product not advertised on Japanese TV is TV itself, because current demand for receivers exceeds the industry's production capacity." . . . Britain's Associated TV Ltd.—on another front—which co-owns ITC, has changed the name of its distribution subsidiary to Incorporated TV Co. Ltd. in order to further the ITC image with a similar set of initials.

Another Bolshoi package is being offered in TV. Art Theatre of the Air, an offshoot of N.Y. film financier Joe Harris's Essex-Universal, has acquired some 3 hours worth of color & sepia footage of the Bolshoi, Moiseyev, Georgian and Moscow ballets from Artkino, official Soviet film distributor in the U.S., and plans to assemble it as a series of telefilm specials. Still unsold are the 4 hour-long Bolshoi b&w video tapes made Matty Fox, although N.Y. ad agencies now tell us they're quietly being offered to leading TV advertisers as a series of specials.

MCA's new syndication series, *Coronado 9* starring Rod Cameron, has been signed by Falstaff Brewing for a 26-state, 66-market spread. It's the 3rd straight Cameron-starred telefilm series the brewer has purchased . . . Screen Gems has scored its first major sale on *Manhunt*, a police drama series shot in San Diego, with Genesee Brewing for 9 upstate N.Y. markets . . . WRCA-TV N.Y. promptly cleared a Tues. 7-7:30 p.m. slot for the syndicated reruns of *The Phil Silvers Show*, which start this fall for N.Y. Telephone's classified directory & Ronzoni macaroni. The show has been an attraction on rival WCBS-TV.

Sam Goldwyn's pre-1948 movies, about 52, are available to TV—at "the right price." So said the veteran producer at the N.Y. premiere of his "Porgy & Bess," last week. He also predicted that pay-TV would be a reality within 2 years, at a cost of over \$200 million. His is the only major-studio movie backlog not yet committed to TV.

Fremantle now has a total of 7 fully-sponsored Spanish-dubbed shows per week running in Mexico City, with the sale of its 15-min. *Jungle* series to a local dog food sponsor. In addition, 5 weekly 30-min. telefilm series in English sold by Fremantle are being aired in the Mexican capital as spot carriers.

Hollywood Roundup: MCA's Hubbell Robinson, exec. producer for next season's Ford specials on NBC, is due on the coast this week to set up headquarters at Revue Studios, Universal City. He will immediately begin working on properties & lining up talent.

Milton Berle will film one of his NBC Sun.-night specials, do the other live. Filmed will be his segment with Desi Arnaz & Lucille Ball. The other show will have Danny Thomas as guest . . . Frank Sinatra has named Jimmy Van Heusen and Sammy Cahn exec. producers of his four 60-min. specials for ABC next season. Jack Donahue will produce & direct.

Art Linkletter has flown to Russia, where he will attempt to film shows for his *People Are Funny* series (NBC) . . . Bill Burrud Productions has signed Gene Blakely to produce 2 TV series, *Wanderlust & Holiday*.

New Hollywood office of NAB's TV Code Affairs Dept. (Vol. 15:19) will be headed by Frank Morris, CBS-TV senior editor there since 1957. Announcing the appointment, Code Review Board chairman Donald H. McGannon pointed out that more than 40% of all material seen on TV is supplied by Hollywood film producers. He said Morris "has a working acquaintance with most of these production executives and understands their special problems." Morris, a veteran writer & producer, had joined CBS after 10 years with ABC in Hollywood.

Davana Inc., an independent TV film production company, has been formed by ex-Perry Mason producer Ben Brady. Biady & CBS have signed a deal for joint production of new series (*Troubleshooters*) . . . Filmaster Inc. (*Death Valley Days*) and Meridan Productions have moved from California studios to Republic.

First "potpourri Western" has been signed by Colgate as a summer replacement to be seen in the Friday-night NBC-TV spot occupied by *The Thin Man* series, starting this week. The 10-episode series, featuring James Stewart, Ronald Reagan, Dale Robertson, George Montgomery, Robert Cummings and others has been assembled by pulling Western episodes out of other anthology packages, and will be called *Colgate Western Theatre*.

Gene Barry-Ziv TV feud last week (Vol. 15:24-25) produced nothing but the good old run-around in both N.Y. and Hollywood in response to press queries. Hollywood sources told us that meetings between the *Bat Masterson* star and Ziv on the subject of contract differences had been moved to N.Y., and that they knew nothing. In N.Y., Ziv officials said they had no information on the meetings—and suggested a Hollywood check. Production on the TV series is at a standstill, meanwhile.

Screen Gems is proceeding with production on a second season for its syndicated *Rescue 8* series. Langford Productions has been formed by Robert Stack & agent William Shiffrin to produce telefilms & movies. . . . Filmaster Productions will take over production of *Death Valley Days*, previously produced by McGowan Productions.

KTTV's latest syndication series is *The Jerry Lester Show*, to be produced by Jerdu Productions, owned by Lester and Maurice Duke. The 90-min. shows will be seen weekly on KTTV beginning next week, July 10.

AB-PT pres. Leonard Goldenson, ABC pres. Oliver Treyz, and ABC program v.p. Tom Moore toured Metro, Warner Bros. and 20th-Fox last week to inspect studio facilities, discuss ABC series with 20th & Warners, and talk possible deals with Metro. At 20th, they were welcomed with a luau by pres. Spyros Skouras, production chief Buddy Adler and TV production chief Martin Manulis.

Trade Report

JUNE 29, 1959

STEREO'S DOUBLE-TROUBLE VANISHING: Stereo will really get off the ground on nationwide basis in 1960. Quality of sets is improving. Beginning of the end of public confusion over stereo is in sight. New set design has strong housewife-appeal.

That's distillation of opinions of dealers & manufacturers with whom we talked—together with our own observations—last week at New York's big Music Industry Trade Show. Stereo phono manufacturers' exhibits were heavily attended by dealers, with far more buying interest than last year.

Their products geared carefully to market research, all manufacturers are now stressing single-cabinet stereo as antidote to last year's "double-trouble"—too many cabinets. Almost all of them, too, offer auxiliary-speaker systems for buyers who do want greater channel-separation offered by separate cabinets.

Many novel approaches are being used to give widespread-sound effect in single cabinet. Small attractive outrigger speakers are used by RCA, Philco & others in some models (Vol. 15:22-23). Columbia & Webcor have models in which separate speaker cabinet may be removed from inside of console cabinet if desired. Other makers have hinged speakers which can be swung out for wider separation when set is in use. In preview of portion of its new stereo line, to be unveiled officially this week, Motorola stressed "3-channel" approach—bass woofer for sound from both channels in center, mid-range & high-range speakers in swing-out panels on either side. Webcor uses same 3-channel approach in some of its models.

Single-cabinet approach is aimed at pleasing dealer as well as housewife. Some stereo manufacturers offering multiplicity of cabinet styles were facing what began to look like rebellion of dealers who felt they were required to carry too much inventory of 2nd & 3rd speaker cabinets. Another trend striking responsive dealer chord at Music Show was provision for AM-FM tuner in many console stereo models. Drop-in radio tuners make it possible to convert stereo phono to combination, eliminating necessity for dealer to stock both stereo phono consoles & stereo-combination consoles.

Combination TV-stereo units—"home entertainment centers"—were strongly in evidence, shown in various forms by most manufacturers from Muntz to Magnavox. Muntz v.p. Jack Simberg, incidentally, told us that stereo-TV combinations now comprise 35% of his company's TV sales. A Magnavox spokesman termed the "Stereo Theatre" 24-in. TV-AM-FM-stereo phono (at \$595) "the hottest seller our line." Grundig-Majestic showed what probably were highest-priced stereo-TV combinations—its German-made units at \$1795 & \$2750. Among other interesting developments at Music Show was new Magnavox remote-control stereo system, being tested for dealer reaction. The \$1000 unit has wireless remote unit (using RF modulation) which starts phono, rejects records, turns on AM or FM radio and scans dial for stations (in same manner as signal-seeking auto radio), adjusts volume and switches from internal to external speakers.

Traditional "component" hi-fi manufacturers are going in more heavily for complete furniture packages (Vol. 15:20). One of first in this field was Pilot, now actively joined by Fisher, Bell Sound Systems (Thompson Ramo Wooldridge) and by Stromberg-Carlson (General Dynamics). Latter has new & widely advertised "energy isolation" single-cabinet furniture system in which components may be replaced as new developments occur.

That the stereo campaign is hitting the mark is shown by EIA statistics on phono sales for first quarter: Factory sales, 1,002,298 (excluding record-player attachments), the majority of which were stereo—vs. 886,644 in first quarter last year, virtually none of them stereo. In first quarter of this year, incidentally, 123,547 phonos sold had FM or AM-FM tuners. Columbia phono dept. v.p.-gen. mgr. James J. Shallow predicted at distributor meeting last week that industry would sell 5 million phonos this year (vs. 4 million last year) at total retail value of \$500 million, climbing to 5.25 million units at \$525 million next year and 5.8 million at \$625 million by 1963.



There was renewed activity on stereo tape front, too, at Music Show. Field of recorded tape showed new signs of life, RCA attracting plenty of attention with its tape-cartridge recorder. Motorola surprised show visitors with an RCA-type cartridge recorder, on display "to test reaction." If it is produced, it will retail at \$250-\$300. Bell Sound also showed its previously announced RCA-type cartridge recorders.

Single-reel tape magazine for the home was shown by Fidelivox div. of Waters Conley. Based on same concept used by Fidelivox for commercial functional music systems, home tape players will be sold at \$120 (attachment for use with existing sets) and \$180 (self-contained table model). Plastic-packaged tapes fit into slot, shut themselves off automatically when reel is finished, require no threading or rewinding. "Fidelipac" tape magazines are intended for "home background music," will be recorded by major record makers, according to Fidelivox officials. Magazines aren't compatible with RCA tape cartridge players.

Most tape recorder manufacturers are still sitting tight, watching outcome of initial cartridge-tape merchandising efforts before deciding whether to join up. Magnetic Recording Industry Assn. (MRIA) is continuing its opposition to tape cartridges, and MRIA leader Ampex Audio has formed new distribution organization, United Stereo Tapes, to promote & sell open-reel (non-cartridge) pre-recorded tapes of all manufacturers. Feeling among tape recorder manufacturers at Music Show generally seemed to be that there eventually will be good market for both open-reel and cartridge recorders & tapes.

(For report on TV at the Music Industry Trade Show, see p. 18).

TOP TV BRANDS-IN-USE IN 21 MARKETS: New breakdowns of TV sets-in-use in 21 markets, by brand name, have been made available to us by Consolidated Consumer Analysis. These 1959 figures show 14 major TV brands and their percentage of each market.

These consumer surveys in the 21 markets are made by local newspapers sponsoring their own analyses. They cover nearly every type of consumer product, from automobiles to dog food. Conducted on questionnaire sampling basis, individual survey results are consolidated into the national report. Total 1959 survey sample was 64,444 households, representing nearly 5 million households in the 21 markets. Most of surveys were conducted in January.

This year there are 3 TV-ownership tables—reprinted on opposite page—measured on slightly different basis than those we printed last 2 years (Vol. 13:40, 14:28), and therefore not directly comparable. They show TV sets in all homes (both single- & multiple-set), sets in single-set homes and multi-set homes.

Multiple-set tabulation shows 13.2% of homes in areas surveyed have 2 or more TV sets, up from 12.9% in comparable survey year ago. Median set saturation in the markets was 94.4% (vs. 94.8% in last year's survey, 92.5% in 1957, 88.7% in 1956).

Of all TV homes—both single & multiple-set—RCA ranked first in set ownership in 20 markets, Admiral first in one (Chicago). RCA was first choice of multiple-set owners in 17 of the 19 cities in which multi-set homes were surveyed, Admiral leading in Chicago, GE in Phoenix. Among single-set homes only, RCA was first in 19 markets, tying with Admiral for the honor in Chicago and with Zenith in Honolulu. Admiral was also first in Salt Lake City and Hoffman was first in Modesto, Cal.

Survey tables are cumulative, giving percentage of all households which own each brand of set in each market, together with relative rankings of leading brands in each market.

Newspapers conducting the surveys: Chicago Daily News, Columbus Dispatch-Ohio State Journal, Denver Post, Duluth Herald & News-Tribune, Fresno Bee, Honolulu Star-Bulletin, Indianapolis Star & News, Long Beach Independent & Press Telegram, Milwaukee Journal, Modesto Bee, Newark News, Omaha World-Herald, (Portland) Oregon Journal, Phoenix Republic & Gazette, Sacramento Bee, Salt Lake Tribune & Deseret News, San Jose Mercury, Seattle Times, St. Paul Dispatch & Pioneer Press, Washington Star, Wichita Eagle.

TV-RADIO PRODUCTION: EIA statistics for the week ended June 19 (24th week of 1959):

	June 12-19	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	121,369	128,049	81,999	2,580,219	2,017,094
Total radio	310,859	299,599	160,531	6,564,483	4,322,198
auto radio	138,427	134,167	55,453	2,666,140	1,370,347

Admiral's new color line of 5 basic models—table models, consoles & lowboys (Vol. 15:22-23)—will be shown for the first time in August. They'll use chassis made by RCA to Admiral specifications.

RCA is dickering to sell to Russia its color TV equipment (cameras, receivers, etc) which will be displayed for 6 weeks beginning July 25 at the American National Trade Exhibition in Moscow.

Sylvania moved its executive offices & several corporate staff departments over the week-end to the new General Telephone Bldg., 730 Third Ave., N.Y. The following functions are included in the shift: research & engineering, financial analysis, industrial relations, insurance, law, medical, public relations, purchasing. Remaining at 1740 Broadway are advertising, marketing research, electronic tube sales, photolamp sales, several light sales groups.

Set Ownership in 21 Markets

Reprinted by permission of Consolidated Consumer Analysis

SINGLE AND MULTIPLE SET OWNERS

City	% of Owners	RCA	Ad-	Hoff-	Moto-	Zenith	Philco	Silver-	Eme-	Westing-	Muntz	Sylva-	Magna-	Hoff-	Pack-
		Victor	miral	GE	rola			tone	ron	house		nia	vox	man	ard
		Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %
Chicago	95.9	2. 19.2	1. 20.4	6. 8.0	3. 12.7	4. 12.1	5. 9.1	7. 5.4	11. 2.7	14. 2.0	10. 3.4	16. 1.6	8. 3.6	—	—
Columbus	98.4	1. 29.9	2. 16.6	6. 7.5	4. 10.3	5. 8.0	3. 16.4	—	9. 2.7	8. 5.1	7. 5.2	13. 1.9	11. 2.3	—	—
Denver	96.0	1. 14.7	2. 11.0	4. 9.4	3. 10.7	5. 7.8	6. 6.4	12. 3.0	9. 4.1	10. 3.3	7. 6.3	17. 2.1	15. 2.4	14. 2.9	8. 5.5
Duluth-Superior	94.9	1. 19.8	4. 7.6	2. 14.3	8. 5.1	5. 6.7	6. 6.3	13. 1.9	3. 8.1	7. 5.6	—	—	20. 1.2	18. 1.4	12. 2.0
Fresno	91.5	1. 15.4	10. 4.8	7. 7.3	2. 9.6	4. 8.3	3. 9.1	6. 8.1	9. 6.2	12. 3.1	—	—	11. 3.9	14. 2.3	5. 8.2
Honolulu	89.0	1. 14.6	6. 7.8	3. 10.8	7. 7.2	2. 13.4	5. 8.0	4. 10.7	9. 5.5	11. 3.2	—	—	9. 5.5	13. 1.8	14. 1.6
Indianapolis	93.9	1. 22.3	2. 16.7	7. 7.4	6. 7.9	5. 8.2	3. 9.7	10. 3.2	13. 3.0	8. 6.5	12. 3.1	4. 8.4	15. 2.1	—	—
Long Beach	96.2	1. 18.1	5. 9.4	4. 9.7	10. 4.9	7. 8.0	6. 8.4	8. 7.6	12. 3.1	14. 2.3	11. 3.2	15. 1.8	9. 6.2	2. 9.8	2. 9.8
Milwaukee	97.9	1. 28.9	2. 18.9	5. 6.9	4. 9.4	6. 5.6	3. 10.2	8. 3.6	10. 2.9	9. 3.1	12. 2.2	11. 2.6	7. 3.9	—	—
Modesto	87.4	1. 12.6	9. 4.6	7. 6.2	6. 7.1	5. 8.2	3. 10.0	4. 9.0	11. 3.5	13. 2.5	—	—	12. 3.2	16. 1.9	2. 11.5
Newark	97.2	1. 30.7	2. 16.0	6. 7.9	9. 4.7	7. 5.5	4. 9.1	11. 2.9	3. 10.2	8. 5.3	—	—	14. 2.1	10. 4.3	—
Omaha	98.3	1. 23.0	5. 8.6	4. 8.9	3. 10.6	6. 7.4	2. 15.7	9. 3.9	7. 5.3	8. 4.0	—	—	11. 2.9	—	—
Phoenix	93.4	1. 12.7	2. 11.7	3. 9.2	5. 7.1	6. 7.0	10. 4.9	7. 6.3	4. 7.6	10. 4.9	—	—	13. 3.8	9. 5.3	8. 6.1
Portland, Ore.	91.4	1. 15.5	3. 10.6	6. 6.8	5. 8.0	2. 11.3	4. 9.1	9. 4.9	11. 2.7	10. 4.0	—	—	14. 2.2	15. 2.0	7. 6.0
Sacramento	94.1	1. 17.6	9. 6.4	2. 9.6	9. 6.4	5. 6.9	3. 9.3	6. 6.8	8. 6.7	11. 4.4	—	—	15. 1.7	12. 3.3	6. 6.8
Salt Lake City	95.6	1. 14.1	2. 13.5	4. 10.6	5. 8.7	8. 4.9	3. 12.4	11. 4.0	14. 2.4	6. 6.8	—	—	12. 3.0	10. 4.6	9. 4.7
San Jose	94.4	1. 14.5	2. 10.7	10. 5.1	5. 8.3	4. 8.5	6. 7.7	8. 6.2	9. 5.2	11. 4.4	—	—	13. 2.3	11. 4.4	7. 7.1
Seattle	93.3	1. 18.3	5. 8.3	7. 7.7	3. 8.6	8. 6.4	6. 7.9	2. 8.7	15. 1.9	9. 5.7	13. 2.0	10. 5.0	11. 4.0	12. 3.4	4. 8.4
St. Paul	98.0	1. 22.3	2. 12.2	3. 10.1	5. 9.0	6. 7.6	4. 9.5	—	15. 2.1	10. 3.3	8. 4.2	—	15. 2.1	—	—
Washington, D.C.	90.6	1. 25.6	2. 14.3	6. 8.1	5. 8.9	9. 5.0	3. 11.2	8. 5.1	4. 9.7	11. 2.8	7. 5.3	15. 1.4	10. 3.1	—	—
Wichita	93.8	1. 16.4	2. 13.0	4. 8.4	6. 8.0	3. 10.6	4. 8.4	8. 3.8	17. 1.7	7. 5.8	—	—	21. 1.3	11. 2.9	8. 3.8

SINGLE SET OWNERS

CITY	% of Owners	RCA	Ad-	Hoff-	Moto-	Zenith	Philco	GE	Silver-	Eme-	Westing-	Du	Sylva-	Magna-	Pack-
		Victor	miral	man	rola				tone	ron	house	Mont	nia	vox	ard
		Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %
Chicago ¹	74.7	1. 15.6	1. 15.6	—	3. 10.2	4. 10.0	5. 6.9	6. 5.1	7. 4.5	11. 2.2	13. 1.8	13. 1.8	15. 1.6	8. 3.2	—
Columbus	71.1	1. 22.8	2. 13.4	—	4. 9.3	5. 6.0	3. 11.5	6. 4.3	—	12. 1.5	7. 4.2	—	14. 1.3	10. 1.8	—
Denver	80.4	1. 12.1	3. 9.0	13. 2.3	2. 9.8	5. 6.6	7. 5.5	4. 7.0	12. 2.5	9. 3.6	13. 2.3	10. 2.7	16. 1.9	15. 2.2	8. 5.2
Duluth-Superior	83.1	1. 17.8	4. 6.5	14. 1.6	8. 4.5	5. 5.9	7. 5.0	2. 11.9	19. 1.1	3. 6.9	6. 5.2	—	19. 1.1	16. 1.5	—
Fresno	83.4	1. 13.5	10. 4.5	4. 8.4	2. 8.7	6. 7.3	3. 8.5	8. 5.8	5. 8.1	7. 6.0	12. 2.7	14. 2.0	11. 3.4	15. 1.9	9. 5.7
Honolulu ²	83.0	1. 13.0	6. 7.3	14. 1.5	7. 7.0	1. 13.0	5. 7.8	3. 10.1	4. 9.6	8. 5.4	12. 2.9	11. 3.4	10. 4.9	13. 1.7	9. 5.3
Indianapolis	73.9	1. 17.8	2. 13.2	—	6. 6.3	5. 7.0	4. 7.1	7. 5.6	13. 2.4	11. 2.5	8. 5.1	—	3. 7.7	14. 1.8	—
Long Beach	79.8	1. 15.8	5. 7.1	3. 9.3	10. 3.9	7. 7.0	4. 7.3	5. 7.1	8. 6.7	12. 2.7	14. 2.0	13. 2.3	15. 1.6	9. 5.8	2. 9.0
Milwaukee	80.6	1. 25.3	2. 14.7	—	4. 8.4	6. 4.6	3. 8.5	5. 5.1	7. 3.1	10. 2.4	9. 2.5	18. 1.4	11. 2.3	7. 3.1	—
Modesto	82.6	2. 11.0	9. 4.2	1. 11.3	6. 6.6	5. 7.2	3. 9.4	8. 5.3	4. 9.2	11. 3.4	13. 2.5	17. 1.8	12. 3.1	16. 2.0	7. 6.2
Newark	71.5	1. 24.1	2. 11.5	—	10. 3.7	9. 3.9	4. 6.5	5. 6.3	13. 2.4	3. 7.9	7. 4.2	6. 6.2	16. 1.6	8. 4.0	—
Omaha	85.1	1. 20.1	4. 7.4	—	3. 9.8	6. 6.3	2. 13.5	5. 6.5	8. 3.7	7. 4.9	10. 3.4	15. 1.4	—	11. 2.6	—
Phoenix	81.7	1. 11.4	2. 10.5	8. 5.6	4. 6.8	6. 6.4	10. 4.5	3. 7.3	7. 5.9	4. 6.8	11. 4.4	15. 2.0	13. 3.3	9. 4.7	11. 4.4
Portland, Ore.	79.6	1. 12.8	3. 8.6	6. 5.7	5. 6.9	2. 10.2	4. 8.2	8. 5.0	9. 4.4	12. 2.1	10. 3.3	19. 1.2	12. 2.1	15. 1.8	7. 5.2
Sacramento	83.1	1. 15.4	10. 5.6	7. 6.3	8. 6.1	6. 6.4	2. 7.9	3. 7.8	8. 6.1	5. 6.5	11. 3.9	15. 1.4	15. 1.4	12. 3.3	4. 7.4
Salt Lake City	82.1	3. 11.0	1. 11.6	8. 4.6	5. 7.1	7. 4.7	2. 11.2	4. 9.0	11. 3.3	14. 2.5	6. 5.7	13. 2.7	12. 2.9	10. 4.1	—
San Jose	82.0	1. 12.6	2. 9.0	7. 6.4	5. 7.3	4. 7.7	6. 6.4	9. 4.6	8. 5.6	11. 4.3	10. 4.4	17. 1.2	14. 1.8	12. 4.0	3. 8.5
Seattle	79.8	1. 16.0	5. 7.0	12. 2.8	3. 7.6	7. 5.9	6. 6.8	8. 5.6	2. 7.8	16. 1.3	9. 5.3	—	10. 4.8	11. 3.6	3. 7.6
St. Paul	84.8	1. 18.7	2. 10.8	—	4. 7.9	6. 6.8	3. 8.6	5. 7.7	—	15. 1.7	10. 2.8	12. 2.3	—	15. 1.7	—
Washington, D.C.	75.8	1. 22.4	2. 12.0	—	5. 7.7	9. 4.1	3. 9.5	6. 6.1	8. 4.5	4. 8.2	11. 2.6	12. 1.6	—	10. 2.9	—
Wichita	82.6	1. 14.3	2. 11.0	9. 3.6	4. 7.5	3. 10.2	6. 7.1	5. 7.4	10. 3.2	18. 1.1	7. 5.4	15. 1.4	19. 1.0	11. 2.7	—

¹RCA Victor and Admiral tied for first place in Chicago. ²RCA Victor and Zenith tied for first place in Honolulu.

MULTIPLE SET OWNERS

CITY	% of Owners	RCA	Ad-	GE	Hoff-	Moto-	Zenith	Philco	Silver-	Eme-	Westing-	Muntz	Sylva-	Magna-	Pack-
		Victor	miral		man	rola			tone	ron	house		nia	vox	ard
		Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %	Rank %
Chicago	21.1	2. 32.1	1. 37.2	5. 18.3	—	3. 21.6	4. 19.4	6. 16.5	7. 8.6	11. 4.4	15. 2.8	8. 5.6	20. 1.8	9. 5.2	—
Columbus	27.3	1. 22.6	3. 11.5	4. 7.4	—	5. 6.1	5. 6.1	2. 13.5	—	9. 2.7	8. 3.6	7. 4.1	13. 1.5	12. 1.6	—
Denver	15.6	1. 28.3	2. 21.4	2. 21.4	12. 5.5	4. 15.3	5. 13.8	6. 11.1	12. 5.5	10. 6.5	8. 8.0	7. 9.4	19. 2.9	18. 3.3	9. 7.1
Duluth-Superior	11.1	1. 33.9	4. 15.1	2. 31.3	13. 4.7	7. 9.4	6. 12.5	4. 15.1	9. 7.8	3. 16.1	9. 7.8	—	19. 2.1	—	—
Fresno	8.1	1. 34.6	8. 8.5	2. 23.1	12. 6.2	3. 19.2	4. 17.7	5. 15.4	10. 7.7	8. 8.5	11. 6.9	18. 1.5	7. 9.2	12. 6.2	6. 13.8
Honolulu	6.0	1. 37.0	5. 14.0	3. 21.0	12. 4.0	9. 10.0	4. 18.0	8. 11.0	2. 26.0	10. 7.0	10. 7.0	17. 1.0	6. 13.0	15. 3.0	6. 13.0
Indianapolis	20.0	1. 39.0	2. 29.8	4. 15.6	—	5. 13.7	6. 12.7	3. 19.0	10. 6.3	13. 4.9	7. 12.2	11. 5.4	8. 11.2	15. 2.9	—
Long Beach	16.4	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Milwaukee	17.3	1. 45.3	2. 38.4	4. 15.4	22. 1.4	5. 14.3	6. 10.0	3. 18.3	8. 5.6	9. 5.5	9. 5.5	13. 3.2	12. 3.9	7. 5.8	—
Modesto	4.8	1. 40.0	7. 10.0	3. 22.5	5. 15.0	5. 15.0	2. 25.0	4. 20.0	9. 5.0	9. 5.0	—	9. 5.0	9. 5.0	—	8. 7.5
Omaha	13.2	1. 41.5	4. 16.1	3. 23.8	22. 1.4	5. 15.6	6. 14.2	2. 30.3	9. 5.5	7. 8.2	8. 7.9	—	20. 1.4	10. 4.9	—
Phoenix	11.7	3. 10.4	2. 12.9	1. 14.7	8. 4.3	4. 8.1	6. 4.9	13. 2.9	10. 3.5	5. 6.1	11. 3.1	17. 1.2	8. 4.3	7. 4.6	11. 3.1
Portland, Ore.	11.8	1. 35.5	2. 24.7	3. 19.4	8. 8.3	5. 16.4	4. 19.1	6. 15.6	8. 8.3	11. 7.1	7. 8.6	—	13. 3.5	15. 3.3	8. 8.3
Sacramento	11.0	1. 34.1	4. 14.1	2. 23.2	7. 10.9	9. 8.7	8. 10.5	3. 19.6	6. 12.0	11. 8.0	9. 8.7	—	13. 4.0	15. 3.6	5. 12.3
Salt Lake City	13.6	1. 32.8	2. 24.7	3. 20.1	9. 7.5	5. 8.4	11. 6.3	4. 19.5	8. 8.0	17. 2.3	7. 13.2	22. 1.2	13. 4.0	9. 7.5	6. 13.8
San Jose	12.3	1. 26.6	2. 21.9	10. 8.6	7. 12.2	5. 15.1	6. 14.0	4. 15.8	9. 10.8	8. 11.5	11. 4.3	—	13. 5.0	11. 6.8	3. 17.3
Seattle	13.5	1. 15.9	3. 8.3	2. 10.1	10. 3.6	4. 7.3	8. 4.6	5. 7.1	5. 7.1	13. 2.7	9. 4.1	19. 1.2	12. 3.1	11. 3.2	7. 6.7
St. Paul	13.2	1. 45.4	3. 21.2	2. 25.5	—	4. 16.1	6. 12.7	5. 15.3	—	11. 4.7	10. 6.5	9. 7.4	—	11. 4.7	—
Washington, D.C.	14.8	1. 43.5	2. 25.1	4. 18.5	—	6. 15.3	7. 9.7	3. 20.2	8. 8.4	5. 17.5	12. 4.0	9. 8.0	13. 3.8	11. 4.5	—
Wichita	11.3	1. 31.8	2. 27.1	4. 15.4	10. 5.6	6. 11.7	5. 13.6	3. 17.3	8. 7.9	10. 5.6	7. 8.9	—	11. 3.7	13. 4.2	—

EARLY RETURNS IN 23-IN. VOTE: The public hasn't had a chance to vote yet, but preliminary returns from dealer precincts indicate that the new 23-in. twin-panel square-corner tube will find favor with TV-buying consumers. And one more set maker—Packard-Bell—came out last week with a couple of 23-in. models.

"In 6 years, I've never seen such enthusiastic response to any TV line as to our new 23-in. sets," a Hoffman spokesman told us last week at the Music Industry Trade Show, the first East Coast showing of the company's new models. He was describing the reactions of distributors & key dealers at the preceding week's unveiling in Las Vegas (Vol. 15: 25). And they put their money where their mouth is, according to consumer products v.p.-gen. mgr. Ray B. Cox, who said Hoffman wrote 2½ times more dollar volume of new orders than at last year's premiere.

Although TV was overshadowed by stereo at the Music Show (see p. 15), a large number of dealers strolled through the displays of manufacturers who did show TV lines—Admiral, Hoffman, Magnavox, Olympic, Philco, RCA. As at the Chicago market (Vol. 15:25), the 23-in. sets (shown by Admiral & Hoffman) and the Philco Safari transistor portable were the big attention-getters.

It won't be 23-skiddoo for the new tube size, most dealers agreed. Although some we talked with felt they couldn't sell it in large quantities at \$40-\$50 more than equivalent-looking 21-in. sets, most agreed it had definite customer-appeal. A typical comment was that of George Wasserman, head of big George's chain in Washington: "Eventually everybody will go to the 23-in. size; right now, there's a question in my mind if the markup is too steep."

In Los Angeles, Packard-Bell showed its new line, again emphasizing the dual 1960 trend to ingenious gimmicks and to fine-furniture styling. Two basic console models, starting at \$400 & \$440 featured 23-in. tubes. High-end sets featured "computer control" dialing in which the channel number is flashed on a control panel as the dial or remote control is switched. The Packard-Bell line also featured the return of doors in its "Decorator" series.

The 23-in. tube is coming to Canada, too. A spokesman for Dominion Electrohome told us at the Music Show that his company will show three 23-in. models as soon as tooling is completed and components are available.

Transistor Radio War: Another manufacturer last week joined Motorola and Olympic in the merchandising of transistor radios, made either wholly or partly in Japan. CBS returned to the radio field, its Columbia phono dept. introducing to distributors 2 pocket sets made by Nippon Columbia, its Japanese affiliate (Vol. 15:21). A 4-transistor model lists at \$29.95 and a 6-transistor unit at \$34.95.

Dealers attending last week's Music Trade Show had strong views on the Japanese merchandise—one way or the other. Higher markups & lower prices were cited as the principal advantages. Some with whom we talked thought other big manufacturers ought to follow Motorola's example and import Japanese parts for U.S. assembly, to overcome the big disadvantage of Japanese sets—lack of a recognizable tradename.

One large dealer told us he was suggesting to manufacturers that they sponsor "dual lines" in the radio field—U.S.- and Japanese-made—recalling Philco's old-time lower-priced Transitone radio line.

Zenith introduced 2 new U.S.-made transistor radios, pointedly calling one model the "Americana" and terming both sets "American quality-crafted."

DEALERS SUM UP '58: The recession of 1958 is clearly reflected in NARDA's 13th annual Cost-of-Doing-Business Survey, just released. The comprehensive analysis of member-dealer operations reveals that the 1958 net operating profit plunged to a new low (1.1% of sales) in the survey's 13-year history, while operating costs soared to a record high (34.4% on net sales).

Compared with bright 1957, gloomy 1958 showed sales off only 2.7%, but profits down a whopping 31.2%. Discount selling, excessive trade-ins, an increase of more than 2 percentage points in 1957's precedent-setting cost-of-operation were high on the list of 1958 operating problems reported by dealers.

Most dealers (81%) however, look for a healthy bounce-back in 1959, foreseeing an average 16% increase in sales. Only 6% anticipate a sales decline (averaging 11%), and 13% of the dealers expect no change.

Stereo equipment & TV were touted by dealers as 1959's place & show best-sellers, running behind laundry equipment. However, reporting on products they plan to spur with special effort, they listed stereo 2nd, hi fi 7th, TV 10th. The No. 1 sales effort will go to freezers.

TV's 10th place in the sales-effort parade may indicate that dealers feel TV does a lot of its own selling. TV looked good in a bad year with its sales increasing to 25.7% of total business vs. 1957's 21.8%—despite lower total TV sales as shown by 1958 industry statistics. Only air conditioning among the other major equipment items showed a 1958 increase over 1957 sales. The TV-radio-phono category represented dealers' prime products last year, accounting for 36.5% of sales, up from 1957's 33.7%.

TV's 1958 sales increase was accompanied by major activity in trade-ins. In 1957, TV trades slumped for the first time to 35% of sales. In 1958, trade-ins rebounded to an all-time high of 56%. Other home equipment which established trade-in highs were refrigerators, washers, and dryers. The complete survey is available from NARDA, 1141 Merchandise Mart, Chicago.

RCA's Big Fall Ad Push: After curtailing its advertising expenditures in 1959's first half, RCA will more than make up for the reduction with a major advertising splash (estimated at close to \$5 million) this fall for its new lines of "Newsmaker" TV sets, radio, and stereo phonos.

The traditional July-August kickoff of the new lines in magazines will be scrapped, adv. & sales prom. mgr. Jack M. Williams told a press meeting in N.Y. last week. To gain "complete flexibility," dealers will initiate the kickoffs at local level, using newspapers & spot media, "when they've got their new stock." Then, early in September, RCA will start rolling at the national level.

Magazine insertions will be "50% greater" than last year. Colorcast TV will also get a large share of the RCA ad dollars, with nearly 70 mins. of color commercials scheduled on NBC-TV's *Bonanza* (which RCA is co-sponsoring), specials in the *Sunday Showcase* series, and Nov. 20 sponsorship of the pre-taped *Moon & Sixpence* starring Laurence Olivier.

"All RCA Victor products will be advertised under the 'Newsmaker' theme to capitalize on our large number of innovations," said Williams, with additional prominence going to "Nipper," the well-known dog trademark.

Also previewed at the N.Y. meeting was a new full-color industrial film, *The Wonderful World of Color*, which gives a backstage look at the preparations for network TV colorcasts along with a discussion of how RCA color works.

Trade Personals: Richard W. Griffiths, ex-Servomechanisms, named gen. sales mgr., Hoffman semiconductor div., succeeding Henry F. Schoemehl who has been promoted to product mktg. dir., for division's Evanston, Ill. plant . . . Russell E. Conley named publications adv. & promotion mgr., RCA (Vol. 15:15) . . . Hal V. Miller, ex-Natl. Scientific Labs, appointed liaison engineer, Packard Bell technical products div.

Robert Tate, ex-Waldorf Instrument Corp., named dir., avionic sales & service div., General Precision Labs . . . Joseph T. Hayes named internal auditor & tax mgr., CBS-Hytron; Everett B. Boise promoted from production types applications engineering supervisor to receiving tubes applications engineering mgr.

John Howzdy, ex-comptroller of ACF electronics, elected treas. of Aeronautical Radio Inc. and subsidiary ARINC Research Corp. . . . L. G. Becker, ex-communications-electronics branch chief, directorate of material programs of the Air Force, named Eastern regional mgr. of Philco's Govt. & industrial div. headquarters, Washington.

James M. Skinner Jr., Philco pres., and Harvey Williams, pres., Philco International, will leave June 27 for a month's tour of Europe, visiting subsidiaries & licensees in England, France, Germany, Italy & Switzerland . . . Charles R. Wilson promoted from Du Mont Labs West Coast div. quality control mgr. to production mgr., West Coast div., Military Electronic Operations.

H. W. (Hank) Shepard, ex-gen. mgr. of NBC's WAMP Pittsburgh, named to new post of RCA color TV market development administrator . . . Donald B. Davis, Klipsch & Assoc. v.p. & USIA's hi-fi consultant, will represent Institute of High Fidelity Mfrs. at U.S. exposition opening July 25 in Moscow . . . John R. Johnson promoted from v.p. to senior v.p., Standard Coil; C. J. Antognoli promoted from Midwest sales mgr. to gen. sales mgr., A. H. (Buzz) Forbes named export & jobber sales mgr.

John S. Hall, ex-Raytheon, named Gabriel electronics div. manufacturing mgr. . . . Robert B. Amdur rejoins Tele-Prompter as systems coordinator for Govt. services, group communications div. Prior to service in the Army Signal Corps, he was in the TelePrompter film service div. . . . Charles III, Washington business mgr. of Page Communications Engineers, appointed to Defense Dept.'s Small Business Industry Committee.

Distributor Notes: Admiral appoints subsidiary Appliance Distributors, Peoria, for central Illinois. Griffin Distributing Co. becomes Admiral distributor in Denver; John Conger, ex-mgr., Denver Admiral, named Griffin sales v.p. . . . John Frawley, ex-Du Mont Labs, named to new post of sales mgr. for Admiral Distributing Corp. branches . . . Hoffman appoints Rock Smith Co., Davenport, Ia., for eastern Iowa, western Illinois, southwestern Wisconsin.

Looking for U.S. dealers for its hi-fi line (Vol. 15:16), Canada's Dominion Electrohome Industries set up a display room last week at New York's Statler-Hilton Hotel and invited all dealers attending the Music Industry Trade Show to come & have a look. Dominion's hi fi stresses quality cabinets. A unique feature of the line is the availability of companion furniture suites matching the hi-fi cabinets—all made by Dominion. The company has test-marketed its hi fi in the U.S. through Campbell's Music Store in Washington, D.C. Prices in the U.S. will be identical with those in Canada—the 13¼% duty plus shipping being counterbalanced by domestic 11% sales & 15% excise taxes. Dominion says it has no plans to export its TV.

Finance

Ampex Corp. reports record sales & earnings for the fiscal year ended April 30. Pres. George Long said sales for the current fiscal year should total about \$60 million, earnings \$3.9 million (\$1.77 a share). For the year ended April 30 (1958 share totals adjusted to reflect 2½-for-1 stock split):

	1959	1958
Sales	\$43,808,807	\$30,115,000
Net income	2,853,000	1,540,000
Earned per share	1.29	84¢
Shares outstanding	2,209,308	1,835,662

General Instrument expects a record sales year in fiscal 1960, chairman Martin H. Benedek told stockholders last week. For the first quarter ended May 31, he said sales should be at least \$12.5 million, topping all records for the period. He said net earnings for the quarter probably will be more than double last year's 6¢ per share. He added that semiconductor shipments & backlog are about triple those of last year. He said the company will continue to seek acquisitions "to broaden its product & profits base." Exec. v.p. Moses Shapiro stated the firm has "no plans at this moment" for a stock split.

Indiana Steel Products Co., Valparaiso, Ind., will merge with General Ceramics Corp., Keasbey, N.J., subject to approval by stockholders. Indiana Steel will issue 190,200 shares in exchange for the outstanding shares of General Ceramics, a privately owned firm. Indiana Steel is a major producer of magnetic materials for the electronics industry. General Ceramics makes ferrite & ceramic products for the electronics & chemical industries.

P. R. Mallory is headed for record profits & sales in 1959 on the basis of results so far—"the best for any 5 consecutive months in the company's history"—according to pres. Joseph E. Cain. For the period, the net profit was \$1,672,000 (\$1.12 a share) on sales of \$35.2 million vs. \$710,000 (44¢) on \$26 million during the same 1958 period. He predicted 1959 sales of \$80 million & at least \$4.1 million (\$2.78 a share) in net profits.

Orr Industries Inc.—new name of magnetic tape-maker ORRadio Industries—had sales of more than \$1 million & net profits of \$41,200 for the first fiscal quarter ended May 31, pres. J. Herbert Orr told stockholders last week. He said the fiscal 1960 sales quota is \$5.8 million, more than double the preceding year's sales, and predicted that profits will approach 50¢ a share, vs. the previous record of 28¢.

"Our radio-TV subsidiary, RKO Teleradio, is far ahead of its 1958 performance," said General Tire pres. William O'Neill last week, reporting record consolidated sales of \$305,339,274 for the 6 months ended May 31 and earnings of \$13,929,809 (\$2.63 per share), greater than any full-year period in the company's history. Comparable 1958 figures are \$202,228,500 and \$3,110,692 (52¢).

Offering of Herold Radio & Electronics 6% convertible subordinate debentures, due 1974, has been oversubscribed. The \$1.5 million offering reached the market through an underwriting group headed by Ira Haupt & Co., Hirsch & Co. and Amos Treat & Co.

Corporation	Common Stock	Dividends	Stk. of
	Period	Amt. Payable	Record
Electronic Comm.	Stk.	50% Aug. 17	July 31
General Dynamics	Q	\$0.50 Aug. 10	July 10
Packard-Bell	Q	.12½ July 25	July 10
Warner Bros.	—	.30 Aug. 5	July 17

Du Mont Labs is probably in the black now—"and I'm sure we will be from now on"—pres. David T. Schultz told the annual meeting last week in Clifton, N.J. He said sales are now at the rate of \$20 million for the year and the company has a \$6 million backlog. After last year's "major surgery," he added, "the patient is now sound & healthy." Military electronics & tube divisions are in the black, but the industrial electronics div. "has some problems." Through May 24, the company has reduced its outstanding debt by \$3.3 million. Military business, said Schultz, will account for more than half of the sales for the rest of the year. He said the Lawrence single-gun color tube, which Du Mont is developing for Paramount, "is ready for the initial stages of production [but] I don't want anybody to think we're planning to go into it."

Reports & comments available: General Telephone, report, Hill, Darlington & Co., 40 Wall St., N.Y. . . . Pacific Mercury Electronics, review, A. C. Allyn & Co., 122 S. La Salle St., Chicago . . . Western Union, analysis, Gerstley, Sunstein & Co., 121 S. Broad St., Philadelphia . . . Beckman Instruments, review in *Investor's Reader*, Merrill, Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. . . . Herold Radio & Electronics, prospectus, Ira Haupt & Co., 111 Broadway, N.Y. . . . Microwave Associates, prospectus, Lehman Bros., 1 William St., N.Y. . . . Instruments for Industry, prospectus, D. A. Lomasney & Co., 39 Broadway, N.Y. . . . Whirlpool, study, Herbert E. Stern & Co., 52 Wall St., N.Y.

COMMON STOCK QUOTATIONS

Week Ending Friday, June 26, 1959

Electronics TV-Radio-Appliances Amusements

NEW YORK STOCK EXCHANGE

1959					1959				
High	Low	Stock	Close	Wk. Chg.	High	Low	Stock	Close	Wk. Chg.
29 1/2	17 1/4	Admiral	23 1/4	+ 1/4	488	385 1/2	IBM	444	+ 8 1/2
39 1/2	29 1/4	AmBosch	34	+ 1/4	45 1/2	28	ITT	38 1/2	+ 1 1/4
29 1/2	20 1/4	AB-PT	27	- 1/4	50 1/2	36 1/2	I-T-E	47 1/2	+ 1 1/4
84 1/2	61 1/4	Ampex	77 1/2	+ 6 1/2	123 1/2	72 1/2	Litton	114 1/2	+ 2 1/4
89	75 1/2	AT&T	79 1/2	+ 3/4	37	27 1/2	Loew's	29 1/2	+ 1/2
46 1/2	32 1/4	Amph-Borg	40	+ 2	48 1/2	36 1/2	Mallory	44 1/2	+ 5/8
36 1/2	23 1/4	Arvin	24	+ 1/4	137 1/2	111 1/2	MplsHill	134 1/2	+ 9
17 1/2	10 1/4	Avco	15 1/4	+ 1/4	130	57 1/2	Motorola	107 1/2	+ 2 1/4
74 1/2	36 1/4	BeckInst	61 1/2	+ 3 1/2	12 1/2	9 1/2	Natl Thea	9 1/2	- 1/4
89	66	Bendix	75	- 1	50 1/2	44	Para.	47 1/2	- 2 1/4
38 1/2	24 1/4	Clevite	34 1/2	- 1/2	36 1/2	21	Philco	30	- 1/4
48 1/2	35	CBS	46 1/2	+ 2 1/2	71	43 1/2	RCA	65 1/2	+ 1 1/4
24 1/2	17	Col Pict	18 1/2	+ 1 1/2	73 1/2	51 1/2	Raytheon	57 1/2	+ 2 1/4
42 1/2	33 1/2	ConsElec	38	+ 3 1/2	10 1/2	8 1/2	Repub Pic	10	+ 1 1/2
47 1/2	33 1/2	ConsElInd	46 1/2	+ 1	45 1/2	26 1/2	Siesler	34 1/2	+ 3 1/2
30 1/2	20 1/4	Cor-Dub	26 1/2	+ 1 1/2	28 1/2	21 1/4	SpryRand	25	- 1/4
136 1/2	89 1/2	Corning	134 1/2	+ 1 1/2	23 1/2	14 1/2	Sid Coil	18 1/2	+ 3
49 1/2	34	Daystrom	40	+ 1 1/4	31 1/2	18	Stan-War	32 1/2	+ 2 1/4
59 1/2	42	Disney	43 1/2	- 1 1/2	52 1/2	42 1/2	StewWarn	51 1/2	+ 2 1/4
69 1/2	48 1/2	EmerElec	61 1/2	- 1 1/2	33 1/2	24 1/2	Storer	29 1/2	+ 1 1/2
26 1/2	13 1/4	EmerRad	18 1/2	- 1/2	13 1/2	9	Telautog	11 1/2	+ 2 1/4
33	12 1/2	Gabriel	24	- 1 1/2	146 1/2	61 1/4	Texinst	150 1/2	+ 16 1/4
42 1/2	34 1/4	GenBrnze	34 1/4	- 1	70 1/4	56 1/4	ThompRW	61 1/2	- 1 1/4
66 1/2	53 1/2	Gen Dyn	55 1/2	+ 1 1/2	54 1/4	34 1/2	Tung-Sol	45 1/2	+ 1 1/4
84 1/2	74 1/2	GE	79 1/2	+ 1 1/2	43 1/2	34 1/2	20th-Fox	35 1/4	- 1/4
38 1/2	16 1/2	GE Inst.	32	+ 2 1/2	32 1/2	24 1/2	UA	30 1/2	+ 1 1/4
45 1/2	31 1/2	GPE	41 1/4	+ 1 1/4	47 1/2	24 1/2	WarnBrs	44 1/2	- 1 1/4
73 1/2	60	Gen Tel	69 1/2	+ 3 1/2	97 1/2	70 1/2	Westhse	92	+ 3/4
83	44 1/2	Gen Tire	76 1/2	+ 5 1/2	136 1/2	92 1/2	Zenith	125	- 2 1/4
37	28 1/2	Hoffman	34 1/2	+ 2 1/2					

AMERICAN STOCK EXCHANGE

1959					1959				
High	Low	Stock	Close	Wk. Chg.	High	Low	Stock	Close	Wk. Chg.
5 1/2	3 1/4	Allied Art.	5	+ 3/4	12 1/2	5 1/2	HerdRad	8 1/2	+ 1 1/2
65 1/2	36 1/4	Allied Con	52 1/2	+ 1 1/4	22 1/2	7	IntRes	17 1/2	- 1 1/4
19 1/2	11 1/4	AmElec	16 1/2	+ 1 1/2	19 1/4	9 1/2	Lear	14	- 1 1/2
26 1/2	15 1/4	AudioDev.	19 1/2	- 1	2 1/2	1 1/2	MuntzTV	2 1/4	+ 1 1/2
22 1/2	10 1/2	Belock	18	+ 1 1/2	12	5 1/2	Muter	9 1/2	+ 3/4
10 1/4	4	Clarostat.	8 1/2	+ 1	4 1/2	2 1/2	NatUnion	3 1/2	- 1 1/2
9 1/2	6	DuMont	8	- 1 1/2	48 1/2	23 1/2	PhilipsEL	43 1/2	+ 3/4
12 1/2	4 1/2	DynamAm	9 1/2	- 1 1/2	43 1/2	14 1/2	ServoCp	30 1/2	+ 2
44 1/2	28 1/2	Elec Com.	32 1/2	- 6 1/4	18 1/4	9	Svomech	13 1/2	- 1/2
16 1/2	9 1/2	Elec Cp.	11 1/2	+ 1 1/4	10 1/2	5 1/2	Skiatron	6 1/4	- 1 1/2
2 1/4	1	†El-Tron	1 1/4	-	17 1/2	9 1/2	Sonotone	14 1/2	- 5/8
155	50 1/2	FairchCam	155	+ 23	9 1/2	6 1/2	Techclr	7 1/2	+ 1 1/2
88 1/4	49	Gen Trans	75 1/2	+ 4 1/2	22 1/2	9	Telepromp	17 1/2	+ 1 1/4
27 1/2	20 1/4	Globe Un.	25 1/2	- 1 1/2	7 1/2	4 1/2	TeleInd	5	- 1 1/4
3	1 1/2	GuildFlm	2 1/2	- 1/4	14 1/2	7	TransLux	12 1/2	+ 3/4
75	54 1/2	Hazeltine	62	- 1 1/2	19 1/2	6 1/2	Victoreen	13 1/2	+ 5/8

OVER THE COUNTER AND OTHER EXCHANGES

The following quotations, obtained from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Advance Ind	2 1/2	3	Maxson (W.L.)	12	13 1/2
Aerovox	9 1/2	10 3/4	Meredith Pub.	35 1/2	38 1/4
AMP Inc.	37	39 1/4	Metropolitan Bestg.	17 1/2	18 1/2
Baird Atomic	13 1/2	15	Microwave Associates	21 1/2	23 1/4
British Ind	30	33	National Co.	27 1/2	29 1/4
Capital Cities TV	8 1/2	9 1/2	Official Films	1-3/16	1 1/4
Cinerama Prod.	2	2 1/2	Orr Industries	32 1/4	34 1/2
Collins Radio	33	35 1/2	Pacific Mercury	12	13 1/2
Cook Elec.	41	44 1/2	Packard-Bell	41 1/2	43 1/2
Craig Systems	10	10 1/2	Panellit	5	6 1/2
Eitel-McCullough	40 1/2	43 1/2	Perkin-Elmer	48 1/2	51 1/2
Electronic Assoc.	38	42	Phillips Lamp	83 1/4	86 1/2
Erle Resistor	8 1/2	9 1/2	Reeves Soundcraft	9 1/2	10 1/2
Giannini, G. M.	29	30 1/2	Sprague Electric	51	54 1/2
G-L Electronics	11 1/4	12 1/2	Tele-Broadcasters	1	1 1/2
Granco Products	4 1/2	4 3/4	Telechrome	18 1/2	21
Gross Telecasting	23 1/2	25	Telecomputing	10 1/2	11 1/2
Hewlett-Packard	40 1/2	43 1/2	Time Inc.	65	68 1/2
Hycor	2 1/2	3 1/4	Topp Ind.	12 1/2	14
Jertold	6 1/2	7 1/4	Tracerlab	9 1/4	10 1/4
Leeds & Northrup	33 1/4	35 1/2	United Artists	9 1/2	10 1/4
Ling-Altec	23 1/2	25 1/2	Wells-Gardner	16 1/2	17 1/4
Machlett Labs	25 1/4	27 1/4	Wometco Ent.	10 1/2	11 1/2
Magna Theater	2 1/4	2 1/2			

Where a stock dividend or split amounting to more than 25% has been paid, the year's high-low range is shown for the new stock only.

* When issued.

† In bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.

- No change during week.

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